



ADMINISTRATION & FINANCE COMMITTEE

Thursday, February 17, 2005

MINUTES

1. CALL TO ORDER

The Regular Meeting of the Administration and Finance Committee (A&F) was called to order at 12:03 p.m. by Chairperson Williams in Room 106-E, City of San Jose, 801 North First Street, San Jose, California.

ROLL CALL

Members Present

David Casas, Vice Chairperson
Don Gage
Jamie Matthews
Forrest Williams, Chairperson

Members Absent

None

Alternates Present

None

Alternates Absent

Breene Kerr
Pete McHugh
Ken Yeager

* Alternates do not serve unless participating as a Member.

A quorum was present.

2. PUBLIC PRESENTATIONS

There were no Public Presentations.

3. ORDERS OF THE DAY

Chairperson Williams noted staff's request to remove from the Regular Agenda and defer: Agenda Item # 15., Consider amending the Policy Advisory Committee (PAC) Bylaws including amendments requested by: (1) the Board of Directors to modify the number of affirmative votes required to pass an item and to codify the responsibility of the PAC Chairperson on integrating the PAC Workplan with the objectives of the VTA

Board; (2) the Policy Advisory Committee to revise their specific duties and to modify how items may be placed on its agenda; (3) other minor modifications including those requested by staff and further, adopt a resolution amending the PAC bylaws with modifications the Board approves and amend the VTA Administrative Code, as necessary, to permit any modifications to the PAC Bylaws the Board approve.

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

CONSENT AGENDA

4. **Regular Meeting Minutes of December 16, 2004**

M/S/C (Gage/Casas) to approve the Regular Meeting Minutes of December 16, 2004.

5. **Regular Meeting Minutes of January 20, 2005**

M/S/C (Gage/Casas) to approve the Regular Meeting Minutes of January 20, 2005.

6. **Report on Santa Clara Valley Transportation Authority Investments for the Month of December 2004 and quarter ending December 2004**

M/S/C (Gage/Casas) to receive and file the Report on Santa Clara Valley Transportation Authority Investments for the Month of December 2004 and quarter ending December 2004.

7. **Quarterly Purchasing Report**

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

8. **FY 2004 Comprehensive Annual Financial Report (CAFR)**

M/S/C (Gage/Casas) to receive and file the FY 2004 Comprehensive Annual Financial Report (CAFR).

9. **Monthly Legislative Reports**

M/S/C (Gage/Casas) 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.

10. **Second Quarter FY 2005 Report of Public Liability/Property Damage and Owner Controlled Insurance Program (OCIP) Claims Activity**

M/S/C (Gage/Casas) to receive and file the Second Quarter FY 2005 Report of Public Liability/Property Damage and Owner Controlled Insurance Program (OCIP) Claims Activity.

11. **Second Quarter FY 2005 Report of Workers' Compensation and Owner Controlled Insurance Program (OCIP) Claims Activity**

M/S/C (Gage/Casas) to receive and file the Second Quarter FY 2005 Report of Workers' Compensation and Owner Controlled Insurance Program (OCIP) Claims Activity.

12. **1996 Measure B Transportation Improvement Program – Route 880 Widening Highway Planting Construction Contract Award**

M/S/C (Gage/Casas) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract in the amount of \$965,078 with Watkin and Bortolussi, Inc., the lowest responsible bidder, for construction of the Route 880 Widening Highway Planting project, a 1996 Measure B Transportation Improvement Program (MBTIP) project.

13. **Citizens Advisory Committee Appointment**

M/S/C (Gage/Casas) to approve submitting a recommendation to the Board of Directors to ratify the appointment of Irene Hsu to the Citizens Advisory Committee position representing the South Bay AFL-CIO Labor Council.

REGULAR AGENDA

14. **Vice Chairperson for 2005**

Chairperson Williams opened the nominations from the floor for the position of Administration and Finance Committee Vice Chairperson for 2005.

Member Gage nominated Member Casas for the position of Administration and Finance Committee Vice Chairperson for 2005. Member Casas accepted the nomination candidacy for Administration and Finance Committee Vice Chairperson for 2005.

M/S/C (Gage/Matthews) to close the nominations and elect Member Casas as Administration and Finance Committee Vice Chairperson for 2005, on a white ballot.

Chairperson Williams and Committee Members congratulated Vice Chairperson Casas.

15. (Removed from the Regular Agenda and deferred.)

Consider amending the Policy Advisory Committee (PAC) Bylaws including amendments requested by: (1) the Board of Directors to modify the number of affirmative votes required to pass an item and to codify the responsibility of the PAC Chairperson on integrating the PAC Workplan with the objectives of the VTA Board; (2) the Policy Advisory Committee to revise their specific duties and to modify how items may be placed on its agenda; (3) other minor modifications including those requested by staff and further, adopt a resolution amending the PAC bylaws with modifications the Board approves and amend the VTA Administrative Code, as necessary, to permit any modifications to the PAC Bylaws the Board approve.

On order of Chairperson Williams, there being no objection, the Committee approved deferring the item: Consider amending the Policy Advisory Committee (PAC) Bylaws including amendments requested by: (1) the Board of Directors to modify the number of affirmative votes required to pass an item and to codify the responsibility of the PAC Chairperson on integrating the PAC Workplan with the objectives of the VTA Board; (2) the Policy Advisory Committee to revise their specific duties and to modify how items may be placed on its agenda; (3) other minor modifications including those requested by staff and further, adopt a resolution amending the PAC bylaws with modifications the Board approves and amend the VTA Administrative Code, as necessary, to permit any modifications to the PAC Bylaws the Board approve.

16. Lease with AT&T Wireless for Co-location at the VTA-owned Cellular Site at the Cerone Operating and Maintenance Facility

John Ristow, Programming and Highway Administration Deputy Director, provided a brief overview on the Lease with AT&T Wireless for Co-location at the VTA-owned Cellular Site at the Cerone Operating and Maintenance Facility. Mr. Ristow commented that the lease with AT&T Wireless was presented to the Administration and Finance Committee several months ago; however, at the request of the Committee staff reviewed the lease negotiation issues. Mr. Ristow added that staff researched the cellular industry to attain a better understanding regarding lease negotiations. Mr. Ristow continued that staff obtained assistance to understand the technical and marketing issues to determine the process, policies, and procedures regarding lease negotiations. Mr. Ristow noted that VTA has several properties in Santa Clara County and since several different vendors have approached us to operate on these properties staff intends to determine a processing policy and procedure that addresses lease offers for operation on the properties.

Mr. Ristow acknowledged and introduced Roberta Notrangelo, the new Real Estate and Project Administration Manager, to the Committee Members. Mr. Ristow noted that Ms. Notrangelo will manage and will be responsible for all of VTA's property leases.

Member Matthews queried about the process and if it were a competitive process. Mr. Ristow responded that it is not necessarily a competitive process since the vendor approached VTA to determine if the property was available. Mr. Ristow continued that right now staff is not conducting competitive opportunities since vendors are approaching VTA to utilize the property; therefore, allowing the vendors to operate in limited capacities on the property on a first come first serve basis.

Member Matthews queried about the development of the policies and procedures for the property lease negotiations, will it also include a competitive process and noted that this is an alternative revenue stream. Mr. Ristow responded yes and noted that staff is developing a general policy relating to working with all sorts of entities that approach VTA to operate on the property; therefore, staff will determine a better way to consistently respond to all interested entities.

Vice Chairperson Casas expressed his appreciation and thanked staff for their diligent work to address the questions regarding the strategy and overall process of the lease agreements.

Member Matthews stressed the importance to ensure VTA has a process in place that is transparent to prevent allegations of favoritism.

M/S/C (Gage/Matthews) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a five-year lease agreement and options for four additional five-year periods with AT&T Wireless to locate cellular phone equipment at the Cerone Operating and Maintenance Facility starting at \$1,750 a month, with a three percent annual escalation.

17. Contract Amendment with Santa Clara Valley Highway Associates for Program Management and Construction Management Services for the 1996 Measure B Transportation Improvement Program

Mr. Ristow provided a brief overview on the Contract Amendment with Santa Clara Valley Highway Associates for Program Management and Construction Management Services for the 1996 Measure B Transportation Improvement Program. Mr. Ristow noted that the contract amendment with Santa Clara Valley Highway Associates consists of the following two components: (1) 1996 MBTIP FY 2005 Revenue and Expenditure Plan, which increased some budgets as well as extended the schedules of some budgets; therefore, staff required some additional services to be extended and (2) the Santa Clara County Board of Supervisors were able to forward the following two projects from the 1996 MBTIP Projects deferred list: SR Route 85 Noise Mitigation and SR Route 17 Corridor – Project E project on account of recent increases in the sale tax revenues. Mr. Ristow noted that the reallocation of funding for the two deferred projects to active status requires some construction staff to be out in the field for these two projects.

Member Matthews queried about the process to determine priority status for deferred projects to move forward to active status. Member Gage responded that the

Board note project priorities on the project deferral list, then the cost is examined, and funding for the project is determined. Member Gage noted that not all of the deferred projects will be completed; however, eventually if additional funding becomes available then deferred projects will be completed.

Chairperson Williams noted that some projects were completed below budget; therefore, funding is reallocated to other projects. Chairperson Williams added that projects are prioritized at Board of Directors Workshop Meetings.

M/S/C (Gage/Matthews) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to amend the contract with Santa Clara Valley Highway Associates (VHA) for Program Management and Construction Management services for the 1996 Measure B Transportation Improvement Program (MBTIP) increasing the contract value by \$6,599,729 for a new total contract value not to exceed \$81,257,452.

OTHER ITEMS

18. Paratransit Eligibility Certification Program Modifications

Matthew O. Tucker, Chief Operating Officer, provided a brief overview on the Paratransit Eligibility Certification Program Modifications. Mr. Tucker commented that the VTA Board of Directors adopted a new Paratransit Eligibility Certification Program Process in 2003, which was implemented and developed with significant, extensive consultant study as well as examining the best practices in Transportation Industry to develop a new model for Santa Clara County. Mr. Tucker continued that staff conducted a follow-up survey on the Paratransit Eligibility Certification Program in June and July 2004.

In August 2004 staff advised the VTA Board of Directors and Committee for Transit Accessibility (CTA) that staff would work collaboratively with CTA and other stakeholders to continue to streamline and improve the Paratransit Eligibility Certification Program. Mr. Tucker noted that prior to staff initiating the Paratransit Eligibility Certification Program Process review Board Member Gonzales requested that the Paratransit Eligibility Certification Program Process be discussed at the November 5, 2004 VTA Board of Directors Workshop Meeting. Consequently the Board requested staff develop a proposal for modifications to the Paratransit Eligibility Certification Program Process.

Mr. Tucker continued that following the November 5, 2004 Board of Directors Workshop Meeting staff met with CTA and introduced the initial proposal to address feedback received regarding the Paratransit Eligibility Program Process modifications. Mr. Tucker added that at the request of CTA staff established five additional public meetings and met with five human service agencies to receive additional feedback, then based on that feedback staff prepared the recommendations before the Committee.

Mr. Tucker continued that staff's perspective was to maintain the parameters and direction from the Board of Directors, from input received from the Business Review Team, and the Paratransit Improvement Program to ensure that individuals given access to the Paratransit Service Program met the requirements set forth by the Americans with Disability Act (ADA). Mr. Tucker continued that the current process states prior to request of an actual application, a request of an informational brochure will be provided, explaining how the Paratransit Services Program works. If an individual meets the criteria then the individual would request an application and schedule an in-person interview assessment with Orthopaedic Hospital Disability Services (DS). Mr. Tucker noted that the current program process did not provide free transportation service to the in-person interview assessment.

Mr. Tucker noted general feedback received regarding the modifications was to streamline the Paratransit Eligibility Certification Program Process to make it shorter as well as to provide free transportation service to the in-person interview assessment. The Paratransit Eligibility Certification Program final brochure is pending Board consideration and action. Mr. Tucker noted that the new informational brochure and application is streamlined and collapsed into one document; the current program application process was an eight-page document. Mr. Tucker added that the personal datasheet and authorization signoff on basic information is compliant with the privacy rules of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), which sets a national standard regarding protection of privacy of personal health information as sharing as part of the eligibility and appeals process. If an individual cannot complete the personal datasheet the individual is still able to schedule the in-person interview assessment and staff will assist with the completion of the application and personal datasheet at the in-person interview assessment visit. Mr. Tucker noted that Step 7 of the new process relates to transportation arrangements being provided to an applicant to the in-person interview assessment at no cost to the applicant. Mr. Tucker continued if additional information is required regarding an applicant's eligibility then the Third-Party Verification release form, which is on the personal datasheet would have been signed by the applicant; therefore, the request for additional information will be faxed over to the physician and the physician will fax the information directly back to Orthopaedic Hospital. Therefore, the applicant does not have to schedule another visit to collect and provide the additional information regarding their eligibility to Orthopaedic Hospital. If the applicant is denied eligibility then transportation arrangements to the appeals process will be provided to the applicant at no cost to the applicant.

Mr. Tucker noted final comments received from CTA and the Committee's recommendation to staff to remove the word "photo" in Step 6 of the new process. The CTA felt the photo identification created a barrier for applicants; however, staff's perspective and recommendation is that applicants provide positive photo identification. Mr. Tucker noted the issues relating to identity theft and post 9/11 security issues. Mr. Tucker commented that if staff is at an off-site facility and encounters a situation where an individual does not have identification and is a resident of the facility then the

individual has a medical chart then the medical chart would be accepted as identification. Mr. Tucker continued that if an individual does not have identification then staff will work with the individual to obtain positive identification.

Member Matthews queried about parameters that VTA would accept as acceptable approval regarding identification of an applicant. Mr. Tucker responded that expired drivers licenses and any type of photo identifications are acceptable. Mr. Tucker added if an applicant does not have identification then Orthopaedic Hospital is instructed to contract VTA Accessible Services staff immediately to assist the applicant to obtain identification to prevent a barrier to gain access to OUTREACH.

Member Gage expressed his appreciation and thanked staff for their diligent work regarding the recommended modifications to the Paratransit Eligibility Certification Program Process.

Vice Chairperson Casas queried if the application brochure was available on line and accessible in Portable Data Format (PDF). Mr. Tucker responded yes and noted staff working to provide reference links to receive the application brochure information in other languages.

Terry Applegate, Silicon Valley Independent Living Center, expressed concern regarding a document titled, "Community Plan," not being included with the public comment attachments regarding the Proposed Changes to the Paratransit Eligibility Certification Program Process. Ms. Applegate requested a response from staff regarding the document "Community Plan" and why the document was not included with the attachments.

Ms. Applegate encouraged elimination of the contract with Orthopaedic Hospital. Mr. Tucker responded that the Board of Directors were faxed a copy of the document "Community Plan" and noted the document was presented and distributed to CTA Committee Members at the February 9, 2005 CTA Meeting. Mr. Tucker continued the document "Community Plan" was submitted after the public comment period ended; therefore, the document will not be considered as part of the public review process conducted. Mr. Tucker added that suggestions included in the attached document "Community Plan" may be considered by the VTA Board of Directors in future discussions.

Ms. Applegate noted that the document "Community Plan" was submitted at the December 8, 2004 public meeting to Mr. Tucker, Edna Pampy, Acting Accessible Services Manager; and the Office of the Board Secretary. Chairperson Williams noted that staff has the document "Community Plan" and will review the information.

Member Gage recommended that the recommended modifications to the Paratransit Eligibility Certification Program Process be forwarded to the Board of Directors for consideration with staff analysis regarding the document "Community Plan".

On order of Chairperson Williams, there being no objection, the Committee reviewed and commented on the recommended modifications to the Eligibility Certification process.

19. Committee Work Plan

Kaye L. Evleth, Chief Administrative Officer, provided a brief overview on the Administration and Finance Committee Work Plan.

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

20. Committee Staff Report

Carolyn M. Gonot, Chief Development Officer, acknowledged and introduced Bernice Alaniz, new Marketing and Public Affairs Deputy Director, to the Committee Members.

Roger Contreras, Chief Financial Officer, noted staff is working on the final stages of the FY 2006 – 2007 Budget review and added that the budget is at or below the approved FY 2005 Budget. Mr. Contreras continued that discussions regarding the FY 2006 – 2007 Budget is scheduled for the VTA Board of Directors April 22, 2005 Budget Workshop Meeting. Mr. Contreras noted staff is working on refunding the 2001 Bonds that were issued to purchase 70 Light Rail Vehicles.

Ms. Gonot commented on the draft Long-Term Capital Investment Program and noted that the document contains additional information and status regarding the projects.

21. Chairperson's Report

Chairperson Williams expressed his appreciation and thanked staff for their diligent work. Chairperson Williams welcomed VTA new employees to the organization. Chairperson Williams noted the challenges and opportunities of the coming year. Chairperson Williams noted the March 2005 American Public Transportation Association (APTA) Legislative Conference.

22. Determined Consent Agenda for the March 3, 2005 Board Meeting

CONSENT: Agenda Item # 12., Authorize the General Manager to execute a contract in the amount of \$965,078 with Watkin and Bortolussi, Inc., the lowest responsible bidder, for construction of the Route 880 Widening Highway Planting project, a 1996 Measure B Transportation Improvement Program (MBTIP) project; **Agenda Item # 13.**, Ratify the appointment of Irene Hsu to the Citizens Advisory Committee position representing the South Bay AFL-CIO Labor Council; **Agenda Item # 16.**, Authorize the General Manager to execute a five-year lease agreement and options for four additional five-year periods

with AT & T Wireless to locate cellular phone equipment at the Cerone Operating and Maintenance Facility starting at \$1,750 a month, with a three percent annual escalation; and **Agenda Item # 17.**, Authorize the General Manager to amend the contract with Santa Clara Valley Highway Associates (VHA) for Program Management and Construction management services for the 1996 Measure B Transportation Improvement Program (MBTIP) increasing the contract value by \$6,599,729 for a new total contract value not to exceed \$81,257,452.

REGULAR: Agenda Item # 18., Review the recommended modifications to the Paratransit Eligibility Certification process.

23. Announcements

There were no Announcements.

24. ADJOURNMENT

On order of Chairperson Williams, there being no objection, the meeting was adjourned at 12:45 p.m.

Respectfully submitted,

Michelle M. Garza, Board Assistant
VTA Board of Directors