



## **ADMINISTRATION & FINANCE COMMITTEE**

Thursday, February 19, 2004  
12:00 p.m.

City of San Jose  
801 North First Street – Room 204  
San Jose, California

### **MINUTES**

#### **1. CALL TO ORDER**

The Regular Meeting of the Administration and Finance Committee (A&F) was called to order at 12:00 p.m. by Chairperson Williams in Room 204, City of San Jose, 801 North First Street, San Jose, California.

#### **ROLL CALL**

##### **Members Present**

David Casas, Vice Chairperson  
Patricia Dixon  
Don Gage  
Forrest Williams, Chairperson

##### **Members Absent**

None

##### **Alternates Present**

None

##### **Alternates Absent**

Dennis Kennedy  
Breene Kerr

\* Alternates do not serve unless participating as a Member.

**A quorum was present.**

**The Agenda was taken out of order.**

**3. ORDERS OF THE DAY**

Chairperson Williams requested that Agenda Item # 10., Authorize the purchase of a one year policy extension on the rail construction Builder's Risk policy with the Allianz Insurance Company, to cover the period from March 1, 2004 through April 30, 2005, for an amount not to exceed \$86,431. In addition, authorize payment of the additionally owed premium for projects added to the policy during the original term for an amount not to exceed \$154,000. This brings the total premium paid for the policy to \$879,181 be removed from the Consent Agenda and be placed on the Regular Agenda.

Chairperson Williams requested that Agenda Item 16.X., Discuss the Financial Stability Strategy be added to Other Items.

M/S/C (Dixon/Gage) to accept the Orders of the Day.

**2. PUBLIC PRESENTATIONS**

There were no Public Presentations.

**CONSENT AGENDA**

**4. Regular Meeting Minutes of January 22, 2004**

M/S/C (Gage/Dixon) to approve the Regular Meeting Minutes of January 22, 2004.

**5. Report on Santa Clara Valley Transportation Authority Investments for the Month of December 2003 and quarter ending December 2003**

M/S/C (Gage/Dixon) to receive and file the Report on Santa Clara Valley Transportation Authority Investments for the Month of December 2003 and quarter ending December 2003.

**6. Quarterly Purchasing Report**

M/S/C (Gage/Dixon) to receive and file the Quarterly Purchasing Report.

**7. Monthly Legislative Reports**

M/S/C (Gage/Dixon) to receive and file the Monthly Legislative Reports.

**NOTE: M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.**

---

8. **Second Quarter FY 2004 Report of Public Liability/Property Damage and Owner Controlled Insurance Program (OCIP) Claims Activity**

**On order of Chairperson Williams**, there being no objection, the Committee received and filed the report on the Second Quarter FY 2004 Report of Public Liability/Property Damage and Owner Controlled Insurance Program (OCIP) Claims Activity.

9. **Second Quarter FY 2004 Report of Workers' Compensation and Owner Controlled Insurance Program (OCIP) Claims Activity**

**On order of Chairperson Williams**, there being no objection, the Committee received and filed the report on the Second Quarter FY 2004 Report of Workers' Compensation and Owner Controlled Insurance Program (OCIP) Claims Activity.

10. **(Removed from the Consent Agenda and placed on the Regular Agenda.)**

Authorize the purchase of a one-year policy extension on the rail construction Builder's Risk policy with the Allianz Insurance Company, to cover the period from March 1, 2004 through April 30, 2005, for an amount not to exceed \$86,431. In addition, authorize payment of the additionally owed premium for projects added to the policy during the original term for an amount not to exceed \$154,000. This brings the total premium paid for the policy to \$879,181.

11. **Bicycle and Pedestrian Advisory Committee Appointment**

**M/S/C (Gage/Dixon)** to approve submitting a recommendation to the Board of Directors to approve the appointment of Thomas Muniz, representing the City of Gilroy, to the Bicycle & Pedestrian Advisory Committee for the term ending June 30, 2004.

12. **Amendment of Citizens Advisory Committee, Technical Advisory Committee, and Bicycle and Pedestrian Advisory Committee Bylaws; and Amendment of VTA Administrative Code**

**M/S/C (Gage/Dixon)** to approve submitting a recommendation to the Board of Directors to adopt a resolution: amending the Citizens Advisory Committee (CAC), Technical Advisory Committee (TAC), and Bicycle and Pedestrian Advisory Committee (BPAC) bylaws as indicated; and the VTA Administrative Code, as indicated, in order to permit the specified modifications to the CAC, TAC, and BPAC bylaws.

13. **VTA Appointments to SCVTA/ATU Pension Plan Board of Pensions**

**M/S/C (Gage/Dixon)** to approve submitting a recommendation to the Board of Directors to adopt the attached resolution designating VTA's appointees to the SCVTA/ATU Pension Plan Board of Pensions.

---

**14. Lease Agreement for Walk-Up Copier Services**

**M/S/C (Gage/Dixon)** to approve submitting a recommendation to the Board of Directors to authorize the General Manager to award a contract to Stringer Business Systems for the lease of walk-up photocopiers for a three-year period in the amount of \$580,019 and for two additional one-year options in the amount of \$79,631 per year for a total of \$739,281.

**REGULAR AGENDA**

**10. Purchase of the Renewal, and Payment of Additional Earned Premiums for the Builder's Risk Insurance Policy for Rail Construction Projects**

Nanci G. Eksterowicz, Risk Manager, provided a brief overview on the Purchase of the renewal, and payment of additional earned premiums for the Builder's Risk Insurance policy for Rail Construction Projects. Ms. Eksterowicz noted that the agenda item was resubmitted due to a final quote from the insurance carrier regarding the premium. The purpose of the memo is to purchase the renewal insurance coverage and on additional premium for the insurance policy for rail construction projects, which provides property coverage while a project is under construction. Ms. Eksterowicz added that at the time the memorandum was written the amount was a brokers estimate, but the final premium amount was received and is reflected in Revised Agenda Item # 10. Ms. Eksterowicz stated that the policy provides \$100 million worth of coverage for the year and added that VTA owes \$154,000 in additional premium increases for projects added to the policy during the original term.

Member Gage noted that it has been five years and queried if Staff has issued any Request for Proposals (RFP) in the effort to receive better premium prices for the insurance policy. Ms. Eksterowicz responded that the insurance broker purchased the insurance on behalf of VTA and at the time the five-year policy was a good competitive rate. Peter M. Cipolla, General Manager, noted that the memorandum is for a one-year insurance policy extension.

Chairperson Williams queried if the extension was a result of the premium owed to the insurance carrier for additional projects. Ms. Eksterowicz responded that the extension is to provide coverage for the remaining construction of the Vasona Light Rail Line. Chairperson Williams queried if this is a standard practice with insurance carriers regarding insurance policies. Ms. Eksterowicz responded that this is standard practice and normal for an insurance broker to give an estimate then perform an audit to recoup the premium for the additional insurance coverage for the additional projects covered during the term.

Vice Chairperson Casas queried on the relationship between VTA and the broker and the percentage of commission the broker received due to the insurance policy extension.

---

Ms. Eksterowicz responded that the broker receives a flat fee based on services and does not receive a commission; therefore, there is no incentive to buy more expensive insurance policies.

**M/S/C (Gage/Dixon)** to approve submitting a recommendation to the Board of Directors to authorize the purchase of a one-year policy extension on the rail construction Builder's Risk policy with the Allianz Insurance Company, to cover the period from March 1, 2004 through April 30, 2005, for an amount not to exceed \$86,431. In addition, authorize payment of the additionally owed premium for projects added to the policy during the original term for an amount not to exceed \$154,000. This brings the total premium paid for the policy to \$879,181.

**15. Amendment to the Contract with Parsons Transportation Group (PTG) for Final Design of the Route 237/I-880 Interchange Project**

John Ristow, Deputy Director of Programming & Highway Administration, provided a brief overview on the Amendment to the Contract with Parsons Transportation Group (PTG) for Final Design of the Route 237/I-880 Interchange Project. Mr. Ristow noted that Caltrans had worked on Phases A and B of the project and that VTA is now working on Phase C to construct a direct High Occupancy Vehicle (HOV) ramp. This amendment would allow PTG to work on the design of the landscaping for the entire interchange project.

Member Gage queried how many extensions have been completed on the contract. Mr. Ristow responded that this is the only timeframe extension on the contract; however, noted three amendments to utilize contingency funds for the project. Member Gage queried if this was a normal practice. Mr. Cipolla explained that is how the contract was arranged.

Mr. Ristow commented that the original plan was between the City of Milpitas and Caltrans to have Caltrans prepare the landscaping design of the entire interchange project; however, the City of Milpitas has since requested that VTA prepare the final landscaping design for the interchange project. Vice Chairperson Casas queried if the relationship between the City of Milpitas and Caltrans had changed. Mr. Ristow responded that the initial landscaping project was going to be designed by Caltrans since they agreed to commit \$2 million in funding to the overall \$4 million dollar landscaping project; however, the funding commitment has since went away. Member Dixon noted the concern of the City of Milpitas regarding the 237/I-880 Interchange Project landscaping design and added that the interchange project is a major landmark as well as a gateway for the City of Milpitas. Member Gage queried if the City of Milpitas had a contract with Caltrans. Member Dixon responded that there was no written contract only a verbal agreement between the City of Milpitas and Caltrans. Vice Chairperson Casas queried on who was accountable for the initial agreement between the City of Milpitas and Caltrans.

Mr. Ristow responded that the agreement was between the City of Milpitas and Caltrans.

---

Vice Chairperson Casas queried if VTA was responsible for the funding of the interchange project landscaping design. Mr. Ristow responded that the funding for the project would come from the 1996 Measure B Transportation Improvement Program. Member Gage queried on what the City of Milpitas was doing to resolve the matter. Member Dixon responded that the City of Milpitas is trying to determine how they would implement and maintain the interchange landscaping design. Mr. Cipolla clarified that the 237/I-880 Interchange Project is funded through the 1996 Measure B Transportation Improvement Program and added that there are no additional costs associated with the design work. Mr. Cipolla clarified that the issue is who will be responsible to complete the interchange landscaping design of the project and added that the funding is within the 1996 Measure B Transportation Improvement Program budget. Chairperson Williams queried on the reasoning why Caltrans is no longer doing the work on the design. Member Dixon noted that the funding is no longer available and she is not aware of the arrangement between Jim Lawson and Caltrans. Chairperson Williams queried on how the City of Milpitas will locate the funding. Member Dixon noted that the City of Milpitas is currently looking for the funding.

**M/S/C (Gage/Casas)** to approve submitting a recommendation to the Board of Directors to authorize the General Manager to amend the contract with Parsons Transportation Group for final design of the Route 237/I-880 Interchange Project, increasing the approved contract value by \$300,000 for a new contract value not to exceed \$5,406,339; and extend the term of the contract through March 31, 2005.

## **OTHER ITEMS**

### **16. FY 2004 Second Quarter Performance Report**

Matthew O. Tucker, Chief Operating Officer, highlighted the revisions to the FY 2004 Second Quarter Performance Report regarding the following items: Operating Cost per Total Hour, Bus Operations Riders per Total Hour, and Light Rail Riders per Total Hour. Mr. Tucker added that the numbers originally reported were based upon revenue hours and adjusted to be consistent with system hours. Mr. Tucker introduced Mike Aro, Deputy Director, Service & Operations Planning. Mr. Aro commented on the revisions and provided a brief overview on the FY 2004 Second Quarter Performance Report. Mr. Aro noted that operating expenses decreased by 9.3 percent from \$130 million this current fiscal year second quarter compared to \$117 million last fiscal year second quarter. The average fare paid by system riders increased from \$0.65 to \$0.78 and the farebox recovery ratio improved from 10 percent to 13 percent. Mr. Aro noted that the operating cost per total hour has been modified to \$158 compared from \$160 and added that the system absorbed inflation costs as part of the cost reduction program implemented. Ridership is down about 17.5 percent for the entire system, down 17.5 percent for bus system, and down 18 percent for light rail system. Mr. Aro noted a 32 to 33 percent reduction in ridership for the entire system over the last three years related to problems within the economy. Mr. Aro noted that service quality and accident rates have improved.

---

Member Dixon queried if Staff factored in the number of dislocated employees and if the number had an impact on ridership. Mr. Cipolla noted that a large part of ridership patterns are tied to employment.

Member Gage requested a breakdown of the elements and what elements are included in the operating cost per total hour. Mr. Cipolla noted that Board Member Fowler requested a pie chart regarding the information on the elements included in the operating cost per total hour. Mr. Cipolla noted that the pie chart information will be provided to A & F Committee Members as reference. Member Gage noted that the Ad-Hoc Financial Stability Committee requested that Staff examine the operating efficiencies and added that the numbers were average but have increased. Member Gage requested information on the operating efficiencies and the cost of operating the transit system per hour.

Mr. Cipolla noted that the cost per hour in FY 2004 is less than FY 2002 due to the large increases in health care and workers compensation during that time.

Mr. Cipolla noted that the data reported to the National Transit Database is two years old and states that the data should not be used as a comparison to other systems due to changes and demographics. The data information is good for general knowledge but cannot be used to make comparisons between transit systems. Member Gage added that VTA should be prepared to respond to questions regarding the elements included in VTA's operating costs. Mr. Cipolla added that the data information that VTA provides to the National Transit Database is comprehensive, detailed, and reflective. Member Gage noted that the Board Members need to know the elements included in the operating costs to be prepared to plan and manage the costs.

Vice Chairperson Casas queried on the two percent ridership increase noted in the performance report; however, noted the decline in ridership. Mr. Cipolla responded that the increase is with the Tasman East/Capitol Light Rail Line. Vice Chairperson Casas queried on the primary driver between the reductions in the operating costs per hour from \$171 to \$158 and queried if information was not reported. Mr. Aro noted that in the past items were based and reported in revenue hours and added that Staff recently began to modify this information into total hours to be consistent with other information. Therefore, the information will be consistent to monitor with the farebox recovery ratio, which is based on total costs per hour. Mr. Aro added that Service and Operations Staff failed to adjust the formulas in the previous information; therefore, modified the information to be consistent and based on total costs per hour. Vice Chairperson Casas queried on the riders per hour and noted that the number has a significant increase. Mr. Aro responded that the 17 number in system riders per total hour reported was an error but noted that the numbers in bus and light rail operation riders per total hour have reduced in the those columns. Mr. Tucker noted that the numbers previously reported were revenue hours instead of total system hours; therefore, it is not a change it is just two different ways of reporting different activities based upon different circumstances. Vice Chairperson Casas queried if the change was a methodology change in the columns or a process of formulas in the columns. Mr. Cipolla responded that the change was how the numbers were being exhibited and added that the intention is to be consistent with the

---

reporting of the information. Mr. Aro added that the Second Quarter Performance Report will be reissued.

Chairperson Williams queried on a comparison of our cost elements included in operating the transit system to another transit system regarding the same elements to obtain and clarify the information on how the transit systems are different. Mr. Cipolla responded that it is impossible to do a comparison between transit systems. Mr. Tucker responded that it seems simple to compare transit system between transit systems; however, it is not simple because every operating environment is different in terms of the density, funding of the transit system, and type of transit system. Chairperson Williams noted that the challenge is to show the differences between the transit systems as well as the costs to identify why it is valid for VTA.

Vice Chairperson Casas noted if VTA cannot benchmark itself then how will we prove that we are efficient in offering the services we provide as well as show that we are competing against other transit systems from a benchmarking standpoint. Mr. Cipolla responded that it is difficult to compete with other transit systems because of the differences within the transit systems. Mr. Cipolla added that if you examine all of the financial information provided within the past two years and note that VTA has benchmarked. Mr. Cipolla noted that VTA is deferring maintenance on major programs and those costs are going to hit hard and heavy within the next year or two.

Member Gage noted that the key is to identify cost elements, reduce the cost elements in key areas, and maintain the quality of service. Member Gage added that the goal is to manage our transit system and not worry about what other transit systems are doing because they might be doing things totally different.

Vice Chairperson Casas queried on benchmarking information and requested a copy of a comparison analysis document regarding benchmarking. Mr. Cipolla noted that a copy of the document will be provided.

Member Dixon noted the need to highlight the positive aspects of the organization to the public.

Mr. Tucker noted that VTA's goal is to be more cost efficient and reduce costs. Mr. Cipolla added that VTA has to identify a new source of revenue.

**On order of Chairperson Williams**, there being no objection, the Committee received and filed the FY 2004 Second Quarter Performance Report.

#### **16.X. Financial Stability Strategy**

Jim Webb, Mayor Gonzales' Staff Aide, provided a brief overview on the Financial Stability Strategy. Mr. Webb noted Mayor Gonzales' concerns regarding issues with the Financial Stability Strategy and requested more definition of the use of 2000 Measure A funding. Mr. Webb noted Mayor Gonzales' intention to ensure that VTA had as much of the ability to complete the projects that 2000 Measure A promised to the voters as well as

---

identify clear guidelines of the use of the 2000 Measure A funding and identify how to approach the use of 2000 Measure A funding to maintain current services. Mr. Webb added that Mayor Gonzales request that through the Valley Transportation Plan (VTP) 2030 process the Board of Directors identify what portion of the funding in 2000 Measure A for operations would be used for bus and light rail services as well as draw out against the portion of funding to maintain current services. Mr. Webb continued that any funding drawn out from that portion of funding for operations should be repaid to the 2000 Measure A Program to preserve the ability to expand bus service in the future; however, not make it necessary to pay back the operating funding because the intent is to not reduce service in order to repay the funding. In the event that VTA utilizes all of the portion of the Measure A funding set aside in VTP 2030 for bus and light rail operations and requires a portion of the capital project funding then the funding set aside for the purchase of Zero Emission Buses (ZEB) could be utilized to maintain current bus and light rail operation services but the funding would have to be 100 percent repaid back to ensure the ability to purchase as many ZEB's as possible to upgrade the existing system. The universe of funding available would be what ever funding is set aside for the VTP 2030 for operations, bus and light rail, and for the purchase of ZEB that would be the total universe and to the extent that it is paid back to preserve the ability to complete the projects that 2000 Measure A promised and added that the final piece of the recommendation is to establish that there is a clear firewall around funding for other projects in 2000 Measure A so that funding is not drawn down on funds that were set aside for other types of projects, such as, BART, Caltrain, and other projects promised in the 2000 Measure A Program.

Chairperson Williams queried on the recommendation regarding bus operation services funding within the 2000 Measure A Program. Mr. Webb responded that the intent of the recommendations is regarding the ability to maintain current operating services for bus and light rail. Chairperson Williams noted that 2000 Measure A already has an allocation in it for bus operation services. Mr. Cipolla responded that 2000 Measure A has an allocation for operations in it for \$1.1 billion; however, added that the allocation is not segregated for bus or light rail and noted that the allocation is for operating services. Mr. Cipolla added that 18.45 percent of the allocation for operation has been allocated in VTP 2020 and the allocation has been carried forward into VTP 2030 recommendations in funding the three highest priorities in 2000 Measure A Program utilizing the project in Downtown East Valley. Member Gage noted that VTA does not have the ridership numbers at this time for service expansion; therefore, the funding will be utilized for operations and maintenance of bus and light rail. Mr. Webb noted that the \$1.1 billion set aside for operations in 2000 Measure A Program has not been broken down into any particular set of operations; therefore, the recommendations propose that the breakdown be done through the VTP 2030 process and the funding allocated for bus and light rail services would be the funding to draw down from to maintain the operating services for bus and light rail. Mr. Cipolla noted the revisions to the Financial Stability Strategy recommendations from Board Members Pat Dando, Pete McHugh, Dave Cortese, and Cindy Chavez. The intent of the revisions to the recommendations is to provide more definition and to place a clearer understanding of the use of 2000 Measure A Program funding.

---

Mr. Cipolla added that the Board of Directors pay special attention to the operating funds available to fund current operations through the VTP 2030 process review. Mr. Cipolla added that funds designated for operating services within the VTP plan would be the primary source to draw down from to maintain the existing levels of operating services and although it is desirable it is not required to repay the 2000 Measure A Program with any revenues obtained in the future. Mr. Cipolla noted that the Board of Directors would have to take board action to use funding from the capital projects. Mr. Webb noted that VTA would have to identify the funding for the ZEB as that capital project source. Mr. Cipolla added that the first project tapped into for operating revenue would be ZEB. Chairperson Williams noted that for operating funding the funding brought forward would be for both existing bus and light rail operations and added that capital funding would have to be repaid and that it would not impact BART or Caltrain projects. Member Gage responded that BART and Caltrain projects can be impacted; however, the action would require action from the Board of Directors. Mr. Webb noted that the intent of the recommendations is to propose that BART and Caltrain projects are not impacted.

Member Gage noted his appreciation for the opportunity to review the recommendation information and noted the need to identify new sources of revenue to operate and maintain basic transit services.

Member Dixon queried on the broadness and flexibility of the recommendations and queried if a formula or mechanism was in place to repay the funding of 2000 Measure A. Suzanne Gifford, Legal Counsel, noted that the Board of Directors has absolute discretion from time to time to allocate funding as it sees fit and added that 2000 Measure A Program does not set forth any mandatory allocations. Mr. Cipolla added that the Board of Directors will revisit the VTP 2030 every three years and if VTA is able to identify a new revenue source than through the VTP prioritization process the Board of Directors would be able to take action within the VTP plan to review and make recommendations to pay back the funding or move forward to fund other projects with the funding from the new revenue source. Member Dixon noted that the goal is to protect the core value of the transit system.

Vice Chairperson Casas expressed his concern regarding no absolute requirement to repay the funding used for operations; however, noted that the last statement of the recommendation states that repayment should occur as soon as practical within the life of the 2000 Measure A Program. Mr. Webb responded that it would be preferable to repay the operating funds back to the 2000 Measure A Program but not if services have to be reduced to repay the funding back into the program; however, added that if funding is taken from capital projects then the repayment would have to be repaid within the life of the 2000 Measure A Program.

Vice Chairperson Casas expressed his concern regarding a mechanism in place to ensure that the advanced 2000 Measure A funding is repaid to the program. Mr. Cipolla noted that the Board of Directors will review and revisit the VTP plan process every three years and will be responsible to review and make recommendations.

---

Chairperson Williams noted that it is the responsibility of the Board of Directors to review and make adjustments and added that hopefully VTA will be able to identify a revenue source that will allow repayment and identify a permanent revenue source that will allow VTA to continue.

Bob Brownstein, Interested Citizen, expressed his concern regarding 2000 Measure A projects and noted that it makes sense to keep the transit system going now.

Chairperson Williams requested that the recommendation note that the use of advanced 2000 Measure A funding is intended for operating and maintenance of current bus and light rail service.

**On order of Chairperson Williams**, there being no objection, the Committee discussed the Financial Stability Strategy.

**17. Committee Work Plan**

**On order of Chairperson Williams**, there being no objection, the Committee reviewed the Committee Work Plan.

**18. Committee Staff Report**

Mr. Cipolla noted that the Department of Industrial Relations notified County Employees Management Association (CEMA) of the need to conduct another union election due to the fact that a 50 percent plus one vote is required to win an election; however, CEMA received 107 votes, American Federation of State, County, and Municipal Employees (AFSCME) received 106 votes and four no union votes were recorded from the election.

**19. Chairperson's Report**

There was no Chairperson's Report.

**20. Determined Consent Agenda for the March 4, 2004 Board Meeting**

**CONSENT: Agenda Item # 10.**, Authorize the purchase of a one-year policy extension on the rail construction Builder's Risk policy with the Allianz Insurance Company, to cover the period from March 1, 2004 through April 30, 2005, for an amount not to exceed \$86,431. In addition, authorize payment of the additionally owed premium for projects added to the policy during the original term for an amount not to exceed \$154,000. This brings the total premium paid for the policy to \$879,181; **Agenda Item # 11.**, Approve the appointment of Thomas Muniz, representing the City of Gilroy, to the Bicycle & Pedestrian Advisory Committee for the term ending June 30, 2004; **Agenda Item # 12.**, Adopt a resolution: amending the Citizens Advisory Committee (CAC), Technical Advisory Committee (TAC), and Bicycle and Pedestrian Advisory Committee (BPAC) bylaws as indicated; and the VTA Administrative Code, as indicated, in order to permit the specified modifications to the CAC, TAC and BPAC bylaws;

---

**Agenda Item # 13.**, Adopt the attached resolution designating VTA's appointees to the SCVTA/ATU Pension Plan Board of Pensions; **Agenda Item # 14.**, Authorize the General Manager to award a contract to Stringer Business Systems for the lease of walk-up photocopiers for a three-year period in the amount of \$580,019 and for two additional one-year options in the amount of \$79,631 per year for a total of \$739,281; **Agenda Item # 15.**, Authorize the General Manager to amend the contract with Parsons Transportation Group for final design of the Route 237/I-880 Interchange Project, increasing the approved contract value by \$300,000 for a new contract value not to exceed \$5,406,339; and extend the term of the contract through March 31, 2005 and **Agenda Item # 16.X.**, Discuss the Financial Stability Strategy.

**REGULAR: None**

**21. Announcements**

Member Gage reminded Staff of the request for information on the re-evaluation of the Paratransit Service Area and its impact on South County Residents as well as the request for Staff to consider expanding the Paratransit Service Area in South County.

Vice Chairperson Casas expressed his appreciation for the outstanding customer service provided regarding the 81-loop issue.

**22. ADJOURNMENT**

**On order of Chairperson Williams**, there being no objection, the meeting was adjourned at 1:15 p.m.

Respectfully submitted,

Michelle Garza, Board Assistant  
VTA Board of Directors

---