

Handout for Agenda Item 10:

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

Proposed Guiding Principles: The following principles represent the core standards staff expect Caltrain's next contract operator to fully exemplify, as well as the values that will help guide internal actions and decision-making during the development of the next O&M Agreement.

1. **Safety** as a primary core value in all facets of the 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.

Proposed Goals: The following goals represent the specific intended outcomes for the future procurement process and establishment of a 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.