



ADMINISTRATION & FINANCE COMMITTEE

Thursday, September 21, 2006

MINUTES

1. CALL TO ORDER

The Regular Meeting of the Administration and Finance Committee (A&F) was called to order at 12:04 p.m. by Chairperson Williams in Room 157, County Government Center, 70 West Hedding Street, San Jose, California.

ROLL CALL

Members Present

Don Gage
Madison Nguyen
Forrest Williams, Chairperson

Members Absent

Breene Kerr, Vice Chairperson

Alternates Present

None

Alternates Absent

Jamie Matthews
Pete McHugh
Ken Yeager

* Alternates do not serve unless participating as a Member.

A quorum was present.

The Agenda was taken out of order.

2. (Placed towards the end of the A&F Committee Meeting Agenda.)

CLOSED SESSION

- A. 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)

- B.** Conference with Labor Negotiators
[Government Code Section 54957.6]

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Employee Organization:

American Federation of State, County, and Municipal Employees (AFSCME)

RECONVENE TO OPEN SESSION

- 3. (Placed towards the end of the A&F Committee Meeting Agenda.)**

CLOSED SESSION REPORT

- A.** Conference with Labor Negotiators
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4. PUBLIC PRESENTATIONS

There were no Public Presentations.

5. ORDERS OF THE DAY

Chairperson Williams requested that the following Agenda Items be placed towards the end of the Agenda: Agenda Item # 2., Closed Session and Agenda Item # 3., Closed Session Report.

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

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

CONSENT AGENDA

6. Regular Meeting Minutes of August 17, 2006

Jim Lawson, Government Affairs Manager, noted a correction to the August 17, 2006 A&F Meeting Minutes and referenced Page 8 of 21, Paragraph 3, noting that VTA is approximately 25 percent less generous in its plan than CalPERS.

M/S/C (**Gage/Nguyen**) to approve, as amended the Regular Meeting Minutes of August 17, 2006.

7. Report on Santa Clara Valley Transportation Authority Investments for the month of July 2006

M/S/C (**Gage/Nguyen**) to review the Santa Clara Valley Transportation Authority Investments for the month of July 2006.

8. Quarterly Statement of Revenue and Expense

M/S/C (**Gage/Nguyen**) to review the Quarterly Statement of Revenue and Expense.

9. Monthly Legislative History Matrix

M/S/C (**Gage/Nguyen**) to review the Monthly Legislative History Matrix.

10. 2006 Quarterly Attendance Report

M/S/C (**Gage/Nguyen**) to review the 2006 Quarterly Attendance Report.

11. Annual Renewal of Property and Casualty Insurance Coverage

M/S/C (**Gage/Nguyen**) to review the Annual Renewal of Property and Casualty Insurance Coverage.

12. Bicycle and Pedestrian Advisory Committee (BPAC) Reappointment

M/S/C (**Gage/Nguyen**) to approve submitting a recommendation to the Board of Directors to ratify the reappointment of David Kobayashi to the Bicycle and Pedestrian Advisory Committee (BPAC) representing the County of Santa Clara for the term ending June 30, 2008.

REGULAR AGENDA

13. Renewal of Benefit Contracts

Bill Lopez, Chief Administrative Officer, provided a brief overview on the Renewal of Benefits Contracts. The overall increase for all medical plans will be approximately

12 percent. Medical rates were projected to increase by 12 percent overall for 2007. Though the overall increase was accurately estimated, the actual increase resulted from the combination of a much higher than expected increase for the PacifiCare health plans and a much lower than expected increase for Kaiser.

The PacifiCare rates are not final. Because of the significant increase in the PacifiCare rate, which is due to extremely bad claims experience calendar year to date, staff asked PacifiCare to delay providing their final rates. By waiting until later in September to receive our final rates, VTA is hoping that the improving claims experience will result in rates lower than the current renewal quote of an estimated 25 percent increase in PacifiCare's overall premiums.

The estimated Kaiser premium increase for 2007 is approximately 6 percent. VTA's claims experience under the Kaiser plan was much more favorable than under PacifiCare, which resulted in a much lower increase for Kaiser. Valley Health Plan rates will increase 15 percent overall, which is a little higher than the estimate. PacifiCare Union Dental rates did not increase and Delta Dental rates decreased 2 percent.

M/S/C (Nguyen/Gage) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to renew benefit contracts with Kaiser, PacifiCare, Valley Health Plan, Delta Dental, Pacific Union Dental, Vision Service Plan, and Custom Benefits Administrators for VTA employees and retirees for calendar year 2007.

14. State Legislative Positions: Proposition 1C

Kurt Evans, Government Affairs Manager, provided an overview of Proposition 1C, which authorizes the State to sell \$2.85 billion in general obligation bonds to fund Affordable Housing Programs, incentives for Infill Development in urban areas, and Transit-Oriented Development (TOD) opportunities. Proposition 1C will appear on the November 2006 general election ballot and requires a majority vote to be approved.

Mr. Evans referenced Page 3 of 4, Program Category, noting the specific breakdown of the \$2.85 billion Housing Bond among the following twelve different program categories: \$345 million for the Multifamily Housing, \$50 million for Homeless Shelters, \$195 million for Supportive Housing, \$135 million for Farm worker Housing, \$200 million for Homebuyers Down payment Assistance, \$100 million for Affordable Housing Pilot Programs, \$50 million for Emergency Shelters for Homeless Youths, \$850 million for Infill Development Incentives, \$200 million for Housing related Parks, \$300 million for Transit-Oriented Development (TOD), \$300 million for Low Income Homeowners Assistance, and \$125 for Local Government Housing Grants.

Mr. Evans commented that Proposition 1C would provide \$300 million for a new TOD implementation program and the grants would be made available to cities, counties, and public transit agencies to implement the type of infrastructure that encourages TOD. This program would allow the opportunity to issue loans for housing developments on parcels within close proximity to public transit stations.

Mr. Evans commented that Proposition 1C would provide \$850 million for Infill Development Incentives and includes transportation improvements and traffic mitigation measures that would help encourage Infill Development, which has more positive impact on the transit system.

Mr. Evans stated that Proposition 1C would provide \$1.1 billion to encourage the types of development activities consistent with the VTA Board of Directors policy goals of linking land use with transportation.

Board Member Gage expressed his support for Proposition 1C.

M/S/C (Gage/Nguyen) to approve submitting a recommendation to the Board of Directors to adopt a support position for Proposition 1C, which authorizes the state to sell \$2.85 billion in general obligation bonds to fund affordable housing programs, incentives for infill development in urban areas and transit-oriented development opportunities. Proposition 1C appears on the November 2006 general election ballot and requires a majority vote in order to be approved.

15. State Legislative Positions: Proposition 90

Mr. Evans provided an overview of Proposition 90, which amends the California Constitution to limit the ability of local and state governmental entities to acquire private property through the use of eminent domain. Proposition 90 appears on the November 2006 ballot and requires a majority vote in order to be approved.

Proposition 90 makes significant changes to the authority of local and state governmental entities to take private property through eminent domain. Proposition 90 restricts the purpose for which a governmental entity may use eminent domain to acquire private property, increases the amount that a governmental entity must pay to owners to acquire private property through eminent domain, requires a governmental entity to sell property acquired through eminent domain back to the original owners under certain circumstances, and redefines property “damage” to require payments to owners for any governmental action that changes the value of private property.

Mr. Evans stated that last year the U.S. Supreme Court issued a ruling in *Kelo v. City of New London*, which upheld a governmental entity’s right to use eminent domain to acquire private property for the purpose of economic development. The court action has spurred eminent domain reform activity in more than 30 states including California.

Mr. Evans reported that the *Kelo v. City of New London* decision was regarding the State of Connecticut Redevelopment Agency where eminent domain was used to acquire property from homeowners who did not want to sell their property. The State of Connecticut Redevelopment Agency wanted to acquire the property to redevelop a waterfront area and it was questionable if the waterfront area could be considered blighted or not, which has been the cause for debate. The redevelopment project was to construct hotels, restaurants, outlets, and offices in the waterfront area. The State of Connecticut Redevelopment Agency used eminent domain to acquire the property from unwilling sellers to construct the redevelopment project. Mr. Evans continued that this

has been a source of controversy since the debate is if this was an appropriate means of using eminent domain to acquire property.

Mr. Evans commented that VTA could use eminent domain to acquire property for transportation purposes but not utilize eminent domain to acquire property for economic or joint development. Mr. Evans stated that it is rare that VTA has to displace or relocate a homeowner or business since almost all of VTA property acquisitions for transportation projects involve sliver takes. Mr. Evans stated that VTA is seldom in the position of dealing with unwilling sellers and most of the time VTA property acquisition issues involve compensation.

Mr. Evans stated that most of the time VTA is able to acquire property for transportation projects without using eminent domain and added that eminent domain is used as a last resort. If eminent domain is used it is typically to allow VTA to obtain possession of the property to conduct project development to keep the project moving forward as negotiations continue with the property owners. Mr. Evans stated that VTA's issues are completely different than the issues involved with the *Kelo* decision.

Mr. Evans continued that Proposition 90 would significantly increase the amount of time needed for VTA to acquire the property for a transportation project, which would impact project schedules, increase the right-of-way acquisition costs to construct the transportation projects, and increase total project costs.

Mr. Evans stated that Proposition 90 goes way beyond "fixing" *Kelo*, noting a provision in Proposition 90, "Granting property owners rights to compensation for government actions if they suffer 'substantial economic loss' also would significantly increase the costs of transportation projects." Mr. Evans stated that this provision would expose a public agency such as VTA to litigation from (and potential compensation to) any owner who might argue that a project or action reduces the value of his or her property.

Board Member Gage stated that he supports an individual's property rights but noted that Proposition 90 goes too far, noting that Proposition 90 would increase project costs and project delays, which would make many feasible projects unfeasible.

M/S/C (Gage/Nguyen) to approve submitting a recommendation to the Board of Directors to adopt an oppose position for Proposition 90, which amends the California Constitution to limit the ability of local and state governmental entities to acquire private property through the use of eminent domain. Proposition 90 appears on the November 2006 ballot and requires a majority vote in order to be approved.

16. Contract Amendment with Biggs Cardosa Associates, Inc. for Final Design and Design Support during Construction for the State Route 152/156 Project

Carolyn M. Gonot, Chief Development Officer, provided a brief overview on the Contract Amendment with Biggs Cardosa Associates, Inc. for Final Design and Design Support during Construction for the State Route 152/156 Project.

Ms. Gonot commented that the State Route 152/156 Improvement Project is currently moving towards the completion of 100 percent Plans, Specifications, and Estimates

(PS&E). Ms. Gonot continued that as part of completing the property acquisition settlement, obtaining final right-of-way certification, and obtaining a Caltrans encroachment permit to construct the project, additional engineering work needs to be performed that was not previously contemplated. Ms. Gonot commented on the following additional scope of work required for the project: Scaglione property access design, Barnheisel Road intersection improvement alternatives analysis and design, re-scoping of demolition contract, and preparing the Survey and Computer-Aided Design and Drafting (CADD) submittals to Caltrans.

M/S/C (Gage/Nguyen) 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 and design support during construction of the State Route 152/156 Improvements, to increase the approved contract value by \$610,000 for a new total contract value of \$3,996,933 and to extend the contract term through June 2009.

17. VTA Permit Fee Schedule Changes

Jeff Funk, Construction Deputy Director, provided an overview of the VTA Permit Fee Schedule Changes. Mr. Funk commented that this recommendation would amend VTA's Permit Fee Schedules for Restricted Access Permits and Construction Access Permits. Construction Access Permits are required when construction activity is completed on VTA property, which changes a physical feature of the property. Restricted Access Permits are required when construction or other activities are completed on or near light rail lines.

Mr. Funk commented that the Board of Directors adopted the current VTA Permit Policy on October 7, 2004, which established that VTA would collect issuance fees for Construction Access Permits and Restricted Access Permits. Mr. Funk stated that there are no changes to the VTA Permit Policy but the recommendation is to amend the permit Fee Schedule.

Mr. Funk stated that the proposed permit fee rates are based upon the fully allocated costs for issuing permits, performing inspection services, and other permit related services. Costs to be charged for various labor services will be calculated on a fully allocated cost basis and non-labor costs will be directly charged as appropriate. Staff has determined the minimum cost of reviewing, processing, and monitoring permits. The minimum application and inspection fees for access permits have increased as a result of increases in labor rates and refined estimates of the minimum work required to issue Restricted Access Permits and Construction Access Permits. Mr. Funk stated that the appropriate fee to be collected will be determined when the permit is issued based on the type of permit, anticipated scope and duration of the project.

Mr. Funk referenced Attachment A - VTA Permit Fee Schedule, noting that staff has identified proposed minimum fees, which includes the typical work activities entailed and costs. Mr. Funk stated that the services of VTA staff will be charged in accordance with the following rates or the allocated rates at such time the work is performed, whichever is higher. If the services of others are not specified in the permit related rates and are required then those services will be billed at the existing allocated rates.

M/S/C (Nguyen/Gage) to approve submitting a recommendation to the Board of Directors to adopt amended Permit Fee Schedules as identified in Attachment A and Attachment B, increasing the fees to be collected for Restricted Access Permits and Construction Access Permits.

18. Selection of Developers for Joint Development at the Capitol Light Rail

David Miller, AICP, Commercial Development Manager, reported on the Selection of Developers for Joint Development at the Capitol Light Rail. Mr. Miller commented that in September 2004 the Ad-Hoc Financial Stability Committee recommended to the Board of Directors to pursue an aggressive Joint Development Program (JDP) to enhance VTA revenues. On December 9, 2004, the Board of Directors approved the JDP, Joint Development Policy, and the Developer Selection Process. On September 29, 2005, the Board of Directors approved a list of qualified developers and requested that the list of projects focus on the West San Carlos Site and Capital Light Rail Site from the four sites originally proposed.

Mr. Miller noted that the West San Carlos Site proposal was forwarded to the Board of Directors at the August 3, 2006 Board Meeting and the developer selection was determined.

Mr. Miller reported that on January 17, 2006, staff received proposals from the following qualified developers for the Capitol Light Rail Site: 1) Bridge Housing Corporation, San Francisco, CA; and Blake Hunt Ventures, Danville, CA and 2) Avalon Bay Corporation, San Jose, CA; and ROEM Corporation, Santa Clara, CA.

On March 9, 2006, the evaluation team, which is comprised of VTA staff, City of San Jose staff representatives, VTA Commercial Development Manager, and consultants from Economic and Planning Systems (EPS) met with each of the proposers to clarify the economic terms of the proposals.

Mr. Miller referenced the Capitol Light Rail Transit Joint Development Site – VTA Commercial Development Program September 2006, noting that the area is an underutilized VTA Park and Ride Lot with 8.9 acres of designated corridor residential by the San Jose General Plan Policy, which averages 45 dwelling units per acre. The County of Santa Clara owns approximately two acres located at the Southern tip of the Capitol Light Rail Station Park and Ride Lot proposed for joint development. Mr. Miller stated that the County has asked VTA to join this property to the joint development project subject to a joint agency agreement to handle the property disposition. Once the VTA Board has designated a selected developer, staff will begin negotiations with the County of Santa Clara. The County land is located at the Capitol Light Rail Station on the Alum Rock and Santa Teresa Line. Mr. Miller noted that staff has received three development proposals for the site with two proposals from one developer.

Mr. Miller reported that the area is located at the southern part of Capitol Expressway and the County land is designated at the southern tip and there is currently parking for the bus Park and Ride and a bus transfer facility, which will need to be integrated into the design.

Mr. Miller reported that the following developers submitted proposals for the site: 1) Bridge Housing Corporation, San Francisco, CA and Blake Hunt Ventures, Danville, CA and 2) Avalon Bay Corporation, San Jose, CA and ROEM Corporation, Santa Clara, CA. Mr. Miller noted that Avalon Bay Corporation, and ROEM Corporation submitted two proposals for the area site. Staff recommends Bridge Housing Corporation and Blake Hunt Ventures as the selected developer and Avalon Bay Corporation and ROEM Corporation as the alternate selected developer for the Capitol Light Rail Site.

Mr. Miller reported that Bridge Housing Corporation and Blake Hunt Ventures proposal is 68.4 percent Ground Leasing and 31.6 percent Land Sale. If the County two acres of land is included in this project then the land acreage would increase. The Land usage being proposed is 120 units of residential condominiums on 3.95 acres of purchased land at \$8,890,000, 180 units of market rate apartments on 3.42 acres of ground lease land at \$360,000 per annual year, 80 units of affordable apartments on 1.52 acres of ground lease land at \$160,000 per annual year, and 23,300 square feet of ground lease retail land along the frontage of Capitol at the ground floor level at \$163,100 per annual year. The total residential units are 380 at 43 units per acre and 23,300 square feet for retail use on the 8.89 acres with VTA's initial stabilization payment of \$683,100 for the ground lease and \$8,890,000 for the parcel purchase for the residential condominiums.

Mr. Miller directed attention to the ground lease and sale site plan, noting that Site A is the affordable rental apartments, Site B is the market rate rental apartments, and Site C and D are the residential condominiums. Mr. Miller directed attention to the proposed public park illustrated in the site plan, noting that the park is used for graphic illustration but is not part of the project proposal.

Mr. Miller reported that Avalon Bay/ROEM proposal option # 1 is 83.7 percent Ground Leasing and 16.3 percent Land Sale. The Land usage being proposed is 100 units of residential condominiums on 1.45 acres of purchased land at \$4,421,340, 230 units of market rate apartments on 3.00 acres of ground lease land at \$322,000 per annual year, 298 units of affordable apartments on 4.45 acres of ground lease land at \$200,000 per annual year, and 10,000 square feet of ground lease retail land. The total residential units are 628 at 71 units per acre and 10,000 square feet for retail use on the 8.90 acres with VTA's initial stabilization payment of \$522,000 for the ground lease and \$4,421,340 for the parcel purchase for the residential condominiums.

Mr. Miller reported that Avalon Bay/ROEM proposal option #2 is 100 percent Ground Leasing. The Land usage being proposed is 230 units of market rate apartments on 3.00 acres of ground lease land at \$322,000 per annual year, 300 units of affordable apartments on 5.90 acres of ground lease land at \$200,000 per annual year, and 10,000 square feet of ground lease retail land along the front of Capitol at the ground floor level. The total residential units are 530 at 60 units per acre and 10,000 square feet for retail use on the 8.90 acres with VTA's initial stabilization payment of \$522,000 for the ground lease.

Mr. Miller referenced Figure 2 – Capitol: Sensitivity Analysis Guaranteed Revenues, Varied Discount Rates with/without Asset's Value in 50 years, noting that Bridge Housing Corporation and Blake Hunt Ventures proposal is the highest net present

value dollars to VTA compared to the other proposals. Mr. Miller stated that Bridge Housing Corporation and Blake Hunt Ventures proposal ranked at first place, Avalon Bay/ROEM proposal option #1 ranked at second place, and Avalon Bay/ROEM proposal option #2 ranked at third place.

Mr. Miller commented that the Evaluation Team Committee used the Board approved scoring criteria to determine the total score of Priority Criteria, which is criterion #1. Increase in Transit Ridership, criterion #2. Urban Design Quality, and criterion #3. Long and Short Term Revenue to VTA. Mr. Miller stated that the development proposal had to reach a minimum threshold of 25 points in the Priority Criteria in order to qualify for a project. Bridge Housing Corporation and Blake Hunt Ventures total score of Priority Criteria was 26 points and Avalon Bay/ROEM Corporation total score of Priority Criteria was 27.5 points.

Mr. Miller continued that Bridge Housing Corporation and Blake Hunt Ventures total score of all criteria was 41 points and Avalon Bay/ROEM Corporation proposal option #1 total score was 39 points. Staff recommends that the project be awarded to Bridge Housing Corporation and Blake Hunt Ventures as the Selected Developer and Avalon Bay/ROEM Corporation proposal #1 as the Alternate Selected Developer.

Mr. Miller commented that this project will require significant outreach and staff is planning with the developer to engage in the outreach.

Board Member Gage inquired if VTA has worked with Bridge Housing Corporation and Blake Hunt Ventures in the past. Mr. Miller responded that he does not know if VTA has worked with the developer in the past.

Board Member Gage stated that the scoring between the two developers is very close and noted that he is an advocate for local business to assist the local economy in Santa Clara County. Board Member Gage stated that since the scoring was very close between the two proposals, he would prefer to award the project to the local business since it would benefit the local economy.

Board Member Nguyen expressed support for local businesses to be awarded projects in our own community and queried if staff could go back and look at the Avalon Bay/ROEM Corporation proposal option #1. Mr. Miller responded that the final determination is up to the Board of Directors.

Board Member Gage stated that the focus is on Transit Oriented Development (TOD) and the attempt is to get individuals centered around transit. Board Member Gage stressed the importance of density since density is required for individuals to utilize transit and if density is not present then the space is wasted. Board Member Gage commented that the common attitude regarding higher density is that the area will be a slum area but this is not the case.

Chairperson Williams asked to what extent the City of San Jose had been involved in providing input for this project regarding the project development. Mr. Miller responded that the Evaluation Team Committee has had extensive communication with City of San Jose staff representatives related to planning policy.

Chairperson Williams expressed support for higher density projects.

Robert Emans, Avalon Bay/ROEM Corporation, thanked VTA and the Board for the opportunity to submit a proposal and their direction regarding the project development for the Capitol Light Rail Site. Mr. Emans stated that Avalon Bay/ROEM Corporation's proposal was the most efficient way to develop the land parcel to take advantage of the land use and is in the best interest of the community.

Board Members Gage and Nguyen recommended rejecting the Evaluation Committee's recommendation to designate Bridge Housing Corporation and Blake Hunt Ventures as the Selected Developer and instead recommend to the Board of Directors that the Avalon Bay/ROEM Corporation be designated as the Selected Developer for the Capitol Light Rail Site project.

Board Member Gage recommended that VTA offer the Capitol Light Rail Site project to Avalon Bay/ROEM Corporation for proposal option #1. Mr. Lawson stated that that rationale for the request is based on use of local businesses, increased density, and the extreme closeness in the criteria scoring.

Board Member Gage stated that Avalon Bay/ROEM Corporation is a local company, which VTA has conducted business with before and were extremely satisfied with their project performance.

Mr. Burns commented that the Board directed staff to return to the Board with changes to the scoring criteria to include environmental factors as a result of the discussion regarding the selection of developers for the Joint Development at the West San Carlos, and that staff could also include the local preference in the scoring criteria since VTA considers the local preference in other procurements.

Chairperson Williams directed staff to include the Committee Members comments in the Board Memorandum. Suzanne Gifford, Legal Counsel, responded that staff would revise the Board Memorandum to reflect what occurred at the A&F Committee meeting to ensure that the Board of Directors are fully informed.

Chairperson Williams requested that staff move forward with Board Member Gage's recommendation.

On order of Chairperson Williams, there being no objection, the Committee reviewed the report on the Selection of Developers for Joint Development at the Capitol Light Rail Transit Site.

OTHER ITEMS

19. Items of Concern and Referral to Administration

There were no Items of Concern and Referral to Administration.

20. **Committee Work Plan**

Mr. Lawson noted the request to add the consideration of the Coyote Valley process to the A&F Committee Workplan.

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

21. **Committee Staff Report**

Mr. Lawson commented on the I-880/Coleman Avenue Interchange Project Grand Opening Ceremony held on Monday, September 18, 2006. Mr. Lawson commented that VTA is hosting the 2006 American Public Transportation Association (APTA) Annual Conference from October 8-10, 2006 in San Jose.

Mr. Lawson reported on the request from the Committee regarding wireless capability for Board meetings, noting that currently in the County's capital budget for this year there is a fund to plan for wireless projects. Mr. Lawson stated that at this time there is no timeframe for the wireless projects but it should be a project forthcoming in the future.

Mr. Lawson reported on the conference-calling request from the Committee, noting that VTA's Information Technology (IT) staff met with County staff on September 18, 2006 with the recommendation to provide conference-calling capabilities for meetings. Currently, the County Clerks Office has some concern, so another meeting has been scheduled for October 15, 2006 to discuss the concerns and staff will continue to keep the Committee updated.

22. **Chairperson's Report**

There was no Chairperson's Report.

23. **Determine Consent Agenda for the October 5, 2006 Board Meeting**

CONSENT: Agenda Item # Agenda Item # 12., Ratify the reappointment of David Kobayashi to the Bicycle and Pedestrian Advisory Committee (BPAC) representing the County of Santa Clara for the term ending June 30, 2008; **Agenda Item # 13.**, Authorize the General Manager to renew benefit contracts with Kaiser, PacifiCare, Valley Health Plan, Delta Dental, Pacific Union Dental, Vision Service Plan, and Custom Benefits Administrators for VTA employees and retirees for calendar year 2007; **Agenda Item # 14.**, Adopt a support position for Proposition 1C, which authorizes the state to sell \$2.85 billion in general obligation bonds to fund affordable housing programs, incentives for infill development in urban areas and transit-oriented development opportunities. Proposition 1C appears on the November 2006 general election ballot and requires a majority vote in order to be approved; and **Agenda Item # 17.**, Adopt amended Permit Fee Schedules as identified in Attachment A and Attachment B, increasing the fees to be collected for Restricted Access Permits and Construction Access Permits.

REGULAR: Agenda Item # 15., Adopt an oppose position for Proposition 90, which amends the California Constitution to limit the ability of local and state governmental

entities to acquire private property through the use of eminent domain. Proposition 90 appears on the November 2006 ballot and requires a majority vote in order to be approved; **Agenda Item # 16.**, Authorize the General Manager to amend the contract with Biggs Cardosa Associates, Inc. for final design and design support during construction of the State Route 152/156 Improvements, to increase the approved contract value by \$610,000 for a new total contract value of \$3,996,933 and to extend the contract term through June 2009; and **Agenda Item # 18.**, Report on the Selection of Developers for Joint Development at the Capitol Light Rail Transit Site.

24. Announcement

There were no Announcements.

2. ADJOURNED CLOSED SESSION at 1:01 p.m.

- A.** Conference with Labor Negotiators
[Government Code Section 54957.6]

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RECONVENED TO OPEN SESSION at 1:11 p.m.

3. CLOSED SESSION REPORT

- A.** Conference with Labor Negotiators
[Government Code Section 54957.6]

VTA Designated Representatives:

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There was no reportable action taken during Closed Session.

- B.** Conference with Labor Negotiators
[Government Code Section 54957.6]

VTA Designated Representatives:

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There was no reportable action taken during Closed Session.

25. ADJOURNMENT

On order of Chairperson Williams, there being no objection, the meeting was adjourned at 1:11 p.m.

Respectfully submitted,

Michelle M. Garza, Board Assistant
VTA Board of Directors