



JPB Board of Directors
Meeting of December 5, 2019

(November 7, 2019 Meeting Cancelled)

Correspondence as of November 1, 2019

Subject

FY2019 Triennial Review Final Report - Peninsula Corridor Joint Powers Board

From: [Board \(@caltrain.com\)](mailto:Board@caltrain.com)
To: "Bredehoft, Audrey (FTA)"
Cc: [Board \(@caltrain.com\)](mailto:Board@caltrain.com); [Seamans, Dora](mailto:Seamans.Dora)
Subject: RE: FY2019 Triennial Review Final Report - Peninsula Corridor Joint Powers Board
Date: Thursday, October 31, 2019 3:29:55 PM

Dear Ms. Bredehoft – this email is to confirm receipt and to advise that Ms. Bruins is our immediate past Board Chair and that our current Board Chair is Ms. Gillian Gillet. This email and the report will be sent to the Board in their weekly correspondence packet.

Thank you,

Dora

Dora Seamans, MPA, CMC
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SamTrans, Executive Administration
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From: Bredehoft, Audrey (FTA) <audrey.bredehoft@dot.gov>
Sent: Thursday, October 31, 2019 2:09 PM
To: Board (@caltrain.com) <BoardCaltrain@samtrans.com>
Cc: Hartnett, Jim <hartnettj@samtrans.com>; Skinner, Peter <SkinnerP@samtrans.com>; Tellis, Ray (FTA) <Ray.Tellis@dot.gov>; Carranza, Edward (FTA) <Edward.Carranza@dot.gov>; Barros, Philoki (FTA) <Philoki.Barros@dot.gov>; Murphy, Albirda (FTA) <albirda.murphy@dot.gov>; Little, Lynette (FTA) <lynette.little@dot.gov>; Dizon, Giuseppe (FTA) <giuseppe.dizon@dot.gov>; gwen_larson@qitechllc.com; Mike Warren <michael_warren@qitechllc.com>
Subject: FY2019 Triennial Review Final Report - Peninsula Corridor Joint Powers Board

Dear Ms. Bruins:

Attached is a copy of the final report of the Federal Transit Administration's Triennial Review of the Peninsula Corridor Joint Powers Board. We would like to thank the Peninsula Corridor Joint Powers Board staff for their cooperation and assistance during the review.

Please contact me at (415) 734-9453 or by e-mail at audrey.bredehoft@dot.gov if you have any questions or need any additional information.

Thank you.

Audrey Bredehoft
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October 31, 2019

Ms. Jeannie Bruins
Chair
Board of Directors
Peninsula Corridor Joint Powers Board
1250 San Carlos Avenue
San Carlos, CA 94070

RE: Federal Transit Administration (FTA)
Fiscal Year 2019 Triennial Review
Final Report

Dear Ms. Bruins:

I am pleased to provide you with a copy of this FTA report as required by 49 U.S.C. Chapter 53 and other Federal requirements. The enclosed final report documents the FTA's Triennial Review of Peninsula Corridor Joint Powers Board (JPB) in San Carlos, California. Although not an audit, the Triennial Review is the FTA's assessment of JPB's compliance with Federal requirements, determined by examining a sample of award management and program implementation practices. As such, the Triennial Review is not intended as, nor does it constitute, a comprehensive and final review of compliance with award requirements.

The Triennial Review focused on JPB's compliance in 21 areas. No deficiencies were found with the FTA requirements in 18 areas. Deficiencies were found in 3 areas: Satisfactory Continuing Control, Procurement, and Disadvantaged Business Enterprise (DBE). JPB had two repeat deficiencies from the 2016 Triennial Review in the areas of Procurement and DBE.

Regulations and Guidance

Public Transportation Agency Safety Plan (PTASP) Final Rule

On July 19, 2018, FTA published the PTASP Final Rule. The PTASP Final Rule, which took effect July 19, 2019, requires all operators of public transportation systems that are recipients and subrecipients of FTA's Urbanized Area Formula Grants to develop safety plans that include the processes and procedures to implement Safety Management Systems (SMS). FTA is deferring applicability of this requirement for operators that only receive funds through FTA's Enhanced Mobility of Seniors and Individuals with Disabilities Formula Program (Section 5310) and/or Rural Area Formula Program (Section 5311).

As part of the Annual Certifications and Assurances, transit operators must certify they have a safety plan in place for meeting the requirements of the rule by July 20, 2020. All plans will be reviewed starting October 1, 2021 through FTA's oversight process. For guidance and updates to assist in the preparation and implementation of the PTASP Final Rule, please visit FTA's website at www.transit.dot.gov/PTASP.

Random Drug Testing Rate Increase

On October 17, 2018, FTA published a Dear Colleague letter, "2019 Random Drug Testing Increase." FTA, as mandated by its drug and alcohol regulation for random testing, at 49 CFR 655.45, increases the minimum rate of random drug testing from 25 percent to 50 percent of covered employees for employers subject to FTA's drug and alcohol regulation, which took effect January 1, 2019. This increased random drug testing rate results from a recent uptick in the proportion of violations identified through random drug testing. The 50 percent random drug testing rate will apply to entities receiving Federal assistance under 49 U.S.C. 5307, 5309, 5311, or 5339 including recipients, subrecipients, and safety-sensitive contractors. The required minimum rate for random alcohol testing is unaffected and will remain at 10 percent for calendar year 2019.

This year, FTA is implementing new procedures to close Civil Rights findings. The corrective actions to your DBE deficiencies must be emailed to this address: **region9civilrights@dot.gov**. Please see Section VII of the draft report for more information. The corrective actions for your DBE deficiencies must follow these procedures.

Thank you for your cooperation and assistance during this Triennial Review. If you need any technical assistance or have any questions, please do not hesitate to contact Ms. Audrey Bredehoft, Senior Financial Analyst, at (415) 734-9453 or by email at audrey.bredehoft@dot.gov.

Sincerely,

For: Ray Tellis
Regional Administrator

Enclosure

cc: Mr. James Hartnett, General Manager/Chief Executive Officer, SamTrans
Mr. Peter Skinner, Manager, Grants and Fund Programming, SamTrans

FINAL REPORT

**FISCAL YEAR 2019
TRIENNIAL REVIEW**

of the

**Peninsula Corridor Joint Powers Board
(JPB)
San Carlos, CA
ID: 5537**

Performed for:

**U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
REGION IX**

Prepared by:

Qi Tech, LLC

**Scoping Meeting Date: June 10, 2019
Site Visit Date: September 18-19, 2019
Final Report Date: October 31, 2019**

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I. Executive Summary

This report documents the Federal Transit Administration’s (FTA) Triennial Review of the Peninsula Corridor Joint Powers Board (JPB) in San Carlos, California. FTA wants to ensure that awards are administered in accordance with the requirements of Federal Public Transportation Law 49 U.S.C. Chapter 53. The review was performed by Qi Tech, LLC. During the site visit, administrative and statutory requirements were discussed, and documents were reviewed. JPB’s transit facilities were toured to provide an overview of activities related to FTA-funded projects.

The Triennial Review focused on JPB’s compliance in 21 areas. Deficiencies were found in the areas listed below.

Review Area	Deficiencies	
	Code	Description
Satisfactory Continuing Control	SCC1-3	Property reports not submitted as required
Procurement	P10-1	Lacking independent cost estimate
	P10-2*	Lacking required cost/price analysis
Disadvantaged Business Enterprise (DBE)	DBE5-1*	DBE uniform reports contain inaccuracies and/or are missing required information
	DBE6-3	DBE goal achievement analysis and corrective action plan do not include all required elements
	DBE12-4	Recipient not ensuring prompt payment

* Denotes repeat deficiency

II. Review Background and Process

1. Background

The United States Code, Chapter 53 of Title 49 (49 U.S.C. 5307(f) (2)) requires that “At least once every three years, the Secretary shall review and evaluate completely the performance of a grantee in carrying out its program, specifically referring to compliance with statutory and administrative requirements.” This Triennial Review was performed in accordance with FTA procedures (published in FTA Order 9010.1B, April 5, 1993).

The Triennial Review includes a review of the recipient’s compliance in 21 areas. The basic requirements for each of these areas are summarized in Section IV.

This report presents the findings from the Triennial Review of the Peninsula Corridor Joint Powers Board (JPB). The review concentrated on procedures and practices employed during the past three years; however, coverage was extended to earlier periods as needed to assess the policies in place and the management of award funds. The specific documents reviewed and referenced in this report are available at FTA’s regional office or the recipient’s office.

2. Process

The Triennial Review process includes a pre-review assessment, a review scoping meeting with the FTA regional office, and an on-site visit to the recipient’s location. A Recipient Information Request (RIR) package was sent to JPB advising it of the review and site visit and containing a list of items and questions that the recipient was required to submit to the reviewer. The review scoping meeting was conducted with the Region IX Office on June 10, 2019. Necessary files retained by the regional office were sent to the reviewer electronically. A Site Visit Agenda package was sent to JPB advising it of the site visit date and indicating information that would be needed and issues that would be discussed. The site visit to JPB occurred on September 18-19, 2019.

The onsite portion of the review began with an entrance conference, at which the purpose of the Triennial Review and the review process were discussed. The remaining time was spent discussing administrative and statutory requirements and reviewing documents. The reviewers toured the Caltrain South San Francisco Station (under construction); the Central Maintenance Facility in San Jose; and interviewed JPB’s operating contractor, TransitAmerica Services, Inc., to obtain an overview of activities related to FTA-funded projects. The reviewers examined a sample of maintenance records for FTA-funded vehicles and equipment.

Upon completion of the review, FTA and the reviewer provided a summary of preliminary findings to JPB at an exit conference. Section VI of this report lists the individuals participating in the review.

3. Metrics

The metrics used to evaluate whether a recipient is meeting the requirements for each of the areas reviewed are:

- *Not Deficient*: An area is considered not deficient if, during the review, no findings were noted with the recipient's implementation of the requirements.
- *Deficient*: An area is considered deficient if any of the requirements within the area reviewed were not met.
- *Not Applicable*: An area can be deemed not applicable if, after an initial assessment, the recipient does not conduct activities for which the requirements of the respective area would be applicable.

III. Recipient Description

1. Organization and Services

In 1987, representatives of the City and County of San Francisco, the San Mateo County Transit District (District), and the Santa Clara County Transportation Agency agreed to form the Peninsula Corridor Joint Powers Board (JPB) and to transfer administrative responsibility for the commuter rail service, known locally as Caltrain, from the State of California (Caltrans) to the local government entity, JPB. In July 1991, these same parties signed a Joint Powers Agreement that established the membership of JPB and imposed specific financial obligations on each member. Caltrans deeded 26 stations, 20 diesel locomotives, and 73 bi-level passenger cars to the local agency. The Agreement appointed the District to be JPB’s administrator for Caltrain. The District is also the operator of SamTrans fixed-route and paratransit service.

JPB is directed by a nine-member board representing San Mateo, Santa Clara, and San Francisco counties and transit agencies. All other responsibilities of JPB are performed by District staff, JPB consultants, or TransitAmerica Services, Inc. (TASI). JPB does not have any employees. While JPB has policies and procedures specific to commuter rail operation, most policies and procedures that address administration and operation of JPB are District policies that also apply to SamTrans.

The District’s Rail Transportation Department is responsible for the day-to-day administration of Caltrain and oversight of TASI including maintenance, operations, vehicle engineering, and rail analysis activities. Other District departments provide staff support in planning, engineering, construction, marketing, customer service, fare and schedule setting, and performance monitoring. The District’s executive administration, human resources, finance, planning, and communications departments perform the same functions for JPB that they do for SamTrans. The population of Caltrain’s service area is approximately 3.44 million.

Caltrain operates from the Centralized Equipment Maintenance and Operations Facility (CEMOF) in San Jose, California, an FTA-funded facility. With 77 miles and 32 stations, Caltrain provides commuter rail service along the San Francisco peninsula corridor, through the South Bay, to San Jose and Gilroy. All Caltrain stations have federal interest. JPB contracts with TASI to operate the service. TASI is responsible for revenue collection at staffed stations, rolling stock maintenance and repair, and cleaning of equipment and property. Caltrain also contracts with SamTrans for the operation of ten, “last-mile” shuttle routes around Caltrain stations.

Caltrain operates weekdays from 4:30 a.m. to 1:30 a.m. with a mix of local, limited, and express trains. Weekend service is local and hourly most of the day, with trains operating on Saturday and Sunday from 7:00 a.m. to 1:30 a.m. Caltrain operates a fleet of 163 railcars and locomotives, of which 109 are partially funded by FTA.

The fare structure for Caltrain is based on a zone system. Caltrain’s structure consists of six zones between San Francisco and Gilroy. A one-way fare in zone 1 is \$3.75 and a zone upgrade is \$2.25. The maximum one-way fare from San Francisco to Gilroy is \$15.00. Caltrain also offers a reduced one-way cash fare to seniors aged 65 and older, persons with disabilities, Medicare cardholders, and youth that is no more than one-half the full fare amount. Caltrain also offers discounts for use of monthly passes and Clipper cards, a regional smart card fare system.

2. Award and Project Activity

Below is a list of the JPB’s open awards at the time of the review.

Award Number	Award Amount	Year Executed	Description
CA-05-0209-00	\$26,742,782	2007	FY 2006/07 Capital Improvements
CA-90-Y895-00	\$12,845,058	2011	Track, Bridge, Vehicle Rehab & PM
CA-05-0262-00	\$14,123,510	2012	Track, Signal/Comm, Vehicle Rehab
CA-54-0004-00	\$6,641,018	2013	Bridge, Signal and Fare Equipment
CA-90-Z042-00	\$19,536,811	2013	ADA set-aside, Vehicle Rehab, PTC
CA-05-0276-00	\$22,597,605	2014	Signal Rehab, Track Rehab, and PTC
CA-54-0020-00	\$7,058,982	2014	Caltrain System Wide Rehabilitation
CA-90-Z159-00	\$960,667	2014	Caltrain Vehicle Rehabilitation
CA-95-X299-00	\$1,419,766	2015	Control Point and Off-Peak Marketing
CA-54-0034-01	\$12,334,766	2015	San Mateo Bridges and EMU Specs
CA-2016-008-00	\$600,000	2016	Caltrain Station Management Toolbox
CA-2016-136-01	\$2,759,596	2017	FY17 Caltrain Control Point Installation & Map Based Info
CA-2017-003-01	\$17,810,108	2017	FY14, FY15 and FY16 Systemwide Track Rehab, Signal/Communication Rehab and Upgrade, and Revenue Vehicle Rehab Program
CA-2017-014-02	\$272,956,593	2018	Peninsula Corridor Electrification Project (PCEP) - FFGA
CA-2017-057-01	\$56,043,010	2018	FY15 and 16 Track, Bridge and Station Rehabilitation
CA-2018-035-00	\$21,680,000	2018	Caltrain Positive Train Control Interoperability Project
CA-2018-005-02	\$105,602,296	2019	FY17 Caltrain Modernization Program
CA-2019-006-00	\$11,188,000	2019	FY18 Caltrain Modernization Program
CA-2019-007-00	\$13,891,305	2019	FY2018 Caltrain State of Good Repair
CA-2019-086-00	\$14,393,000	2019	FY19 Caltrain State of Good Repair

Projects Completed

During the review period, JPB completed the following noteworthy projects:

- Replaced the century-old Los Gatos Creek Bridge in San Jose, California
- Replaced the century-old Quint Street Bridge in San Francisco with a raised embankment
- Replaced the bridge decks of four bridges in San Mateo
- Replaced three roadway bridges in the City of San Francisco (no FTA funds).

Ongoing Projects

JPB is currently implementing the following noteworthy projects:

- Installing a 25-kilovolt overhead contact system for the Caltrain electrification project
- Procuring new electric train sets to increase capacity and modernize the railroad
- Implementing Positive Train Control on the Caltrain Corridor
- Reconstructing the South San Francisco Caltrain Station
- Continuing to implement a program of projects to maintain stations, track and infrastructure, and signal and communication equipment in a state of good repair
- Constructing the 25th Avenue Grade Separation project in the City of San Mateo (no FTA funds).

Future Projects

JPB plans to pursue the following noteworthy project in the next three to five years:

- Replace the end-of-life Guadalupe River Bridge in San Jose, California
- Expand the electrification project to add additional electric rail vehicles/trainsets, wayside bicycle parking improvements, and installation of broadband communications (Wi-Fi) for customers and on-board vehicle diagnostics (no FTA funds currently planned).

IV. Results of the Review

1. Legal

Basic Requirement: The recipient must promptly notify the FTA of legal matters and additionally notify the U.S. DOT Office of Inspector General (OIG) of any instances relating to false claims under the False Claims Act or fraud. Recipients must comply with restrictions on lobbying requirements.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Legal.

2. Financial Management and Capacity

Basic Requirement: The recipient must have financial policies and procedures; an organizational structure that defines, assigns, and delegates authority; and financial management systems in place to match, manage, and charge only allowable cost to the award. The recipient must conduct required single audits and provide financial oversight of subrecipients.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Financial Management and Capacity.

3. Technical Capacity – Award Management

Basic Requirement: The recipient must report progress of projects in awards to the FTA timely.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Technical Capacity – Award Management.

4. Technical Capacity – Program Management and Subrecipient Oversight

Basic Requirement: The recipient must follow the public involvement process for transportation plans; develop and submit a State Management Plan to the FTA for approval; report in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) on subawards; and ensure subrecipients comply with the terms of the award.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Technical Capacity – Program Management and Subrecipient Oversight.

5. Technical Capacity – Project Management

Basic Requirement: The recipient must be able to implement FTA-funded projects in accordance with the award application, FTA Master Agreement, and all applicable laws and regulations, using sound management practices; and prepare force account plans.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Technical Capacity – Project Management.

6. Transit Asset Management

Basic Requirement: Recipients must comply with 49 CFR Part 625 to ensure public transportation providers develop and implement transit asset management (TAM) plans. Recipients' TAM plans must include an asset inventory, condition assessments of inventoried assets, and a prioritized list of investments to improve the state of good repair of their capital assets.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Transit Asset Management.

7. Satisfactory Continuing Control

Basic Requirement: The recipient must ensure that FTA-funded property will remain available to be used for its originally authorized purpose throughout its useful life until disposition.

Finding: During this Triennial Review of the JPB, a deficiency was found with the FTA requirements for Satisfactory Continuing Control.

Property reports not submitted as required (SSCI-3)

JPB has purchased several parcels of land for Caltrain projects since December 26, 2014, but it was not aware of the requirement to submit annual real property reports to FTA. Per 2 CFR 200.329, federal recipients must submit reports at least annually on the status of real property in which the federal government retains an interest, unless the federal interest in the real property extends 15 years or longer. In those instances where the federal interest is for a period of 15 years or more, the FTA may require the federal recipient to report at various multi-year frequencies.

Corrective Action and Schedule: For the deficiency *Property reports not submitted as required (SSCI-3)*, by February 24, 2020, JPB must prepare and submit in TrAMS a real property report, along with procedures for preparing and submitting such reports annually, unless the FTA regional office specifies a different reporting interval.

8. Maintenance

Basic Requirement: Recipients must keep federally funded vehicles, equipment, and facilities in good operating condition. Recipients must keep ADA accessibility features on all vehicles, equipment, and facilities in good operating order.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Maintenance.

9. Procurement

Basic Requirement:

States: When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with 2 CFR §200.322 (*Procurement of Recovered Materials*) and ensure that every purchase order or other contract includes any clauses required by section 2 CFR §200.326 (*Contract Provisions*). All other non-Federal entities, including subrecipients of a state, will follow 2 CFR §§200.318 (*General Procurement Standards*) through 200.326 (*Contract Provisions*).

Non-state recipients: The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, and conform to applicable Federal law and the standards identified in 2 CFR Part 200.

Where FTA funds are used in procurements for services or supplies, or where FTA-funded facilities or assets are used in revenue contracts, FTA Circular 4220.1F applies. FTA funds, even operating assistance, can be segregated from local funds. FTA Circular 4220.1F does not apply to wholly locally funded capital procurements.

Finding: During this Triennial Review of the JPB, deficiencies were found with the FTA requirements for Procurement.

Lacking independent cost estimate (P10-1)

The independent cost estimate (ICE) for one of JPB's reviewed procurements, the Maintenance and Support of ROCS, PADS and RDS Software, was solely based on the existing cost of the contract with the vendor. Per 2 CFR 200.323, federal recipients must make independent cost estimates before receiving bids or proposals that will exceed the Simplified Acquisition Threshold. Basing an ICE on the cost of the current contract is not an independent estimate. It is noted that the SamTrans procurement manual on which JPB procurements are based contains thorough instructions for completing an ICE, but for this procurement, those instructions were not followed.

Corrective Actions and Schedule: For the deficiency *Lacking independent cost estimate (P10-1)*, by February 24, 2020, JPB must provide the FTA regional office documentation that it has trained its staff to follow the SamTrans procurement manual for the development of independent cost estimates prior to receipt of bids or proposals. For its next applicable procurement, JPB must submit to the FTA regional office documentation that the required process was implemented.

Lacking required cost/price analysis (P10-2)

The cost/price analysis for two of JPB's reviewed procurements, the On-Call Signal Service and the Maintenance and Support of ROCS, PADS and RDS Software, were not analyses, but rather a copy of the pricing sheet for the bids. According to 2 CFR 200.323, federal recipients must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold. It is noted that the SamTrans procurement manual on which JPB procurements are based contains detailed instructions for completing a cost or price analysis, but for this procurement, those instructions were not followed. This is a repeat deficiency from JPB's 2016 Triennial Review.

Corrective Actions and Schedule: For the deficiency *Lacking required cost/price analysis (P10-2)*, by February 24, 2020, JPB must provide the FTA regional office documentation that it has trained its staff to follow the SamTrans procurement manual for performing applicable cost or price analysis for procurements above its Simplified Acquisition Threshold. For its next applicable procurement, JPB must submit to FTA documentation that the required analysis was implemented.

10. Disadvantaged Business Enterprise (DBE)

Basic Requirement: Recipients must comply with 49 CFR Part 26 to ensure nondiscrimination in the award and administration of US DOT-assisted contracts. Recipients also must create a level playing field on which DBEs can compete fairly for US DOT-assisted contracts.

Finding: During this Triennial Review of the JPB, deficiencies were found with the US DOT requirements for DBE.

DBE uniform reports contain inaccuracies and/or are missing required information (DBE 5-1)

Pursuant to 49 CFR 26.37, federal recipients that meet the DBE Program threshold must submit semi-annual DBE Uniform Reports of Awards or Commitments and Payments. While those reports were submitted on time in FY 2018, multiple mistakes were made in the reports. Appendix B to 49 CFR Part 26 contains specific instructions for completing the semi-annual DBE Uniform Reports. This is a repeat deficiency from JPB's 2016 Triennial Review.

Corrective Action and Schedule: For the deficiency *DBE uniform reports contain inaccuracies and/or are missing required information (DBE 5-1)*, by February 24, 2020, JPB must submit corrected reports to the FTA Office of Civil Rights (TCR), along with implemented procedures for correctly completing Uniform Reports of DBE Awards or Commitments and Payments.

DBE goal achievement analysis and corrective action plan do not include all required elements (DBE6-3)

During the review period, JPB did not meet its DBE goal in Fiscal Years 2016 and 2018. The shortfall analyses and corrective action plans submitted by JPB did not include the race neutral/race conscious breakdown, nor did they discuss race neutral measures. The corrective action plans were weak and only vaguely discussed how the plans would increase DBE participation, and there was no timeline for implementation of the corrective actions. Per 49 CFR 26.47(c), if the awards and commitments shown on the Uniform Report of Awards or Commitments and Payments at the end of any fiscal year are less than the overall goal applicable to that fiscal year, recipients must do the following in order to be considered implementing their DBE Program in good faith: (1) Analyze in detail the reasons for the difference between the overall goal and awards and commitments in that fiscal year; (2) Establish specific steps and milestones to correct the problems identified in the analysis and that enable the recipient to meet fully its goal for the new fiscal year.

Corrective Action and Schedule: For the deficiency *DBE goal achievement analysis and corrective action plan do not include all required elements (DBE6-3)*, by February 24, 2020, JPB must submit a revised shortfall analysis and corrective action plan for Fiscal Year 2018 to the FTA TCR.

Recipient not ensuring prompt payment (DBE12-4)

The DBE and prompt payment and return of retainage clauses were missing from one of JPB's reviewed procurements, the On-Call Signal Service. JPB mistakenly believed that the clauses only belonged in construction contracts, when in fact 49 CFR 26.29 (d) requires that recipients that meet the DBE Program threshold include the DBE and prompt payment and return of retainage clauses in all federally assisted contracts.

Corrective Action and Schedule: For the deficiency *Recipient not ensuring prompt payment (DBE12-4)*, by February 24, 2020, JPB must submit to the FTA TCR documentation of a process to ensure the DBE and prompt payment and return of retainage clauses are included in all FTA-assisted procurements. For its next applicable procurement, JPB must submit to FTA documentation that the DBE and prompt payment and return of retainage clauses were included in the solicitation document.

11. Title VI

Basic Requirement: The recipient must ensure that no person shall, on the grounds of race, color, or national origin, be excluded from participating in, or be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance without regard to whether specific projects or services are federally funded. The recipient must ensure that all transit services and related benefits are distributed in an equitable manner.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Title VI.

12. Americans With Disabilities Act (ADA) – General

Basic Requirement: Titles II and III of the ADA of 1990 provide that no entity shall discriminate against an individual with a disability in connection with the provision of transportation service. The law sets forth specific requirements for vehicle and facility accessibility and the provision of service, including complementary paratransit service.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the US DOT requirements for ADA – General.

13. ADA – Complementary Paratransit

Basic Requirement: Under 49 CFR 37.121(a), each public entity operating a fixed-route system shall provide paratransit or other special service to individuals with disabilities that is comparable to the level of service provided to individuals without disabilities who use the fixed-route system. “Comparability” is determined by 49 CFR 27.123-37.133. Requirements for complementary paratransit do not apply to commuter bus, commuter rail, or intercity rail systems.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the US DOT requirements for ADA – Complementary Paratransit.

14. Equal Employment Opportunity

Basic Requirement: The recipient must ensure that no person in the United States shall on the grounds of race, color, religion, national origin, sex, age, or disability be excluded from participating in, or denied the benefits of, or be subject to discrimination in employment under any project, program, or activity receiving Federal financial assistance under the Federal transit laws. (Note: Equal Employment Opportunity Commission’s regulation only identifies/recognizes religion and not creed as one of the protected groups.)

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Equal Employment Opportunity.

15. School Bus

Basic Requirement: Recipients are prohibited from providing school bus service in competition with private school bus operators unless the service qualifies and is approved by the FTA Administrator under an allowable exemption. Federally funded equipment or facilities cannot be used to provide exclusive school bus service.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for School Bus.

16. Charter Bus

Basic Requirement: Recipients are prohibited from using federally funded equipment and facilities to provide charter service if a registered private charter operator expresses interest in providing the service. Recipients are allowed to operate community-based charter services excepted under the regulations.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Charter Bus.

17. Drug-Free Workplace Act

Basic Requirement: Recipients are required to maintain a drug-free workplace for all award-related employees; report any convictions occurring in the workplace timely; and have an ongoing drug-free awareness program.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Drug-Free Workplace Act.

18. Drug and Alcohol Program

Basic Requirement: Recipients receiving Section 5307, 5309, 5311, or 5339 funds that have safety-sensitive employees must have a drug and alcohol testing program in place for such employees.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Drug and Alcohol Program.

19. Section 5307 Program Requirements

Basic Requirements: For fixed-route service supported with Section 5307 assistance, fares charged seniors, persons with disabilities, or an individual presenting a Medicare card during off peak hours will not be more than one half the peak hour fares. Recipients are expected to have a written, locally developed process for soliciting and considering public comment before raising a fare or carrying out a major transportation service reduction. Recipients shall develop, publish, afford an opportunity for a public hearing on, and submit for approval, a program of projects (POP). Recipients must annually certify that they are spending at least one percent of such funds for transit security projects or that such expenditures for security systems are not necessary. Recipients must ensure that least one percent of such funds are expended on associated transit enhancement projects.

Finding: During this Triennial Review of the JPB, no deficiencies were found with the FTA requirements for Section 5307 Program Requirements.

20. Section 5310 Program Requirements

Basic Requirement: Recipients must expend funds on eligible projects that meet the specific needs of seniors and individuals with disabilities. Projects selected for funding under the Section 5310 program must be included in a locally developed, coordinated public transit-human services transportation plan. Recipients must approve all leases of Section 5310-funded vehicles and ensure that leases include required terms and conditions. Either the recipient or subrecipient must hold title to the leased vehicles.

This section only applies to recipients that receive Section 5310 funds directly from FTA; therefore, the requirements are not applicable to the review of the JPB.

21. Section 5311 Program Requirements

Basic Requirement: Recipients must expend funds on eligible projects to support rural public transportation services and intercity bus transportation.

This section only applies to recipients that receive Section 5311 funds directly from FTA; therefore, the requirements are not applicable to the review of the JPB.

V. Summary of Findings

Review Area	Finding	Deficiency Code(s)	Corrective Action	Response Due Date	Date Closed
1. Legal	ND				
2. Financial Management and Capacity	ND				
3. Technical Capacity – Award Management	ND				
4. Technical Capacity – Program Management and Subrecipient Oversight	ND				
5. Technical Capacity – Project Management	ND				
6. Transit Asset Management	ND				
7. Satisfactory Continuing Control	D	SSC1-3: Property reports not submitted as required	JPB must prepare and submit in TrAMS a real property report, along with procedures for preparing and submitting such reports annually, unless the FTA regional office specifies a different reporting interval.	February 24, 2020	
8. Maintenance	ND				
9. Procurement	D	P10-1: Lacking independent cost estimate	JPB must provide the FTA regional office documentation that it has trained its staff to follow the SamTrans procurement manual for the development of independent cost estimates prior to receipt of bids or proposals. For its next applicable procurement, JPB must submit to the FTA regional office documentation that the required process was implemented.	February 24, 2020	
	D	P10-2*: Lacking required cost/price analysis	JPB must provide the FTA regional office documentation that it has trained its staff to follow the SamTrans procurement manual for performing applicable cost or price analysis for procurements above its Simplified Acquisition Threshold. For its next applicable procurement, JPB must submit to FTA documentation that the required analysis was implemented.	February 24, 2020	

* Denotes repeat deficiency

Review Area	Finding	Deficiency Code(s)	Corrective Action	Response Due Date	Date Closed
10. Disadvantaged Business Enterprise (DBE)	D	DBE5-1*: DBE uniform reports contain inaccuracies and/or are missing required information	JPB must submit corrected reports to the FTA Office of Civil Rights (TCR), along with implemented procedures for correctly completing Uniform Reports of DBE Awards or Commitments and Payments.	February 24, 2020	
	D	DBE6-3: DBE goal achievement analysis and corrective action plan do not include all required elements	JPB must submit a revised shortfall analysis and corrective action plan for Fiscal Year 2018 to the FTA TCR.	February 24, 2020	
	D	DBE12-4: Recipient not ensuring prompt payment	JPB must submit to the FTA TCR documentation of a process to ensure the DBE and prompt payment and return of retainage clauses are included in all FTA-assisted procurements. For its next applicable procurement, JPB must submit to FTA documentation that the DBE and prompt payment and return of retainage clauses were included in the solicitation document.	February 24, 2020	
11. Title VI	ND				
12. Americans With Disabilities Act (ADA) - General	ND				
13. ADA – Complementary Paratransit	ND				
14. Equal Employment Opportunity (EEO)	ND				
15. School Bus	ND				
16. Charter Bus	ND				
17. Drug-Free Workplace Act	ND				
18. Drug and Alcohol Program	ND				
19. Section 5307 Program Requirements	ND				
20. Section 5310 Program Requirements	NA				
21. Section 5311 Program Requirements	NA				

* Denotes repeat deficiency

VI. Attendees

Name	Title	Phone Number	E-mail Address
<i>Peninsula Corridor Joint Powers Board</i>			
Jim Hartnett	General Manager/CEO	650-508-6221	hartnettj@samtrans.com
Rebecca Arthur	Senior Grants Analyst	650-508-6368	arthurr@samtrans.com
Tom Athens	Senior Engineer – TAM	650-508-6333	athenst@samtrans.com
Esther Avalos	Consultant, ES Consulting	408-828-1255	es.consulting@comcast.net
Michelle Bouchard	Chief Operating Officer, Rail	650-508-6420	bouchardm@samtrans.com
Stephen Chao	Deputy Director, Engineering, QA/QC, and TAM	650-508-6208	chaos@samtrans.com
Tina Dubost	Manager, Accessible Transit Services	650-508-6247	dubostc@samtrans.com
Brian Fitzpatrick	Director, Real Estate and Development	650-508-7781	fitzpatrickb@samtrans.com
Gary Fleming	Director, Capital Programs	650-508-7783	flemingg@samtrans.com
John Funghi	Caltrain Modification Officer	605-295-6882	funghij@samtrans.com
Penny Ha	Accounting Manager/EE Services	650-508-7917	hap@samtrans.com
Derek S. Hansel	Chief Financial Officer	650-508-6466	hanseld@samtrans.com
Dawn Harris	Manager, Employee Relations	650-508-6233	harrisd@samtrans.com
Kamal Hubbard	DBE Administrator	650-508-7939	hubbardk@samtrans.com
Samira Irshad	Human Resource Specialist	650-508-6336	irshads@samtrans.com
Aaron Lam	Manager, Engineering, TAM, and Configuration Management	650-508-7785	lamaaron@samtrans.com
Alex Lam	Accounting Manager/Senior Planner – Operations	650-508-6227	lama@samtrans.com
Wendy Lau	Title VI Administrator	650-508-7864	lauw@samtrans.com
Brian Lee	Manager, Capital Accounting and Billing	650-508-6208	leeb@samtrans.com
Hayden Lee	Acting Civil Rights Manager	650-508-7940	leehay@samtrans.com
Yumi Maeda	Assistant Manager, Employee Relations	650-508-7917	maeday@samtrans.com
Carter Man	Deputy General Manager/CEO	650-622-7984	manc@samtrans.com
Mary Manders	Senior Accountant – Fixed Assets	650-508-6209	mandersm@samtrans.com
Grace Martinez	Director of Accounting	650-508-6274	martinezg@samtrans.com
Ladi Millard-Olmeda	Director, Budgets	650-508-7755	millard-olmedal@samtrans.com

Name	Title	Phone Number	E-mail Address
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Shayna van Hoften	Legal Counsel	415-995-5880	vanhoften@hansonbridgett.com
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<i>FTA (via telephone)</i>			
Audrey Bredehoft	Senior Financial Analyst	415-734-9453	audrey.bredehoft@dot.gov
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<i>Qi Tech, LLC</i>			
Gwen Larson	Technical Program Manager	920-746-4595	gwen_larson@qitechllc.com
Michael Warren	Associate Reviewer	414-292-5267	michael_warren@qitechllc.com

VII. Appendices

Civil Rights Corrective Action Procedures:

Please submit Corrective Actions for all Civil Rights deficiencies to the following email address:

region9civilrights@dot.gov

- A separate email should be sent to address each deficiency separately with attached supporting documentation
- Email Subject Line: TR FY19 Corrective Action: Recipient Name/ID, Deficiency Code #, and Deficiency Title

Example: TR FY19 Corrective Action: JPB/5537, DBE5-1: DBE uniform reports contain inaccuracies and/or are missing required information

- The body of the email should contain a short summary of the corrective action.
- Supporting documents should be sent as PDF files. No MS Word or Excel spreadsheets.