



JPB Board of Directors
Meeting of January 7, 2021

Correspondence as of January 7, 2021

Subject

- 1 University Ave Beige Pole Color
- 2 Attachment Correction Re: Caltrain Board meeting item 12.a 5-year TASI contract extension

From: CalMod@caltrain.com
To: Martin J Sommer
Cc: [Board \(@caltrain.com\)](mailto:Board (@caltrain.com)); city.council@cityofpaloalto.org; Pat Burt; CalMod@caltrain.com
Subject: RE: University Ave Beige Pole Color
Date: Wednesday, January 6, 2021 4:23:15 PM

Hi Mr. Sommer,

Thanks again for your message. Unfortunately, the pole cannot be repainted a different color or replaced after installation. As mentioned previously, we worked with the City through both the Historic Resources Board(HRB) and Architectural Review Board (ARB) in January 2019 to select the pole colors at the three station areas in Palo Alto. At the ARB/HRB meeting we provided photo simulations and paint chips to help inform their recommendation.

I would be happy to discuss this more on the phone if you would like. If so, please let me know a few times that would work for you.

Best,

Brent Tietjen, Government and Community Relations Officer

SamTrans | Caltrain | TA
1250 San Carlos Ave.
San Carlos, CA 94070-1306
tietjenb@samtrans.com

From: Martin J Sommer [mailto:martin@sommer.net]
Sent: Tuesday, December 22, 2020 7:49 PM
To: CalMod@caltrain.com
Cc: [Board \(@caltrain.com\)](mailto:Board (@caltrain.com)) <BoardCaltrain@samtrans.com>; city.council@cityofpaloalto.org; Pat Burt <pat@patburt.org>
Subject: Re: University Ave Beige Pole Color

+cc: Pat Bert

Brent, please take a look at the attached photo. I don't think this is what the City, nor the design engineers, had in mind.

Please tell me, how I can help correct this situation.

Thank you,
Martin

On 11/25/20 10:05 AM, martin@sommer.net wrote:

Hi Brent,

Perhaps your new funding source obtained on Nov 3rd can help this situation. Can

you please look into this, and let me know? The visual impacts you are creating, are not good.

Thank you,

Martin

--

Martin Sommer

650-346-5307

martin@sommer.net

<http://www.linkedin.com/in/martinsommer>

"Turn technical vision into reality."

On 2020-11-25 09:50, CalMod@caltrain.com wrote:

||

Hi Martin,

Unfortunately, the project budget does not accommodate camouflaging of the poles. Caltrain worked with Cities and regulatory agencies to mitigate the impacts of the infrastructure through the Project's [Environmental Impact Report](#) in 2014.

Thanks,

Brent Tietjen, Government and Community Relations Officer

SamTrans | Caltrain | TA

1250 San Carlos Ave.

San Carlos, CA 94070-1306

tietjenb@samtrans.com

From: martin@sommer.net [mailto:martin@sommer.net]

Sent: Friday, November 13, 2020 1:55 PM

To: CalMod@caltrain.com

Cc: Board (@caltrain.com) <BoardCaltrain@samtrans.com>;
city.council@cityofpaloalto.org

Subject: Re: University Ave Beige Pole Color

Thanks Brent,

What about the idea of camouflaging the upper part of the poles, similar to what is done with cell towers? For some reason, these poles have been created with an extremely hard industrial look. This is nothing like, the esthetics put into other electrified rails systems throughout the world.

Martin

--

Martin Sommer
650-346-5307
martin@sommer.net
<http://www.linkedin.com/in/martinsommer>

"Turn technical vision into reality."

On 2020-11-13 10:09, CalMod@caltrain.com wrote:

||

Hi Martin,

Thank you again for contacting Caltrain on this question. As Jim previously mentioned, the selection of the pole color was done in coordination with the City of Palo Alto and the Historic Resources Board and Architectural Review Board in 2019. These color selections are final and poles cannot be replaced or painted a different color after installation.

Thanks,

Brent Tietjen, Government and Community Relations Officer

SamTrans | Caltrain | TA

1250 San Carlos Ave.

San Carlos, CA 94070-1306

tietjenb@samtrans.com

From: martin@sommer.net [<mailto:martin@sommer.net>]

Sent: Friday, November 6, 2020 10:20 AM

To: CalMod@caltrain.com; Board (@caltrain.com) <BoardCaltrain@samtrans.com>

Cc: city.council@cityofpaloalto.org

Subject: Re: University Ave Beige Pole Color

Dear Caltrain Board,

The more beige poles that go up at University Ave station, the more unsightly it becomes. At ground level, you might think the beige color matches the station, but from the view of local buildings, you are completely destroying the view of our Santa Cruz Mountains, and local green vegetation on Stanford campus.

Can you please look into a way to fix this? Perhaps, painting any height above 10 feet, to be the standard forest green? Telecom poles can be camouflaged, the same applies here.

Please look in to it, and let me know some options.

Thank you,

Martin

--

Martin Sommer
650-346-5307
martin@sommer.net
<http://www.linkedin.com/in/martinsommer>

"Turn technical vision into reality."

On 2020-09-30 12:05, calmod@caltrain.com wrote:

|

Dear Martin,

Thank you for contacting Caltrain Electrification. The selection of the beige color was done in coordination with the City of Palo Alto and is a common color for poles located near stations. Most poles are a neutral chrome color along the project area but in some cases, such as near stations, Caltrain staff worked with local cities to identify pole colors that aligned with certain station areas. Once the poles have been procured and placed, we are not able to change the colors of those poles.

Thank you again for reaching out to us.

Best,

The Caltrain Team

On 2020-09-25T10:17:50-07:00, Martin J Sommer
<martin@sommer.net> wrote:

Good morning,

Please see the attached picture, of a beige pole placed last night.

This creates a real eye sore!!

Questions: 1) Why are you using a beige color vs the std forest green (that blends with the trees), and 2) can these beige poles please be painted forest green, before electrification occurs?

I know that this is a "big ask".

Thank you,

Martin

--

Martin Sommer
650-346-5307

martin@sommer.net

<<mailto:martin@sommer.net>>www.linkedin.com/in/martinsommer

<<http://www.linkedin.com/in/martinsommer>>

"Turn technical vision into reality."

--

Martin Sommer
650-346-5307

martin@sommer.net

www.linkedin.com/in/martinsommer

"Turn technical vision into reality."

From: [Roland Lebrun](#)
To: [Board \(@caltrain.com\)](#)
Cc: [SFCTA Board Secretary](#); [VTA Board Secretary](#); [MTC Info](#); [CHSRA Board](#); [cacsecretary \[@caltrain.com\]](#); [Caltrain, Bac \(@caltrain.com\)](#); [SFCTA CAC](#)
Subject: Re: Caltrain Board meeting item 12.a 5-year TASI contract extension
Date: Wednesday, January 6, 2021 5:31:11 PM
Attachments: [2011+Caltrain+TASI+Agreement.pdf](#)
[Stadler - EMU Maint Price Prop - 3-10-16.pdf](#)

Dear Chair Pine,

Please accept my apologies for attaching the wrong document to my earlier email. The attached document is the Stadler price proposal for maintaining the EMUs and the remaining diesel trainsets.

Sincerely,

Roland Lebrun

From: Roland Lebrun
Sent: Wednesday, January 6, 2021 5:11 AM
To: Caltrain Board <board@caltrain.com>
Cc: SFCTA Board Secretary <clerk@sfcta.org>; VTA Board Secretary <board.secretary@vta.org>; MTC Info <info@bayareametro.gov>; CHSRA Board <boardmembers@hsr.ca.gov>; Caltrain CAC Secretary <cacsecretary@caltrain.com>; Caltrain BAC <bac@caltrain.com>; SFCTA CAC <cac@sfcta.org>
Subject: Caltrain Board meeting item 12.a 5-year TASI contract extension

Dear Chair Pine and Board members,

Further to Ms. Bouchard's March 2017 letter to TASI (attached) which ignored the September 1 2011 Board resolution to award a 5-year contract followed by five one-year extensions, please modify the current staff recommendation for a third 5-year contract extension to five one-year extensions for the following reasons:

- 1) It is unclear why SamTrans are proposing a \$1/2B+ 5-year (100% of Measure RR!) **single-source bundled evergreen contract** extension to 2027 given that the JPB is currently engaging Howard Permutt on recommendations for a new governance structure.
- 2) **The execution of this contract extension should be the responsibility of the new administration, not SamTrans.**
- 3) **The next administration's top priority should be to unbundle this evergreen contract**, starting with establishing specific cost ranges for the following categories:

- **Administration/Safety**

Why should Caltrain have to pay for Administration twice (SamTrans and TASI)?

What are the opportunities for streamlining/consolidation including bringing this function in-house under the new administration?

- Operations

Why is SamTrans proposing to bundle rail and train operations?

While there is sufficient overlap between rail operations and Maintenance of Way to justify awarding a bundled rail O&M contract to TASI or some other entity, it is unclear why train operations should be bundled with the same contract when ACE, Capitol Corridor and Metrolink operate primarily as UPRR and/or BNSF tenants (they do not own the rails they operate on).

Of more serious concern, **train operations should be a net source of revenue** (trackage rights, rolling stock availability payments/leasing to a Train Operating Company (TOC), etc.) **not an operating expense.**

As an example, the JPB was approached by a private company in 2015 but **this unsolicited proposal was never referred to the Board for consideration:**

. Verbal presentation to the LPMG: “***Finance and operate trains at a significantly lower cost***”: <https://www.youtube.com/watch?t=5463&v=3TNFWZrzUw4>

. Promotional video: <https://youtu.be/BTYUBsu6KQg>

. CNBC interview: “***We can bring new trains in two years (2018) to run on freight infrastructure or public railroads***” <https://www.cnbc.com/video/2015/06/03/czech-company-to-bring-euro-style-trains-to-us.html>

. Testimonials (**Stanford and others**):
<https://leoexpress-california.herokuapp.com/#testimonials>.

Last but not least, **private operators are always incentivized to increase revenues (profits) through increased ridership, not increased fares** and could provide valuable input on schedules and train configurations (Leo Express' fleet includes five Stadler FLIRT EMUs financed with private capital). **A private operator would also never settle for a less than a 100% ticket checking target** vs the SamTrans/TASI 50% proposal.

- Maintenance of Equipment

Once again, why is rolling stock maintenance bundled into a single contract when the optimal solution is to entrust maintenance to the manufacturer (**superior service AT A LOWER COST**)? Specifically, **why did SamTrans staff ignore the Stadler proposal included with their response to the EMU RFP** (attached)?

Please refer the above proposals to Howard Permutt for further analysis and eventual recommendation to the Board on how to proceed with this contract.

Thank You.

Roland Lebrun.

CC

SFCTA Commissioners

VTA Board of Directors

MTC Commissioners

CHSRA Board of Directors

Caltrain CAC

Caltrain BAC

SFCTA CAC

VTA CAC



BOARD OF DIRECTORS 2017

JOSÉ CISNEROS, CHAIR
JEFF GEE, VICE CHAIR
JEANNIE BRUINS
DEVORA "DEV" DAVIS
ROSE GUILBAULT
DAVE PINE
JOÉL RAMOS
KEN YEAGER

JIM HARTNETT
EXECUTIVE DIRECTOR

March 16, 2017

C. Scott Perry, President
TransitAmerica Services, Inc.
600 S. Riverside Road
St. Joseph, MO 64507

**Subject: Side Letter to Amendment No. 4 to Rail Operations Agreement
between TASI and JPB**

Dear Scott:

The Peninsula Corridor Joint Powers Board ("JPB") is pleased to have reached agreement with TransitAmerica Services, Inc. ("TASI") on the amendment by which the JPB has exercised the five one year option terms to extend the Agreement for the Provision of Rail Operations, Maintenance, and Support Services for Caltrain. The next five years will present new opportunities to change, expand and enhance the Peninsula Commute Services provided under the Agreement. In conjunction with the JPB and TASI executing the Amendment to extend the Agreement, this letter describes these opportunities and expresses the commitment of the parties to address them during the 5-year extension period under the Agreement.

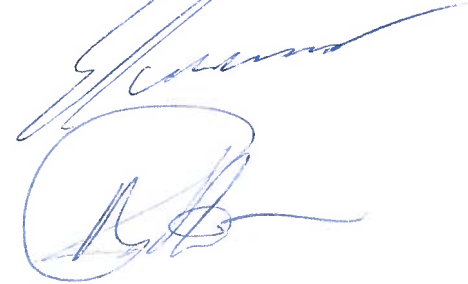
1. TASI will provide construction support services for the Peninsula Corridor Electrification Project under terms that provide for the hiring of adequate support staff for the duration of this project in a manner that minimizes 13c exposure.
2. TASI will take on the responsibility of office traction power system supervision also known as power direction, which positions will be located in the Caltrain control center.
3. JPB will work with TASI over the coming year to determine TASI's competence and capability to safely and efficiently perform the maintenance of the traction power system with the intention of offering TASI this work if satisfactory demonstration is made in this regard.
4. TASI will assume the maintenance of elements of the PTC system as agreed to by JPB and TASI. It is anticipated this work will include basic inspection, maintenance and troubleshooting, among other things.
5. It is anticipated that opportunities for maintenance of way work as well as construction support services will arise in the next 5 years related to the California High Speed Rail Authority Blended System Project.

In addition to the items listed above, the JPB will explore opportunities for Herzog Technologies (a) to assist the JPB with its Lick to Gilroy Positive Train Control ("PTC") project and (2) to provide secondary support services related to back office, configuration management or

MAINTENANCE OPTION PRICE FORMS

Price Evaluation Form (PEF)		
Line #	Item	Amount
1	Base Bid (from Base Bid TOTAL in sheet "Base Bid")	\$ -
2	Option Cars (from Option Cars TOTAL in sheet "Option Cars")	\$ -
3	Option MSA1 including Year 0 (from Option MSA1 in sheet "Maintenance Option Summary")	\$ 121'293'577
4	Option MSA2 (from Option MSA2 in sheet "Maintenance Option Summary")	\$ 90'487'737
5	Option MSA3 from Option MSA3 in sheet "Maintenance Option Summary")	\$ 84'478'104
6	PEF Evaluated TOTAL	\$ 296'259'417

1/3/2016



Maintenance Option Summary				
Item	Qty	Description	Unit	Amount \$
1	1	Option MSA1 (Year 0 - Year 5)	Lump Sum	\$ 121'293'577
2	1	Option MSA2 (Year 6 - Year 10)	Lump Sum	\$ 90'487'737
3	1	Option MSA3 (Year 11 - Year 15)	Lump Sum	\$ 84'478'104
4			TOTAL	\$ 296'259'417



MAINTENANCE SERVICES COST PROPOSAL REFERENCE

GENERAL REQUIREMENTS

1	All cost data shall be quoted in U.S. Dollars and stated for year of expenditure assuming mobilization occurs in the third and fourth quarter of Fiscal Year 2018 with Year One starting in Fiscal Year 2019. Use Assumptions worksheet to provide references to appropriate indices and factors. Labor rates for Work Directives shall be stated for Year One activities and will be escalated in accordance with the Agreement.
2	Unless otherwise specified, maintenance pricing for EMUs shall be based on configuration and specifications of the EMU Procurement's Base Bid.
3	Where requested, G&A should be stated both as a percent of overall costs and as a dollar figure.
4	The Proposers will be solely responsible for the correctness and validity of all equations and links. Proposers must ensure that all numbers reflect the Proposer's price.
5	During the mobilization period the Contractor will be reimbursed its actual Direct Costs incurred in connection with the activities required for the Basic Service Plan. The Proposer is responsible for determining what mobilization costs, if any, will be billed to JPB for mobilizing, training and familiarizing employees with JPB to ensure a seamless transition and continuation of services. Mobilization will be included in the overall proposal price for cost evaluation purposes. Proposer shall also state a reasonable Fixed Fee payable upon successful completion of the Mobilization period. The Fixed Fee will be negotiated by the Parties prior to execution of the Agreement.
6	The Proposer shall detail direct costs based on the various cost categories included in the Basic Service Plan for each year of the Agreement and for each option provided. Proposers shall provide a unit price for each of the cost categories provided. All materials, including consumables, spare parts, and other items required for the maintenance of the building, rolling stock, or shop equipment, will be purchased by the Contractor but reimbursed at cost by the JPB. Do not include any costs for such items in the Price Forms.
7	Additional Charges under the Basic Service Plan shall include General and Administrative Overhead Costs and a Performance Bond. General and Administrative Overhead Costs shall be stated both as a dollar amount and as a percentage of a total direct cost (i.e. wages and fringes, plus materials , purchased services, and other). The percentage for G&A Overhead shall be stated as a constant for the entire duration of the Agreement.
8	The Basic Service Plan costs shall be inclusive of all elements of the Contractor's Maintenance Service Plan including, but not limited to, Life Cycle Maintenance and State of Good Repair requirements as detailed in the Maintenance Scope of Services.
9	Work Directives will be negotiated as Additional Services as needed and, where possible, incorporated into the Maximum Annual Payment each year during the Annual Budget Process. The Contractor will be paid actual and verified direct costs including labor and materials , General and Administrative Overhead Costs, and a negotiated Fixed Fee.
10	The Additional Services are included for purposes of evaluation and are not commitments of additional work. Any additional services will be issued through Work Directives as defined in the Scope of Work. The Proposer shall price the incremental impacts of providing the additional services including all Direct Costs, General and Administrative Overhead Costs, and a proposed Fixed Fee.
12	For Additional Services, General and Administrative costs and Fixed Fee shall be stated both as a dollar amount and as a percentage of total costs (i.e. wages and fringes, plus materials , purchased services, equipment, and other). The percentage for G&A Overhead costs shall be stated as constant for the entire duration of the Agreement. The Fixed Fee percentage shall be stated as a maximum; however, the Fixed Fee percentage shall be negotiated for each Work Directive up to the maximum percentage.
13	Not used
14	Proposers are reminded that labor rates provided must include prevailing wage rates as applicable. The Proposer shall use the Work Directives Form to define all labor categories for additional work anticipated under this Agreement. The Proposer shall insert additional row(s) as needed.
15	Proposer shall use each Maintenance Assumptions worksheet to catalog supporting documentation which details individual components, fees, and services that provide further breakdown of the line items priced on the cost forms.
16	The Proposer shall attach all necessary supplemental information to allow JPB to conduct an appropriate review and analysis of the proposal. Any attachments shall supplement the price forms and shall fully disclose the Proposer's estimating process. This shall include appropriate breakdowns of the direct costs included in price forms such as any judgmental factors used to prepare the proposal, any contingencies used by the Proposer in its proposed price, any material handling additives, the Contractor's assumed inflationary factors, and the calculations for General & Administrative Overhead Costs.

DEFINITIONS

Direct Costs	See Attachment A to Volume 8.3
General and Administrative Overhead Costs	See Attachment A to Volume 8.3
Performance Fee	While not part of the cost evaluation process, the Proposer's profit from the Basic Service Plan will be paid through the Performance Fee. Once negotiated and accepted by JPB, the Performance Fee will determine the maximum amount to be paid to the Contractor provided the Contractor receives a 100% performance score. The Performance Fee is earned quarterly based on the successful implementation of the terms of the Contract and performance based on measurable criteria of importance to the JPB. The percent of quarterly Performance Fee payment is directly correlated to Contractor performance.

Maintenance Services Annual Cost Summary				
		MSA1	MSA2	MSA3
Line	Mobilization, Transition, and Start-Up Costs			
1	Subtotal Mobilization	\$ 2'758'812.76		
Basic Service Plan				
2	Year One	\$ 22'935'938.50	\$ 21'998'054.06	\$ 15'988'420.70
3	Year Two	\$ 22'935'938.50	\$ 15'988'420.70	\$ 15'988'420.70
4	Year Three	\$ 24'130'778.90	\$ 15'988'420.70	\$ 15'988'420.70
5	Year Four	\$ 21'998'054.06	\$ 15'988'420.70	\$ 15'988'420.70
6	Year Five	\$ 21'998'054.06	\$ 15'988'420.70	\$ 15'988'420.70
	Subtotal Basic Service Plan	\$ 113'998'764.00	\$ 85'951'736.87	\$ 79'942'103.52
Additional Services				
7	Year One	\$ 907'200.00	\$ 907'200.00	\$ 907'200.00
8	Year Two	\$ 907'200.00	\$ 907'200.00	\$ 907'200.00
9	Year Three	\$ 907'200.00	\$ 907'200.00	\$ 907'200.00
10	Year Four	\$ 907'200.00	\$ 907'200.00	\$ 907'200.00
11	Year Five	\$ 907'200.00	\$ 907'200.00	\$ 907'200.00
	Subtotal Additional Services	\$ 4'536'000.00	\$ 4'536'000.00	\$ 4'536'000.00
TOTAL (Enter Total into Maintenance Option Summary: Lines 1, 2 & 3)		\$ 121'293'576.77	\$ 90'487'736.87	\$ 84'478'103.52

MSA1 Mobilization Costs				
	Quantity	Fully Loaded Salary (Hourly Rate, \$)	Hours	Total
Salaries/Wages				
Management	1	\$ 93.31	9896	\$ 923'395.76
Non-Management	1	\$ 70.00	1000	\$ 70'000.00
1A. Salaries/Wages Subtotal				\$ 993'395.76
Other Direct Costs				
Per Diem	1014	\$ 295.99	1	\$ 300'133.86
Travel and Transportation	79	\$ 1'316.46	1	\$ 104'000.34
Office Furniture/Equipment/Supplies	1	\$ 114'100.00	1	\$ 114'100.00
Utilities/Permits	12	\$ 1'000.00	1	\$ 12'000.00
Small Tools/Shop Supplies	1	\$ 129'000.00	1	\$ 129'000.00
Employee Uniforms	100	\$ 150.00	1	\$ 15'000.00
Employee Medical Exams	100	\$ 150.00	1	\$ 15'000.00
Employee Relocation	5	\$ 40'000.00	1	\$ 200'000.00
Employee Training/Certification	100	\$ 49.24	27	\$ 132'948.00
Facility Expenses and Rentals	6	\$ 3'800.00	1	\$ 22'800.00
Information System Development	1	\$ 70.00	1500	\$ 105'000.00
Other	6	\$ 4'250.00	1	\$ 25'500.00
1B. Other Direct Costs Subtotal				\$ 1'175'482.20
1	Total Direct Costs (1A + 1B)			\$ 2'168'877.96
2	General and Administrative Overhead (Total Direct Costs x ___%)		20%	\$ 433'775.59
3	Mobilization Fee			\$ 156'159.21
Grand Total Mobilization Costs (1+2+3) (Enter in Line 1 on sheet "MSA Annual Cost Summary")				\$ 2'758'812.76

Additional Services MSA1												
	No. of Units	Units	Year One		Year Two		Year Three		Year Four		Year Five	
			Cost Per Unit	Subtotal	Cost Per Unit	Subtotal	Cost Per Unit	Subtotal	Cost Per Unit	Subtotal	Cost Per Unit	Subtotal
Additional Potential Services - Incremental Direct Costs												
Incremental Maintenance/Repair Costs - Special Trains, Expanded Services	1000	Train Hour	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00
Non-revenue equipment	250	Man Hour	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00
Incremental Costs to Support and Store Out of Service Fleet	8	Locomotive	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00
Additional Potential Services Incremental Subtotal				\$ 720'000.00		\$ 720'000.00		\$ 720'000.00		\$ 720'000.00		\$ 720'000.00
Additional Charges												
General & Administrative Overhead		20%		\$ 144'000.00		\$ 144'000.00		\$ 144'000.00		\$ 144'000.00		\$ 144'000.00
Maximum Fixed Fee		6%		\$ 43'200.00		\$ 43'200.00		\$ 43'200.00		\$ 43'200.00		\$ 43'200.00
Material-Mark-Up	\$ 100'000.00	0%										
Additional Charges Subtotal				\$ 187'200.00		\$ 187'200.00		\$ 187'200.00		\$ 187'200.00		\$ 187'200.00
ANNUAL TOTAL (Enter in MSA Annual Cost Summary: Lines 7,8,9,10, or 11)				\$ 907'200.00		\$ 907'200.00		\$ 907'200.00		\$ 907'200.00		\$ 907'200.00
Additional Services MSA2												
	No. of Units	Units	Year Six		Year Seven		Year Eight		Year Nine		Year Ten	
			Cost Per Unit	Subtotal	Cost Per Unit	Subtotal	Cost Per Unit	Subtotal	Cost Per Unit	Subtotal	Cost Per Unit	Subtotal
Additional Potential Services - Incremental Direct Costs												
Incremental Maintenance/Repair Costs - Special Trains, Expanded Services	1000	Train Hour	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00
Non-revenue equipment	250	Man Hour	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00
Incremental Costs to Support and Store Out of Service Fleet	8	Locomotive	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00
Additional Potential Services Incremental Subtotal				\$ 720'000.00		\$ 720'000.00		\$ 720'000.00		\$ 720'000.00		\$ 720'000.00
Additional Charges												
General & Administrative Overhead		20%		\$ 144'000.00		\$ 144'000.00		\$ 144'000.00		\$ 144'000.00		\$ 144'000.00
Maximum Fixed Fee		6%		\$ 43'200.00		\$ 43'200.00		\$ 43'200.00		\$ 43'200.00		\$ 43'200.00
Material-Mark-Up	\$ 100'000.00	0%										
Additional Charges Subtotal				\$ 187'200.00		\$ 187'200.00		\$ 187'200.00		\$ 187'200.00		\$ 187'200.00
ANNUAL TOTAL (Enter in MSA Annual Cost Summary: Lines 7,8,9,10, or 11)				\$ 907'200.00		\$ 907'200.00		\$ 907'200.00		\$ 907'200.00		\$ 907'200.00
Additional Services MSA3												
	No. of Units	Units	Year Eleven		Year Twelve		Year Thirteen		Year Fourteen		Year Fifteen	
			Cost Per Unit	Subtotal	Cost Per Unit	Subtotal	Cost Per Unit	Subtotal	Cost Per Unit	Subtotal	Cost Per Unit	Subtotal
Additional Potential Services - Incremental Direct Costs												
Incremental Maintenance/Repair Costs - Special Trains, Expanded Services	1000	Train Hour	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00	\$ 500.00	\$ 500'000.00
Non-revenue equipment	250	Man Hour	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00	\$ 80.00	\$ 20'000.00
Incremental Costs to Support and Store Out of Service Fleet	8	Locomotive	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00	\$ 25'000.00	\$ 200'000.00
Additional Potential Services Incremental Subtotal				\$ 720'000.00		\$ 720'000.00		\$ 720'000.00		\$ 720'000.00		\$ 720'000.00
Additional Charges												
General & Administrative Overhead		20%		\$ 144'000.00		\$ 144'000.00		\$ 144'000.00		\$ 144'000.00		\$ 144'000.00
Maximum Fixed Fee		6%		\$ 43'200.00		\$ 43'200.00		\$ 43'200.00		\$ 43'200.00		\$ 43'200.00
Material-Mark-Up	\$ 100'000.00	0%										
Additional Charges Subtotal				\$ 187'200.00		\$ 187'200.00		\$ 187'200.00		\$ 187'200.00		\$ 187'200.00
ANNUAL TOTAL (Enter in MSA Annual Cost Summary: Lines 7,8,9,10, or 11)				\$ 907'200.00		\$ 907'200.00		\$ 907'200.00		\$ 907'200.00		\$ 907'200.00

RATES FOR WORK DIRECTIVES						
LABOR CATEGORIES (ADDITIONAL CATEGORIES TO BE DEFINED BY PROPOSER)	HOURLY RATE	STRAIGHT TIME SALARY	OVERTIME PERCENT	FRINGE BENEFITS	PAYROLL TAXES	FELA
Mechanical Engineer	\$ 97.77	39.34	150.0%	\$ 10.56	\$ 7.87	\$ 5.22
Maintenance Supervisor	\$ 90.11	35.52	150.0%	\$ 10.56	\$ 7.10	\$ 5.22
Lead Mechanical Technician	\$ 84.65	32.79	150.0%	\$ 10.56	\$ 6.56	\$ 5.22
Maintenance Technician	\$ 75.89	28.42	150.0%	\$ 10.56	\$ 5.68	\$ 5.22
Maintenance Apprentice	\$ 53.99	17.49	150.0%	\$ 10.56	\$ 3.50	\$ 5.22
Electrical Engineer	\$ 97.77	39.34	150.0%	\$ 10.56	\$ 7.87	\$ 5.22
Lead Electrical Technician	\$ 87.93	34.43	150.0%	\$ 10.56	\$ 6.89	\$ 5.22
Electrical Technician	\$ 78.07	29.51	150.0%	\$ 10.56	\$ 5.90	\$ 5.22
Electrical Apprentice	\$ 57.27	19.13	150.0%	\$ 10.56	\$ 3.83	\$ 5.22
Material Manager	\$ 73.68	27.32	150.0%	\$ 10.56	\$ 5.46	\$ 5.22
Material Management Assistant	\$ 64.93	22.95	150.0%	\$ 10.56	\$ 4.59	\$ 5.22
Facility Manager	\$ 114.20	47.54	150.0%	\$ 10.56	\$ 9.51	\$ 5.22
Support and Servicing Attendant	\$ 60.56	20.77	150.0%	\$ 10.56	\$ 4.15	\$ 5.22
Clerical Support/Data Entry	\$ 64.93	22.95	150.0%	\$ 10.56	\$ 4.59	\$ 5.22
Managerial Support	\$ 64.93	22.95	150.0%	\$ 10.56	\$ 4.59	\$ 5.22
Carman	\$ 84.22	32.39	150.0%	\$ 10.56	\$ 6.79	\$ 5.22
Clerk	\$ 86.26	33.40	150.0%	\$ 10.56	\$ 7.00	\$ 5.22
Coach Cleaner	\$ 70.56	25.61	150.0%	\$ 10.56	\$ 5.37	\$ 5.22
Electrician	\$ 84.22	32.39	150.0%	\$ 10.56	\$ 6.79	\$ 5.22
Foreman-Mechanical	\$ 96.79	38.63	150.0%	\$ 10.56	\$ 8.09	\$ 5.22
Laborer	\$ 73.54	27.09	150.0%	\$ 10.56	\$ 5.68	\$ 5.22
Universal Technician	\$ 97.73	39.09	150.0%	\$ 10.56	\$ 8.20	\$ 5.22
Machinist	\$ 84.22	32.39	150.0%	\$ 10.56	\$ 6.79	\$ 5.22
Sheet Metal Mechanic	\$ 84.22	32.39	150.0%	\$ 10.56	\$ 6.79	\$ 5.22

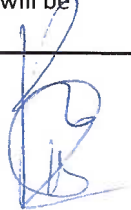
Basic Service Plan MSA1																			
DIRECT COSTS	Units	Year One			Year Two			Year Three			Year Four			Year Five					
		No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal			
Management and Administration	Months	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84			
Materials Management	Months	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96			
Facility Management and Maintenance	Months	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00			
Maintenance and Repair - Locomotives	Locomotives	29	\$ 84,440.07	\$ 2,448,762.03	29	\$ 84,440.07	\$ 2,448,762.03	29	\$ 84,440.07	\$ 2,448,762.03	11	\$ 102,154.34	\$ 1,123,697.74	11	\$ 102,154.34	\$ 1,123,697.74			
Maintenance and Repair - EMU cars	EMU cars	0	\$ -	\$ -	0	\$ -	\$ -	18	\$ 51,199.40	\$ 921,589.20	96	\$ 51,199.40	\$ 4,915,142.40	96	\$ 51,199.40	\$ 4,915,142.40			
Maintenance and Repair - Push-Pull Coach	Coach	98	\$ 87,944.72	\$ 8,618,582.56	98	\$ 87,944.72	\$ 8,618,582.56	98	\$ 87,944.72	\$ 8,618,582.56	52	\$ 100,502.00	\$ 5,226,104.00	52	\$ 100,502.00	\$ 5,226,104.00			
Maintenance and Repair - Push-Pull Cab Car	Cab	38	\$ 67,065.47	\$ 2,548,508.06	38	\$ 67,065.47	\$ 2,548,508.06	38	\$ 67,065.47	\$ 2,548,508.06	15	\$ 98,596.29	\$ 1,478,944.35	15	\$ 98,596.29	\$ 1,478,944.35			
ANNUAL DIRECT COSTS SUBTOTAL				\$ 17,690,658.31			\$ 17,690,658.31			\$ 18,612,247.51			\$ 18,612,247.51			\$ 18,612,247.51			
ADDITIONAL CHARGES																			
General & Administrative Overhead			29%	\$ 5,130,290.91			\$ 5,130,290.91			29%	\$ 5,397,551.78			29%	\$ 4,920,505.73			29%	\$ 4,920,505.73
Performance Bond				\$ 114,989.28			\$ 114,989.28												\$ 110,287.20
ANNUAL ADDITIONAL CHARGES SUBTOTAL				\$ 5,245,280.19			\$ 5,245,280.19			\$ 5,397,551.78			\$ 5,397,551.78			\$ 5,030,792.93			\$ 5,030,792.93
ANNUAL TOTAL (Enter in MSA Annual Cost Summary: Lines 2, 3, 4, 5 or 6)				\$ 22,935,938.50			\$ 22,935,938.50			\$ 24,009,799.29			\$ 24,009,799.29			\$ 23,641,540.43			\$ 23,641,540.43

Basic Service Plan MSA2																			
DIRECT COSTS	Units	Year Six			Year Seven			Year Eight			Year Nine			Year Ten					
		No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal			
Management and Administration	Months	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84			
Materials Management	Months	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96			
Facility Management and Maintenance	Months	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00			
Maintenance and Repair - Locomotives	Locomotives	11	\$ 102,154.34	\$ 1,123,697.74	6	\$ 87,084.25	\$ 522,505.50	6	\$ 87,084.25	\$ 522,505.50	6	\$ 87,084.25	\$ 522,505.50	6	\$ 87,084.25	\$ 522,505.50			
Maintenance and Repair - EMU cars	EMU cars	96	\$ 51,199.40	\$ 4,915,142.40	96	\$ 48,645.39	\$ 4,669,957.44	96	\$ 48,645.39	\$ 4,669,957.44	96	\$ 48,645.39	\$ 4,669,957.44	96	\$ 48,645.39	\$ 4,669,957.44			
Maintenance and Repair - Push-Pull Coach	Coach	52	\$ 100,502.00	\$ 5,226,104.00	30	\$ 97,975.38	\$ 2,939,261.40	30	\$ 97,975.38	\$ 2,939,261.40	30	\$ 97,975.38	\$ 2,939,261.40	30	\$ 97,975.38	\$ 2,939,261.40			
Maintenance and Repair - Push-Pull Cab Car	Cab	15	\$ 98,596.29	\$ 1,478,944.35	6	\$ 109,540.66	\$ 657,243.96	6	\$ 109,540.66	\$ 657,243.96	6	\$ 109,540.66	\$ 657,243.96	6	\$ 109,540.66	\$ 657,243.96			
ANNUAL DIRECT COSTS SUBTOTAL				\$ 16,967,261.13			\$ 12,331,986.66			\$ 12,331,986.66			\$ 12,331,986.66			\$ 12,331,986.66			
ADDITIONAL CHARGES																			
General & Administrative Overhead			29%	\$ 4,920,505.73			\$ 3,576,276.13			29%	\$ 3,576,276.13			29%	\$ 3,576,276.13			29%	\$ 3,576,276.13
Performance Bond				\$ 110,287.20			\$ 80,157.91												\$ 80,157.91
ANNUAL ADDITIONAL CHARGES SUBTOTAL				\$ 5,030,792.93			\$ 3,656,434.04			\$ 3,656,434.04			\$ 3,656,434.04			\$ 3,656,434.04			\$ 3,656,434.04
ANNUAL TOTAL (Enter in MSA Annual Cost Summary: Lines 2, 3, 4, 5 or 6)				\$ 21,998,054.06			\$ 15,988,420.70			\$ 15,988,420.70			\$ 15,988,420.70			\$ 15,988,420.70			\$ 15,988,420.70

Basic Service Plan MSA3																			
DIRECT COSTS	Units	Year Eleven			Year Twelve			Year Thirteen			Year Fourteen			Year Fifteen					
		No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal	No. of Units	Cost Per Unit	Subtotal			
Management and Administration	Months	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84	12	\$ 182,483.07	\$ 2,189,796.84			
Materials Management	Months	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96	12	\$ 75,079.33	\$ 900,951.96			
Facility Management and Maintenance	Months	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00	12	\$ 93,184.00	\$ 1,118,208.00			
Maintenance and Repair - Locomotives	Locomotives	6	\$ 87,084.25	\$ 522,505.50	6	\$ 87,084.25	\$ 522,505.50	6	\$ 87,084.25	\$ 522,505.50	6	\$ 87,084.25	\$ 522,505.50	6	\$ 87,084.25	\$ 522,505.50			
Maintenance and Repair - EMU cars	EMU cars	96	\$ 48,645.39	\$ 4,669,957.44	96	\$ 48,645.39	\$ 4,669,957.44	96	\$ 48,645.39	\$ 4,669,957.44	96	\$ 48,645.39	\$ 4,669,957.44	96	\$ 48,645.39	\$ 4,669,957.44			
Maintenance and Repair - Push-Pull Coach	Coach	30	\$ 97,975.38	\$ 2,939,261.40	30	\$ 97,975.38	\$ 2,939,261.40	30	\$ 97,975.38	\$ 2,939,261.40	30	\$ 97,975.38	\$ 2,939,261.40	30	\$ 97,975.38	\$ 2,939,261.40			
Maintenance and Repair - Push-Pull Cab Car	Cab	6	\$ 109,540.66	\$ 657,243.96	6	\$ 109,540.66	\$ 657,243.96	6	\$ 109,540.66	\$ 657,243.96	6	\$ 109,540.66	\$ 657,243.96	6	\$ 109,540.66	\$ 657,243.96			
ANNUAL DIRECT COSTS SUBTOTAL				\$ 12,331,986.66			\$ 12,331,986.66			\$ 12,331,986.66			\$ 12,331,986.66			\$ 12,331,986.66			
ADDITIONAL CHARGES																			
General & Administrative Overhead			29%	\$ 3,576,276.13			\$ 3,576,276.13			29%	\$ 3,576,276.13			29%	\$ 3,576,276.13			29%	\$ 3,576,276.13
Performance Bond				\$ 80,157.91			\$ 80,157.91												\$ 80,157.91
ANNUAL ADDITIONAL CHARGES SUBTOTAL				\$ 3,656,434.04			\$ 3,656,434.04			\$ 3,656,434.04			\$ 3,656,434.04			\$ 3,656,434.04			\$ 3,656,434.04
ANNUAL TOTAL (Enter in MSA Annual Cost Summary: Lines 2, 3, 4, 5 or 6)				\$ 15,988,420.70			\$ 15,988,420.70			\$ 15,988,420.70			\$ 15,988,420.70			\$ 15,988,420.70			\$ 15,988,420.70

Maintenance Price Assumptions (use additional worksheets as necessary)

Our understanding of the RFP is, that the Basic Service Plan does not require any universal technicians.
Our understanding of the RFP is, that the current staffing and procedures are sufficient to provide the cleaning services according to the contract. Based on our experience, we see significant quality improvement potential with the existing fleet but also an optimized cleaning process with the new fleet of EMUs
Our understanding of the RFP is, that the number of diesel trainsets in daily revenue service from year 7 onwards is 3 (5 trainsets - 1 hot standby and 1 for maintenance).
Our understanding of the RFP is, that all material costs will be reimbursed by JPB.
Our understanding of the RFP is, that overhaul activities are not part of the Basic Service Plan.
Our understanding of the RFP is, that the quantities and rates of existing staff, submitted per Addendum #5 will be the starting position for Year 1 of the MSA.
Our understanding of the RFP is, that any quality improvements and efficiency gains that can be realized leading to a possible reduction of the work demand will result in a JPB directive to do so. JPB would therefore support Stadler and Railplan in the negotiations with the unions, any cost associated with workforce optimization will be carried as additional indirect costs in the annual budget.
We understand that the RFP defines the workload for the Facility management with 1 Manager, 3 Janitors, 4 Technicians. Relevant specialist services, such as recalibration of the underfloor wheel lathe will be purchased for a specialized company outside of the scope of services of Stadler/Railplan.
For the calculation of inflation until NTP, Stadler utilized a 3% ratio based on the information provided in the union agreements. Stadler understands that any updated union agreement until NTP will reflect the JPB intention to bind the salary increase to the California Consumer Price Index. If a significant difference due to prevailing wage and other labor law provisions arises
Our understanding of the RFP is that, although the Material Costs are considered direct costs according to Addendum 9, they are not included in the proposed budget of the Basic Service Agreement respectively the Service Plan. The costs will be reimbursed at cost by JPB.



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Alicia Fraumeni
Senior Contract Officer
Contracts & Procurement Department
Peninsula Corridor Joint Powers Board
1250 San Carlos Avenue
San Carlos, CA 94070-130

Email: EMU@caltrain.com

February 16th, 2016

Stefan Rutishauser
Marketing & Sales Director Stadler Rail
New Markets
Stadler Rail Management AG
Ernst-Stadler-Strasse 1
CH-9565 Bussnang
stefan.rutishauser@stadlerrail.com

**Subject: Procurement of Bi-Level Electric Multiple Units (EMU), RFP
No.: 14-PCJPB-P-056
Maintenance Services Option for New EMUs, Existing Diesel
Rail Vehicles and Facilities**

Dear Mrs Alicia Fraumeni

Stadler Rail U.S., the Prime Contractor, with Stadler Rail AG is pleased to submit our fully compliant Proposal to the Peninsula Corridor Joint Powers Board in response to the Request for Proposal for Maintenance Services Option for New EMUs, Existing Diesel Rail Vehicles and Facilities. Enclosed herein, as required by the RFP, are one (1) original, eleven (11) copies and three (3) USBs containing an electronic copy, of our Proposal. Our proposal is comprised of both technical qualifications, and certifications

which forms the Technical Proposal package and our Price Proposal, provided under separate sealed cover .

This transmittal letter forms part of the Executive Summary attached with this letter and meets the requirements for information as prescribed in the RFP. Stadler Rail U.S. located in . located in 231 North Ave. W. No. 112, Westfield, NJ 07090, commits that our proposal is valid for 180 days from this submission date.

Stadler will perform the maintenance services for the new EMU fleet, and has retained a major subcontractor RailPlan Inc. to bring its significant US service history to ensure the successful maintenance of the existing diesel fleet. The quality, capability and experience of any company can be best displayed by positive customer references. Stadler and RailPlan have worked hard and in close collaboration with their customers to achieve a proven track record – a combined service history of over 35 years providing rail maintenance services. The successful implementation of many rolling stock maintenance projects around the world was possible due to our flat organizations, the “together” and “doing” culture as well as the constant drive to become more efficient and effective. Stadler is confident that its team approach, including RailPlan, will produce a nimble organization best able to effectively and efficiently serve the JPB.

We look forward to having the opportunity to work with you as we sincerely wish to be part of the growth and success of Caltrain. Please contact our Bid Manager, Director of Sales and Marketing - Stefan Rutishauser if you have questions regarding this submission. His contact information is provided herein.

For any questions or clarifications in respect of this proposal, please contact our responsible Proposal Manager and Sales Director Mr. Stefan Rutishauser.

Kind regards



Martin Ritter
CEO and President
Stadler US Inc.

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Stefan Rutishauser
Marketing & Sales Director
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Request for Proposal No. 14-PCJPB-056

Maintenance Services Option

March 10, 2016

STADLER



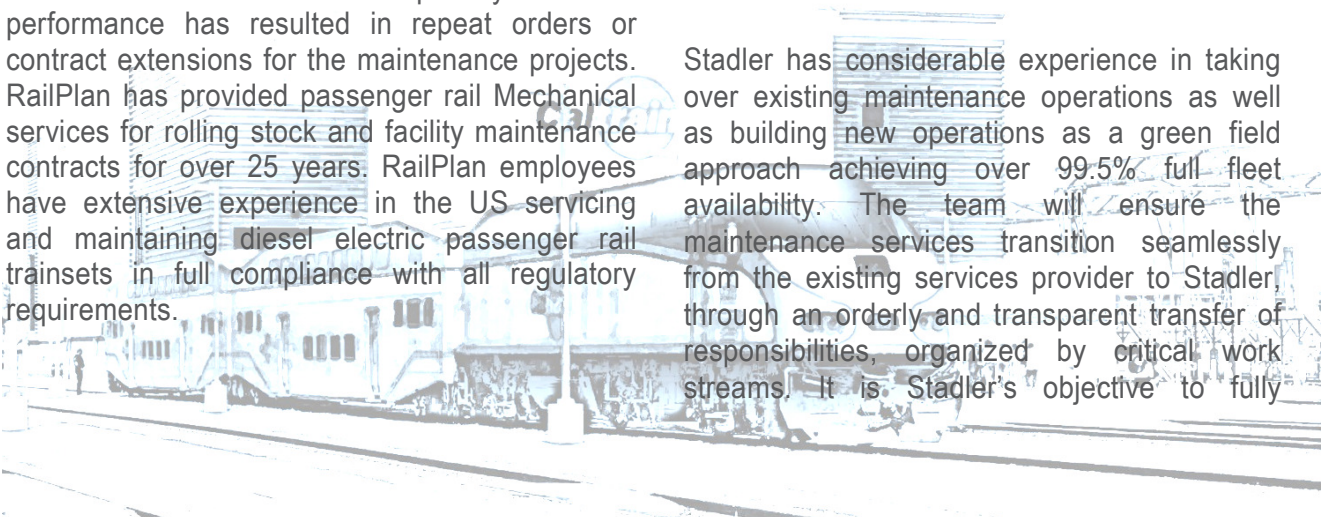


Stadler's service does not end with vehicle delivery, we maintain our rolling stock too, ensuring customers receive the most from their assets. Maintaining high vehicle availability is crucial to enable an efficient and competitive rail operation. With a team of highly skilled services personnel, Stadler has consistently provided its customers with quality support throughout our vehicles' lifetime following the philosophy of safety first and quality always. We will bring this same commitment to Caltrain for the JPB EMU bi-level project.

Stadler US Inc. is the corporate entity responsible for the execution of all US contracts and will be the responsible party for the maintenance services agreement. Stadler US Inc. will utilize the service and experience of Stadler Rail Services, which is responsible for the execution of all maintenance and operations contracts awarded to Stadler. For this contract, Stadler has included a subcontractor, RailPlan International Inc. in order to utilize their strong US experience and knowledge in the maintenance team. Stadler will maintain the new fleet and RailPlan will maintain the diesel-fleet. Both organizations combined have a proven record of accomplishment and will provide optimal services to JPB for the Caltrain operations. Stadler provides maintenance services for over 350 trainsets to 17 railway companies in 14 different countries. Since the first contract over 10 years ago, Stadler has an accumulated experience of over 100 years with the fleets operating for over 72 million trainset miles per year. Our performance has resulted in repeat orders or contract extensions for the maintenance projects. RailPlan has provided passenger rail Mechanical services for rolling stock and facility maintenance contracts for over 25 years. RailPlan employees have extensive experience in the US servicing and maintaining diesel electric passenger rail trainsets in full compliance with all regulatory requirements.

Stadler and RailPlan are natural team partners as they share the same holistic approach to maintenance: preventative maintenance and daily and periodic inspections. A philosophy of staggering preventive and corrective maintenance on the fleet across the periods of predetermined regulatory requirements will allow the team to minimize the time out of service, spares requirements and will result in high availability of the trainsets. Our strategy will focus on minimizing train consist changes and keeping the teams on value-added maintenance activities. To enhance control of the process, we will use our own maintenance management system for planning, tracking and documenting maintenance and any malfunctions that may occur, and performance parameters. The system functions are designed for managing tasks, resources [material, staff and location] in order to efficiently sequence work, optimize stock, and increase overall service life. In addition we will track the vehicles history. Safety training will be the cornerstone of our employee engagement and training program. The safety of our employees, Caltrain riders and staff and the communities within and adjacent to Caltrain service territory and its facilities will be the focus of safety without exception. Stadler is certified and follows the OHSAS 18001 (Occupational Health and Safety Management Systems—Requirements), an internationally applied British Standard. As a part of our mobilization, Stadler will adapt its processes to fully comply with JPB and legislator requirements, as it has done in 14 different countries so far.

Stadler has considerable experience in taking over existing maintenance operations as well as building new operations as a green field approach achieving over 99.5% full fleet availability. The team will ensure the maintenance services transition seamlessly from the existing services provider to Stadler, through an orderly and transparent transfer of responsibilities, organized by critical work streams. It is Stadler's objective to fully

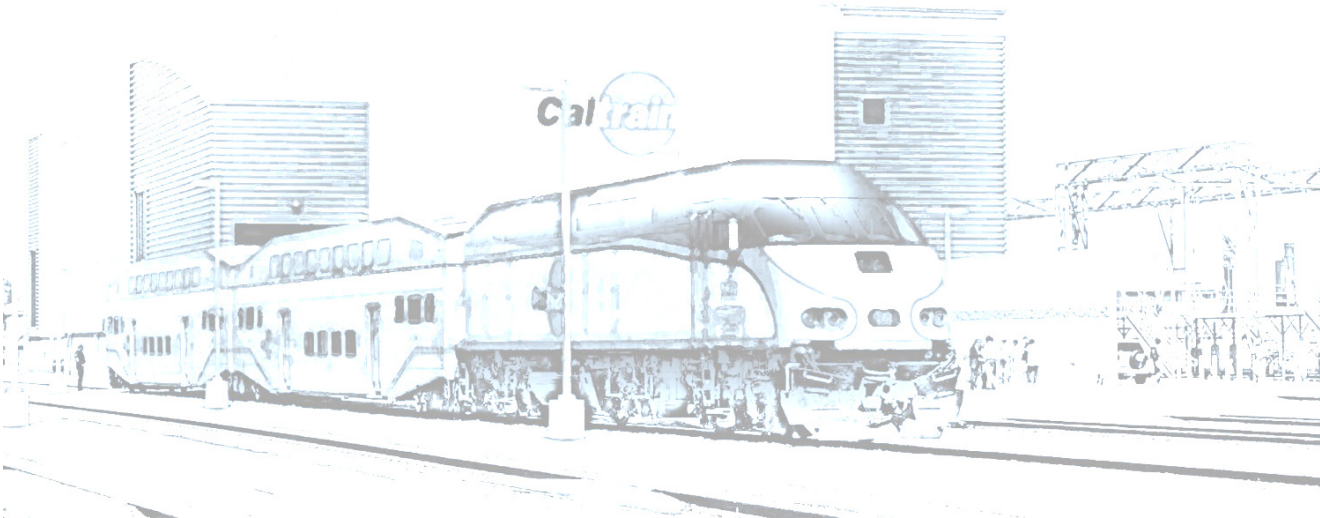


STADLER

MAINTENANCE SERVICE OPTION



cooperate and collaborate with JPB/Caltrain to ensure the transition of records and the maintenance services occurs smoothly and seamlessly. Stadler Service - make sure it rolls.




C. Scott Perry
March 16, 2017
Page 2

specialized PTC services. In any of these cases, the opportunities will be subject to appropriate procurement/selection processes and contract methodologies.

The JPB looks forward to the contractual partnership with TASI during the extension period of this Agreement.

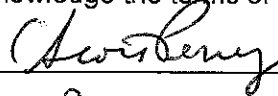
Sincerely,



Michelle Bouchard
Chief Operating Officer, Rail

cc: Jim Hartnett
Al Landes
Jeff Davison
Joan Cassman

I acknowledge the terms of this letter:



Title: President

Date: 3-17-17