



ADMINISTRATION & FINANCE COMMITTEE

Thursday, May 18, 2006

County Government Center
70 West Hedding Street – Room 157
San Jose, California

SUMMARY MINUTES

1. CALLED TO ORDER at 12:10.m.

ROLL CALL

Members Present

Breene Kerr, Vice Chairperson
Forrest Williams, Chairperson

Members Absent

Don Gage
Madison Nguyen

Alternates Present

None

Alternates Absent

Jamie Matthews
Pete McHugh
Ken Yeager

* Alternates do not serve unless participating as a Member.

A quorum was not present and a Committee of the Whole was declared.

Chairperson Williams **noted** that the Committee of the Whole could not vote or take action on the agenda items but the items would be discussed. Chairperson Williams **stressed the importance** to discuss the policies and financial matters then forward the items to the Board of Directors for consideration at the June 1, 2006 VTA Board of Directors Regular Meeting.

2. PUBLIC PRESENTATIONS

Jerry Grace, Interested Citizen, **expressed concern** regarding the San Jose Sharks Team losing their last hockey game. Mr. Grace **expressed support** and **wished** the San Jose Sharks Team well for next season.

Martin Bishop, N.E.E.D. Project, **urged** the A&F Committee to endorse a letter by Board of Supervisor Beall forwarded to Michael T. Burns, General Manager, for VTA to: 1) search for new and different types of restraint systems that will mitigate injuries to drivers, damages to wheelchairs, and mitigate disruptions in bus connection services; 2) authorize funding for an Request for Proposal (RFP) or an Request for Bid (RFB) to search for new types of restraint devices; 3) announce that VTA will be the first

transportation district to require mandatory restraints for all passengers on VTA buses for able and disabled persons alike; and 4) introduce a personal guest.

Mr. Bishop **stated** that mandatory securement devices are a result of a \$1.2 million lawsuit over a period of 23 years, which will be outweighed over a 3 to 5 year period of payment for workmen's compensation and damages to wheelchairs as well as disruption of bus schedules. Chairperson Williams **responded** that the Committee of the Whole is unable to respond to this matter under Public Presentation but will forward the concern to the General Manager for response.

Mr. Bishop **stated** that he is here today to seek the endorsement of the A&F Committee. **The Committee of the Whole stated** that the Public Presentation portion of the agenda is reserved for individuals desiring to address the Committee on a matter not on the agenda. **The Committee of the Whole continued** that the law does not permit the Committee to take action or extended discussion on an item not on the agenda. **The Committee of the Whole noted** that all statements that require a response would be referred to staff for response.

3. **ORDERS OF THE DAY**

Members of the Public **requested** Agenda Item # 10., Review the Third Quarter FY 2006 Report of Workers' Compensation Claims, Transitional Work Program and Owner Controlled Insurance Program (OCIP) Claims Activity be removed from the Consent Agenda and placed on the Regular Agenda.

Members of the Public **requested** Agenda Item # 11., Reaffirm the Existing Investment Policy on Unrestricted and Restricted Funds be removed from the Consent Agenda and placed on the Regular Agenda.

Vice Chairperson Kerr **requested** Agenda Item # 12., Ratify the reappointments of Carl Hagenmaier, City of Los Altos; Bill Manry, City of Monte Sereno; Thomas Muniz, City of Gilroy; Bart Thielges, City of San Jose; Richard Swent, City of Palo Alto; and Herman Wadler, City of Campbell; and Jim Stallman, City of Saratoga to the Bicycle and Pedestrian Advisory Committee (BPAC) for the term ending June 30, 2008 be removed from the Consent Agenda and placed on the Regular Agenda.

The Committee of the Whole accepted the Orders of the Day.

CONSENT AGENDA

4. **The Committee of the Whole deferred** the Regular Meeting Minutes of April 20, 2006.
5. **The Committee of the Whole reviewed** the Report on Santa Clara Valley Transportation Authority Investments for the Month of March and quarter ending March 2006.
6. **The Committee of the Whole deferred reviewed** the Quarterly Purchasing Report.

7. **The Committee of the Whole deferred reviewed** the Quarterly Statement of Revenue and Expense.
8. **The Committee of the Whole deferred reviewed** the Monthly Legislative Report for April 2006.
9. **The Committee of the Whole deferred reviewed** the Third Quarter FY 2006 Report of Public Liability/Property Damage and Owner Controlled Insurance Program (OCIP) Claims Activity.
10. **(Removed from the Consent Agenda and placed on the Regular Agenda.)**
Third Quarter FY 2006 Report of Workers' Compensation Claims, Transitional Work Program and Owner Controlled Insurance Program (OCIP) Claims Activity.
11. **(Removed from the Consent Agenda and placed on the Regular Agenda.)**
Reaffirm the Investment Policy on Unrestricted and Restricted Funds.
12. **(Removed from the Consent Agenda and placed on the Regular Agenda.)**
Ratify the reappointments of Carl Hagenmaier, City of Los Altos; Bill Manry, City of Monte Sereno; Thomas Muniz, City of Gilroy; Bart Thielges, City of San Jose; Richard Swent, City of Palo Alto; and Herman Wadler, City of Campbell; and Jim Stallman, City of Saratoga to the Bicycle and Pedestrian Advisory Committee (BPAC) for the term ending June 30, 2008.
13. **The Committee of the Whole approved** submitting a recommendation to the Board of Directors to augment the total value of contracts permitted under the previously approved Transportation Planning and Mass Transit Studies on-call list from \$1,000,000 to \$2,500,000.
14. **The Committee of the Whole approved** submitting a recommendation to the Board of Directors to adopt a resolution to amend Section 4-28 (b) (3) of the VTA Administrative Code to replace the National Association of Industrial and Office Properties with Building Owners and Managers Association – Silicon Valley as a business and labor group representative on the Citizens Advisory Committee and further amend Section 3.1 (c) of the Citizens Advisory Committee bylaws to conform to this change.
15. **The Committee of the Whole approved** submitting a recommendation to the Board of Directors to ratify the appointment of Robert Jacobvitz to the Citizens Advisory Committee position representing the Building Owners and Managers Association – Silicon Valley.

The Agenda was taken out of order.

REGULAR AGENDA

10. Mr. Bishop **addressed** the Committee.

The Committee of the Whole stated that the VTA Board of Directors has approved the restraint system to be used on VTA's vehicles and adopted the Mobility Device Securement Policy. **The Committee of the Whole noted** that the VTA Board of Directors is not interested in the process of designing and releasing a restraint system.

The Committee of the Whole stated that Mr. Bishop's concerns would be forwarded to the General Manager for response.

The Committee of the Whole stated that the Board is sensitive to the issues related to individuals with disabilities and the utilization of the transit system. **The Committee of the Whole suggested** that Mr. Bishop provide a new proposal different from the one previously submitted to the Board of Directors.

The Committee of the Whole stated that Mr. Bishop's concerns would be forwarded to the General Manager for response.

The Committee of the Whole deferred reviewed the Third Quarter FY 2006 Report of Workers' Compensation Claims, Transitional Work Program and Owner Controlled Insurance Program (OCIP) Claims Activity.

11. Mr. Bishop **addressed** the Committee.

The Committee of the Whole responded that Mr. Bishop's proposed restraint system concerns would be forwarded to the General Manager for response.

The Committee of the Whole approved submitting a recommendation to the Board of Directors to reaffirm the Investment Policy on Unrestricted and Restricted Funds.

12. Mr. Grace **addressed** the Committee.

The Committee of the Whole expressed concern regarding a bicycle lane safety issue near a park at the border of Palo Alto and Los Altos Hills. **The Committee of the Whole queried** if the Palo Alto BPAC representative could assist with the bicycle lane safety issue concerns.

The Committee of the Whole approved submitting a recommendation to the Board of Directors to ratify the reappointments of Carl Hagenmaier, City of Los Altos; Bill Manry, City of Monte Sereno; Thomas Muniz, City of Gilroy; Bart Thielges, City of San Jose; Richard Swent, City of Palo Alto; and Herman Wadler, City of Campbell; and Jim Stallman, City of Saratoga to the Bicycle and Pedestrian Advisory Committee (BPAC) for the term ending June 30, 2008.

16. Mr. Bishop **addressed** the Committee.

The Committee of the Whole requested that staff provide information to the Committee on the policy and procedures of the issuance of bonds.

The Committee of the Whole approved submitting a recommendation to the Board of Directors to approve the Debt Policy, which establishes guidelines for the issuance and management of VTA's debt.

17. Mr. Grace **addressed** the Committee.

Mr. Bishop **addressed** the Committee.

The Committee of the Whole approved submitting a recommendation to the Board of Directors to adopt a resolution authorizing the General Manager or Chief Financial Officer to take all necessary actions, enter into agreements and execute documents for VTA to issue bonds in a par amount not to exceed \$440 million (2206 Bonds), the proceeds of which will refund VTA's 2003A, 2004A and 2004B Measure A Sales Tax Revenue Bonds, fund additional 2000 Measure A Projects and pay the cost of issuance; and further authorize the General Manager or Chief Financial Officer to enter into one or more interest swap agreements.

18. **The Committee of the Whole approved** submitting a recommendation to the Board of Directors to adopt the Travel & Expense Reimbursement Policy ("Policy") for all VTA employees, Board Members, and others in the service of VTA.

19. **The Committee of the Whole approved** submitting a recommendation to the Board of Directors to authorize the General Manager to execute separate contracts with Computer Specialists Inc. (CSI) and Systems Services International (SSI) to provide computer system hardware and software support services. The contract with Computer Specialists Inc. will be \$300,000 for the first two years and \$375,000 for two additional one-year options for service, for a total contract value of \$675,000. The contract with Systems Services International will be in the amount of \$235,000 for two years of service.

20. **The Committee of the Whole received** an update on current status of the Federal Disadvantage Business Enterprise Program (DBE).

21. **The Committee of the Whole approved** submitting a recommendation to the Board of Directors to adopt a resolution authorizing the General Manager to execute Program Supplements, Fund Exchange and Fund Transfer Agreements with the California Department of Transportation (Caltrans) for federal-aid projects, as required by the Master Agreement pertaining to such Projects entered into between VTA and Caltrans in 1997.

22. Mr. Grace **addressed** the Committee.

The Committee of the Whole approved submitting a recommendation to the Board of Directors to authorize the General Manager to execute grants of fee parcels and easements (including utility, maintenance, access and street and highway easements) for 1996 Measure B Highway Program projects, at no cost, to Caltrans, the City of Mountain View, and various utility companies.

23. **The Committee of the Whole approved** submitting a recommendation to the Board of Directors to approve the budget and cost allocation for the Santa Clara Valley Habitat Conservation Plan/Natural Community Conservation Plan.

24. Vice Chairperson Kerr **recommended** that VTA's cellular antennae site lease agreements allow requests from other wireless communication companies to co-locator on a cellular antennae pole.

The Committee of the Whole approved submitting a recommendation to the Board of Directors to authorize the General Manager to execute a five-year lease agreement, with year-to-year extensions after that time, with Nextel of California Inc. (dba Nextel Communications) to lease a cellular antennae site from VTA starting at \$2,500 per month with 3 percent annual increases thereafter.

25. Mr. Grace **addressed** the Committee.

The Committee of the Whole approved submitting a recommendation to the Board of Directors to authorize the General Manager to execute all necessary agreements with the City of San Jose, County of Santa Clara and California Department of Transportation (Caltrans) finalizing transfer of properties and establishing long-term maintenance and use of properties and facilities related to the Guadalupe Corridor Project.

26. **The Committee of the Whole approved** submitting a recommendation to the Board of Directors to authorize the General Manager to execute a cooperative agreement with the City of Sunnyvale for the transfer of Federal Transit Administration Federal Fiscal Year 2005 Section 5307 Transit Enhancement funds for the City of Sunnyvale's Frances Street Transit Center Project.

OTHER ITEMS

27. **The Committee of the Whole reviewed** the Draft 1996 Measure B Program Revenue and Expenditure Plan for FY 2007.

28. Mr. Grace **addressed** the Committee.

The Committee of the Whole received a Progress Report on Joint Development at Capitol Light Rail Station and West San Carlos Sites.

29. **The Committee of the Whole received** a report on the Resolutions of Necessity for the State Route 152/156 Improvement Project – Properties Owned by: Blackburn Farms III, L.P., Louis A. Scaglione Jr. and Louis A. Scaglione Jr., et al.

30. **Items of Concern and Referral to Administration**

There were no Items of Concern and Referral to Administration.

31. **Reviewed** and **noted** some additions to the Committee Work Plan.

32. **Committee Staff Report:**

There was no Committee Staff Report.

33. **Chairperson's Report: Expressed appreciation** and **thanked** staff for their diligent work and effort within the organization. **Apologized** for the extended length of time for the A&F Committee Meeting due to some challenges beyond the Committee's control.

34. **Determine Consent Agenda for the June 1, 2006 Board Meeting**

CONSENT: Agenda Item # 11., Reaffirm the Investment Policy on Unrestricted and Restricted Funds; **Agenda Item # 12.**, Ratify the reappointments of Carl Hagenmaier, City of Los Altos; Bill Manry, City of Monte Sereno; Thomas Muniz, City of Gilroy; Bart Thielges, City of San Jose; Richard Swent, City of Palo Alto; and Herman Wadler, City of Campbell; and Jim Stallman, City of Saratoga to the Bicycle and Pedestrian Advisory Committee (BPAC) for the term ending June 30, 2008; **Agenda Item # 13.**, Augment the total value of contracts permitted under the previously approved Transportation Planning and Mass Transit Studies on-call list from \$1,000,000 to \$2,500,000; **Agenda Item # 14.**, Adopt a resolution to amend Section 4-28 (b) (3) of the VTA Administrative Code to replace the National Association of Industrial and Office Properties with Building Owners and Managers Association – Silicon Valley as a business and labor group representative on the Citizens Advisory Committee and further amend Section 3.1 (c) of the Citizens Advisory Committee bylaws to conform to this change; **Agenda Item # 15.**, Ratify the appointment of Robert Jacobvitz to the Citizens Advisory Committee position representing the Building Owners and Managers Association – Silicon Valley; **Agenda Item # 18.**, Adopt the Travel & Expense Reimbursement Policy (“Policy”) for all VTA employees, Board Members, and others in the service of VTA; **Agenda Item # 19.**, Authorize the General Manager to execute separate contracts with Computer Specialists Inc. (CSI) and Systems Services International (SSI) to provide computer system hardware and software support services. The contract with Computer Specialists Inc. will be \$300,000 for the first two years and \$375,000 for two additional one-year options for service, for a total contract value of \$675,000. The contract with Systems Services International will be in the amount of \$235,000 for two years of service; **Agenda Item # 21.**, Adopt a resolution authorizing the General Manager to execute Program Supplements, Fund Exchange and Fund Transfer Agreements with the California Department of Transportation (Caltrans) for federal-aid projects, as required by the Master Agreement pertaining to such Projects entered into between VTA and Caltrans in 1997; **Agenda Item # 22.**, Authorize the General Manager to execute grants of fee parcels and easements (including utility, maintenance, access and street and highway easements) for 1996 Measure B Highway Program projects, at no cost, to Caltrans, the City of Mountain View, and various utility companies;

Agenda Item # 23., Approve the budget and cost allocation for the Santa Clara Valley Habitat Conservation Plan/Natural Community Conservation Plan; **Agenda Item # 24.**, Authorize the General Manager to execute a five-year lease agreement, with year-to-year extensions after that time, with Nextel of California Inc. (dba Nextel Communications) to lease a cellular antennae site from VTA starting at \$2,500 per month with 3 percent annual increases thereafter; **Agenda Item # 25.**, Authorize the General Manager to execute all necessary agreements with the City of San Jose, County of Santa Clara and California Department of Transportation (Caltrans) finalizing transfer of properties and establishing long-term maintenance and use of properties and facilities related to the

Guadalupe Corridor Project; and **Agenda Item # 26.**, Authorize the General Manager to execute a cooperative agreement with the City of Sunnyvale for the transfer of Federal Transit Administration Federal Fiscal Year 2005 Section 5307 Transit Enhancement funds for the City of Sunnyvale's Frances Street Transit Center Project.

REGULAR: Agenda Item # 16., Approve the Debt Policy, which establishes guidelines for the issuance and management of VTA's debt; **Agenda Item # 17.**, Adopt a resolution authorizing the General Manager or Chief Financial Officer to take all necessary actions, enter into agreements and execute documents for VTA to issue bonds in a par amount not to exceed \$440 million (2206 Bonds), the proceeds of which will refund VTA's 2003A, 2004A and 2004B Measure A Sales Tax Revenue Bonds, fund additional 2000 Measure A Projects and pay the cost of issuance; and further authorize the General Manager or Chief Financial Officer to enter into one or more interest swap agreements; **Agenda Item # 20.**, Receive an update on current status of the Federal Disadvantage Business Enterprise Program (DBE); and **Agenda Item # 29.**, Receive a report on the Resolutions of Necessity for the State Route 152/156 Improvement Project – Properties Owned by: Blackburn Farms III, L.P., Louis A. Scaglione Jr. and Louis A. Scaglione Jr., et al.

35. Announcements

There were no Announcements.

36. ADJOURNED at 2:20 p.m.