



ADMINISTRATION & FINANCE COMMITTEE

Thursday, April 19, 2007

MINUTES

1. CALL TO ORDER

The Regular Meeting of the Administration and Finance Committee (A&F) was called to order at 12:00 p.m. by Chairperson Kerr in Room 157, County Government Center, 70 West Hedding Street, San Jose, California.

ROLL CALL

Members Present

Don Gage, Vice Chairperson
Breene Kerr, Chairperson
Chuck Reed
Forrest Williams

Members Absent

None

Alternates Present

None

Alternates Absent

Dominic Caserta
Judy Chirco
Pete McHugh

* Alternates do not serve unless participating as a Member.

A quorum was present.

Chairperson Kerr removed the following Agenda Items from the Agenda: Agenda Item #2., Closed Session and Agenda Item #3., Closed Session Report.

2. CLOSED SESSION

Conference with Labor Negotiators
[Government Code Section 54957.6]

VTA Designated Representatives:

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

Employee Organization:

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

There was no Closed Session.

3. CLOSED SESSION REPORT

There was no Closed Session Report.

4. PUBLIC PRESENTATIONS

There were no Public Presentations.

5. ORDERS OF THE DAY

Chairperson Kerr **requested** that the following Agenda Item be removed from the Regular Agenda and placed on the Consent Agenda: **Agenda Item # 9.**, Adopt a support position for AB 23 (Ma) and AB 57 (Soto); and further, adopt an oppose position for SB 540 (Harman).

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

Michael T. Burns, General Manager, introduced Jerry G. Mikolajczyk, new Chief Financial Officer, to the Committee. Mr. Burns commented that VTA received an assigned rating of “AAA”, which is the highest possible credit rating from Standard & Poor’s Corporation. The rating would apply to the 2007 Refunding Bonds if they are sold without bond insurance. Mr. Burns encouraged Board Members to meet with Mr. Mikolajczyk, noting that the Board Members should contact the Office of the Board Secretary to coordinate the meetings.

CONSENT AGENDA

6. Regular Meeting Minutes of March 15, 2007

M/S/C (Gage/Williams) to approve the Regular Meeting Minutes of March 15, 2007.

7. Report on Santa Clara Valley Transportation Authority Investments for the Month of February 2007

M/S/C (Gage/Williams) to receive the Report on Santa Clara Valley Transportation Authority Investments for the Month of February 2007.

8. Monthly Legislative History Matrix

M/S/C (Gage/Williams) to receive the Monthly Legislative History Matrix.

9. Legislative Positions

M/S/C (Gage/Williams) to approve submitting a recommendation to the Board of Directors to adopt a support position for AB 23 (Ma) and AB 57 (Soto); and further, adopt an oppose position for SB 540 (Harman).

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

REGULAR AGENDA

10. Reaffirm the existing Investment Policy on Unrestricted and Restricted Funds

Jerry G. Mikolajczyk, Chief Financial Officer, introduced Carol Lawson, Fiscal and Resources Financial Planning Manager, who provided a brief overview of the existing Investment Policy on Unrestricted and Restricted Funds. Ms. Lawson commented that California Government Code Section 53646 and VTA's Investment Policy require that the statement of investment policy be rendered annually to the Board of Directors.

Board Member Williams asked about the objectives of VTA's Investment Policy. Ms. Lawson responded that VTA's Investment Program objectives are, in order of priority: safety (to ensure preservation of capital in VTA's portfolio), liquidity, and return on investment.

M/S/C (Gage/Williams) to approve submitting a recommendation to the Board of Directors to reaffirm the Investment Policy on Unrestricted and Restricted Funds.

11. Contract for Workers' Compensation Third Party Administrator Services

Bill Lopez, Chief Administrative Officer, commented that the staff proposes to separate a large Third Party Administrator (TPA) contract into several component pieces, which will eliminate administrative fees and provide VTA with substantial savings.

Mr. Lopez introduced Nanci Eksterowicz, Risk Manager, who provided a brief overview of the Contract for Workers' Compensation Third Party Administrator Services. Ms. Eksterowicz commented that VTA's Workers' Compensation (WC) Program is self-insured and uses the services of a TPA for WC claims administration services. In the past the TPA was responsible for arranging for medical management and repricing services; however, staff recommends "unbundling" these services for a substantial fee reduction by contracting directly with the service providers.

The Request for Proposal (RFP) was issued on January 24, 2007 and VTA received ten proposals. VTA's Fiscal Resources staff reviewed the proposal finalists' financial security and banking procedures and determined that Tristar had the most effective program. Tristar uses a claims administration system that exceeds VTA's Risk Management reporting requirements.

VTA's total projected five-year savings with the proposed TPA claims services equals \$3 million. Ms. Eksterowicz commented that VTA's selection criteria included qualifications of the firm, qualifications of key project staff, demonstrated understanding of the project, local business preference, and cost.

Vice Chairperson Gage asked if local business preference is part of VTA's selection criteria. Thomas Smith, Purchasing and Materials Manager, responded, "yes."

M/S/C (Williams/Gage) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a fixed fee contract with Tristar Risk Management for Workers' Compensation Third Party Administrator (TPA) claims services for a three-year term, from July 1, 2007 through June 30, 2010, with an option

for two additional one-year extensions. The total three-year contract cost for claims service is not to exceed \$3,759,866 and the total five-year contract cost is not to exceed \$6,488,741.

12. Contract for Workers' Compensation Medical Management Services

M/S/C (Williams/Gage) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract with Monitor Integrated Healthcare for Workers' Compensation Medical Management services for a three-year term, from July 1, 2007 through June 30, 2010, with an option for two additional one-year extensions. The total three-year contract cost for Medical Management services is not to exceed \$1,004,157 and the total five-year contract cost is not to exceed \$1,713,573.

13. Contract for Workers' Compensation Medical Bill Repricing Services

M/S/C (Williams/Gage) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract with GENEX Services, Inc. for Workers' Compensation Medical Bill Repricing services for a three-year term, from July 1, 2007 through June 30, 2010, with an option for two additional one-year extensions. The total three-year contract cost for claims services is not to exceed \$578,668 and the total five-year contract cost is not to exceed \$978,295.

14. FY 2006 - 2007 Federal Transit Administration (FTA) Section 5309 Bus/Bus Facilities Discretionary Grant Application

Carolyn M. Gonot, Chief Development Officer, provided a brief overview of the FY 2006 - 2007 Federal Transit Administration (FTA) Section 5309 Bus/Bus Facilities Discretionary Grant Application. Ms. Gonot commented that currently FTA has \$438 million in discretionary funds for the Bus and Bus Facilities Program. VTA qualifies as an Urban Partner under the Congestion Initiative and proposes to apply for funds for the purchase up to four hydrogen fuel-cell buses and a hydrogen fueling station in order to implement an Advanced Zero Emission Bus (ZEB) Demonstration Program. Ms. Gonot stated that the ZEB Demonstration Program will cost approximately \$16 million; therefore, VTA will request \$12.8 million in grant funding.

Vice Chairperson Gage queried about the funding for the ZEB Demonstration Program. Chairperson Kerr responded that VTA anticipates funding from the Metropolitan Transportation Commission (MTC) Infrastructure Bonds.

Michael T. Burns, General Manager, stated that VTA's local required match will equal 20 percent of the funding received from the FTA Section 5309 Bus/Bus Facilities Discretionary Grant. Mr. Burns continued that the ZEB Demonstration Program will receive funding from the MTC Infrastructure Bonds, the 2000 Measure A Program, and local match grant funds.

Kurt Evans, Government Affairs Manager, stated that VTA will have the opportunity to go through the Federal Appropriations Process in Fiscal Years 2008 and 2009 for funding.

Vice Chairperson Gage asked what precautions VTA has in place related to the Advanced ZEB Demonstration Program. Mr. Burns responded that VTA is required to comply with the California Air Resources Board (CARB) requirements through the implementation of an Advanced ZEB Demonstration Program. Mr. Burns stated that VTA has all the necessary safeguards and precautions in place as part of the project phase.

Vice Chairperson Gage stressed the importance to know the unknown hidden costs of the program and that VTA have a mechanism to pay for the additional program costs.

Chairperson Kerr stressed the importance to move forward with the Advanced ZEB Demonstration Program.

Vice Chairperson Gage stressed the importance for the Board of Directors to be aware of all the issues and challenges related to the Advanced ZEB Demonstration Program. Jim Lawson, Government Affairs Manager and Staff Liaison, suggested that staff provide an update on the successes and challenges of the program.

Vice Chairperson Gage stressed the importance for the Board of Directors to be aware of all the issues and challenges in order to determine the practicality of continuing with the program.

Chairperson Kerr stressed the importance to conduct the research project and have the information available for review. Chairperson Kerr suggested that VTA request additional grant funding from the federal government for a research program for hydrogen produced from renewable sources. Mr. Burns responded that staff could investigate if other grant sources are available for renewable energies.

Vice Chairperson Gage suggested implementing a process regarding Board requests where staff could determine whether or not the work could be accomplished within the timeframe requested by the Board Members.

M/S/C (Gage/Williams) to approve submitting a recommendation to the Board of Directors to authorize the filing of grant applications and execution of grants agreement with the Federal Transit Administration (FTA) for funding under the FY07 Section 5309 (49 USC Section 5309) Bus and Bus-Related Facilities Discretionary Grant Program for the implementation of an Advanced Zero-Emission Bus Demonstration Program.

15. Contract Amendment with Rajappan & Meyer, Consulting Engineers Inc. for Preliminary Engineering and Environmental Phase of the US 101 De La Cruz Boulevard/Trimble Road Interchange Reconstruction Project

Carolyn M. Gonot, Chief Development Officer, provided a brief overview of the Contract Amendment with Rajappan & Meyer, Consulting Engineers Inc. for Preliminary Engineering and Environmental Phase of the US 101 De La Cruz Boulevard/Trimble Road Interchange Reconstruction Project. Ms. Gonot commented that the project is included in the highway projects list in the Valley Transportation Plan (VTP) 2030.

Ms. Gonot stated that the City of San Jose has requested that VTA continue with the next step of the reconstruction project and begin preliminary engineering and environmental

clearance. The San Jose City Council is scheduled to approve a cooperative agreement between the City and VTA on April 24, 2007 to provide the funding for the project development activities.

Ms. Gonot continued that the recommendation is to amend the contract with Rajappan & Meyer Consulting Engineers, Inc. to complete the scope of services required for the US 101 De La Cruz Boulevard/Trimble Road Interchange Reconstruction Project.

M/S/C (Williams/Gage) to approve submitting a recommendation to the Board of Directors to authorize the General Manger to: 1) amend the contract with Rajappan & Meyer, Consulting Engineers, Inc. for the preliminary engineering and environmental phase on the US 101 De La Cruz Boulevard/Trimble Road Interchange Reconstruction Project, increasing the approved contract value by \$420,000 for a new total contract value of \$500,000; and 2) extend the term of the contract through March 31, 2009.

16. Contract with Parsons Brinckerhoff Quade & Douglas for Preliminary Engineering and Environmental Phase of the Charcot Avenue Extension Project

M/S/C (Williams/Gage) to approve submitting a recommendation to the Board of Directors to authorize the General Manger to negotiate and execute a contract with Parsons Brinckerhoff Quade & Douglas (PBQ&D) for the preliminary engineering and environmental phase on the Charcot Avenue Extension Project, for a total contract value not to exceed of \$600,000.

17. Joint Development Policy Amendments

Carolyn M. Gonot, Chief Development Officer, provided a brief overview of the Joint Development Policy Amendments. Ms. Gonot commented that VTA's Joint Development Policy (JDP) provides a framework for creating and pursuing the highest and best opportunities for development around station areas and along transit corridors. The JDP is intended to establish guidelines and procedures for identifying opportunities to optimize return on investment to VTA.

Ms. Gonot stated that at the January 26, 2007 Board of Directors Workshop, the Board Members affirmed their support for VTA's Joint Development Program (JDP). Ms. Gonot continued that the Board requested modifications to the Request for Proposal (RFP) Developer Selection Criteria.

Ms. Gonot commented that the revised Joint Development Policy includes the following modifications: preference for local development teams; green/sustainable construction practices; community participation/City and VTA roles in the approval process; and the use of Joint Development Funds. Ms. Gonot stated that the Development Proposal Evaluation Matrix criteria will be ranked one through five with five being the highest score. The criteria will be weighted to reflect the priorities of VTA with increased ridership, urban design quality, and long-term and short-term revenue weighted the highest.

Vice Chairperson Gage expressed appreciation and thanked staff for their diligent work on the revised Joint Development Policy and Developer Selection Criteria.

M/S/C (Gage/Williams) to approve submitting a recommendation to the Board of Directors to adopt the revised Joint Development Policy and Request for Proposal (RFP) Developer Selection Criteria.

18. Open Government Initiatives from Director Reed

Michael T. Burns, General Manager, provided a brief overview of the Open Government Initiatives from Director Reed. Mr. Burns commented that given VTA's structure the recommendation to provide ten days notice prior to a Standing Committee and/or Board of Directors meeting will result in an increased delay to what is currently a lengthy approval process. Mr. Burns stated that VTA's administrative practice of seven days notice exceeds the requirements of the Brown Act and meets the intent of Board Member Reed's 10-day notice intention.

The A&F Committee requested clarification on subsections "(c) Board members or their staff shall not attempt to influence contract awards; and (d) During any procurement process, Board Members or their staff shall not communicate with VTA staff regarding the procurement." Jim Lawson, Government Affairs Manager and Staff Liaison, responded that the addition of subsections c and d to **Section 2-70, Incompatible uncompensated activities**, of the Administrative Code relates to VTA's *Code of Ethics* and the procurement process.

Mr. Burns stated that there have been examples of abuse within the industry; therefore, the addition of subsections c and d will assist with the integrity guidelines process.

Suzanne B. Gifford, Legal Counsel, stated that subsections (c) and (d) were taken directly from the Public Contract Code provisions that apply to the Los Angeles County Transportation Authority.

M/S/C (Gage/Williams) to approve submitting a recommendation to the Board of Directors to revise the format of Board Memorandums to clearly indicate those items of a policy nature; Revise the format of Board memos to clearly indicate the parties, including subcontractors, to all contracts other than competitively bid contracts; Add the following to **Sec. 2-70, Incompatible uncompensated activities**, of the VTA Administrative Code: "(c) *Board members or their staff shall not attempt to influence contract awards.* (d) *During any procurement process, Board Members or their staff shall not communicate with VTA staff regarding the procurement.*"; Revise Chapter 9 of the Administrative Code to reflect current California law concerning the availability of information to the public; and Direct the General Counsel to report public records requests that result in controversy with the requestor to the Administration and Finance Committee or the whole Board via email if there is insufficient time.

19. DBE Availability and Utilization Study Contract Award

Thomas Smith, Purchasing and Materials Manager, provided a brief overview of the Disadvantaged Business Enterprise (DBE) Availability and Utilization Study Contract Award. Mr. Smith stated that staff recommends executing a contract with

CRA International (CRA) in the amount of \$287,484 to conduct a DBE Availability and Utilization Study with the term of the contract from May 4, 2007 to August 30, 2007.

Mr. Smith commented that a RFP for a DBE Availability/Utilization Study was issued on February 23, 2007. VTA received proposals from Mason Tillman Associates in the amount of \$292,646 and CRA International in the amount of \$287,484.

Mr. Smith stated that the evaluation panel was convened and based on the combination of the written proposal and the interview, the evaluation panel selected CRA with a final score of 90.6 out of a 100 total points. Mr. Smith continued that CRA International staff is exceptionally experienced in the conduct of disparity studies and statistical evidence of discrimination.

Michael T. Burns, General Manager, stated that under the “race neutral” requirements, the DBE participation has been less than two percent where VTA would have expected a goal of 8 to 12 percent.

Vice Chairperson Gage asked if VTA advertises to DBE’s. Jim Lawson, Government Affairs Manager and Staff Liaison, responded, “yes” and that most DBE subcontractors are associated with prime contractors.

Vice Chairperson Gage asked if VTA utilizes pre-qualifications for selection of the contractors. Mr. Burns responded, “yes.”

Mr. Smith stated that the DBE goal by race neutral applies to federally funded contracts. He noted that VTA has a Small Business Enterprise (SBE), which meets the requirements of Proposition 209 and by definition all DBE fit the criteria of SBE. Mr. Smith stated that when VTA advertises a non-federally funded contract a SBE participation goal is established for the contract.

M/S/C (Gage/Williams) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract with CRA International (CRA) in the amount of \$287,484 to conduct a DBE Availability and Utilization Study. The term of the contract will be from May 4, 2007 to August 30, 2007.

OTHER ITEMS

20. Organizational and Financial Assessment

Michael T. Burns, General Manager, provided a brief overview of the Organizational and Financial Assessment. Mr. Burns distributed a handout entitled, “Organizational and Financial Assessment Recap of Top Nine Recommendations Priorities for Implementation Plan,” highlighting the recommendations and elements. Mr. Burns requested Committee input on the Governance Focus Area and Organization Focus Area, which will assist the development of an action plan and scope of work requested by the Board of Directors at the April 5, 2007 Board Meeting. Mr. Burns stated that staff is currently working with the consulting team regarding information on the scope of work.

Chairperson Kerr queried about the function of the Chief Transformation Officer and how the position would assist the General Manager. Mr. Burns responded that the Chief Transformation Officer would manage all the activities related to the recommendations, implementations, and organization transformation.

Vice Chairperson Gage directed attention to, "Make the Board Structure Function Effectively" specifically related to changing the Oath of Office to require a regional focus. He asked about what enforcements would be put in place to ensure that the governance process and practices are being implemented. Mr. Burns responded that the organization will review some options to ensure that the process and practices are being implemented. Mr. Burns stated that the recommended element to have the Board of Directors "conduct annual board self-evaluations" will assist with the governance process and practices.

Jerry G. Mikolajczyk, Chief Financial Officer, provided a brief overview of the short-term Organizational and Financial Assessment recommendations. Mr. Mikolajczyk stated that many of the recommendations need to be initiated immediately but noted that it may take longer for implementation. He stated that everything should be in place for the new Chief Financial Officer (CFO).

Mr. Mikolajczyk stated that VTA is a transportation agency and the most important fiduciary responsibility of the agency is to provide transportation services to the citizens of Santa Clara County with the most economical costs to the taxpayers.

Mr. Mikolajczyk stressed the importance for VTA to have proper internal controls throughout the organization to ensure that VTA is effective. Mr. Mikolajczyk stated that the first six month deliverables for implementation are: 1) Implement cash management system; 2) Update and validate the 30-year Measure A Plan; 3) Update and validate the Annual Operations and Capital Projects; 4) Conduct limited financial analysis and presentations to the Board; 5) Attend C level meetings, 6) Limit personnel supervision and empower managers; and 7) Develop a Financial Stability Strategies Master Plan.

Vice Chairperson Gage stressed the importance to provide the Board Members with the proper training to comprehend the information in VTA's Recommended Biennial Budget for Fiscal Years 2008 and 2009. Mr. Mikolajczyk responded that staff will provide assistance and clarify the information presented to the Board Members at the Board Workshop.

Mr. Mikolajczyk stated that the 12-month deliverables are: 1) Develop and implement Financial Stability Strategies; 2) Implement new Financial Reporting Analysis Formats; 3) Establish VTA's Internal Control Program; 4) Establish full Financial Analysis Presentations to the Board; 5) Establish Investment and Risk Management Strategies; 6) Establish service at C level advisement; 7) Implement Asset Management Controls over Real Estate; and 8) Address Risk Management concerns.

Mr. Mikolajczyk stated that the 12-month plus goals and deliverables are: 1) Full implementation of Budget Cycle; 2) Full implementation of Measure A Plan Cycle; 3) Identify and promote Financial Strategies; 4) Reduce the Unfunded Pension and Retiree Strategy Administration Structure; 5) Generate new Revenue Sources; 6) Close

the gap on the 30-year Expenditure Plan; and 7) Reduce the reliance on VTA's Operating Reserves. Mr. Mikolajczyk stated that there are a lot of deliverables to complete, but staff is getting started immediately to implement the goals.

Mr. Burns stated that the next A&F Committee Meeting is scheduled for May 17, 2007 and suggested a separate A&F Committee Meeting scheduled in May 2007 to discuss the action plan and scope regarding the next steps for the Organizational and Financial Assessment Recommendations.

Board Member Reed arrived at the meeting at 1:14 p.m.

Chairperson Kerr expressed appreciation and thanked Mr. Mikolajczyk for the presentation and information. Chairperson Kerr stated that VTA will establish plans for every project to include an estimate of costs to construct and operate the project.

Chairperson Kerr expressed concern and queried about VTA's outstanding debt. Mr. Mikolajczyk responded that VTA pays seven percent on VTA's outstanding debt, noting the reason VTA utilized the funding was to complete projects in advance.

Vice Chairperson Gage stated and clarified that VTA saved money in the long-term by moving forward and completing the projects since the project costs would have escalated if the projects were completed later. Vice Chairperson Gage stressed the importance to have policies and procedures established and in place before the new CFO is hired. Mr. Mikolajczyk responded that he is reviewing VTA's policies and procedures.

Vice Chairperson Gage stressed the importance to have VTA's policies and procedures written down to ensure that they are enforced.

Board Member Williams requested that staff develop a formula that shows the variables and outcome related to the implementation of the Organizational and Financial Assessment Recommendations.

Chairperson Kerr requested that the A&F Committee conduct a second meeting in May 2007 held at San Jose City Hall to discuss the Organizational and Financial Assessment Recommendations. Mr. Burns stated that the Office of the Board Secretary will coordinate the second meeting logistics with the A&F Committee Members.

Board Member Williams requested that the Organizational and Financial Assessment recommendations step-by-step schedule be distributed to the A&F Committee. Mr. Mikolajczyk responded that the list was developed in conjunction with the General Manager and the Hay Group Consultants related to VTA's Organizational and Financial Assessment.

On order of Chairperson Kerr, there being no objection, the Committee discussed the Organizational and Financial Assessment.

21. Items of Concern and Referral to Administration

Vice Chairperson Gage stressed the importance to implement a formal process regarding Board referrals and/or requests where staff could determine whether or not the work could be accomplished within the timeframe requested by the Board.

Board Member Williams asked about the timeframe required to complete the Organizational and Financial Assessment recommendations. Michael T. Burns, General Manager, responded that staff will have information regarding the recommendations, schedule, status, and implementation.

22. Committee Work Plan

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

23. Committee Staff Report

Jim Lawson, Government Affairs Manager and Staff Liaison, stated that the Organizational and Financial Assessment was presented to each of VTA's Advisory Committees. Mr. Lawson stated that the Organizational and Financial Assessment, Comprehensive Operations Analysis (COA), and VTA's Recommended Biennial Budget for Fiscal Years 2008 and 2009 will be presented in May 2007 to the various city councils.

Michael T. Burns, General Manager, stated that the meeting will be an opportunity to discuss the proposed changes to the COA and jurisdictions.

Mr. Lawson stated that VTA received a favorable rating from the finance community and noted that VTA's Recommended Biennial Budget for Fiscal Years 2008 and 2009 will be presented at the April 27, 2007 Board of Directors Workshop Meeting.

Mr. Lawson commented that VTA's ridership increased over 8 percent compared to last year, noting that the comparison was utilized with VTA's Automated Passenger Counter.

Mr. Lawson announced the Asian Festival Celebration on Tuesday, April 24, 2007 and the Cinco De Mayo Event Celebration on Wednesday, May 2, 2007.

Mr. Lawson commented that the American Red Cross presented VTA with a plaque recognizing VTA employees' significant contribution to the Katrina Relief Effort. He stated that Jasbir Bains and Victor Branco were honored for their extraordinary actions at the American Red Cross Heroes Breakfast on Thursday, March 15, 2007.

Board Member Williams commented on a recent incident where a Capitol Corridor Operator was violently attacked in Old Sacramento.

24. Chairperson's Report

There was no Chairperson's Report.

25. Determine Consent Agenda for the May 3, 2007 Board Meeting

CONSENT: Agenda Item #9., Adopt a support position for AB 23 (Ma) and AB 57 (Soto); and further, adopt an oppose position for SB 540 (Harman); **Agenda Item #10.,** Reaffirm the Investment Policy on Unrestricted and Restricted Funds; **Agenda Item #11.,** Authorize the General Manager to execute a fixed fee contract with Tristar Risk Management for Workers' Compensation Third Party Administrator (TPA) claims services for a three-year term, from July 1, 2007 through June 30, 2010, with an option for two additional one-year extensions. The total three-year contract cost for claims service is not to exceed \$3,759,866 and the total five-year contract cost is not to exceed \$6,488,741; **Agenda Item #12.,** Authorize the General Manager to execute a contract with Monitor Integrated Healthcare for Workers' Compensation Medical Management services for a three-year term, from July 1, 2007 through June 30, 2010, with an option for two additional one-year extensions. The total three-year contract cost for Medical Management services is not to exceed \$1,004,157 and the total five-year contract cost is not to exceed \$1,713,573; **Agenda Item #13.,** Authorize the General Manager to execute a contract with GENEX Services, Inc. for Workers' Compensation Medical Bill Repricing services for a three-year term, from July 1, 2007 through June 30, 2010, with an option for two additional one-year extensions. The total three-year contract cost for claims services is not to exceed \$578,668 and the total five-year contract cost is not to exceed \$978,295; **Agenda Item #14.,** Authorize the filing of grant applications and execution of grants agreement with the Federal Transit Administration (FTA) for funding under the FY07 Section 5309 (49 USC Section 5309) Bus and Bus-Related Facilities Discretionary Grant Program for the implementation of an Advanced Zero-Emission Bus Demonstration Program; **Agenda Item #15.,** Authorize the General Manger to: 1) amend the contract with Rajappan & Meyer, Consulting Engineers, Inc. for the preliminary engineering and environmental phase on the US 101 De La Cruz Boulevard/Trimble Road Interchange Reconstruction Project, increasing the approved contract value by \$420,000 for a new total contract value of \$500,000; and 2) extend the term of the contract through March 31, 2009; **Agenda Item #16.,** Authorize the General Manger to negotiate and execute a contract with Parsons Brinkerhoff Quade & Douglas (PBQ&D) for the preliminary engineering and environmental phase on the Charcot Avenue Extension Project, for a total contract value not to exceed of \$600,000; and **Agenda Item #19.,** Authorize the General Manger to execute a contract with CRA International (CRA) in the amount of \$287,484 to conduct a DBE Availability and Utilization Study. The term of the contract will be from May 4, 2007 to August 30, 2007.

REGULAR: Agenda Item #17., Adopt the revised Joint Development Policy and Request for Proposal (RFP) Developer Selection Criteria; and **Agenda Item #18.,** Revise the format of Board Memorandums to clearly indicate those items of a policy nature; Revise the format of Board memos to clearly indicate the parties, including subcontractors, to all contracts other than competitively bid contracts; Add the following to **Sec. 2-70, Incompatible uncompensated activities,** of the VTA Administrative Code: *“(c) Board members or their staff shall not attempt to influence contract awards. (d) During any procurement process, Board Members or their staff shall not communicate with VTA staff regarding the procurement.”*; Revise Chapter 9 of the Administrative Code to reflect current California law concerning the availability of information to the public; and Direct the General Counsel to report public records

requests that result in controversy with the requestor to the Administration and Finance Committee or the whole Board via email if there is insufficient time

26. Announcement

There were no Announcements.

27. ADJOURNMENT

On order of Chairperson Kerr, there being no objection, the Committee meeting was adjourned at 1:34 p.m.

Respectfully submitted,

Michelle M. Garza, Board Assistant
VTA Board of Directors