



JPB Board of Directors
Meeting of May 4, 2023

Correspondence as of May 3, 2023

<u>#</u>	<u>Subject</u>
1	Caltrain Customer Service Recording Form_ 885666
2	Update on Stadler Contract Option and \$280M Rail Vehicle Acquisition
3	Opening Soon BART Public Information Office and New VTA Customer Service Center

From: [Sarah Nabong](#)
To: ada.ashley11@gmail.com
Cc: [Board \(@caltrain.com\)](mailto:Board (@caltrain.com))
Subject: Caltrain Customer Service Recording Form: 885666
Date: Wednesday, May 3, 2023 9:10:15 AM
Attachments: [image001.png](#)

Dear Ashley Ada,

Your message to the Caltrain Board of Directors was directed to me for response. The Board will receive a copy of this correspondence.

Thank you for contacting Caltrain, though we regret it was due to issues with our service. We are in receipt of your correspondence, please note this has been filed as Report #88566.

In order to aid us in our investigation, would you mind giving us a little more detail? If possible would you be able to provide the occurrence time, and train number? I understand you boarded at San Jose Diridon Caltrain Station, is it safe to assume you were traveling northbound to Palo Alto?

We know it is extra hassle on top of everything else you have had to deal with, but providing us with such information will help the process immensely.

We sincerely apologize for the trouble.

Best regards,

Sarah Nabong, Customer Service Representative 2

1250 San Carlos Ave San Carlos, CA 94070

Phone: 650.508.7925

Websites: [Caltrain](#) | [SamTrans](#) | [TA](#)



Good Afternoon,

To whom it may concern I wanted to report a horrible interaction I had with an employee on the Caltrain this morning. When the employee came around inspecting tickets this morning there was an issue with my Clipper card and it had not registered my scan in at the San Jose Diridon station. This also happened to the person sitting next to me as well, suggesting there was likely a machine error at the station.

I receive my Clipper card as an employee through Stanford Medicine transportation so I do not need to add payment to use the card, so I have no reason to not scan or use the card as provided. The employee completely berated me in front of a train full of people, yelled at me for my ID, issued a

citation without listening to my side, and did not let me off the train at my stop - I was stuck on the train until the next stop and had to figure out how to get back. All of this was because of an error with either the machine or the card at the station, and the whole experience was extremely traumatizing for me from the employee.

I hope this report reaches the correct party and I hope to hear back.

Thank you,

From: Roland Lebrun <ccss@msn.com>
Sent: Wednesday, May 3, 2023 9:01 AM
To: Board (@caltrain.com)
Cc: SFCTA Board Secretary; Transbay Info; SFCTA CAC; TJPA CAC; cacsecretary [@caltrain.com]
Subject: Update on Stadler Contract Option and \$280M Rail Vehicle Acquisition
Attachments: Attachment 1 Third Party Contracting Guidance (Circular 4220.1F).pdf; Attachment 2 EMU PROCUREMENT CONTRACT AGREEMENT.pdf; Attachment 3 Section 1.10. OPTIONS FOR ADDITIONAL VEHICLES.pdf

ATTENTION: This email came from an external source. Do not open attachments or click on links from unknown senders.

Dear Chair Gee,

Thank you for the opportunity to comment on the staff report located in the Supplemental Reading File (<https://www.caltrain.com/media/30294/download>) as follows:

- August 15 deadline
- Questionable cost estimates for Option cars
- Battery EMU (BEMU) Bi-Level trainset cost/capabilities

August 15 deadline

The FTA's Third-Party Contracting Guidance

Circular (<https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/Third%20Party%20Contracting%20Guidance%20%28Circular%204220.1F%29.pdf>)

CHAPTER IV (pp 22-23 attached for your convenience as Attachment 1) Section e.(10) "Time Limits for Options on Rolling Stock Contracts" stipulates: "*May not exercise the option to acquire railcars or replacement parts later than **seven (7) years after the date of its original contract.***"

Moving on to the contract AKA "Agreement" (Attachment 2), **the date of the original contract may be subject to interpretation** specifically:

Page 3 (“Contract Summary”) of the Agreement defines the “Effective Date of Contract” as follows:

- *Limited-Notice-to-Proceed (LNTP) – August 15, 2016 thru February 28, 2017*
- ***Notice-to-Proceed (NTP) – March 1, 2017 thru August 31, 2021***

Given that the March 1, 2017 NTP date was caused by a Trump administration attempt to delay the FFGA, the FTA may be open to a clarification establishing that the date of the 7-year deadline should be **March 1, 2024** (7 years after the NTP date), not August 15, 2023.

Questionable cost estimates

The Base and Option car costs are listed in the Compensation Section of the Agreement (page 4)

- Base Vehicles - 96: \$550,899,459.00 (**\$5.75M/railcar**)
- **Option Cars** - 96: \$390,294,450.00 (**\$4.07M/railcar**)

Article 5 Options (page7) stipulates: “*The JPB, in its sole discretion, may exercise Options for additional EMUs and for Maintenance Services as set forth in Special Provision 1.10.*”

Special Provision 1.10 is located in “Volume 5 Special Provisions” (pp 20-23) attached for your convenience as Attachment 3) which reads as follows: “*Unit prices for the corresponding Option Vehicle type(s) ordered during the Option 2 period will be the unit price for Option Vehicles set forth in the Option Cars price form, subject to the adjustment set forth in Section 1.10.1.2. Additionally, for the 1st order of vehicles in the Option 2 period the Re-mobilization and Project Management Fee will apply.*”

It is currently unclear how staff came to the conclusion that “*procuring four replacement EMUs under the option would save approximately \$100 million to \$120 million in total costs (45% to 60% savings).*” when their \$50-55M estimate for a 7-car trainset translates to **\$7.14M to \$7.86M/railcar (75-93% INCREASE)**.

Conclusion: please consider directing staff to return to the May Finance Committee with a breakdown detailing how the "Economic Price Adjustment/Escalation" outlined in Section 1.10.1.2 somehow resulted in an option for four 7-car trainsets escalating from \$114M to \$200-220M (**\$100M INCREASE over the Option cars price form**).

Battery EMU (BEMU) costs/capabilities

There are multiple issues with this proposal regardless of who ends up paying for it:

- While Battery-Electric Multiple Unit (BEMU) passenger trains with a 50–60-mile range are becoming common, there are currently no Bi-Level BEMUs anywhere in the world (**excessive weight to battery power ratio**).
- **Staff have not provided any range or battery weight estimates for this \$85M "prototype".**
- It is unclear why the JPB (or anyone else) would ever consider spending \$500M on 6 Bi-Level BEMUs to provide service between San Jose and Salinas when 6 battery-electric locomotives would get the job done for \$30M **without collateral impacts on rail operations between San Jose and San Francisco.**

Thank you in advance for your consideration of these issues.

Roland Lebrun

CC

SFCTA Commissioners

TJPA Board of Directors

SFCTA CAC

TJPA CAC

Caltrain CAC

11/01/2008
Rev. 1, 04/14/2009
Rev. 2, 07/01/2010
Rev. 3, 02/15/2011
Rev. 4, 03/18/2013

Air Pollution from New and In-Use Motor Vehicles and New and In-Use Motor Vehicle Engines,” 40 CFR Part 86; and EPA regulations, “Fuel Economy of Motor Vehicles,” 40 CFR Part 600.

- (6) Preaward Review and Post Delivery Review. Each third party contract to acquire rolling stock must include provisions for compliance with applicable requirements of 49 U.S.C. Section 5323(m) and those provisions of FTA regulations, “Pre-Award and Post-Delivery Audits of Rolling Stock Purchases,” 49 CFR Part 663, that do not conflict with 49 U.S.C. Section 5323(m).
- (7) Bus Testing. Each third party contract to acquire a new bus model or a bus with significant alterations to an existing model must include provisions to assure compliance with applicable requirements of 49 U.S.C. Section 5318, as amended by MAP-21, and FTA regulations, “Bus Testing,” 49 CFR Part 665.
- (8) In-State Dealers. The recipient may not limit its third party bus procurements to its in-State dealers, 49 U.S.C. Section 5325(i). Although FTA respects State licensing requirements, FTA is prohibited by law from providing FTA assistance to support bus procurements that have the result of limiting competition to entities that have been able to obtain a State license.
- (9) Basis for Contract Award. As permitted by 49 U.S.C. Section 5325(f), the recipient may award a third party contract for rolling stock based on initial capital costs, or based on performance, standardization, life cycle costs, and other factors, or by selection through a competitive procurement process.
- (10) Time Limits for Options on Rolling Stock Contracts. MAP-21 amended 49 U.S.C. Section 5325(e)(1) by adding subsections (A) and (B), retaining the five (5) year option for the procurement of buses, while extending the option for rail procurements to seven (7) years. Consequently:
 - (a) Buses. A recipient:
 - 1 May enter into a multi-year contract to acquire buses or replacement parts, with an option not exceeding five(5) years to buy additional buses or replacement parts, 49 U.S.C. Section 5325(e)(1)(A), but
 - 2 May not exercise the option to acquire buses or replacement parts later than five (5) years after the date of its original contract.
 - (b) Rail. A recipient:

11/01/2008
Rev. 1, 04/14/2009
Rev. 2, 07/01/2010
Rev. 3, 02/15/2011
Rev. 4, 03/18/2013

- 1 May enter into a multi-year contract to acquire railcars or replacement parts, with an option not exceeding five(5) years to buy additional railcars or replacement parts, 49 U.S.C. Section 5325(e)(1)(B), but
- 2 May not exercise the option to acquire railcars or replacement parts later than seven (7) years after the date of its original contract.

FTA interprets these five and seven-year periods as covering the recipient's "material requirements" for rolling stock and replacement needs from the first day when the contract becomes effective to its "material requirements" at the end of the fifth or seventh year, as applicable. In the case of rolling stock, which frequently cannot be delivered expeditiously, FTA recognizes that a recipient's "material requirements" for rolling stock will necessarily precede its actual need to put that rolling stock to use in public transportation service. This means that the contract may not have options for more rolling stock and replacement parts than a recipient's material requirements for the applicable five or seven-year period. This does not mean the recipient must obtain delivery, acceptance, or even fabrication in five or seven years. Instead it means only that FTA limits a contract to purchasing no more than the recipient's material requirements for rolling stock or replacement parts for five or seven years based on the effective date of the contract.

- f. Public Transportation Services—Special Requirements. Although the Common Grant Rules refer to the following Federal requirements in the context of federally assisted procurements, these requirements will affect how a third party contractor implements its contract to provide public transportation services financed with Federal assistance. Consequently, the recipient must include provisions in its third party contract ensuring compliance with the following requirements, or the recipient must obtain the third party contractor's agreement in another form, as a matter of contractor responsibility, to ensure compliance with the following:
- (1) Protections for Public Transportation Employees. When the recipient acquires public transportation services from a third party contractor, the terms of the recipient's DOL certification of public transportation employee protective arrangements will apply to work under the contract provided by those employees covered by the certification. That certification is required by 49 U.S.C. Section 5333(b) (often referred to as "13(c)") and implementing DOL guidelines, "Section 5333(b), Federal Transit Law," 29 CFR Part 215. Consequently, the third party contractor must comply with the terms of that DOL certification.

The Fair Labor Standards Act, 29 U.S.C. Sections 201 *et seq.*, also applies to public transportation employees performing work involving commerce.

**PENINSULA CORRIDOR
ELECTRIFICATION PROGRAM**

**Request for Proposal
for**

**Procurement of Bi-Level Electric
Multiple Units (EMU) Vehicles**

RFP No.: 14-PCJPB-P-056

EMU PROCUREMENT CONTRACT

TO BE CONFORMED

JUNE 22, 2016

AGREEMENT BETWEEN THE PENINSULA CORRIDOR JOINT POWERS BOARD
(JPB)
AND
STADLER US, INC. (CONTRACTOR)

CONTRACT SUMMARY*

Board of Directors' Date of Award: July 7, 2016

Resolution Number: 2016-36

Effective Date of Contract:

Limited-Notice-to-Proceed (LNTP) – August 15, 2016 thru February 28, 2017

Notice-to-Proceed (NTP) – March 1, 2017 thru August 31, 2021

Services to be Performed:

Base Scope of Work:

Procurement of 96 EMU (sixteen 6-car trainsets) rail vehicles with high and low doors for the sixteen 6-car trainsets, and for a car equipped with bathroom within each 6-car or future 8-car trainset. The JPB intends to expand each trainset from 6 to 8 cars after commencement of revenue service. The base scope of work also includes mock-ups, spare parts, special tools, test equipment, manuals, training, related parts and services in accordance with the Technical Specifications.

Option 1 – Scope of Work:

Procurement of 96 additional EMU rail vehicles with high and low doors, and for up to 16 additional cars equipped with bathrooms.

Term of Contract:

Sixty (60) months from LNTP

Contractor's Key Representative:

Stadler US, Inc.
Attn: Martin Ritter
231 North Avenue West No. 112
Westfield, NJ 07090
Phone: 512.578.6012
Fax: 908.654.0222
Martin.ritter@stadlerrail.com

Technical Issues:

Stadler Altenrhein AG
Attn: Dietmar Schwarz, Project Manager, Technical
Industrie- und Gewerbepark
CH-9423 Altenrhein SG
Direct: +41 (58) 595 51 95
Cell: +41 (79) 419 03 90
Dietmar.Schwarz@stadlerrail.com

Contract/Invoice Issues:

Stadler Altenrhein AG
Attn: Marcus Wörner, Project Manager, Commercial
Industrie- und Gewerbepark
CH-9423 Altenrhein SG
Direct: +41 (58) 595 51 10
Cell: +41 (79) 532 58 16
Marcus.Woerner@stadlerail.com

Compensation:

Base Vehicles - 96:

Limited-Notice-to-Proceed (LNTP)¹ – \$41,000,000.00
Full Notice-to-Proceed (FNTP)² – \$509,899,459.00
Base Vehicle Total: \$550,899,459.00

Option Cars – 96³:

\$390,294,450.00
Option Cars Total: \$390,294,450.00

Allowance:

Virtual Reality Scope (Ref. TS 23.2.3.2) \$400,000.00
Allowance Not-to-Exceed Total: \$400,000.00

Contingency⁴:

Up to 5 percent

1. LNTP Scope of Work: Initial work necessary to advance the contract within the scope of budgetary availability.
2. FNTP Scope of Work: all remaining scope-of-work activities including the procurement of the base order of 96 vehicles, in accordance with the terms of the contract. All work will be completed in full compliance with FTA requirements.
3. Regarding Option Cars, the JPB performed a cost analysis in compliance with Federal Transit Administration requirements. Staff concluded that Stadler's negotiated costs were fair and reasonable for Base Bid and Option vehicles. During the term of the contract, the JPB will determine if they desire to exercise the procurement of the additional option cars. If exercised, the JPB would return to the JPB Board to recommend exercising the Option Cars, if it is in the best interest of the JPB.
4. Contingency: The Executive Director, or his designee, is authorized to utilize a contingency of up to 5 percent of the total amount authorized by the Board for the EMU vehicle contract. The status of EMU vehicle contract change orders will be reported to the Board on a quarterly basis.

*This Summary is provided for convenience only, and is qualified by the specific terms and conditions of the Contract that will control any conflict between this Summary and the terms of the Contract.

EMU PROCUREMENT CONTRACT

THIS EMU PROCUREMENT CONTRACT No. 14-PCJPB-P-056 is made and entered into this 15th day of August, 2016 (the "Effective Date"), between the PENINSULA CORRIDOR JOINT POWERS BOARD (the "JPB") and Stadler, US, Inc.

- A corporation organized and existing under the laws of the State of Delaware, the location of whose principal office is 231 North Avenue West No. 112, Westfield, NJ 07090 (hereinafter referred to as the "Contractor").

If the Contractor is a partnership, each partner executing this Contract binds both itself and the Contractor, and each joint venture member or partner and the Contractor shall be jointly and severally liable under this Contract.

RECITALS

A. On August 21, 2015, the JPB issued a Request for Proposals (RFP) for the EMU Procurement (the "Project")

B. The Project involves the design, manufacture, delivery, testing, and warranty of Electric Multiple Unit rail vehicles for use in the Caltrain service.

C. On February 17, 2016 and March 10, 2016, the Contractor submitted a complete Proposal in response to the RFP's requirements.

D. The JPB evaluated the proposal in response to the RFP, and has selected the Contractor for award of the Contract based on a determination that its Proposal provided the best value to the JPB, considering the technical and price factors set forth in the RFP.

E. On June 17, 2016, the Contractor submitted its final technical and price proposal, based upon the completion of negotiations.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 CONTRACT DOCUMENTS; PRECEDENCE

This Contract shall consist of the documents listed below (the "Contract Documents"), each of which is incorporated into the Contract by this reference. The individual components of the Contract Documents shall be complementary of each other in that what is required by any one of them is as binding as if called for by all of them. In the event of any inconsistency between or among the Contractor Documents, they are listed below in order of precedence. The Contract Documents include:

1. Executed Contract Change Orders and Amendments to the Contract
2. Exercised Options to the Contract

3. Contract
4. Federal Requirements (RFP Volume 6)
5. Conformed Technical Specifications (RFP Volume 3, Technical Specifications)
6. Warranty (RFP Volume 7)
7. Special Provisions (RFP Volume 5, Special Provisions)
8. General Provisions (RFP Volume 4, General Provisions)
9. Contractor's final Proposal in response to the RFP, including all forms, attachments and certification.
10. RFP ITP (Volume 1, Instructions to Proposers)

Capitalized terms used throughout the Contract Documents will be interpreted according to the definitions set forth in General Provisions, Article GP1.1, which definitions shall supersede any inconsistent definitions in other portions of the Contract Documents.

Reference Documents are included in RFP Volume 9. Unless otherwise specified in the Contract Documents, Reference Documents are for information only.

Volume 8 will only apply if the JPB exercises its option to procure Maintenance Services pursuant to Article 5 below.

ARTICLE 2 SCOPE OF WORK; CONTRACTOR REPRESENTATIONS

2.1 Scope of Work. The Contractor shall be responsible for performing all Work under the Contract and in any Options, approved Contract Change Orders or amendments, all in accordance with the Contract Documents.

2.2 Contractor Representations. The scope of the Work is set forth in all of the Contract Documents. The Contractor represents and warrants the following:

- That it has or will obtain all personnel, materials and equipment required to perform the Work under this Contract.
- That it will procure and keep current throughout the duration of this Contract any and all licenses, permits, registrations or certificates that are or may be required for the performance of Work under this Contract.
- That it will perform all Work such that the Work will meet the performance standards and operating conditions contemplated in the Contract Documents.
- That it will avoid or mitigate potential delays, and any costs due to delays.
- That it will perform all Work in a safe manner and in accordance with the JPB's work window and track access requirements, and so as to avoid unplanned adverse impacts to the operating railroad; and
- That it shall at all times comply with applicable Federal, State, and local laws, ordinances, and regulations.

ARTICLE 3 CONTRACT PRICE

As full compensation for the satisfactory completion of all of the Work, the JPB will pay the Contractor the lump sum amounts specified in Special Provision 1.1 of the Contract.

The prices for any Options for additional EMUs shall be included in the Contract Price only if the JPB exercises said Options.

ARTICLE 4 TERM; TIME OF PERFORMANCE; NOTICE TO PROCEED

The Contract is effective as of Effective Date. The Contractor may not commence work under this Contract until it is authorized in writing by JPB to do so by a Limited Notice to Proceed ("LNTP"). The details of the NTP process and the time of performance is as set forth in Special Provision 1.2.

Upon the JPB's issuance of a Certificate of Final Completion, and completion of the warranty period for all Trainsets and Option EMUs with no outstanding warranty claims, this Agreement will expire. If the JPB has exercised its option for the Maintenance Services Agreement, such an Agreement will continue in force as set forth in Article 5, below.

ARTICLE 5 OPTIONS

The JPB, in its sole discretion, may exercise Options for additional EMUs and for Maintenance Services as set forth in Special Provision 1.10.

ARTICLE 7 COMPLETE CONTRACT

This Contract, including all volumes and other documents incorporated in this Contract or made applicable by reference, constitutes the complete and exclusive statement of the terms and conditions of the Contract between the Contractor and JPB. This Contract supersedes all prior representations, understandings, and communications. This Contract may be modified or amended only by written instrument signed by both the Contractor and the JPB.

IN WITNESS WHEREOF, the parties have hereunto executed this Contract as of the date first above written.

PENINSULA CORRIDOR JOINT POWERS BOARD:

Print name: _____

Title: Executive Director

Signature: _____

Date: _____

ATTEST:

By: _____
JPB Secretary

APPROVED AS TO FORM:

By: _____
Attorney for the JPB

CONTRACTOR:
(See footnote below)*

Print name: _____

Title: _____

Signature: _____

Date: _____

Print name: _____

Title: _____

Signature: _____

Date: _____

Note: If the CONTRACTOR is a Corporation, this Agreement must be executed by two Corporate Officers, consisting of:

- (1) the President, Vice President or Chair of the Board, *and*
- (2) the Secretary, Assistant Secretary, Chief Financial Officer, Assistant Chief Financial Officer, Treasurer, or Assistant Treasurer.

In the alternative, this Agreement may be executed by a single Officer or a person other than an Officer provided that evidence satisfactory to the PCJPB is provided demonstrating that such individual is authorized to bind the Corporation (e.g. a copy of a certified resolution from the Corporation's Board or a copy of the Corporation's bylaws).

will observe and may inspect the work, and will report their observations to the Project Manager. Except as expressly authorized by the Project Manager in writing, the inspector(s) will have no authority to accept, reject, or approve the work, to stop the work, to authorize any changes in the work, or to direct any extra work.

1.9.3. TESTING

The Contractor shall pay the costs of any inspection or test required of the Contractor by the Technical Specifications or other Contract Documents or which it requests for its own convenience. The Contractor shall maintain records of all inspections and tests covering the work under this Contract and shall make such records available to JPB and JPB's inspector(s) upon request during the performance of this Contract and for the duration of any Warranty periods.

1.9.4. TESTING AT JPB FACILITY

For the testing defined under the Technical Specifications section 19, chapters 19.9 (Trainset Level Performance Design Conformance Tests) and 19.12.5 (Trainset Limited Performance Test) JPB will make available without additional cost to the Contractor facilities for testing at its facilities specified in test plans pursuant to the Technical Specifications, including testing at speeds up to 110mph. All testing at the JPB facilities will be at times and locations as directed by the JPB so as not to interfere with JPB operations. Operation or movement of EMU's during testing will be at JPB's direction and by JPB operating personnel only.

JPB will make available one (1) bay within CEMOF, with an in-floor lift and roof access. JPB will make available to the Contractor, to the extent possible as determined in the sole discretion of JPB, electric power and storage for EMU components at CEMOF. The Contractor shall furnish all personnel, supplies, and tools for EMU post-delivery work at JPB's facilities, and will furnish all equipment and other requirements for the EMU post-delivery work position not made available to the Contractor by JPB.

The Contractor shall maintain JPB property in a neat and orderly condition, equal or better than the general maintenance facility condition. Upon completion of the Work, the Contractor shall remove all temporary buildings, structures, fences, scaffolding, surplus materials, and rubbish of every kind from the site of the Contractor's work on JPB property.

The Contractor shall not be liable for delay caused by the JPB's failure to provide the facilities set forth in this Section.

1.10. OPTIONS FOR ADDITIONAL VEHICLES, SPARE PARTS, SPECIAL TOOLS AND TEST EQUIPMENT, AND MAINTENANCE SERVICES

1.10.1 Options for Additional Vehicles

The JPB reserves the right in its sole discretion to exercise options to order up to 96 additional Vehicles ("Option Vehicles") as set forth in this section, the JPB will exercise its options for Option Vehicles by written notice to the Contractor. The notice shall specify the quantity of additional Vehicles being ordered. Except as may be specified in an option order and agreed to by both parties, all Option Vehicles shall be identical in every way to base order Vehicles purchased under this Contract. All conditions, technical specifications, and requirements of this Contract shall apply to Option Vehicles, except as noted below. All Option Vehicle prices set

forth in this Contract are in U.S. currency and do not include any allowance for any contingency to cover anticipated increased costs of performance.

Option 1 period. At any time during the manufacturing process (i.e. any time up to eighteen (18) months prior to the start of fabrication of the last new car shell), the JPB may exercise an option to purchase up to 96 Option Vehicles. The JPB may make one order of Option Vehicles during the Option 1 period, or may make multiple orders at different times. The JPB may order Option Vehicles of any configuration (i.e. coaches, cab cars, bicycle cars, etc.) and any quantity. The unit prices for all Option Vehicles ordered during the Option 1 period will be the unit prices for the corresponding Option Vehicle type(s) set forth in the "Option Cars" price form with no adjustment.

Option 2 period. After the time period for Option 1 has expired, but at any time within seven years of the effective date of this Contract, the JPB may exercise an option(s) to purchase additional Option Vehicles such that the total amount of Option Vehicles purchased does not exceed 96. The JPB may order Option Vehicles of any configuration (i.e. coaches, cab cars, bicycle cars, etc.) and any quantity. Unit prices for the corresponding Option Vehicle type(s) ordered during the Option 2 period will be the unit price for Option Vehicles set forth in the "Option Cars" price form, subject to the adjustment set forth in Section 1.10.1.2. Additionally for the 1st order of vehicles in the Option 2 period the Re-mobilization and Project Management Fee will apply.

1.10.1.1 Milestone Payments – Option Vehicles

Milestone payments will be calculated from the total price for each order of Option Vehicles:

M/S	DESCRIPTION	M/S (%)	CUMULATIVE M/S (%)
A	Return of the Executed Change Order with Updated Master Program Schedule	5	5
B	Submittal of Executed Subcontract Agreement Change Orders for All Major Systems Suppliers	10	15
C1- Cn	Completion of Carbody (ready for shipment) of each Option vehicle	$n \times C/n = 29$	44
D1- Dn	Authorization to Ship of each Option Vehicle from Contractor's Facility	$n \times D/n = 20$	64
E1- En	Notice of Conditional Acceptance of each Option Vehicle	$n \times E/n = 24$	88
F1- Fn	Notice of Final Acceptance of Each Option Vehicle	$n \times F/n = 12$	100

*Note: n represents the number of Option vehicles ordered

1.10.1.2 Economic Price Adjustment/Escalation for Option Vehicles

This Section shall be the exclusive measure of the Option prices for Option Vehicles ordered during Option Period 2 without regard to actual changes in the cost or use of labor or materials between the NTP and the date the JPB exercises an Option.

The price for Option Vehicles purchased during Option Period 2 shall be subject to an adjustment as follows:

The index value of a specific Producer Price Index category shall be established from the "PPI Detailed Report", published monthly by the U.S. Department of Labor, U.S. Bureau of Labor Statistics, specifically using Industry Code 336510, Product code 336510-3Z, "Passenger and freight train cars, new (excluding parts)" as shown in Table 11, "Producer price indexes for the net output of selected industries and their products, not seasonally adjusted.", as of the month and year of the NTP.

For Option Period 2 orders, the Option Prices will be calculated as the unit price for each Option Vehicle type being ordered from the “Option Cars” price form plus (or minus) an amount equal to that same unit price times the percent difference (to two decimal places, rounding upward) between the index value as of NTP and the index value as of the month and year of the Option Vehicles order.

For example, if the index value at NTP was 233.3, and the index value at the month/year of the Option Vehicle order is 232.7, the percent difference would be -0.26 percent. The Option Period 2 unit prices would therefore be 99.74% [100%-0.26%] of the unit prices shown on the “Option Cars” price form.

Additionally for the 1st order of vehicles in the Option 2 period the Re-mobilization and Project Management Fee will apply.

1.10.2 Option for Spare Parts, Test Equipment, and Special Tools

The JPB reserves the right in its sole discretion to exercise options to purchase additional Spare Parts, Test Equipment, and Special Tools at the unit prices shown in the Price Forms. Such options may be exercised from time to time as may be desired by the JPB, but not later than six (6) months prior to the delivery of the last Trainset ordered under the base order or six (6) months prior to the delivery of the 1st EMU in an Option order, if exercised, whichever is later. No escalation of the unit prices will apply to these purchases.

1.10.3 OPTION FOR MAINTENANCE SERVICES

The JPB, in its sole discretion, will have the option to engage Contractor to perform the maintenance services that are described in Volume 8. In the event the JPB exercises this option, Contractor will be bound to all the terms and conditions set forth in Volume 8 and will execute the Maintenance Services Agreement as finally negotiated. Contractor’s failure to execute the Maintenance Services Agreement upon the JPB’s notification that it has exercised the maintenance services option is a material breach of this EMU Procurement Contract.

The JPB may exercise its option for maintenance services at any time within 12 months of issuance of Notice to Proceed for the base order of Vehicles. Upon exercise of its option, and execution of the Maintenance Services Agreement, the Maintenance Services Agreement and the EMU Procurement Contract will be separately administered and the terms of one will not apply to the other. The JPB’s further rights to exercise options for extensions of the maintenance services agreement are set forth in Volume 8.

1.11. CONTRACT MODIFICATIONS

1.11.1. CONTRACTOR CHANGES

Any Contractor-proposed change in this Contract shall be submitted in writing to JPB for its prior approval. Oral change orders are not permitted. All Contractor initiated requests for a change shall be made within ten (10) days after Contractor knows, or should have known, of the issues giving rise to the request. At JPB’s request, Contractor shall provide information giving the basis for the requested change, or shall provide a proposal containing (i) the information set

Margaret Tseng

From: VTA BART Phase II <vtabart@vtabsv.com>
Sent: Friday, April 28, 2023 12:00 PM
To: Board (@caltrain.com)
Subject: Opening Soon: BART Public Information Office and New VTA Customer Service Center

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Opening Soon: BART Public Information Office and New VTA Customer Service Center

VTA's BART Silicon Valley Phase II Extension Project (BSV) will be opening a new Public Information Office later this year at 2 North Market Street, next to where the future

Downtown San José BART Station will be. Members of the BSV Outreach Team will use this office for education and updates to the local community and stakeholders about the progress of the BSV Project and be available to respond to questions and concerns during project construction.

VTA's Downtown Service center team will move into the same building first in mid-June ultimately relocating with the BSV Information Office at 2 North Market Street. Customer Service representatives will continue to assist transit riders and the community with transit pass sales, including the Regional Transit Connection Discount Card, provide maps and schedules and trip planning and schedule information, return of lost & found items, as well as provide other assistance as needed. VTA selected and leased this location in a regular commercial leasing transaction after the landlord made the space available. Additional BSV offices in Santa Clara and San José near the future 28th St/Little Portugal BART Station are expected to open in the coming years as construction ramps up.

BSV will also implement a local small Business Resource Program (BRP) to help prepare for and respond to major construction. The BRP includes working with the Cities and businesses to ensure visibility and access during construction. The program includes signage and wayfinding, a campaign to shop locally, business resource connections and support, and additional assistance for small businesses that meet specific criteria. Stay tuned for additional information about the Business Resource Program in a future blog post.

Project Background

VTA's BART Silicon Valley Phase II Extension (Phase II Project) is a six-mile, four-station extension of BART from Berryessa / North San José Station (opened 2020) through downtown San José to the City of Santa Clara. The Phase II Project is planned to include an approx. five-mile subway, three stations with underground platforms (28th Street/ Little Portugal, Downtown San José, and Diridon), one ground-level station (Santa Clara), a train maintenance and storage facility, and additional facilities.

Have a question for us about Phase II?

Visit www.vta.org/bart or email us vtabart@vtabsv.com



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You requested information about VTA's BART Silicon Valley Extension Phase II.

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