



**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS COMMITTEE OF THE WHOLE MEETING  
(In Lieu of ADMINISTRATION & FINANCE COMMITTEE MEETING)**

**MEETING RECORD**

**1. CALLED TO ORDER**

The Santa Clara Valley Transportation Authority Board of Directors Committee of the Whole (COW) Meeting (In Lieu of Administration and Finance (A&F) Committee Meeting) was called to order by Board Member Williams at 12:00 p.m., Santa Clara Valley Transportation Authority (VTA), River Oaks Administrative Campus, 3331 North First Street – Auditorium, San Jose, California.

**ROLL CALL**

**Members Present**

Cindy Chavez, Chairperson  
Dean Chu, Vice Chairperson  
Dennis Kennedy  
Greg Perry  
Forrest Williams

**Members Absent**

Jim Beall, Ex-Officio  
Nora Campos  
David Cortese  
Don Gage  
Breene Kerr  
Liz Kniss  
John McLemore, Ex-Officio  
Madison Nguyen  
Dolly Sandoval

**Alternates Present**

None

**Alternates Absent**

Norman Kline, Alternate  
Jamie Matthews, Alternate  
Pete McHugh, Alternate  
Al Pinheiro, Alternate  
Ken Yeager, Alternate

Board Member Williams noted that Committee recommendations would be forwarded for consideration at the August 3, 2006 VTA Regular Board of Directors Meeting.

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

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

Board Member Williams requested that Agenda Item # 2., Adjourn to Closed Session and Agenda Item # 3., Closed Session Report be placed towards the end of the Committee of the Whole Meeting Agenda in an effort to accommodate everyone's time schedule due to the time length of Closed Session.

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

- 2. (Placed towards the end of the Committee of the Whole Committee Meeting Agenda.)**

**ADJOURN TO CLOSED SESSION**

Conference with Labor Negotiators  
[Government Code Section 54957.6]

VTA Designated Representatives:

Roger Contreras, Chief Financial Officer  
Bill Lopez, Chief Administrative Officer  
Robert Escobar, Manager, Office of Employee Relations

Employee Organization:

Transportation Authority Engineers and Architects (TAEA)

**RECONVENE TO OPEN SESSION**

- 3. (Placed towards the end of the Committee of the Whole Committee Meeting Agenda.)**

**CLOSE SESSION REPORT**

Conference with Labor Negotiators  
[Government Code Section 54957.6]

VTA Designated Representatives:

Roger Contreras, Chief Financial Officer  
Bill Lopez, Chief Administrative Officer  
Robert Escobar, Manager, Office of Employee Relations

Employee Organization:

Transportation Authority Engineers and Architects (TAEA)

- 4. PUBLIC PRESENTATIONS**

There were no Public Presentations.

## 5. **ORDERS OF THE DAY**

Board Member Williams removed Agenda Item # 6., Report on Santa Clara Valley Transportation Authority Investments for the Months of April and May 2006 from the Consent Agenda and placed on the Regular Agenda.

Board Member Williams removed Agenda Item # 7., Review the Monthly Legislative History Matrix from the Consent Agenda and placed on the Regular Agenda.

Board Member Williams removed Agenda Item # 8., Review the Programmed Projects Quarterly Monitoring Report for April to June 2006 from the Consent Agenda and placed on the Regular Agenda.

Board Member Williams removed Agenda Item # 9., Ratify the appointment of Norma Rome representing the City of Morgan Hill and reappointments of Bill Reisinger representing the City of Milpitas; John Carpenter representing the City of Mountain View; and David Simons representing the City of Sunnyvale to the Bicycle and Pedestrian Advisory Committee (BPAC) for the term ending June 30, 2008 from the Consent Agenda and placed on the Regular Agenda.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole accepted the Orders of the Day.

## **CONSENT AGENDA**

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

Report on Santa Clara Valley Transportation Authority Investments for the Months of April and May 2006.

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

Review the Monthly Legislative History Matrix.

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

Review the Programmed Projects Quarterly Monitoring Report for April to June 2006.

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

Ratify the appointment of Norma Rome representing the City of Morgan Hill and reappointments of Bill Reisinger representing the City of Milpitas; John Carpenter representing the City of Mountain View; and David Simons representing the City of Sunnyvale to the Bicycle and Pedestrian Advisory Committee (BPAC) for the term ending June 30, 2008.

## REGULAR AGENDA

### 6. **Santa Clara Valley Transportation Authority Investments for the Months of April and May 2006**

Roger Contreras, Chief Financial Officer, provided a brief overview on the Santa Clara Valley Transportation Authority Investments for the Months of April and May 2006.

Mr. Contreras noted that VTA funds are invested in accordance with asset allocation strategies described in the Investment Policies adopted June 1, 2006. The monthly investment report will be provided at the end of each quarter.

Mr. Contreras stated that the VTA/ATU Pension Plan Assets experienced a downward adjustment in the month of May due to market conditions. Mr. Contreras commented that performance has remained near benchmark forecasts.

Mr. Contreras commented that Retiree Health Care Funds have experienced a slight downward trend adjustment of 1.7 percent due to the movement in the equity market with a year to date adjustment of 1.6 percent.

Board Member Williams acknowledged and thanked VTA staff for their diligence and hard work and noted that the VTA Board of Director's Workshop is the upcoming forum to study and discuss the spending impacts.

Member Perry queried what a 1 percent interest rate change would mean in dollars and the effect that amount will have on anticipated spending.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole reviewed the Report on Santa Clara Valley Transportation Authority Investments for the Months of April and May 2006.

### 7. **Monthly Legislative History Matrix**

Kurt Evans, Government Affairs Manager, provided a brief report on the Monthly Legislative History Matrix. Mr. Evans indicated that the California State Legislature is in recess until August 7, 2006 and will return to open session until their adjournment August 31, 2006.

Mr. Evans reported that Proposition 1 A and Proposition 1 B will appear on the November 2006 ballot. Proposition 1 A amends the State Constitution to limit the conditions under which Proposition 42 transfer of gasoline sales tax revenues for transportation uses could be suspended by the Governor and the State Legislature. Proposition 1B, is the Transportation Infrastructure Bond Measure.

Mr. Evans noted that the FY 2006 California State Budget was signed into law by Governor Schwarzenegger on June 30, 2006. The FY 2006 State Budget includes approximately 3.2 billion in discretionary spending for transportation.

Michael T. Burns, General Manager, indicated that the State and Federal Monthly Legislative Report will appear in a revised summarized report format and will be sent via e-mail to members. Mr. Burns noted that he would welcome feedback on the process.

Board Member Williams expressed appreciation to staff for the new report format and stated that he and looks forward to the passage of Proposition 1 A and Proposition 1 B and the funding opportunities that may be available in the future.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole reviewed the Monthly Legislative History Matrix.

**8. Programmed Projects Quarterly Monitoring Report for April to June 2006**

Carolyn Gonot, Chief Development Officer, provided a brief report on the Programmed Projects Quarterly Monitoring Report for April to June 2006. Ms. Gonot noted that quarterly the Programmed Projects Quarterly Monitoring Report is presented to VTA Board of Directors and the Policy and Technical Advisory Committees. The report assists VTA staff, The Advisory Committees, The VTA Board, and project sponsors to monitor the progress of projects funded through programming actions of the VTA Board. The previous report was reviewed by the Board in May 2006. The report provides current status on discretionary funded projects. Ms. Gonot noted that the monitored County projects must be obligated by the June 30, 2006 deadline. Ms. Gonot indicated that all County projects are proceeding forward.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole reviewed the Programmed Projects Quarterly Monitoring Report for April to June 2006.

**9. Bicycle & Pedestrians Advisory Committee Appointments/Reappointments**

Ms. Gonot provided a brief overview of the Bicycle & Pedestrians Advisory Committee Appointments/Reappointments.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole approved submitting a recommendation to the Board of Directors to ratify the appointment of Norma Rome representing the City of Morgan Hill and reappointments of Bill Reisinger representing the City of Milpitas; John Carpenter representing the City of Mountain View; and David Simons representing the City of Sunnyvale to the Bicycle and Pedestrian Advisory Committee (BPAC) for the term ending June 30, 2008.

**10. Capitol Expressway Light Rail Project – Final Design Services**

Jack Collins, Chief Construction Officer, provided a brief report on the Capitol Expressway Light Rail Project – Final Design Services. The recommendation is to authorize the General Manager to execute a contract amendment with Rajappan & Meyer Consulting Engineers, Inc. in an amount not to exceed a total of \$15,400,000 for a new contract amount of \$27,049,059 and extend the contract term by two years to perform final design services for the Capitol Expressway Light Rail Project to the Eastridge Transit Center.

Mr. Collins noted that Rajappan & Meyer completed the Preliminary Engineering for the Light Rail Extension to Eastridge and Neiman Stations in May 2006. The \$15.4 million will complete final design of the Light Rail Extension to Eastridge Transit Center within the next two years. The Light Rail Extension to Eastridge is included in the 2000 Measure A Transit Improvement Program and is scheduled to open for revenue service by 2012. The final design amendment is within budget for the project and will provide 117,000 hours of final design services.

Mr. Collins commented that Rajappan & Meyer is a South Bay firm. The Small Business Enterprise goal of 21 percent was met during the preliminary engineering phase of the project, and the contractor has committed to a similar goal for the final design phase of work.

Board Member Perry expressed concern that VTA does not have a balanced budget for capital projects.

Board Member Williams noted that this project was included in the 2000 Measure A Transit Improvement Program.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole approved submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract amendment with Rajappan & Meyer Consulting Engineers, Inc. in an amount not to exceed a total of \$15,400,000 for a new contract total amount of \$27,049,059 and extend the contract term by two years to perform final design services for the Capitol Expressway Light Rail Project to the Eastridge Transit Center.

**11. Budget Augmentation and Contract Amendments for the Santa Clara/Alum Rock Corridor of the Downtown East Valley Transit Improvement Project**

Ms. Gonot provided a report on the Budget Augmentation and Contract Amendments for the Santa Clara/Alum Rock Corridor of the Downtown East Valley Transit Improvement Project.

Ms. Gonot commented that the recommendation is to augment the Downtown East Valley Santa Clara/Alum Rock Transit Improvement Project budget by \$600,000; to authorize the General Manager to amend the contract with EIP Associates, Inc. for the preparation of the Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the Downtown East Valley Santa Clara/Alum Rock Corridor Project; increasing the approved contract value by \$250,000 for a new contract value not to exceed \$1,152,834 and to extend the contract through December 31, 2008; and authorize the General Manager to amend the contract with Korve Engineering for the analysis of project alternatives and evaluation of a phased light rail concept in preparation of the EIS/EIR for the Downtown East Valley Santa Clara/Alum Rock Corridor Project, increasing the approved contract value by \$350,000 for a new contract value not to exceed \$1,517,654 and extending the term of the contract through December 31, 2008.

Ms. Gonot reported that at the request of the DTEV PAB, staff is seeking authorization from the Board for a budget augmentation of \$600,000 in Measure A revenues for the Santa Clara/Alum Rock Transit project. The VTA Board is also asked to authorize amendments to two existing consultant contracts for the project. The additional budget will be used to accomplish three work element tasks: 1) Update existing conditions and project alternatives in the environmental document; 2) Evaluate a phased single car light rail concept for potential inclusion as a project alternative; and 3) Conduct an enhanced outreach program featuring a debate of transportation experts.

To accomplish the three work elements, staff is requesting authorization to amend two existing contracts. The first contract amendment with EIP Associates in the amount of \$250,000 will allow for both the Enhanced Outreach and a portion of the project update to occur. The contract augmentation would include approximately 2,000 additional hours of consultant time at current rates. The second amendment with Korve Engineering in the amount of \$350,000 will accomplish data collection and analysis for both the evaluation of the new LRT concept and the additional hours of consultant time at current rates. It is anticipated that the three work elements described above will be accomplished by early Spring 2007.

Board Member Perry expressed concern of the proposed phase concept and suggested that VTA staff research more direct transit routes for riders. Board Member Perry requested informational data on origins and destinations of East San Jose transit riders and the percentile of East San Jose residents who live within walking distance of the proposed light rail. Chairperson Chavez noted VTA staff provided that research data to the DTEV PAB and suggested VTA staff forward it to Board Member Perry.

Chairperson Chavez requested the report contain additional informational data on the Neiman concept.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole approved submitting a recommendation to the Board of Directors to: Augment the

Downtown East Valley Santa Clara/Alum Rock Transit Improvement Project budget by \$600,000; Authorize the General Manager to increase the contract with EIP Associates, Inc. for preparation of the Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the Downtown East Valley Santa Clara/Alum Rock Corridor Project, increasing the approved contract value by \$250,000 for a new contract value not to exceed \$1,152,834 and extending the term of the contract through December 31, 2008; and Authorize the General Manager to amend the contract with Korve Engineering, for the analysis of project alternatives and evaluation of a phased light rail concept in preparation of the EIS/EIR for the Downtown East Valley Santa Clara/Alum Rock Corridor Project, increasing the approved contract value by \$350,000 for a new contract value not to exceed \$1,517,654 and extending the term of the contract through December 31, 2008.

**12. Selection of Developers for Joint Development at the West San Carlos Site**

David Miller, Commercial Development Manager, provided a power point presentation and report on the Selection of Developers for Joint Development at the San Carlos Site. He stated that the recommendation was to designate Republic Properties and Green Valley Corporation as the Selected Developer and Avalon Bay Corporation and ROEM Corporation as the Alternate Selected Developer for the West San Carlos site.

Mr. Miller reported that on December 9, 2004, the VTA Board of Developers approved the Joint Development Program, Joint Development Policy, and Developer Selection Process. On September 29, 2005, the VTA Board approved a list of qualified developers. Following that action, VTA staff requested qualified developers to submit formal development proposals for the West San Carlos site. On January 17, 2006 proposals were received.

Mr. Miller noted that on March 9, 2006 the evaluation team that was comprised of VTA Commercial Development Manager and consultants from Economic and Planning Systems (EPS) and City of San Jose staff, met with each of the proposers for clarification of the economic terms of the proposals. In April 2006 refined proposals were received, and the evaluation team and EPS reviewed the proposals. Mr. Miller provided an overview of the weighting, selection scoring and criterion for the Developer Selection Process.

Mr. Miller noted that once the VTA Board has approved the selection of the developer and the alternative for the West San Carlos site an Exclusive Negotiating Agreement (ENA) will provide a 120 – day negotiating period to reach the Development Agreement. The ENA will formulate major terms of any purchase, ground leases, or sales arrangements to be finalized in the Development Agreement. Upon completion of the Development Agreement and approval by the VTA Board, the Selected Developer must submit an application to the City of San Jose for entitlement approvals. Mr. Miller commented that the process will involve community outreach, environmental review, and City of San Jose staff review, and the conditioning of the development permit.

Mr. Miller indicated that the Board approved the recommendation to designate the Selected Developer and Alternative Selected Developer and could result in potential income to VTA of \$19 million to \$22 million from the sale of the West San Carlos site.

Barry Swenson, Interested Citizen, stressed the importance of smart land use in Santa Clara Valley. Mr. Swenson commented that he endorses high - density housing near light rail.

Bob Mendelssohn, Republic Properties, stressed the importance of utilizing maximum density to achieve smart growth for the West San Carlos Project.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole approved submitting a recommendation to the Board of Directors to designate Republic Properties and Green Valley Corporation as the Selected Developer and Avalon Bay Corporation and ROEM Corporation as the Alternate Selected Developer for the West San Carlos site.

**13. Resolution for the Transfer of Eight Diesel Coaches**

Ms. Gonot provided a report regarding the Resolution for the Transfer of Eight Diesel Coaches. Ms. Gonot commented the recommendation provides for the adoption of the Authorizing Resolution permitting the transfer of eight 1992 model year diesel coaches from VTA's bus fleet, and the authorization for the General Manager to execute a transfer agreement with the Santa Barbara Metropolitan Transit District for the transfer of the eight coaches, including the FTA grant guidelines, conditions, and statutory requirements attached to the coaches.

Ms. Gonot commented that VTA acquired 90 diesel transit coaches (9200 bus fleet) in 1992 with the combination of local and Federal funding. The coaches were put into revenue service in 1992. VTA was awarded an FTA grant in 2000 for the installation of clean diesel engines on the 9200 fleet. The 9200 fleet has exceeded its ordinary twelve-year life cycle and fully depreciated its asset value.

Santa Barbara Metropolitan Transit District (SBMTD) contacted VTA in May 2006 and indicated they wished to acquire several buses from the 9200-bus fleet to enhance their fleet. SBMTD offered to acquire 8 buses. Due to the financial interest the Federal government retains in the buses, the federal interest transferred to SBMTD as is the monetary federal interest and the responsibility for meeting all federal guidelines, conditions, and statutory requirements currently retained by VTA.

Ms. Gonot noted the total current depreciated net book value Federal share to be transferred to SBMTD is \$69,976.08. Ms. Gonot commented that an agreement between VTA and SBMTD would transfer all compliance responsibility with FTA regarding statutes and regulations to SBMTD and indemnifying VTA.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole approved submitting a recommendation to the Board of Directors to adopt the Authorizing Resolution permitting the transfer of eight 1992 Model Year standard diesel coaches from VTA's bus fleet, and authorize the General Manager to execute a transfer agreement with the Santa Barbara Metropolitan Transit District for the transfer of the eight coaches, including the Federal Transit Administration grant guidelines, conditions, and statutory requirements attached to the coaches.

**14. FY 2006 – 07 Transportation Fund for Clean Air Regional Fund Applications**

Marcella Rensi, Manager, Programming & Grants, reported that the recommendation authorizes the General Manager to execute a Funding Agreement for Transportation Fund for Clean Air (TFCA) Regional funds with the Bay Area Air Quality Management District (BAAQMD) for the Altamont Commuter Express (ACE) Shuttle Program.

Ms. Rensi noted the TFCA is generated by a \$4 surcharge on California vehicle registrations. Ms. Rensi commented that BAAQMD administers these funds in the nine Bay Area Counties. These funds are available for cost effective projects that reduce vehicle emissions and the funds are distributed on a regional competitive basis. Ms. Rensi indicated that project sponsors apply to BAAQMD for the funds and approximately \$12 million will be available for distribution through the program in FY 2006-07 for the Bay Area Counties.

Ms. Rensi commented that sponsors apply directly to VTA for funding and the VTA Board allocates the funds on a competitive basis to County projects subject to BAAQMD approval. VTA would submit one project application requesting \$950,000 to continue operating the ACE shuttle service for the Fiscal Year 2006-07. The estimated cost of the service is \$1.1 million and TFCA funds will cover approximately 86 percent of the total estimated cost and the remaining 14 percent will come from ACE and employer contributions.

**On order of Board Member Williams**, there being no objection, the Committee of Whole approved submitting a recommendation to the Board of Directors to authorize the General Manager to execute a Funding Agreement for Transportation Fund for Clean Air Regional Funds with the Bay Area Air Quality Management District (BAAQMD) for the Altamont Commuter Express (ACE) Shuttle Program.

**15. FY2005 Transit Security Grant Program**

Cathy Hendrix, Senior Management Analyst, provided a report on the FY2005 Transit Security Grant Program. Ms. Hendrix noted the recommendation to authorize the General Manager to increase the FY2007 Capital Budget by \$742,050 to include the FY 2005 Transit Security Grant awarded to VTA for the purchase and installation of cameras on 20 light rail vehicles and CCTV video on demand at the Great Mall/Main and Hamilton light rail stations; and to adopt a resolution authorizing the submittal and execution of grant applications and agreements, certifications and assurances and other

documents as necessary to obtain Federal financial assistance provided by the US Department of Homeland Security Office of State and Local Government Coordination and Preparedness Office of Domestic Preparedness (ODP). No local funds are required to match this grant.

Ms. Hendrix reported that for the FY 2005 grant cycle, VTA was identified as an eligible rail transit property by the Transit Security Grant Program (TSGP) and an eligibility requirement is that the rail transit systems selected for funding adopt a Resolution to authorize the submittal and execution of grant applications and agreements, certifications, and assurances and other documents as necessary to obtain Federal financial assistance provided by the ODP and also participate in a Regional Transit Security Working Group (RTSWG). Ms. Hendrix noted that for the FY 2006 grant cycle, VTA is eligible to compete for the \$8.4 million for the Bay Area regional rail allocation and \$2.1 million for the regional bus allocation.

Ms. Hendrix noted VTA currently operates with cameras on 324 buses and 80 light rail vehicles. With this recommendation, the FY 2007 Capital Budget would be increased by \$742,050 and the funds would be used to equip 20 light rail vehicles with cameras and expand the CCTV video on demand program at the Great Mall/Main and Hamilton Light Rail Stations. Ms. Hendrix commented the light rail station locations were selected based on station design, ridership, and security related activity.

Board Member Perry requested the ongoing costs of equipping bus and light rail vehicles with cameras and the video on demand program. Board Member Perry requested staff provide information on the costs associated with vandalism on the bus and light rail systems. Ms. Hendrix indicated that video recording on transit vehicles is a crime deterrent.

Aaron Morrow, Interested Citizen, expressed concern and stressed the importance of funding for the Transit Security Grant Program.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole approved submitting a recommendation to the Board of Directors to authorize the General Manager to increase the FY 2007 Capital Budget by \$742,050 to include the FY 2005 Transit Security Grant awarded to VTA for the purchase and installation of cameras on 20 light rail vehicles and CCTV video on demand at the Great Mall/Main and Hamilton light rail stations. In addition, adopt a Resolution authorizing the submittal and execution of grant applications and agreements, certifications and assurances and other documents as necessary to obtain federal financial assistance provided by the US Department of Homeland Security Office of State and Local Government Coordination and Preparedness Office of Domestic Preparedness (ODP). No local funds are required to match this grant.

**16. Industrial Waste Disposal, and Industrial Waste Emergency Response Services**

Michael Hursh, Deputy Director Operations and Maintenance, provided a report on Industrial Waste Disposal and Industrial Waste Emergency Response Services. Mr. Hursh noted the recommendation authorizes the General Manager to execute a contract for as needed disposal of hazardous industrial waste and industrial waste emergency response services with 21<sup>st</sup> Century Environmental Management, Inc. for a term of three years, with two additional one-year options in an estimated amount of \$375,000 annually for a total of \$1,875,000 over a five-year period.

Mr. Hursh indicated the waste consists primarily of recyclable oils, oil filters, contaminated grease, diesel fuel, sludge from vehicle washing and steam cleaning, and waste absorbent materials. Mr. Hursh commented that the previous contract with 21<sup>st</sup> Century Environmental Management Inc. was approved by the VTA Board of Directors on April 5, 2001 and expired June 5, 2006.

Mr. Hursh noted that VTA developed the RFP to solicit qualified firms to provide industrial waste disposal and industrial waste emergency response services. The RFP was issued on March 14, 2006, and VTA sent notices to twelve firms. In addition the RFP was advertised in the San Jose Mercury News on March 20, 2006. Mr. Hursh indicated five firms responded to the solicitation.

Mr. Hursh noted that a review board comprised of the Environmental Health & Safety Supervisor, and Environmental Health & Safety Specialist, Facilities Maintenance Manager, Facilities Maintenance Coordinator, and the Contracts Administrator evaluated the proposals according to six criteria, assigning a relative value to each criterion: 1) Experience and capabilities in providing hazardous and non-hazardous waste recycling services (25 percent); 2) Experience and capabilities in providing hazardous and non-hazardous waste treatment, storage, and disposal services (20 percent); 3) Fees relative to the services provided (35 percent); 4) Experience and capabilities in hazardous waste emergency response services (10 percent); 5) Records of violations related to hazardous or non-hazardous waste handling (5 percent); and 6) Qualifications of project manager and technical personnel (5 percent).

Mr. Hursh noted on May 5, 2006 the VTA Review Board selected two firms deemed acceptable as industrial waste disposal and industrial waste emergency response service providers. The two firms selected are: 1) 21<sup>st</sup> Century Environmental Management Inc. (PSC); and 2) Clean Harbors Environmental Services, Inc. Mr. Hursh noted in addition to meeting the selected criteria both of these companies submitted the lowest overall bids.

Mr. Hursh commented that after oral interviews with the firms and evaluation of their written proposals, the Review Board determined that Century 21<sup>st</sup> offered the most advantageous consideration of pricing and service with a history of high quality service.

Board Member Kennedy requested additional information on past wage and costs and an itemized cost comparison by bidder. Jim Lawson, Government Affairs Manager, clarified that the contract represents an estimate of the amount of Hazardous Waste that would be expected for disposal as a unit priced bid based on past disposal history.

Board Member Perry requested staff provide unit prices for disposal and quantity of hazardous waste produced in 2005.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole approved submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract for as needed disposal of hazardous industrial waste and industrial waste emergency response services with 21<sup>st</sup> Century Environmental Management, Inc. for a term of three years, with two additional one-year options in an estimated amount of \$375,000 annually for a total of \$1,875,000 over a five-year period.

**17. Monterey to San Jose Express Memorandum of Understanding**

Jim Unites, Operations Planning and Program Manager, provided a report on the proposed Monterey to San Jose Express Memorandum of Understanding. Mr. Unites noted the recommendation authorizes the General Manager to enter into a one-year memorandum of Understanding with Monterey-Salinas Transit (MST) and the Capitol Corridor Joint Powers Authority (CCJPA) to provide \$90,000 to fund and implement a new express bus route from Monterey to San Jose as a pilot program.

The new express bus service would be known as MST Line 55, to begin revenue service August 28, 2006. The service will operate 7 days a week with three round trips each day. Travel times to San Jose are 1 hour from Gilroy, and 45 minutes from Morgan Hill. Service Stops will include Monterey Parking Garage, Monterey Transit Plaza, Edgewater Transit Exchange, Prunedale Park & Ride, Gilroy Caltrain Station, Morgan Hill Caltrain Station, San Jose State University, Downtown San Jose, and the San Jose Diridon Station.

Board Member Kennedy expressed his appreciation for the midday round trip schedule.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole approved submitting a recommendation to the Board of Directors to authorize the General Manager to enter into a one-year Memorandum of Understanding with Monterey-Salinas Transit (MST) and the Capitol Corridor Joint Powers Authority (CCJPA) to provide \$90,000 to fund and implement a new express bus route from Monterey to San Jose as a pilot program.

**OTHER ITEMS**

**18. Receive an Update on Current Status of the Federal Disadvantaged Business Enterprise Program (DBE)**

Thomas B. Smith, Purchasing & Materials Manager, provided an update on the current status of the DBE Program. Mr. Smith commented that as a result of the 9<sup>th</sup> Circuit Court of Appeals decision in the Western States Paving Co., Inc. versus Washington State

Department of Transportation case the existing race-conscious Federal DBE program is in question. The court in that matter mandated that evidence of discrimination in the transportation contracting industry must be documented to support implementation of a race-conscious DBE Program.

Mr. Smith indicated that CalTrans determined they do not have sufficient data to satisfy the evidentiary standards established in the Western States case. They have notified all sub-recipients of the Federal Highway Administration (FHWA) funds (VTA included) that effective May 1, 2006 all contracts must be advertised and awarded without specific DBE contract goals. To receive FHWA funding sub-recipients must enter into an Implementation Agreement with CalTrans and agree to assist CalTrans to achieve its Overall Statewide DBE goal by race neutral means.

VTA, as a subrecipient of FHWA grant funds for highway projects must immediately adopt an interim race-neutral DBE program or risk the loss of funding for anticipated highway projects in Fiscal Year 2007. Additionally, VTA has received the same direction from the Federal Transportation Administration (FTA) regarding grant funds distributed by that agency. As directed by Caltrans, VTA will include an Availability Advisory Percentage on each contract and take specific steps to ensure that prime contractors are aware of and encouraged to utilize DBE's.

Mr. Smith commented that VTA staff has proactively performed public outreach to the disadvantaged business community to educate them on the impact of the Western States Paving Company case and to discuss methods of working together to ensure a race conscious DBE policy. Mr. Smith reported that in June 2006 VTA sent invitations to firms on VTA's DBE database and to 21 Chambers of Commerce who represents those minority groups to participate in an Informational Briefing Forum held July 18, 2006. Mr. Smith announced the public outreach and Informational Briefing Forum was quite successful.

VTA Chairperson Chavez commended staff for the public outreach. VTA Chairperson Chavez inquired about the Disparity Study. Mr. Smith answered that the completed report would be brought before the Board in March 2007. VTA Chairperson Chavez expressed concern and requested clarification of VTA's role and the importance of community outreach.

Mr. Burns recommended staff provide the Board a detailed review of the scope, functionality, roles, and interactions of the committed agencies in the Disparity Study.

**On order of Board Member Williams**, there being no objection the Committee of the Whole received an update on current status of the Federal Disadvantaged Business Enterprise Program (DBE).

**19. Committee Referral: Transportation Development Act Funds.**

**On order of Board Member Williams**, there being no objection, the Committee of the

Whole forwarded the report on the Committee Referral: Transportation Development Act Funds to the August 16, 2006 Transit Planning & Operations (TP&O) Committee.

**20. Report on Monthly Ridership and Fare Revenue Performance**

Joonie Tolosa, Operations Senior Management Analyst, provided a powerpoint presentation on VTA Ridership and Fare Revenue Service. Mr. Tolosa provided a report highlighting: System Ridership totals that have averaged a 6.4 percent increase of average weekday ridership over 2005. Bus ridership totals have increased 2.1 percent and average weekday ridership has increased by 2.9 percent. Mr. Tolosa noted light rail ridership totals have increased by 22.1 percent. Mr. Tolosa noted the average weekday light rail ridership for the month June 2006 is the highest June average in VTA history.

Mr. Tolosa commented that Fare Revenues for the month of June 2006 have increased 2.6 percent and FYTD (July through June) has increased 7.1 percent. Mr. Tolosa noted the average fare per boarding decreased 12.2 percent and the FYTD (July through June) average fare per boarding has increased by 1.3 percent. Mr. Tolosa noted that due to the heavily used discount passes accounts for the reduction in the average fare per boarding for the month of June 2006.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole received a report on Monthly Ridership and Fare Revenue Performance.

**21. Paratransit Operations – Vehicles, fueling, Facility and Vendor Contract**

Mr. Unites provided a brief overview of VTA current paratransit program and a summary of cost-saving initiatives partnering with Outreach, Inc VTA's paratransit contractor related to Vehicles, Fueling, Facility and Vendor Contract. . Mr. Unites indicated that VTA has no intention of providing paratransit service directly and commented that VTA has contracted with Outreach, Inc., a local nonprofit agency to provide paratransit broker services since July 1993. VTA's current agreement with Outreach is in effect through June 30, 2011.

Mr. Unites noted Outreach receives and schedules trip requests, builds vehicle schedules, handles daily service changes, and subcontracts and monitors the daily service provided. Outreach subcontracts with local taxi service and van service providers.

At the April 2006 VTA Board of Directors Regular meeting, the Board approved a plan that includes contracting with Outreach to manage the paratransit eligibility and appeals process. Outreach commenced performing the management and appeals function on July 1, 2006.

Mr. Unites noted at the request of VTA Chairperson Chavez staff provide an informational memorandum to the Board examining the possibility of shared fuel costs and to extend VTA's benefit of no gasoline sales tax to Outreach. Mr. Unites commented

that VTA and Outreach have developed several strategic implementations to continue to provide cost effective and quality paratransit service.

Mr. Unites commented that VTA is procuring and funding 173 vehicles for paratransit operations. Mr. Unites noted VTA is providing the use of a publicly controlled facility that would reduce paratransit expenses by eliminating the facility lease payments the Outreach subcontractor makes, and then is passed on to Outreach and VTA as part of the operating rate. The new Outreach location is at 100 W. Younger Street with parking and a 3,000 square foot modular building. VTA has leased the property from the County at no cost in exchange for VTA allowing the Santa Clara County Sheriff to use some VTA property. The location would be provided at no cost to the paratransit program saving \$250,000 annually now being paid by ATC for their operating location. ATC will move to the Younger Street site in late 2006 and with full service in January 2007.

Mr. Unites commented that VTA is a public transit agency and is exempt from the Federal Excise Tax of \$0.183 per gallon and part of the State Excise Tax of \$0.06 per gallon on fuel. The fuel procurement strategy is focused on providing this \$0.243 per gallon benefit to paratransit operations. Mr. Unites reported VTA is working with Outreach on a fuel purchase arrangement with Santa Clara County for the paratransit fleet of vehicles.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole received a report on Paratransit Operations – Vehicles, Fueling, Facility and Vendor Contract.

**22. Report Regarding the June 7, 2006 and July 12, 2006 Committee for Transit Accessibility Meetings**

Aaron Morrow, Chairperson, Committee for Transit Accessibility (CTA), provided a brief report regarding the July 12, 2006 CTA meeting noting that CTA will discuss the National Transit Database (NTD) Reporting and Paratransit Services Program costs at the September 13, 2006 meeting.

Mr. Morrow commented on Martin Bishop's restraint device concept and indicated that particular type of securement device would be dangerous and detrimental to his type of medical condition. Mr. Morrow expressed concern that an inordinate amount of staff time and effort has been expended regarding Mr. Bishop's proposed restraint concept and urges VTA Board to conclude discussions on the roller coaster type restraint system and proceed forward with the CTA and Board adopted Q Straint System.

Martin Bishop, Interested Citizen, requested VTA staff provide him administrative assistance with his restraint device concept.

**On order of Board Member Williams**, there being no objection, the Committee of the Whole received a report Regarding the June 7, 2006 and July 12, 2006 Committee for Transit Accessibility Meetings.

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

There were no Items of Concern and Referral to Administration.

**24. Committee Staff Report**

Jim Lawson, Government Affairs Manager and Staff Liaison, announced that the San Antonio Transit Station would re-open July 26, 2006 and invited everyone to the ceremony.

Mr. Lawson noted that VTA employee Grace Salandanan would be presented the Award for Financial Reporting Achievement at the August 3, 2006 Board of Directors' meeting.

**25. Chairperson's Report**

Board Member Williams noted that at the August 17, 2006 Administration and Finance Committee meeting staff would provide a VTA/ATU Pension Plan Actuarial Report. Board Member Williams acknowledged and thanked VTA Board of Directors for their attendance and participation in the Committee of the Whole Meeting. Board Member Williams thanked staff and VTA Board of Directors for their diligent work and efforts within the organization to address issues.

**26. Determined Consent Agenda for the August 3, 2006 Board Meeting**

**CONSENT: Agenda Item # 9.**, Ratify the appointment of Norma Rome representing the City of Morgan Hill and reappointments of Bill Reisinger representing the City of Milpitas; John Carpenter representing the City of Mountain View; and David Simons representing the City of Sunnyvale to the Bicycle and Pedestrian Advisory Committee (BPAC) for the term ending June 30, 2008; **Agenda Item # 13.**, Adopt the Authorizing Resolution permitting the transfer of eight 1992 Model Year standard diesel coaches from VTA's bus fleet, and authorize the General Manager to execute a transfer agreement with the Santa Barbara Metropolitan Transit District for the transfer of the eight coaches, including the Federal Transit Administration grant guidelines, conditions, and statutory requirements attached to the coaches; **Agenda Item #14.**, Authorize the General Manager to execute a Funding Agreement for Transportation Fund for Clean Air Regional Funds with the Bay Area Air Quality Management District (BAAQMD) for the Altamont Commuter Express (ACE) Shuttle Program; **Agenda Item #15.**, authorize the General Manager to increase the FY 2007 Capital Budget by \$742,050 to include the FY 2005 Transit Security Grant awarded to VTA for the purchase and installation of cameras on 20 light rail vehicles and CCTV video on demand at the Great Mall/Main and Hamilton light rail stations. In addition, adopt a Resolution authorizing the submittal and execution of grant applications and agreements, certifications and assurances and other documents as necessary to obtain federal financial assistance provided by the US Department of Homeland Security Office of State and Local Government Coordination and Preparedness Office of Domestic Preparedness (ODP). No local funds are required to match this grant; **Agenda Item # 16.**, Authorize the General Manager to execute a

contract for as needed disposal of hazardous industrial waste and industrial waste emergency response services with 21<sup>st</sup> Century Environmental Management, Inc. for a term of three years, with two additional one-year options in an estimated amount of \$375,000 annually for a total of \$1,875,000 over a five-year period; and **Agenda Item # 17.**, Authorize the General Manager to enter into a one-year Memorandum of Understanding with Monterey-Salinas Transit (MST) and the Capitol Corridor Joint Powers Authority (CCJPA) to provide \$90,000 to fund and implement a new express bus route from Monterey to San Jose as a pilot program.

**REGULAR: Agenda Item # 10.**, Authorize the General Manager to execute a contract amendment with Rajappan & Meyer Consulting Engineers, Inc. in an amount not to exceed a total of \$15,400,000 for a new contract total amount of \$27,049,059 and extend the contract term by two years to perform final design services for the Capitol Expressway Light Rail Project to the Eastridge Transit Center; **Agenda Item # 11.**, Approve submitting a recommendation to the Board of Directors to augment the Downtown East Valley Santa Clara/Alum Rock Transit Improvement Project budget by \$600,000; to authorize the General Manager to amend the contract with EIP Associates, Inc. for the preparation of the Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the Downtown East Valley Santa Clara/Alum Rock Corridor Project; increasing the approved contract value by \$250,000 for a new contract value not to exceed \$1,152,834 and extending the term of the contract through December 31, 2008; and Authorize the General Manager to amend the contract with Korve Engineering for the analysis of project alternatives and evaluation of a phased light rail concept in preparation of the EIS/EIR for the downtown East Valley Santa Clara/Alum Rock Corridor Project, increasing the approved contract value by \$350,000 for a new contract value not to exceed \$1,517,654 and extending the term of the contract through December 31, 2008; and **Agenda Item #12.**, Approve submitting a recommendation to the Board of Directors to designate Republic Properties and Green Valley Corporation as the Selected Developer and Avalon Bay Corporation and ROEM Corporation as the Alternate Selected Developer for the West San Carlos site.

**27. Announcements**

There were no Announcements.

**2. ADJOURNED TO CLOSED SESSION at 2:22 p.m.**

Conference with Labor Negotiators  
[Government Code Section 54957.6]

VTA Designated Representatives:

Roger Contreras, Chief Financial Officer  
Bill Lopez, Chief Administrative Officer  
Robert Escobar, Manager, Office of Employee Relations

Employee Organization:

Transportation Authority Engineers and Architects (TAEA)

**RECONVENED TO OPEN SESSION at 2:46 p.m.**

**3. CLOSED SESSION REPORT**

Conference with Labor Negotiators  
[Government Code Section 54957.6]

VTA Designated Representatives:

Roger Contreras, Chief Financial Officer  
Bill Lopez, Chief Administrative Officer  
Robert Escobar, Manager, Office of Employee Relations

Employee Organization:

Transportation Authority Engineers and Architects (TAEA)

There was no reportable action taken during Closed Session.

**28. ADJOURNMENT**

**On order of Board Member Williams**, there being no objection, the Committee of the Whole Meeting was adjourned at 2:49 p.m.

Respectfully submitted,

Jacqueline F. Golzio, Board Assistant  
VTA Board of Directors