



## **ADMINISTRATION & FINANCE COMMITTEE**

Thursday, November 17, 2005

### **MINUTES**

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

The Regular Meeting of the Administration and Finance Committee (A&F) was called to order at 12:02 p.m. by Chairperson Williams in the Isaac Newton Senter Auditorium, County Government Center, 70 West Hedding Street, San Jose, California.

#### **ROLL CALL**

##### **Members Present**

Don Gage  
Jamie Matthews  
Forrest Williams, Chairperson

##### **Members Absent**

David Casas, Vice Chairperson

##### **Alternates Present**

Breene Kerr

##### **Alternates Absent**

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**

Board Member Gage requested that Agenda Item # 14., Authorize the General Manager to execute an Addendum to a Sublease Agreement between Santa Clara Valley Transportation Authority (VTA) and Hynix Semiconductor America, Inc. to extend the term for the Silicon Valley Rapid Transit Project office space through March 31, 2007, at a monthly rate of \$1.60 per square foot for a total annual rent of \$760,973 be removed from the Regular Agenda and placed on the Consent Agenda.

Board Member Gage requested that Agenda Item # 15., to Approve the Valley Transportation Authority (VTA) Equal Employment Opportunity/Affirmative Action Plan (EEO/AAP) for the period beginning January 1, 2006 through December 31, 2008 in accordance with federal and state civil rights regulatory requirements be removed from the Regular Agenda and placed on the Consent Agenda.

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

## **CONSENT AGENDA**

**4. Regular Meeting Minutes of September 15, 2005**

M/S/C (Matthews/Gage) to approve the Regular Meeting Minutes of September 15, 2005.

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

M/S/C (Gage/Kerr) on a vote to 3 Ayes to 0 Noes to 1 Abstention to approve the Regular Meeting Minutes of October 20, 2005. Board Member Matthews abstained.

**6. Report on Santa Clara Valley Transportation Authority Investments for the Month of September and quarter ending September 2005**

M/S/C (Matthews/Gage) to receive and file the Report on Santa Clara Valley Transportation Authority Investments for the Month of September and quarter ending September 2005.

**7. Quarterly Purchasing Report**

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

**8. Monthly Legislative Report for October 2005**

M/S/C (Matthews/Gage) to receive and file the Monthly Legislative Report for October 2005.

**9. First Quarter FY 2006 Report of Public Liability/Property Damage and Owner Controlled Insurance Program (OCIP) Claims Activity**

M/S/C (Matthews/Gage) to receive and file the First Quarter FY 2006 Report of Public Liability/Property Damage and Owner Controlled Insurance Program (OCIP) Claims Activity.

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

**10. First Quarter FY 2006 Report of Workers' Compensation Claims, Transitional Work Program and Owner Controlled Insurance Program (OCIP) Claims Activity**

M/S/C (Matthews/Gage) to receive and file the First Quarter FY 2006 Report of Workers' Compensation Claims, Transitional Work Program and Owner Controlled Insurance Program (OCIP) Claims Activity.

**11. Authorization of Fifth Supplemental Indenture**

M/S/C (Matthews/Gage) to approve submitting a recommendation to the Board of Directors to adopt a resolution authorizing the General Manager or Chief Financial Officer to execute the Fifth Supplemental Indenture to the 1997 Bond Indenture (Supplemental Indenture).

**12. 2006 Administration and Finance Committee (A&F) Meeting Schedule**

M/S/C (Matthews/Gage) to approve submitting a recommendation to the Board of Directors to approve the 2006 Administration and Finance Committee (A&F) Meeting Schedule.

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

**14. Silicon Valley Rapid Transit Project – Extend Project Office Sublease Agreement**

M/S/C (Matthews/Gage) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute an Addendum to a Sublease Agreement between Santa Clara Valley Transportation Authority (VTA) and Hynix Semiconductor America, Inc. to extend the term for the Silicon Valley Rapid Transit Project office space through March 31, 2007, at a monthly rate of \$1.60 per square foot for a total annual rent of \$760,973.

**15. Equal Employment Opportunity/Affirmative Action Plan**

M/S/C (Matthews/Gage) to approve submitting a recommendation to the Board of Directors to approve the Valley Transportation Authority (VTA) Equal Employment Opportunity/Affirmative Action Plan (EEO/AAP) for the period beginning January 1, 2006 through December 31, 2008 in accordance with federal and state civil rights regulatory requirements.

**REGULAR AGENDA**

13. **1996 Measure B Transportation Improvement Program (MBTIP) Executive Summary of the Semi-Annual Report for December 2005**

Jack J. Collins, Chief Construction Officer, provided a brief overview on the 1996 Measure B Transportation Improvement Program (MBTIP) Executive Summary of the Semi-Annual Report for December 2005. Mr. Collins commented that every six-months staff conducts a semi-annual report to review all project bids received since June and sales tax trends. Mr. Collins continued that staff has identified \$1 million in savings from the Vasona Project as well as \$500,000 in savings from the Highway Program, which will be moved back into the MBTIP as a result of savings and closing out of projects. Therefore, net impact is a total of \$1.3 million reduction in the expenditures, costs, and coupled with an increase in the forecast of sales tax revenues earned, which resulted a little higher on the last quarter. Also, realization of interest earnings on program balances; therefore, current forecast ending balance for the 1996 MBTIP Reserve is \$12.7 million. Mr. Collins noted that a similar semi-annual report will be forwarded to Santa Clara County Board of Supervisors for consideration at their December Meeting.

Mr. Collins continued that staff has been working closely with Santa Clara County staff regarding a draft Completion Plan detailing plans for funding and delivering the remainder of the 1996 MBTIP projects, which were deferred pending adequate funding for the projects. Staff recommends the VTA Board of Directors approve project construction of the 152 B – Phase II Project to widen Route 152 across Old Llagas Creek Bridge in Gilroy in order for construction to begin next summer. Mr. Collins noted that any delay of the approval of the project construction would postpone delivery of the project by an entire calendar year; therefore, increasing the cost of the project. Mr. Collins commented that both staff and Santa Clara County Board of Supervisors staff would like to move the County Expressway Project forward, which was a deferred project. Mr. Collins noted that the three remaining deferred projects are the Caltrain – Palo Alto Pedestrian Underpass (construction), Caltrain - California Avenue Pedestrian Underpass (construction), and Caltrain – San Martin Station Parking Access.

Board Member Gage expressed appreciation for the presentation and noted the importance of the 152 B – Phase II Project to widen Route 152 across Old Llagas Creek Bridge in Gilroy to address a dangerous and hazardous situation. Board Member Gage noted support by the Santa Clara County Board of Supervisors regarding the construction of the 152 B – Phase II Project to widen Route 152 across Old Llagas Creek Bridge in Gilroy.

Chairperson Williams queried about potential savings over the entire program. Mr. Collins responded that VTA conducted all the 1996 Measure B Program bids about ten percent under bid. Michael T. Burns, General Manger, noted that staff has built into the 2000 Measure A Program a process review for expenditures and revenues to evaluate and determine if adjustments are necessary.

**M/S/C (Gage/Matthews)** to approve submitting a recommendation to the Board of Directors to approve amendments to Rail, Highway and Program-wide project budgets

for a net decrease of \$1.3 million as detailed in the 1996 Measure B Transportation Improvement Program (MBTIP) Semi-Annual Report for December 2005. Recommend that the Santa Clara County Board of Supervisors approve funding for construction of the Route 152B-Phase II project to widen Route 152 across Old Llagas Creek Bridge in Gilroy in order for construction to begin next summer.

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

Authorize the General Manager to execute an Addendum to a Sublease Agreement between Santa Clara Valley Transportation Authority (VTA) and Hynix Semiconductor America, Inc. to extend the term for the Silicon Valley Rapid Transit Project office space through March 31, 2007, at a monthly rate of \$1.60 per square foot for a total annual rent of \$760,973.

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

Approve the Valley Transportation Authority (VTA) Equal Employment Opportunity/Affirmative Action Plan (EEO/AAP) for the period beginning January 1, 2006 through December 31, 2008 in accordance with federal and state civil rights regulatory requirements.

**16. Cooperative Agreement with the Yerba Buena OPCO, Inc. and the City of San Jose for the U.S. 101 Operational Improvement Project**

Carolyn M. Gonot, Chief Development Officer, provided a brief overview on the Cooperative Agreement with the Yerba Buena OPCO, Inc. and the City of San Jose for the U.S. 101 Operational Improvement Project. Ms. Gonot introduced John Ristow, Programming and Project Development Deputy Director, who commented on the State Transportation Improvement Program (STIP), which is the primary funding for Highway Expansion Projects in the County and does not appear to be improving for transportation funding for projects. Therefore, partnership arrangements with other cities and entities are ways to move important projects forward. Mr. Ristow commented that the agreement today is between VTA, City of San Jose and OPCO, to develop a series of development interests in the Evergreen Area. VTA would be the project manager for the design phase of the project and added that the project scope includes improvements on the U.S. 101 Corridor between the I-280/I-680 Interchange to Yerba Buena Road Interchange. The project includes adding another lane in the southbound direction as well as adds an auxiliary lane in southbound direction between Tully Road and Capitol Expressway. The project improves the interchanges at Capitol Expressway and Tully Road as well as replaces the entire Tully Road Bridge, which has a vertical clearance problem that needs to be addressed. Mr. Ristow continued and noted the possibilities of using private funding to initiate project development phases of design and right-of-way phases.

VTA will function as the project manager and be responsible for coordination and management of the planning/engineering consultants, fiscal management, team members, and preparation of design documents. The Yerba Buena OPCO and the City of San Jose will contribute funding and perform an oversight role as team members of the project.

The Agreement has structured the execution of the design and right-of-way phases to occur in four stages. The Agreement specifies that VTA will receive an advance payment prior to beginning any of the stages. The agreement also provides that if the cost of VTA services is forecast to exceed the original amount, Yerba Buena OPCO is responsible for the increased costs. Mr. Ristow commented that typically what VTA does on any project to control and manage contract costs is to develop monthly detailed cost reports that are provided to all partners in the agreement as VTA proceeds through the project. VTA staff tracks the costs and forecasts trends of the costs against performance of the projects and if any costs exceed what was anticipated then staff is responsible to notify all the parties to inform them to determine what the outcome should, such as defer, delete, or delay some other work in order to keep the budget. Mr. Ristow noted that these projects are listed in Valley Transportation Plan (VTP) 2030; therefore, VTA Board of Directors have already approved these projects in the 25-year VTP 2030 Plan. Mr. Ristow added that as the project is ready for construction staff will return to the Board of Directors for approval of contract authority for consultant services for design and right-of-way engineering.

Board Member Matthews expressed support and appreciation for the Cooperative Agreement with the City of San Jose and Yerba Buena OPCO, Inc.

**M/S/C (Matthews/Gage)** to approve submitting a recommendation to the Board of Directors to Authorize the General Manager to execute Cooperative Agreement with the City of San Jose and Yerba Buena OPCO, Inc. that specifies the funding and project development responsibilities for the U.S. 101 Corridor Improvement between the U.S. 101/Interstate 280/Interstate 680 Interchange and the U.S. 101/Yerba Buena Road Interchange.

**17. Cooperative Agreement with the City of Milpitas for the Calaveras Boulevard Widening Project Study Report**

Mr. Ristow provided a brief overview on the Cooperative Agreement with the City of Milpitas for the Calaveras Boulevard Widening Project Study Report (PSR). Mr. Ristow commented that the item is an arrangement with the City of Milpitas to move forward with a project completely funded with public funds. VTA identified the project in a corridor study completed for the I-680/I-880 Cross Connector in the VTP 2030. The corridor study was conducted under-budget and is a high priority with the City of Milpitas; therefore, VTA recommends moving the remaining balance from the corridor study budget funds forward to assist in moving the Calaveras Boulevard Widening PSR forward. Mr. Ristow continued that the PSR is being conducted and at this time the rest of the project funding is not yet identified; however, moving forward would allow the project to be ready for potential funding.

Chairperson Williams queried about VTA having adequate staffing available to accommodate work on anticipated projects planned for next year. Mr. Ristow responded that VTA has a good infrastructure of staff and consultant resources.

**M/S/C (Matthews/Gage)** to approve submitting a recommendation to the Board of Directors to authorize the General Manager to: 1) execute a cooperative agreement with the City of Milpitas that specifies the funding and project development responsibilities for the Calaveras Boulevard Widening project; 2) approve adding this project to the VTA Capital Budget; and 3) approve the use of \$150,000 in Local Program Reserve Funds as the VTA share of project funding.

**18. Contract with Nolte Associates to Prepare a Project Study Report for the Calaveras Boulevard Widening Project**

Ms. Gonot provided a brief overview on the contract with Nolte Associates to prepare a PSR for the Calaveras Boulevard Widening Project. Ms. Gonot commented the Calaveras Boulevard Widening project is included in the VTP 2030 Local Streets and County Roads project list and added that VTA's funding is provided through the Local Program Reserve, which is derived from highway-related grant funding. Ms. Gonot continued that the scope of services included in the proposal is for Nolte Associates to develop and prepare a Project Study Report (PSR) as a method to obtain final approval by the City of Milpitas, VTA, and Caltrans for the proposed widening of Calaveras Boulevard.

**M/S/C (Matthews/Gage)** to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract with Nolte Associates to prepare a Project Study Report (PSR) for the Calaveras Boulevard Widening Project for a total contract value of \$325,000.

**19. Contract Amendment with HMM, Inc. for Final Design of the State Route 152 Project**

Ms. Gonot provided a brief overview on the Contract Amendment with HMM, Inc. for Final Design of the State Route 152 Project. Ms. Gonot commented that the recommendation is to move funding to the State Route 152 Project as funding is identified in the 1996 Measure B Transportation Improvement Program (MBTIP) and added that the amendment provides funding for completion of plans, specifications, estimates, and design support during construction of State Route 152 Project.

**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 HMM, Inc. for final design and design support during construction of the State Route 152 Project, increasing the approved contract value by \$325,000 for a new total contract value of \$3,776,796; and to extend the term of the contract through December 2007.

**20. Contract Amendment with Biggs Cardosa Associates, Inc. for Final Design of the State Route 152/156 Project**

Ms. Gonot provided a brief overview on the Contract Amendment with Biggs Cardosa Associates, Inc. for Final Design of the State Route 152/156 Project. Ms. Gonot commented that the State Route 152/156 Improvement Project is currently in the final

design phase working towards completion of 100 percent Plans, Specifications & Estimate (PS&E). VTA staff has identified and recommends funding for additional design services required to complete final engineering of the State Route 152/156 Improvement Project.

**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 Biggs Cardosa Associates, Inc. for final design of the State Route 152/156 Interchange Project, to increase the approved contract value by \$400,000 for a new total contract value of \$3,351,384; and to extend the term through Fall 2008.

## **OTHER ITEMS**

### **21. 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.

### **22. Committee Staff Report**

There was no Committee Staff Report.

### **23. Chairperson's Report**

There was no Chairperson's Report.

### **24. Determine Consent Agenda for the December 1, 2005 Board Meeting**

**CONSENT: Agenda Item # 11.**, Adopt a resolution authorizing the General Manager or Chief Financial Officer to execute the Fifth Supplemental Indenture to the 1997 Bond Indenture (Supplemental Indenture); **Agenda Item # 13.**, Approve amendments to Rail, Highway and Program-wide project budgets for a net decrease of \$1.3 million as detailed in the 1996 Measure B Transportation Improvement Program (MBTIP) Semi-Annual Report for December 2005. Recommend that the Santa Clara County Board of Supervisors approve funding for construction of the Route 152B-Phase II project to widen Route 152 across Old Llagas Creek Bridge in Gilroy in order for construction to begin next summer; **Agenda Item # 14.**, Authorize the General Manager to execute an Addendum to a Sublease Agreement between Santa Clara Valley Transportation Authority (VTA) and Hynix Semiconductor America, Inc. to extend the term for the Silicon Valley Rapid Transit Project office space through March 31, 2007, at a monthly rate of \$1.60 per square foot for a total annual rent of \$760,973; **Agenda Item # 15.**, Approve the Valley Transportation Authority (VTA) Equal Employment Opportunity/Affirmative Action Plan (EEO/AAP) for the period beginning January 1, 2006 through December 31, 2008 in accordance with federal and state civil rights

regulatory requirements; **Agenda Item # 16.**, Authorize the General Manager to execute cooperative agreement with the City of San Jose and Yerba Buena OPCO, Inc. that specifies the funding and project development responsibilities for the U.S. 101 Corridor Improvement between the U.S. 101/Interstate 280/Interstate 680 Interchange and the U.S. 101/Yerba Buena Road Interchange; **Agenda Item # 17.**, Authorize the General Manager to: 1) execute a cooperative agreement with the City of Milpitas that specifies the funding and project development responsibilities for the Calaveras Boulevard Widening project; 2) approve adding this project to the VTA Capital Budget; and 3) approve the use of \$150,000 in Local Program Reserve Funds as the VTA share of project funding; **Agenda Item # 18.**, Authorize the General Manager to execute a contract with Nolte Associates to prepare a Project Study Report (PSR) for the Calaveras Boulevard Widening Project for a total contract value of \$325,000, **Agenda Item # 19.**, Authorize the General Manager to amend the contract with HMM, Inc. for final design and design support during construction of the State Route 152 Project, increasing the approved contract value by \$325,000 for a new total contract value of \$3,776,796; and to extend the term of the contract through December 2007; and **Agenda Item # 20.**, Authorize the General Manager to amend the contract with Biggs Cardosa Associates, Inc. for final design of the State Route 152/156 Interchange Project, to increase the approved contract value by \$400,000 for a new total contract value of \$3,351,384; and to extend the term through Fall 2008.

**REGULAR: None**

**25. Announcements**

Board Member Gage wished A & F Committee Members, VTA staff and others a Happy Thanksgiving.

Chairperson Williams expressed appreciation and thanked staff for their diligent work.

**26. ADJOURNMENT**

**On order of Chairperson Williams**, there being no objection, the meeting was adjourned at 12:35 p.m.

Respectfully submitted,

Michelle M. Garza, Board Assistant  
VTA Board of Directors