

Approve Guiding Principles and Goals for an Operations and Maintenance Successor Contract

JPB Board of Directors
March 6, 2025



Agenda

- 1. Purpose**
- 2. Project Background**
- 3. Roadmap to Next Contract**
- 4. Guiding Principles and Goals**
- 5. Discussion and Input**
- 6. Next Steps**

Purpose

Why We're Here Today

- Caltrain's current Operations and Maintenance (O&M) Agreement with TransitAmerica Services, Inc. (TASI) **expires June 30, 2027.**
- Staff must begin advancing a re-procurement effort **now** for the transition to a **new** O&M Agreement by **July 1, 2027.**
- Staff is seeking Board input on proposed **Guiding Principles** and **Goals** for the development of a **Successor Contract.**

Project Background

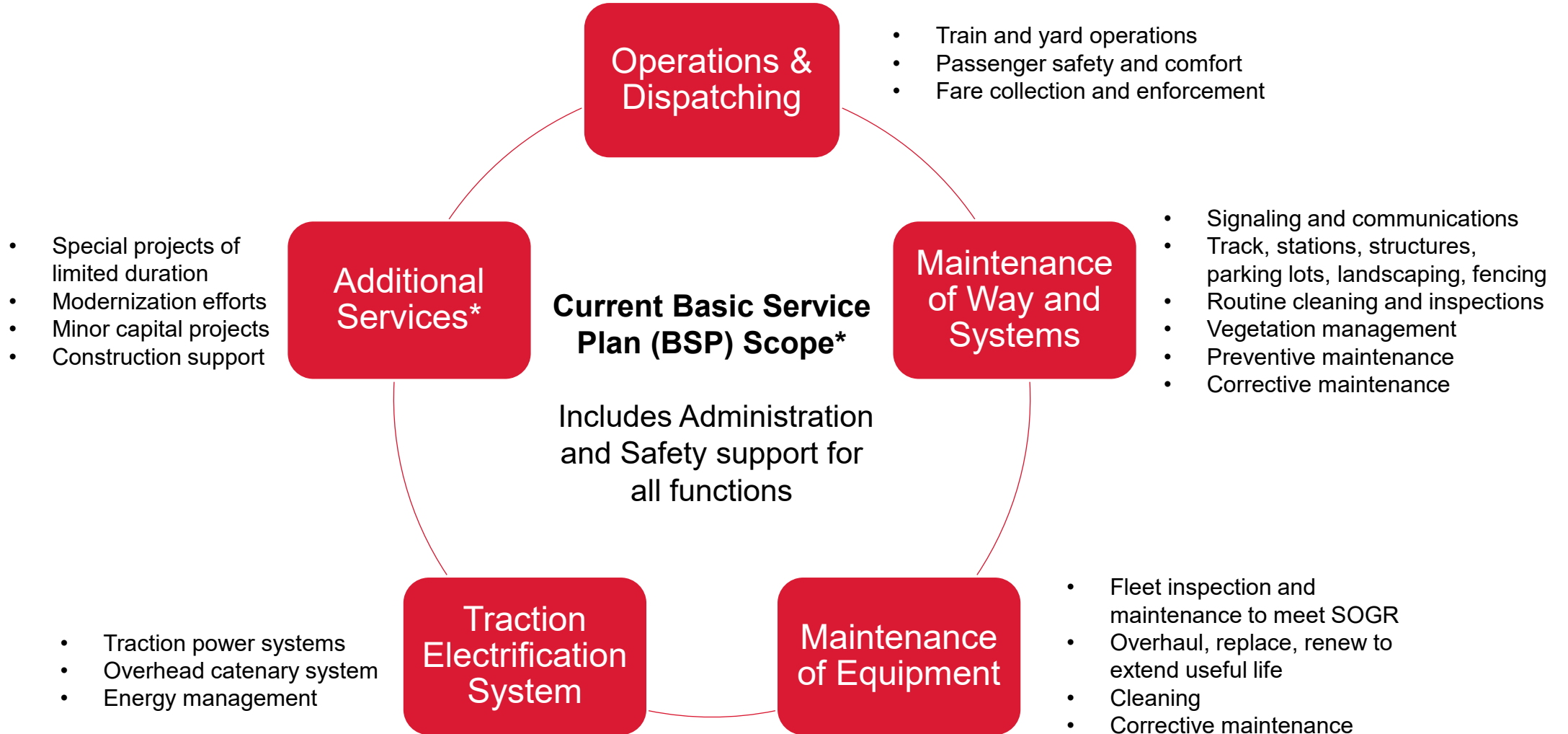
Contract History

- The JPB assumed responsibility for operating Caltrain service from Caltrans in 1992. Amtrak served as Rail Operator until May 2012.
- In September 2011, the JPB awarded a new operating contract to TASI for a 5-year base term with 5 additional one-year options.
- In 2017, the JPB exercised all 5 of the option years, extending the contract with TASI to June 2022.
- In January 2021, the JPB further extended TASI's contract through June 2027 to de-risk PCEP completion and start-up of electrified service.

Re-Procurement Effort

- With PCEP substantially complete and initial electrified revenue service commencing in August 2024, Caltrain must begin to focus on competitively procuring the next Rail Operator agreement.
- Procurement process for a contract of this magnitude will require significant staff time and guidance from the Board of Directors.
- Caltrain has engaged WSP as advisors for this effort.

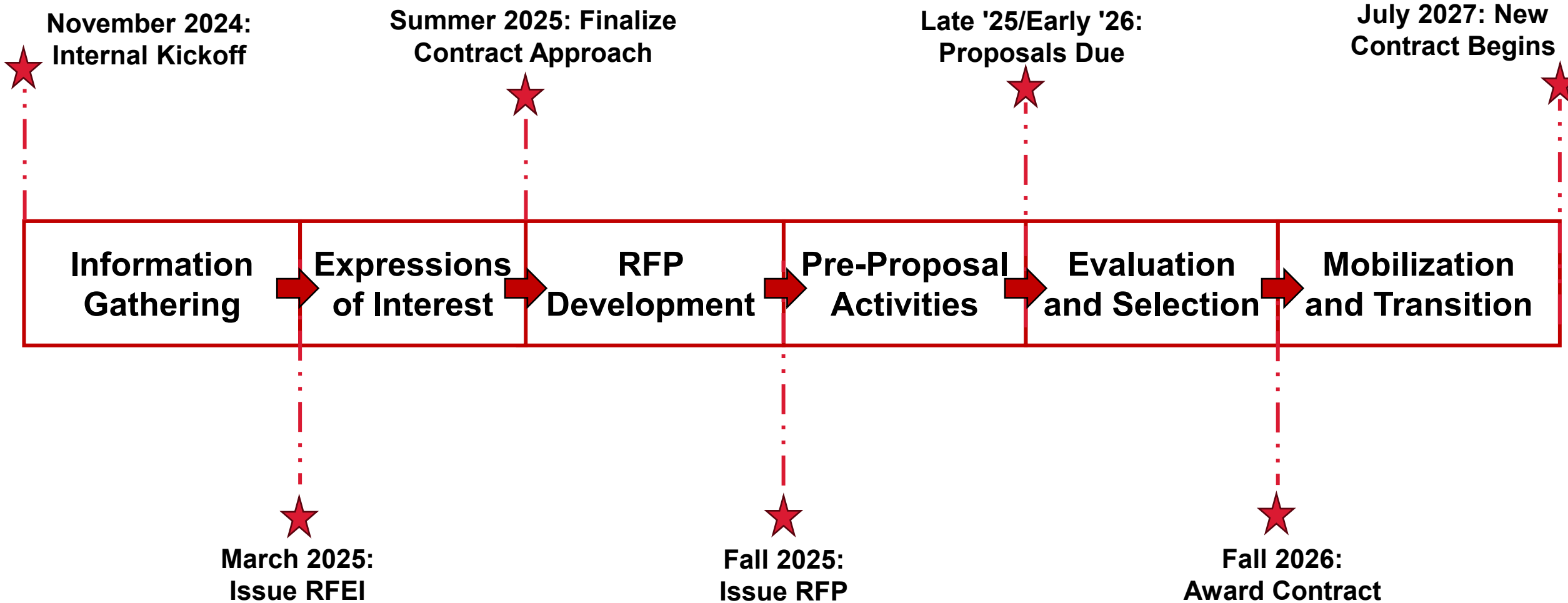
Current Contract Scope



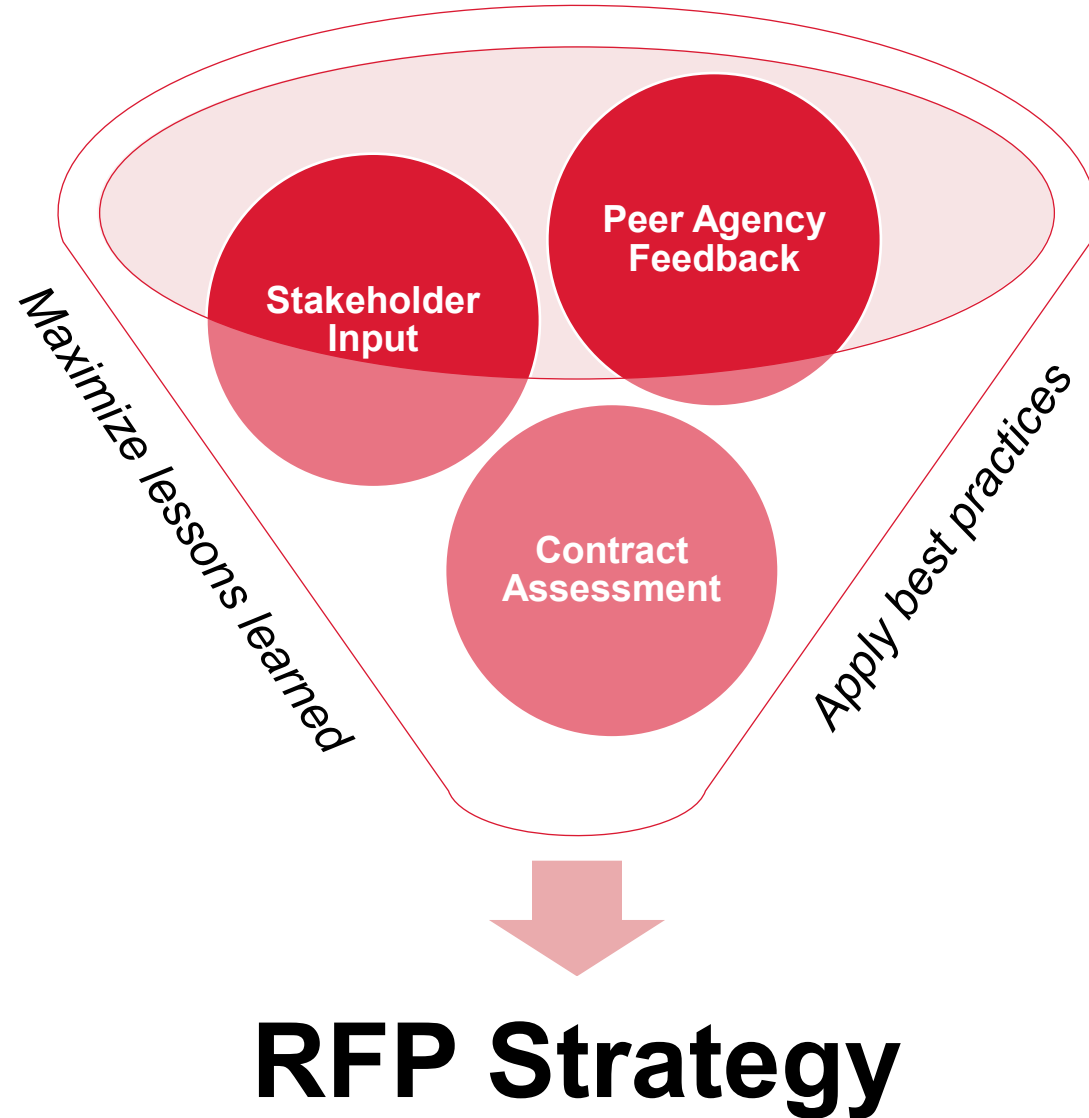
Roadmap to Next Contract

Solicitation Roadmap

*Timeline is for illustrative purposes only.
Dates are preliminary and subject to change.*



RFP Development Approach



Short-Term Focus Areas

- **Immediate Priorities (In Progress or Planned)**
 - Internal SME interviews and feedback gathering
 - Evaluation of current contract structure
 - *Request for Expressions of Interest*
 - *Industry engagement via one-on-one interviews*
 - Peer agency discussions (best practices, lessons learned)
 - Identify recommended updates to terms and conditions
 - Initial briefing to ad hoc committee

Guiding Principles & Goals for Successor Contract

Board Direction

- Today, staff is seeking Board input on proposed **Guiding Principles** and **Goals** for the procurement of a future O&M Agreement.
- Staff will return to the TOPS Committee and Board in the coming months seeking direction on additional key policy decisions including:
 - The commercial arrangement of the successor contract
 - The evaluation criteria for scoring proposals

Proposed Guiding Principles

1. **Safety** as a primary core value in all facets of operations and maintenance, including a robust risk-based hazard analysis and decision-making process.
2. **Cost Efficiency, Innovation** and continuous improvement as demonstrated through the proactive implementation of solutions to enhance operational efficiency, increase revenue collection, promote sustainable practices, achieve cost-savings, and ensure appropriate allocation of risk.
3. **Reliability** of Caltrain service as demonstrated by excellence in on-time performance, preventive and corrective maintenance, and customer service.
4. **Capacity** to deliver on special projects as needed.
5. **Stewardship** of the Caltrain system by advancing the agency's mission and vision, with integrity, through impactful leadership including effective succession planning.
6. **Partnership** with a contractor who is proactively solving problems, mindful of controlling costs, and collaborative and communicative with Caltrain in providing the best customer experience possible.

Goals for Successor Contract

1. **Develop a modern, flexible contract** that reflects Caltrain's core values, maintains the highest standard of service for our customers, and incorporates industry best practices and lessons learned.
2. **Deliver safe, reliable, and excellent service** at a fair cost, including an appropriate balance of performance, price, and risk allocation.
3. **Maintain the highest standards of safety** by ensuring regulatory compliance over the contract term and continuing to build on a safety culture that emphasizes reporting, recognition, communication, training, and continuous improvement.
4. **Maximize competition for the successor contract** by adopting a future procurement strategy that is marketable and executable.
5. **Ensure that any future handover process is safe, collaborative, and without impact** to employees of Caltrain's current contract operator and Caltrain's customers by establishing realistic mobilization timeframes and providing necessary support.
6. **Prioritize opportunities to achieve cost efficiencies**, including by strengthening fare collection systems, promoting ridership growth, and exploring new technologies.

Questions for Discussion

Guiding Principles

1. Do the principles accurately reflect the Board's policy direction?
2. Are there any amendments or additions that should be considered?

Goals for Successor Contract

1. Are the draft goals consistent with the Board's objectives for the next contract?
2. Are there any amendments or additions that should be considered?

Additional Questions or Comments?