

ADMINISTRATION & FINANCE COMMITTEE

Thursday, May 21, 2009
12:00 PM

VTA Conference Room B-104
3331 North First Street
San Jose, CA

AGENDA

CALL TO ORDER

1. ROLL CALL

2. PUBLIC PRESENTATIONS:

This portion of the agenda is reserved for persons desiring to address the Committee on any matter not on the agenda. Speakers are **limited to 2 minutes**. The law does not permit Committee action or extended discussion on any item not on the agenda except under special circumstances. If Committee action is requested, the matter can be placed on a subsequent agenda. All statements that require a response will be referred to staff for reply in writing.

3. ORDERS OF THE DAY

4. RECESS TO CLOSED SESSION

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

VTA Designated Representatives:

Joseph Smith, Chief Financial Officer
Bill Lopez, Chief Administrative Officer
Robert L. Escobar, Human Resources Manager

Employee Organizations:

American Federation of State, County and Municipal Employees (AFSCME)
Amalgamated Transit Union (ATU), Local 265
Service Employees International Union, (SEIU), Local 521
Transportation Authority Engineers and Architects Association (TAEA), Local 21

RECONVENE TO OPEN SESSION

5. CLOSED SESSION REPORT

CONSENT AGENDA

- 6.** Approve the Regular Meeting Minutes of April 16, 2009.
- 7.** INFORMATION ITEM - Report on Santa Clara Valley Transportation Authority Investments for the month of March 2009.

8. INFORMATION ITEM - Review the Monthly Legislative History Matrix.
9. INFORMATION ITEM - Review the 2009 Quarterly Public Liability Claims Report.
10. INFORMATION ITEM - Review the Quarterly Workers' Compensation and Transitional Work Program Claims report.
11. INFORMATION ITEM - Review the Quarterly Purchasing Report for January 1 through March 31, 2009.
12. ACTION ITEM - Review and accept the Fiscal Year 2009 Quarterly Statement of Revenues and Expenses for the period ending March 31, 2009.

REGULAR AGENDA

13. ACTION ITEM – 1) Adopt a finding that a fare increase is necessary to meet operating expenses, including employee wages and fringe benefits and purchasing or leasing supplies, equipment, or materials; 2) Invoke a Statutory Exemption under CEQA, P. R.C. §21080(b)(8) and CEQA Guidelines, 14CCR Section 15273(a) (Rates, Tolls, Fares and Charges) for the purpose of modifying and increasing fares; and 3) Adopt a resolution establishing new rates and fares for VTA bus, light rail, and paratransit services effective January 1, 2010.
14. ACTION ITEM - Adopt a resolution of the Board of Directors of the Santa Clara Valley Transportation Authority adopting a Biennial Budget for the period July 1, 2009 through June 20, 2011.
15. ACTION ITEM - Recommend that the VTA Board of Directors adopt a support position for AB 610 (Caballero), which requires the Office of Planning and Research to assist local agencies interested in pursuing public-private partnerships for local infrastructure projects.
16. ACTION ITEM - Adopt a resolution to preserve the right to use tax-exempt bond proceeds to reimburse the Santa Clara Valley Transportation Authority (VTA) for costs incurred for capital projects and equipment purchases related to Express Lane System, if VTA or a conduit issuer such as MTC/BATA, at a future date decides to issue bonds.

OTHER ITEMS

17. Items of Concern and Referral to Administration.
18. Review Committee Work Plan.
19. Committee Staff Report. (J. Smith)
20. Chairperson's Report. (Kniss)
21. Determine Consent Agenda for the June 4, 2009 Board of Directors Meeting.
22. **ANNOUNCEMENTS**
23. **ADJOURN**

NOTE COMMITTEE MEMBERS: In order to establish a quorum for this meeting, members are asked to call the Board Secretary's Office at (408) 321-5680 or E-mail: board.secretary@vta.org before 5:00 p.m. on the day prior to the meeting. Thank you for your cooperation.

In compliance with the Americans with Disabilities Act (ADA), those requiring accommodations or accessible media for this meeting should notify the Board Secretary's Office 48 hours prior to the meeting at (408) 321-5680 or e-mail: board.secretary@vta.org, TDD (408) 321-2330. VTA's Homepage is located on the Web at: <http://www.vta.org/>.

All reports for items on the open meeting agenda are available for review in the Board Secretary's Office, 3331 North First Street, San Jose, California, (408) 321-5680, the Monday, Tuesday, and Wednesday prior to the meeting. This information is available on VTA's website at <http://www.vta.org/> and also at the meeting.

**NOTE: THE BOARD OF DIRECTORS MAY ACCEPT, REJECT OR MODIFY
ANY ACTION RECOMMENDED ON THIS AGENDA.**



ADMINISTRATION & FINANCE COMMITTEE

Thursday, April 16, 2009

MINUTES

CALL TO ORDER

The Regular Meeting of the Administration and Finance Committee (A&F) was called to order at 12:07 p.m. by Vice Chairperson Gage in Room B-104, VTA River Oaks Campus, 3331 North First Street, San Jose, California.

1. ROLL CALL

Attendee Name	Title	Status
David Casas	Board Member	Present
Don Gage	Board Member	Present
Liz Kniss	Board Member	Absent
Chuck Reed	Board Member	Present
Nora Campos	Alternate Board Member	N/A
Chris Moylan	Alternate Board Member	N/A
George Shirakawa	Alternate Board Member	N/A

* Alternates do not serve unless participating as a Member.

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

2. PUBLIC PRESENTATIONS

There were no Public Presentations.

3. ORDERS OF THE DAY

Vice Chairperson Gage noted a request to move the following Agenda Item from the Consent Agenda to the Regular Agenda: **Agenda Item #8**. Monthly Investment Report – February 2009.

M/S/C (Casas/Reed) to accept the Orders of the Day.

4. RECESSED TO CLOSED SESSION at 12:09 p.m.

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

VTA Designated Representatives:

Joseph Smith, Chief Financial Officer

Bill Lopez, Chief Administrative Officer

Robert L. Escobar, Human Resources Manager

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

Employee Organizations:

American Federation of State, County and Municipal Employees (AFSCME)
 Amalgamated Transit Union (ATU), Local 265
 Service Employees International Union, (SEIU), Local 521
 Transportation Authority Engineers and Architects Association (TAEA), Local 21

Board Member Reed arrived at the meeting and entered Closed Session at 12:10 p.m.,
 and a quorum was declared.

RECONVENED TO OPEN SESSION at 12:34 p.m.

5. CLOSED SESSION REPORT

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

VTA Designated Representatives:

Joseph Smith, Chief Financial Officer
 Bill Lopez, Chief Administrative Officer
 Robert L. Escobar, Human Resources Manager

Employee Organizations:

American Federation of State, County and Municipal Employees (AFSCME)
 Amalgamated Transit Union (ATU), Local 265
 Service Employees International Union, (SEIU), Local 521
 Transportation Authority Engineers and Architects Association (TAEA), Local 21

There was no reportable action taken during Closed Session.

CONSENT AGENDA

6. Regular Meeting Minutes of March 19, 2009

M/S/C (Casas/Reed) to approve the Regular Meeting Minutes of March 19, 2009.

7. Bicycle and Pedestrian Advisory Committee (BPAC) Appointment

M/S/C (Casas/Reed) to approve submitting a recommendation to the Board of Directors to ratify the appointments to the Bicycle Pedestrian Advisory Committee (BPAC) of Richard Ruh as the City of Monte Sereno representative and Paul Goldstein as the alternate representative of the Silicon Valley Bicycle Coalition.

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

Review the Report on Santa Clara Valley Transportation Authority Investments for the month of February 2009.

9. Monthly Legislative History Matrix

M/S/C (Casas/Reed) to review the Monthly Legislative History Matrix.

10. Authorization for Annual Operations Insurance Program Renewal

M/S/C (Casas/Reed) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to purchase insurance coverage for Fiscal Year 2009/2010 for Excess Liability, General and Auto Liability, Public Officials Errors and Omissions Liability, Property/ Boiler and Machinery, Inland Marine for Buses, Vans and Mobile Equipment, Inland Marine for Light Rail Vehicles, and Flood Exposures for the Annual Operations Program Insurance Renewal for an amount not to exceed \$2,118,693.

The Agenda was taken out of order.

REGULAR AGENDA

8. Monthly Investment Report - February 2009

Tammy Dhanota, Chief Steward of Services Employees International Union (SEIU), Local 521, referenced the bargaining units meeting related to FY 2010 and FY 2011 Recommended Budget with Michael T. Burns, General Manager, reflected a decline in sales tax revenues. Ms. Dhanota queried about the sales tax revenues discrepancy reported at the bargaining units meeting and the information included in the Monthly Investment Report related to General Market Conditions, where it states, “retail sales unexpectedly rose 1 percent after six months of decline.”

Joe Smith, Chief Financial Officer, responded the information is based on sales tax activity, which occurred in FY 2008 and FY 2009, noting VTA has not received the data regarding third quarter sales tax revenues at this time.

Kim Koenig, Fiscal Resources Manager, stated the retail sales information is included in the National Economic Indicators Gross Domestic Product (GDP) and not necessarily reflected in what occurs within Santa Clara County.

M/S/C (Reed/Casas) to review the Report on Santa Clara Valley Transportation Authority Investments for the month of February 2009.

11. VTA Governance Update

Jim Lawson, Senior Policy Advisor, reported on the Hay Group Organization and Financial Assessment recommendation in the area of governance, which identified Board Member turnover as a critical challenge to VTA’s Governance Structure. Mr. Lawson reported the turnover is particularly high for the small city groupings.

Mr. Lawson stated the Hay Group Assessment recommended the Board of Directors examine alternatives to lengthen member’s office term and to work with appointing authorities to ensure members are eligible to serve on the Board and include appropriate qualifications.

At the May 1, 2008 Board of Directors Regular Meeting, the Board approved the following recommendations: Eliminate the concept of city groups selecting their representatives through a rotation process and instead each of the city groupings will select their representative to serve on the Board; Directors will serve two-year terms but appointing authorities are encouraged to reappoint representatives to serve consecutive

terms; and include a process for selecting members within the city groups who have the required experience and qualifications in transportation.

Mr. Lawson noted the A&F Committee Meeting on October 16, 2008, where staff was directed to work with the cities on the governance changes and to provide a progress report back to the Committee. Staff has met with the small city groupings to present updates on VTA's Governance issue and recommended they develop a methodology to select their representatives for appointment to serve on VTA's Board in January 2010.

Mr. Lawson commented on Group 3 (Campbell, Cupertino, Town of Los Gatos, Monte Sereno, and Saratoga), which consists of one Member and one Alternate Member, the group agreed to continue their current policy to appoint a representative at their Mayor and Managers meeting with each city having an equal voice in the process.

Group 2 (Los Altos, Town of Los Altos Hills, Mountain View, Palo Alto, Santa Clara and Sunnyvale), which consists of three Members and one Alternate Member, the cities are currently in the process of seeking approval by their respective city councils appoint representatives by population weighted rank order vote.

Group 4 (Gilroy, Milpitas, and Morgan Hill), which consists of one Member and one Alternate Member, the group is attempting to develop a methodology to accommodate the significant regional differences within the grouping.

Mr. Lawson stated staff will continue to work with Groups 2 and 4 and provide an update report at the September 17, 2009 A&F Committee Meeting.

Vice Chairperson Gage suggested staff work to formulate a recommendation to be presented to the A&F Committee then forward to the Board of Directors for discussion and consideration.

On order of Vice Chairperson Gage and there being no objection, the Committee received the VTA Governance Update.

12. Bill Position: AB 798 (Nava)

Kurt Evans, Government Affairs Manager, reported Assembly Bill (AB) 798 (Nava) creates the California Transportation Financing Authority (CTFA) to assist local and regional agencies in obtaining financing through the issuance of revenue bonds for the construction of improvements to the State's Transportation Infrastructure.

Mr. Evans stated AB 798 (Nava) is identical to AB 3021 (Nava) from 2008, which was approved by the Legislature but vetoed by Governor Arnold Schwarzenegger. VTA Board of Directors supported AB 3021 (Nava) in 2008 and staff recommends the Board support AB 798 (Nava).

M/S/C (Reed/Casas) to approve submitting a recommendation to the Board of Directors to recommend the VTA Board of Directors adopt a support position for AB 798 (Nava), which creates the California Transportation Financing Authority to assist local and regional agencies in obtaining financing through the issuance of revenue bonds for the construction of improvements to the State's transportation infrastructure. This bill also allows the authority to permit local and regional agencies, as part of the financing plan for their projects, to impose tolls for the use of the facilities constructed.

13. Bill Position: AB 338 (Ma)

Kurt Evans, Government Affairs Manager, reported Assembly Bill (AB) 338 (Ma) allows local officials to divert property tax increment revenues to pay for new bonds for infrastructure within transit village development districts. Mr. Evans stated AB 338 (Ma) allows cities and counties to capture the fiscal benefits of new construction inside transit villages by connecting property tax increment financing for transit village development.

Mr. Evans reported the intention of AB 338 (Ma) is to remove a major roadblock to Transit Oriented Development (TOD) by encouraging cities and counties to combine transit village planning with property tax increment financing without having to setup redevelopment project areas.

Vice Chairperson Gage queried if the assembly bill could include certain development standards where planned TOD densities could not be reduced later. Mr. Evans responded staff would forward the information to the author of the bill for consideration.

M/S/C (Reed/Casas) to approve submitting a recommendation to the Board of Directors to recommend the VTA Board of Directors adopt a support position for AB 338 (Ma), which allows local officials to divert property tax increment revenues to pay for new bonds for infrastructure within transit village development districts.

OTHER ITEMS

14. Peer Performance – VTA/ATU Pension Investments

Kimberly Koenig, Fiscal Resources Manager, referenced Board Member Reed's request for investment performance information on VTA's peers, noting the information focuses on VTA/Amalgamated Transit Union (ATU) Pension Plan.

Ms. Koenig stated the comparison should be compared to funds with the same asset allocation, plan duration, and benefit structure. Staff working collaboratively with Mercer Investment Consulting, Inc., VTA's investment services consultant, was able to obtain investment performance data for nine plans of similar size, asset allocation mix, and plan duration. The nine plans consist of the following: Regional Transportation Authority located in Illinois and eight other plans that elected not to have their names identified.

Ms. Koenig reported VTA/ATU Pension Plan has exceeded its Policy Index and performance of similar plans for all the time periods considered. VTA/ATU Pension Plan investment performance was above the middle for all public funds with less than \$1 billion of assets in the Russell/Mellon Trust Universe®.

VTA forwarded a survey to the forty members of the California Association of Public Retirement Systems (CALAPRS) requesting current and historical investment performance data. CALAPRS members consist of statewide systems, counties, cities, and special districts, including a few transit agencies. Ms. Koenig reported eight out of the eleven agencies provided investment performance by calendar year, noting VTA/ATU Pension Plan outperformed the eight agencies during the last quarter of 2008.

Board Member Reed noted the importance for VTA to have the right asset allocation mix. Board Member Reed expressed appreciation to staff for the investment performance information, noting VTA has outperformed its peers.

Board Member Reed asked when VTA's contribution rates will be reviewed and if the information will be factored into FY 2010 and FY 2011 projections. Ms. Koenig responded the losses and gains experienced in the VTA/ATU Pension Plan are not recognized in the same year since they are amortized over a longer period of time.

On order of Vice Chairperson Gage and there being no objection, the Committee reviewed the Peer Performance - VTA/ATU Pension Investments.

15. Items of Concern and Referral to Administration

There were no Items of Concern and Referral to Administration.

16. Committee Work Plan

On order of Vice Chairperson Gage and there being no objection, the Committee reviewed the Committee Work Plan.

17. Committee Staff Report

Discussion regarding the Fiscal Year 2010 and Fiscal Year 2011 Budget Preparation

Joe Smith, Chief Financial Officer, provided a brief overview of the FY 2010 and FY 2011 Budget Preparation Process. Mr. Smith stated VTA has significant decreases in anticipated revenues, noting the State budget has eliminated all operating assistance funding, which VTA receives from the State Transportation Assistance (STA) Program. Mr. Smith stated VTA's intent is to preserve its service plan as well as job positions. The financial challenges facing VTA's budget is related to revenues and funding resources. VTA will have a deficit of \$28.4 million in FY 2010 and \$49.7 million in FY 2011.

Mr. Smith commented on VTA's strategies to offset revenue reductions in development of Preliminary Projections: maximize the use of Federal Preventive Maintenance Funds; maintain current vacancy rates; reduction in Travel; reduction in Outside Repair Services; reduction in Materials and Supplies; reduction in Professional Services; reduction in Security Contract; reduction in Telephone and Communications; reduction in Advertising and Printing; reduction in Office Supplies; and reduction in Paratransit Contract.

Mr. Smith commented on the following strategies to offset revenue reductions and minimize VTA's projected deficit: fare increases; labor savings; service modifications; align Paratransit Service coverage with Fixed Route Service; departmental non-labor savings; no increases in VTA's share from FY 2009 Caltrain Contribution and Altamont Commuter Express (ACE) Contribution; and reductions in light rail shuttles.

Mr. Smith commented on the following labor saving strategies: wage freeze and cuts; work furloughs; employee contribution to pension plan; employee contribution to retiree medical; and an increase in employee contribution to health care.

Mr. Smith stated staff is currently working on VTA's budget preparation process and provided an update to the bargaining units on April 14, 2009 as well as to the Advisory Committee Chairs and Vice Chairs on April 15, 2009. VTA will conduct Employee Forums and present the information on April 17 through April 23, 2009. VTA's budget update will be presented at the April 24, 2009 Board of Directors Workshop Meeting. VTA's recommended budget is scheduled for review at community meetings and VTA's Advisory Committee Meetings in May 2009. VTA's final recommended budget will be presented at the May 21, 2009 Administration and Finance (A&F) Committee then will be forwarded for consideration at the June 4, 2009 Board of Directors Regular Meeting.

Board Member Casas expressed concern regarding the proposal to align Paratransit Service coverage with Fixed Route Service. Board Member Casas queried if the proposed fare increase could be increased by 20 percent to offset the proposed changes to the Paratransit Service coverage. Board Member Casas stressed the importance to be considerate of the senior/disabled individuals who utilize Paratransit Service and do our due diligence to not negatively affect the level and depth of their lives.

18. Chairperson's Report

There was no Chairperson's Report.

19. Determine Consent Agenda for the May 7, 2009 Board Meeting

CONSENT: Agenda Item #7, Ratify the appointments to the Bicycle Pedestrian Advisory Committee (BPAC) of Richard Ruh as the City of Monte Sereno representative and Paul Goldstein as the alternate representative of the Silicon Valley Bicycle Coalition;

Agenda Item #10, Authorize the General Manager to purchase insurance coverage for Fiscal Year 2009/2010 for Excess Liability, General and Auto Liability, Public Officials Errors and Omissions Liability, Property/ Boiler and Machinery, Inland Marine for Buses, Vans and Mobile Equipment, Inland Marine for Light Rail Vehicles, and Flood Exposures for the Annual Operations Program Insurance Renewal for an amount not to exceed \$2,118,693;

Agenda Item #12, Recommend the VTA Board of Directors adopt a support position for AB 798 (Nava), which creates the California Transportation Financing Authority to assist local and regional agencies in obtaining financing through the issuance of revenue bonds for the construction of improvements to the State's transportation infrastructure. This bill also allows the authority to permit local and regional agencies, as part of the financing plan for their projects, to impose tolls for the use of the facilities constructed; and

Agenda Item #13, Recommend the VTA Board of Directors adopt a support position for AB 338 (Ma), which allows local officials to divert property tax increment revenues to pay for new bonds for infrastructure within transit village development districts.

REGULAR: None

20. Announcements

Board Member Reed referenced a letter dated March 10, 2009 from Assembly Member Jim Beall Jr. regarding the creation of an advisory committee related to the development of the San Jose Diridon Station and High Speed Rail (HSR) Project.

21. ADJOURNMENT

On order of Vice Chairperson Gage and there being no objection, the meeting was adjourned at 1:22 p.m.

Respectfully submitted,

Michelle M. Garza, Board Assistant
VTA Board of Directors



Date: May 6, 2009
 Current Meeting: May 21, 2009
 Board Meeting: N/A

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
 Administration & Finance Committee

THROUGH: General Manager, Michael T. Burns

FROM: Chief Financial Officer, Joseph T. Smith

SUBJECT: Monthly Investment Report - March 2009

FOR INFORMATION ONLY

BACKGROUND:

Santa Clara Valley Transportation Authority funds are invested in accordance with the asset allocation and diversification strategies described in the Investment Policies amended February 5, 2009.

DISCUSSION:

General Market Conditions

The first quarter began with two months of steep stock market losses (S&P 500 lost 18.6% in the first two months of the year) but March provided some welcome relief from the persistent negative equity returns of the last year. The S&P 500 gained 8.8% which brings the calendar quarter-to-date loss to 11.6%. Following some of the steepest declines since the 1920-30's, the stock market rallied in March with an equally historic manner before cooling down late in the month. The net result for the quarter was negative returns with a finish well above the market's lows.

Employment figures, housing prices and construction, industrial activity, and other economic indicators continued at severe recession levels. However, investors also received more encouraging news in March as several major troubled banks reported stronger positive profits for the quarter. The strong rally was also due to the Federal Reserve Board's announced plans to buy Treasury debt in order to lower interest rates and inject additional liquidity into the financial system. However, enormous uncertainty remains on many fronts as investors await the result of stress testing on banks and the possible bankruptcy of General Motors and Chrysler.

VTA Enterprise Funds

Pursuant to VTA's adopted Investment Policy, 100% of surplus assets, held in the operating portfolio, are invested in Domestic Fixed Income. Funds are split between three portfolios managed by Payden & Rygel (Payden), LAIF (State Pool - Local Agency Investment Fund) and interest bearing checking accounts.

In March, total market return for the Payden composite portfolio and the benchmark composite both gained 0.8%. On a calendar year-to-date basis, the Payden composite portfolio outperformed their composite benchmark by 0.1%. The current yield for the Payden long-term portfolio is 3.0%, mid-term portfolio is 1.7%, and short-term portfolio is 1.5%. The current yield for funds invested in LAIF is 1.9%.

Market performance for each Payden account is summarized in the following table.

Asset Class	Money Manager	March Return	Calendar YTD	Benchmark	March Benchmark Return	Calendar YTD
Long-Term Fixed Income	Payden & Rygel	1.4%	0.1%	Barclays Cap US Govt. Intermediate Index	1.4%	-0.1%
Mid-Term Fixed Income	Payden & Rygel	0.6%	0.4%	Merrill Lynch 1 to 3 Year Treasury Index	0.5%	0.4%
Short-Term Fixed Income	Payden & Rygel	0.2%	0.5%	iMoneynet Money Market Index	0.0%	0.3%
Composite Total Return (Weighted)		0.8%	0.4%		0.8%	0.3%

VTA Retirees' Other Post Employment Benefits (OPEB) Trust

VTA's adopted Investment Policy requires the following asset allocation for Retirees' OPEB funds:

<u>Asset Allocation</u>	<u>Range</u>	<u>Actual</u>	<u>Ongoing Target</u>
Domestic Fixed Income	25-60%	49%	38%
Domestic Large Cap Index	35-70%	50%	60%
Cash	0-5%	1%	2%

The Retirees' OPEB portfolio underperformed the composite benchmark by 0.4% in March but outperformed its composite benchmark by 0.2% on calendar year-to-date. The current yield for the fixed income portfolio is 5.9%. Market performance by money manager is summarized in the following table.

Asset Class	Money Manager	March Retiree Return	Calendar YTD	Benchmark	March Benchmark Return	Calendar YTD
Fixed Income	Dodge & Cox	0.6%	0.5%	Barclays Capital US Aggregate	1.4%	0.1%
Large Cap Index	State Street	8.7%	-11.0%	S&P 500	8.8%	-11.0%
Composite Total Return (Weighted)		4.7%	-4.9%		5.1%	-5.1%

Dodge & Cox - The Fixed Income portfolio manager underperformed their benchmark by 0.8% in the current month but outperformed their benchmark by 0.4% on calendar year-to-date. The absence of CMBS (Collateralized Mortgage Backed Securities) holdings detracted March relative performance as this sector staged a significant rally after the U.S Government laid the foundation for the PPIP (Public-Private Investment Program) to address the "toxic" assets on banks' balance sheets.

Historic Portfolio Performance (calendar year) for the last six calendar years:

Year	Performance	Year	Performance
2003	17.2%	2006	11.7%
2004	7.6%	2007	6.1%
2005	3.9%	2008	-21.0%

A 7.75% annual return assumption is used in the annual actuarial analysis for the Retiree's OPEB. The results of the actuarial analysis determine VTA's annual contribution rates. Any difference between actual investment returns and the 7.75% assumed annual return is recognized in the same year.

Inception-to-date (April 2000 to March 2009) performance is a gain of 14.2% versus the composite benchmark of 14.1%. Average composite annual return is 1.61% for Retirees' OPEB versus 1.60% for benchmarks.

VTA/ATU Pension Plan Assets

It is the policy of the VTA/ATU Board of Pension to have a well-managed investment program that provides for the financial needs of the pension plan and allows the investments to be appropriately diversified and prudently invested to protect the safety of the principal while maintaining a reasonable return. Assets are invested within the following investment guidelines:

<u>Asset Allocation</u>	<u>Range</u>	<u>Actual</u>	<u>Ongoing Target</u>
Domestic Fixed Income	35-45%	48%	39%
Domestic Large-Cap Value	15-25%	18%	20%
Domestic Large-Cap Index	10-20%	13%	15%
Domestic Small-Cap Value	5-15%	7%	10%
International Equity	10-20%	14%	15%
Cash	0-5%	0%	1%

The following table provides a summary of performance by money manager for the month of March and calendar year-to-date.

Asset Class	Money Manager	March VTA/ATU Return	Calendar YTD	Benchmark	March Benchmark Return	Calendar YTD
Fixed Income	Dodge & Cox	0.6%	0.2%	Barclays Capital US Aggregate	1.4%	0.1%
Large Cap Index	State Street	8.7%	-11.0%	S&P 500	8.8%	-11.0%
International Equity Index (Growth)	MFS	8.8%	-9.9%	MSCI AC World	7.3%	-9.4%
Large Cap Value Stocks	Robeco/Boston Partners	8.7%	-12.1%	Russell 1000 Value	8.6%	-16.8%
Small Cap Value Stocks	Brandy-Wine	8.7%	-19.7%	Russell 2000 Value	8.9%	-19.6%
Composite Total Return (Weighted)		4.8%	-6.0%		5.0%	-6.9%

The VTA/ATU Pension Plan composite portfolio underperformed the composite benchmark performance by 0.2% in the current month but outperformed the composite benchmark by 0.9% on calendar year-to-date. The current yield of Dodge & Cox/Fixed Income portfolio for March is 5.9%. Underperformance in March was primarily due to the fixed income portfolio manager, Dodge & Cox, due to the absence of CMBS (Collateralized Mortgage Backed Securities) holdings, which experienced a significant rally during the month.

The strongest performance during the month was with the international equity investment managed by MFS. This fund manager outperformed their benchmark by 1.5% in the current period. The biggest contributor to out-performance of the benchmark was positions held within the telecommunications area--which were strong performers in March. Additionally, the portfolio's underweight in electric utilities also helped in narrowing the year-to-date underperformance from -1.7% to -0.5%.

Brandywine - The Domestic Small Cap Value Equity Manager was terminated March 31, 2009 due to poor performance. WEDGE Capital Management L.L.P. was hired on April 1, 2009 to replace Brandywine.

Historic Portfolio Performance for the last six calendar years:

Year	Performance	Year	Performance
2003	21.5%	2006	14.6%
2004	12.2%	2007	5.8%
2005	7.2%	2008	-19.8%

An 8% annual return assumption is used in the annual actuarial analysis for the VTA/ATU Pension Plan. The results of the actuarial analysis determine VTA's annual contribution rates. Any difference between actual investment returns and the 8% annual return assumption is amortized over a period of five years.

Inception-to-date (October 1998 to March 2009) performance is a gain of 69.4% versus the composite benchmark of 43.2%. Average composite annual return is 6.6% for ATU Pension Plan versus 4.1% for benchmarks.

ATU Spousal Medical Trust Fund, Dental, and Vision Plan

Asset allocation for the ATU Spousal Medical Trust Fund (including funds for dental and vision plans) is provided for in the VTA/ATU Pension Plan Investment Policy.

<u>Asset Allocation</u>	<u>Range</u>	<u>Actual</u>	<u>Ongoing Target</u>
Domestic Fixed Income	25-60%	46%	38%
Domestic Large Cap Index	35-70%	51%	60%
Cash	0-5%	3%	2%

The ATU Spousal Medical Trust Fund composite portfolio underperformed the composite benchmark by 0.2% in the current month but matched their composite benchmark on calendar year-to-date. Performance by money manager is summarized in the following table.

Asset Class	Money Manager	March Spousal Return	Calendar YTD	Benchmark	March Benchmark Return	Calendar YTD
Fixed Income Fund (Index Fund)	Dodge & Cox	1.0%	0.3%	Barclays Capital US Aggregate	1.4%	0.1%
Large Cap Index	State Street	8.7%	-11.0%	S&P 500	8.8%	-11.0%
Composite Total Return (Weighted)		5.0%	-5.4%		5.2%	-5.4%

Dodge & Cox - The Fixed Income portfolio manager underperformed their benchmark by 0.4% in the current month but outperformed their benchmark by 0.2% on calendar year-to-date. The absence of CMBS (Collateralized Mortgage Backed Securities) holdings detracted March relative performance as this sector staged a significant rally during the month.

Other Data

The valuation of VTA's securities is provided by Interactive Data Corporation (IDC), Merrill Lynch Securities Pricing Service and Bloomberg Generic Pricing Service. These firms are the leading providers of global securities data. They offer the largest information databases with current and historical prices on securities traded in all major markets.

This report complies with VTA's adopted investment policies. Based on budgeted revenues and expenditures as well as available operating reserves, there are sufficient funds available to meet expenditure requirements for the six months ending September 30, 2009.

Reviewed and verified by: Kimberly Koenig, Manager, Finance Department

Prepared By: Manny Bagnas, Investment Services Manager

VTA INVESTMENT COMPOSITE PORTFOLIO PERFORMANCE

MONEY MANAGERS' TOTAL MARKET RETURN - TRADE DATE

FOR THE MONTH OF MARCH 2009

SUMMARY: March 31, 2009

<u>Description</u>	<u>Total Market Value</u>		<u>March Total Market Return</u>		<u>Total Market Return</u>	
	<u>(1)</u> <u>Prior</u> <u>Month</u>	<u>Current</u> <u>Month</u>	<u>\$Unrealized</u> <u>Gain/Loss</u>	<u>%Unrealized</u> <u>Gain/Loss</u>	<u>VTA</u> <u>Calendar</u> <u>YTD</u>	<u>Benchmark</u> <u>Calendar</u> <u>YTD</u>
1 - Fixed Income Long-Term Investment Pool (2)	213,943,689.00	216,933,974.00	2,990,285.00	1.4%	0.1%	-0.1%
1 - Fixed Income Mid-Term Investment Pool (2)	149,677,346.00	150,562,742.00	885,396.00	0.6%	0.4%	0.4%
2 - Fixed Income Short-Term Investment Pool (2)	145,374,763.00	145,717,889.00	343,126.00	0.2%	0.5%	0.3%
3 - VTA Bond Funds with Fiscal Agents (3)	26,763,404.00	29,825,729.00	-	-	-	-
4 - Funds with LAIF Investment Pool (2)	25,400,000.00	21,900,000.00	-	-	-	-
5 - Funds with Union Bank-Congestion Management	6,504,177.00	6,155,753.00	-	-	-	-
6 - Funds with Union Bank-Measure B	33,826,266.00	33,449,256.00	-	-	-	-
7 - Funds with Union Bank DDA account (2)	2,588,553.00	8,702,228.00	-	-	-	-
Total VTA Funds	604,078,198.00	613,247,571.00				
1 - Retirees' OPEB - Fixed Income	43,291,773.00	43,569,784.00	278,011.00	0.6%	0.5%	0.1%
2 - Retirees' OPEB - State Street - Index	40,709,649.00	44,184,421.00	3,474,772.00	8.7%	-11.0%	-11.0%
Total Retirees' OPEB Funds	84,001,422.00	87,754,205.00				
1 - VTA/ATU Pension Fund-Fixed Income	119,289,020.00	119,977,385.00	688,365.00	0.6%	0.2%	0.1%
2 - VTA/ATU Pension Fund-State Street - Index	30,270,167.00	32,906,683.00	2,636,516.00	8.7%	-11.0%	-11.0%
3 - VTA/ATU Pension Fund- Int'l - Equity Growth	32,874,143.00	35,758,626.00	2,884,483.00	8.8%	-9.9%	-9.4%
4 - VTA/ATU Pension Fund-Stock Large Cap Value	40,662,834.00	44,193,659.00	3,530,825.00	8.7%	-12.1%	-16.8%
5 - VTA/ATU Pension Fund-Stock Small Cap Value	16,195,810.00	17,597,831.00	1,402,021.00	8.7%	-19.7%	-19.6%
Total Pension Fund	239,291,974.00	250,434,184.00				
1 - ATU Spousal Med Fund - Dodge & Cox - Index	4,404,502.00	4,449,793.00	45,291.00	1.0%	0.3%	0.1%
2 - ATU Spousal Med Fund-State Street - Index	4,445,308.00	4,832,492.00	387,184.00	8.7%	-11.0%	-11.0%
Total ATU Spousal Funds	8,849,810.00	9,282,285.00				
Total Investments	936,221,404.00	960,718,245.00				

Legend:

- (1) Total includes contributions / withdrawals made during current month.
- (2) Measure A Funds: \$318,456,032 which includes earnings: from Payden \$15,897,670
LAIF \$1,017,384, and Union Bank DDA Account \$103,313
- (3) Bonds Reserves and/or Debt Service Funds

VTA INVESTMENT COMPOSITE PORTFOLIO PERFORMANCE.
PER GENERAL LEDGER BALANCE - SETTLEMENT DATE
FOR THE MONTH OF MARCH 2009

SUMMARY: March 31, 2009

<u>Description</u>	<u>(1)</u> <u>Feb-09</u> <u>Book Value</u> <u>/Cost</u>	<u>(1)</u> <u>Mar-09</u> <u>Book Value</u> <u>/Cost</u>	<u>Fiscal 09</u> <u>Year-to-Date</u> <u>Feb 09 Realized</u> <u>Earnings - \$</u>	<u>Fiscal 09</u> <u>Year-to-Date</u> <u>Mar 09 Realized</u> <u>Earnings - \$</u>	<u>Change for the Month</u> <u>Realized</u> <u>Earnings - \$</u>
VTA FUNDS					
1 - Fixed Income - Long-Term Investment Pool (2)	206,002,541	207,350,663	5,513,879	6,742,643	1,228,764
2 - Fixed Income - Mid-Term Investment Pool (2)	149,234,852	149,790,065	-101,623	450,175	551,798
3 - Fixed Income - Short-Term Investment Pool (2)	155,192,764	145,461,834	3,678,739	3,907,918	229,179
4 - VTA Bond Funds with Fiscal Agent (3)	26,763,404	29,825,729	329,531	381,558	52,027
5 - Funds with LAIF Investment Pool (2)	25,400,000	21,900,000	481,101	536,633	55,532
6 - Funds with Union Bank-Congestion Management	6,504,177	6,155,753	26,382	27,682	1,300
7 - Funds with Union Bank-Measure B	33,826,266	33,449,256	312,923	320,311	7,388
8 - Funds with Union Bank Pooled DDA account (2)	2,588,553	8,702,228	34,554	34,673	119
Total VTA Funds	605,512,557	602,635,528	10,275,486	12,401,593	2,126,107
RETIREEES' OPEB FUNDS					
1 - Retirees' OPEB -Fixed Income	44,324,029	44,549,545	1,805,774	2,034,855	229,081
2 - Retirees' OPEB -State Street - Index	74,927,619	75,590,619	0	0	0
Total Retirees' OPEB Funds	119,251,648	120,140,164	1,805,774	2,034,855	229,081
ATU PENSION FUNDS					
1 - VTA/ATU Pension Fund-Fixed Income	123,914,307	124,428,285	5,039,739	5,586,862	547,123
2 - VTA/ATU Pension Fund-State Street - Index	56,391,135	56,391,135	0	0	0
3 - VTA/ATU Pension Fund- Int'l - Equity Growth - MFS	60,108,856	60,108,856	0	0	0
4 - VTA/ATU Pension Fund-Stock Large Cap Value	56,508,425	55,853,911	-6,626,055	-7,280,511	-654,456
5 - VTA/ATU Pension Fund-Stock Small Cap Value	26,842,242	24,585,268	-4,497,350	-6,754,259	-2,256,909
Total ATU Pension Funds	323,764,965	321,367,455	-6,083,666	-8,447,908	-2,364,242
ATU SPOUSAL MEDICAL PLAN FUNDS					
1 - ATU Spousal Med Fund - Dodge & Cox - Index (4)	4,327,234	4,327,234	-32,002	-32,002	0
2 - ATU Spousal Med Fund-State Street - Index	8,207,187	8,207,187	0	0	0
Total ATU Spousal Plan Funds	12,534,421	12,534,421	-32,002	-32,002	0
Total Investments	1,061,063,591	1,056,677,568	5,965,592	5,956,538	-9,054

Legend:

- (1) Total includes contributions / withdrawals made during current month.
- (2) Measure A Bond Funds: \$318,456,032 which includes earnings: from Payden \$15,897,670
LAIF \$1,017,384, and Union Bank DDA Account \$103,313
- (3) Bonds Reserves and/or Debt Service Funds
- (4) Recognize real loss associated with \$990K withdrawal from Dodge & Cox Funds on 11/05/08 to rebalance the portfolio: contribution to State Street \$900K and Cash Balance \$90K



Date: April 28, 2009
 Current Meeting: May 21, 2009
 Board Meeting: June 4, 2009

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
 Administration & Finance Committee

THROUGH: General Manager, Michael T. Burns

FROM: Chief External Affairs Officer, Greta Helm

SUBJECT: Monthly Legislative History Matrix

FOR INFORMATION ONLY

BACKGROUND:

For your information, I am attaching our Monthly Legislative History Matrix, which describes key transportation-related bills that are being considered by the California Legislature during the 2009-10 session. It indicates the status of these measures and any adopted VTA positions with regard to them.

DISCUSSION:

In February, Gov. Arnold Schwarzenegger and the Legislature approved an intricate package of bills that tries to fix the state's massive budget gap. This package, which consists of tax hikes, spending cuts and borrowing, has many moving parts, contingencies and assumptions, all of which are subject to voter endorsement and the course of the economy.

The budget package consists of four temporary tax increases, which are intended to generate close to \$13 billion in additional revenues for the General Fund over the next two fiscal years. They are: (1) a 1 percent increase in the state sales tax; (2) an increase in the vehicle license fee from 0.65 percent of the market value of a car to 1.15 percent; (3) a 0.25 percent rate increase for personal income taxes; and (4) a decrease in the dependent credit allowed against personal income taxes.

The budget package includes \$15 billion in reductions that impact every aspect of state government. While K-12 schools took the biggest hit, public transit was not spared. In fact, Gov. Schwarzenegger and the Legislature eliminated funding for the State Transit Assistance Program (STA), the only state program that provides money to operate bus and rail systems in California, for the next four fiscal years. For VTA, that means the loss of roughly \$12 million in operating dollars per year for FY 2010 through FY 2013.

Finally, the budget package calls for \$11.4 billion in loans, \$5 billion of which would come from the state lottery.

The budget package is tied in one way or another to six ballot measures that will appear before the voters of California at a special election scheduled for May 19. Proposition 1A creates a rolling state spending limit aimed at smoothing out future revenue and spending spikes. One catch, however, is that the duration of the income, sales and other new taxes in the budget package would depend on its passage. If Proposition 1A wins voter approval, the taxes would remain in place for as long as four years. If it is rejected, they would expire at the end of two years.

Proposition 1B gives K-12 schools \$9.3 billion in state aid, offsetting a reduction in current payments that would be semi-automatic under current constitutional law because state revenues have declined so sharply. The kicker here is that this measure could not take effect if Proposition 1A fails, even if the voters approve it.

Three other ballot measures have direct dollar implications for the state's General Fund. If they are rejected by the voters, the budget will have a \$6 billion hole. The biggest of these items is Proposition 1C, which enables the state to borrow \$5 billion from the lottery in FY 2010 for the General Fund. When California voters authorized the lottery in 1984, its sole purpose was to bring in extra money for public education. Proposition 1C allows the state to use the lottery "to provide funds for other public purposes" and to borrow against its future proceeds to help the state budget.

Then there is Proposition 1D, which makes revisions to 1998's Proposition 10, a measure by movie director Rob Reiner that placed a 50-cent-a-pack tax on cigarettes to fund new childhood development programs. Proposition 1D diverts \$600 million of this money to pay for other children's health and social services programs that are currently covered by the General Fund.

Meanwhile, Proposition 1E impacts 2004's Proposition 63, which taxed the richest Californians to support new mental health programs. Proposition 1E calls for redirecting \$464 million of these funds to cover the costs of programs for low-income children that are now paid for by the General Fund.

The final measure, Proposition 1F, was placed on the ballot in order to get the votes that were needed to pass the budget package in the Senate. This proposition prohibits lawmakers from getting pay raises whenever California is experiencing a budget deficit.

In terms of policy legislation, climate change seems to be a popular topic this year. Some of the bills dealing with this subject try to advance the greenhouse gas emissions reduction goals established in the California Global Warming Solutions Act of 2006; others move in the opposite direction. The most notable are as follows:

AB 118 (Logue): Repeals the Global Warming Solutions Act.

AB 231 (Huffman): Requires the California Air Resources Board (CARB) to adopt a schedule

of fees to be paid by the sources of greenhouse gas emissions regulated under the Global Warming Solutions Act.

ACR 14 (Niello): Prior to any regulatory action being taken consistent with the scoping plan for the Global Warming Solutions Act, requires CARB to perform an economic analysis that would give the state a more complete and accurate picture of the costs and benefits of the act's implementation.

SB 31 (Pavley): Calls for the revenues collected through compliance mechanisms related to the implementation of the Global Warming Solutions Act to be used for: (a) renewable energy and energy efficiency programs that reduce greenhouse gas emissions, particularly those programs focusing on low-income consumers; (b) investments in technologies to reduce greenhouse gas emissions; and (c) green jobs development and training that would reduce greenhouse gas emissions.

SB 104 (Oropeza): Defines additional compounds as "greenhouse gases" that would fall under the regulatory framework of the Global Warming Solutions Act.

SB 128 (Padilla): Creates the California Climate Change Institute to oversee, coordinate and manage a targeted research and development program that is geared toward achieving the state's goals for reducing greenhouse gas emissions.

Prepared By: Kurt Evans

LEGISLATIVE HISTORY
2009 – 2010 State Legislative Session
April 24, 2009

State Assembly Bills

State Assembly Bills	Subject	Last Amended	Status	VTA Position
AB 112 (Beall) Santa Clara Valley Transportation Authority: Local Streets/Roads Funding	Makes several technical corrections to the enabling statutes of the Santa Clara Valley Transportation Authority (VTA) to ensure that VTA has the appropriate statutory authority to work with local jurisdictions on developing funding strategies to address their local street and road maintenance and repair needs.	3/25/09	Assembly Floor	Sponsor
AB 116 (Beall) Contracts: Materials, Supplies and Equipment	Amends the enabling statutes of the Santa Clara Valley Transportation Authority (VTA) to raise the dollar threshold for when VTA must use the formal competitive bidding process to procure materials, supplies and equipment from \$25,000 to \$100,000, consistent with federal guidelines. Allows VTA to award a contract for materials, supplies or equipment exceeding \$100,000 either to the lowest responsible bidder or according to best value. For materials, supplies and equipment contracts between \$2,500 and \$100,000, requires VTA, to the extent practicable, to obtain a minimum of three written or oral quotes that permit prices and terms to be compared, and to award the contract to the lowest responsible bidder. Also includes comparable provisions for: (a) the San Mateo County Transit District (SamTrans); (b) the Alameda-Contra Costa Transit District (AC Transit); and (c) the Golden Gate Bridge, Highway and Transportation District (Golden Gate Transit).	4/21/09	Assembly Appropriations Committee	Sponsor
AB 118 (Logue) Global Warming Solutions Act: Repeal	Repeals the California Global Warming Solutions Act of 2006.	As Introduced	Assembly Natural Resources Committee	
AB 153 (Ma) California High-Speed Rail Authority	Specifies that the California High-Speed Rail Authority constitutes a “governing body” for the purpose of adopting a resolution of necessity pursuant to an eminent domain proceeding. Allows the authority to employ its own legal staff or contract with other state agencies for legal services.	As Introduced	Assembly Appropriations Committee	
AB 177 (Price) Green Economy Inclusion Act	Enacts the Green Economy Inclusion Act of 2009. Declares the intent of the Legislature to enact a bill to ensure greater equity and inclusion of all Californians in the development and implementation of climate change, transportation, land-use, and economic stimulus policies to reduce greenhouse gas emissions in the state.	4/23/09	Assembly Jobs, Economic Development and the Economy Committee	

State Assembly Bills	Subject	Last Amended	Status	VTA Position
AB 231 (Huffman) Climate Protection Trust Fund	Requires the California Air Resources Board (CARB) to adopt a schedule of fees to be paid by the sources of greenhouse gas emissions regulated pursuant to the California Global Warming Solutions Act of 2006 by March 30, 2010. Requires the fees established by CARB to be designed to allocate the costs of implementing the act based on the contribution of the source to statewide emissions of greenhouse gases, and to meet all of the following goals: (a) minimizing costs and maximizing total benefits to California, while achieving the statewide greenhouse gas emissions limits established in the act; (b) reducing disproportionate impacts on low-income communities; (c) providing incentives to reduce greenhouse gas emissions; and (d) implementing any market-based compliance mechanisms adopted by CARB. Requires revenues collected pursuant to compliance mechanisms related to the implementation of the California Global Warming Solutions Act to be deposited in the Climate Protection Trust Fund and to be made available, upon appropriation by the Legislature, for the purpose of carrying out the provisions of the act.	As Introduced	Assembly Appropriations Committee	
AB 254 (Jeffries) Emergency Vehicles: Payment of Tolls	Exempts emergency vehicles from the payment of a toll under the following circumstances: (1) the emergency vehicle is being driven in response to an emergency call, is engaged in rescue operations, is being used in the immediate pursuit of an actual or suspected violator of the law, or is responding to a fire alarm; and (2) the driver of the vehicle sounds a siren as may be reasonably necessary, and the vehicle displays a lighted red lamp visible from the front as a warning to other drivers and pedestrians.	4/21/09	Assembly Transportation Committee	
AB 266 (Carter) Transportation Needs Assessment	Every five years, requires the California Transportation Commission (CTC) to develop an assessment of: (a) the unfunded costs of programmed state and federally earmarked transportation projects in California; and (b) available funding for transportation purposes and unmet transportation needs on a statewide basis. Requires the assessment to include recommendations on how the state and local transportation agencies may address the transportation funding shortfalls and unmet needs that are identified. Requires the results from the initial assessment to be submitted to the Legislature by March 1, 2011.	4/20/09	Assembly Appropriations Committee	Support
AB 277 (Ammiano) Bay Area County Traffic and Transportation Funding Act	Pursuant to the Bay Area County Traffic and Transportation Funding Act in existing law, deletes the option of specifying the membership of a county transportation authority that would administer a local sales tax in the retail transaction and use tax ordinance.	As Introduced	Assembly Local Government Committee	

State Assembly Bills	Subject	Last Amended	Status	VTA Position
AB 338 (Ma) Transit Village Developments: Infrastructure Financing	<p>Allows a local government to create an infrastructure financing district and thereby use tax increment financing to pay for public facilities and amenities within a transit village development district. Recasts the area for a transit village development plan to include all land within not more than a half mile of the main entrance of a public transit station. Requires a transit village development plan utilizing an infrastructure financing district to all of the following: (a) include an increase in the stock of affordable housing or live-travel options for transit-needy groups as one of its five demonstrable public benefits; (b) use at least 20 percent of all revenues derived from the infrastructure financing district to increase, improve and preserve the supply of low- and moderate-income affordable housing in the district for a period of at least 55 years for rental housing and 45 years for owner-occupied housing; and (c) replace dwelling units at an affordable housing cost when specified dwelling units are destroyed or removed. Eliminates the requirement for voter approval for the formation of an infrastructure financing district, adoption of an infrastructure financing district plan, and the issuance of bonds for implementing an infrastructure financing district plan.</p>	As Introduced	Assembly Appropriations Committee	Support
AB 522 (Blumenfield) Federal Economic Stimulus Money: Proposition 1B Bond Projects	<p>Requires the California Transportation Commission (CTC) to ensure that bond funds previously committed to Proposition 1B transportation projects remain available to the sponsoring agency for another qualifying project if money from any federal economic stimulus legislation enacted in 2009 is used to fund the project.</p>	As Introduced	Assembly Transportation Committee	
AB 569 (Emmerson) Meal Periods: Transportation Industry	<p>In the transportation industry, allows the parties to a valid collective bargaining agreement covering commercial drivers to establish, by the express terms of that agreement, the following: (1) an off-duty meal period that commences after not more than six hours of work; and (2) the circumstances under which commercial drivers may qualify for an on-duty meal period. Specifies that the provisions of the bill apply only if the collective bargaining agreement provides for: (1) premium wage rates for all overtime hours worked; and (2) a regular hourly rate of pay for commercial drivers that is at least 30 percent higher than the state minimum wage.</p>	4/22/09	Assembly Appropriations Committee	
AB 610 (Caballero) Local Infrastructure: Public-Private Partnerships	<p>Requires the Office of Planning and Research to advise and educate local agencies and other interested stakeholders about the role that public-private partnerships can play in planning, studying, designing, financing, constructing, operating, maintaining, or managing local infrastructure projects. Requires the assistance provided by the Office of Planning and Research to include the following: (a) developing and disseminating information that would help a local governmental agency determine whether a local infrastructure project would benefit from a public-private partnership that provides an alternative financing and procurement approach; and (b) serving as a clearinghouse of information regarding the use of public-private partnerships in infrastructure projects in California and elsewhere.</p>	As Introduced	Assembly Local Government Committee	

State Assembly Bills	Subject	Last Amended	Status	VTA Position
AB 619 (Blumenfield) Federally Funded Transportation Projects	Requires Caltrans to notify the Legislature within 30 days of making a determination that a project will be delayed beyond its scheduled completion date due to state cashflow or other funding issues, if the delay places at risk federal funds, including money earmarked for the project.	As Introduced	Assembly Transportation Committee	
AB 652 (Skinner) Bike Racks on Buses	Provides that a folding device designed and used exclusively for transporting bicycles may not extend more than 40 inches, rather than 36 inches, from the front body of a public transit bus when fully deployed. Provides that the handlebars of a bicycle that is transported on a folding bike rack may not extend more than 46 inches, rather than 42 inches, from the front body of the public transit bus.	As Introduced	Assembly Transportation Committee	
AB 672 (Bass) Proposition 1B Bond Projects: LONPs	Authorizes the lead agency for a project funded through Proposition 1B transportation infrastructure bonds to apply for a letter of no prejudice (LONP) that would allow the agency to expend its own funds for any bond-funded component of the project, subject to later reimbursement from bond proceeds.	4/21/09	Assembly Transportation Committee	Support
AB 726 (Nielsen) Local Roadway Rehabilitation Projects	States that local roadway rehabilitation projects are eligible for funding under the State Transportation Improvement Program (STIP).	As Introduced	Assembly Transportation Committee	
AB 729 (Evans) Design-Build Contracting: Transit Projects	Makes permanent the statutory authority for public transit agencies to use design-build contracting for capital improvement projects.	4/22/09	Assembly Appropriations Committee	Support
AB 732 (Jeffries) Design-Sequencing Contracts	Extends the authority for Caltrans to use the design-sequencing method of contracting for the design and construction of not more than 12 transportation projects from January 1, 2010, to January 1, 2012.	As Introduced	Assembly Appropriations Committee	

State Assembly Bills	Subject	Last Amended	Status	VTA Position
<p>AB 744 (Torrico) Bay Area HOT Lane Network</p>	<p>Authorizes the Bay Area Toll Authority (BATA) to develop and implement a high-occupancy toll (HOT) lane network on state highways within the geographic jurisdiction of the Metropolitan Transportation Commission (MTC). Declares the intent of the Legislature that: (a) the network be developed and implemented in a collaborative manner that includes the congestion management agencies (CMAs) in the Bay Area, Caltrans, the California Highway Patrol (CHP), and BATA; (b) the network utilize a corridor-based structure that recognizes commute sheds and geographic communities of interest as the most effective and user-responsive models for implementing HOT lane facilities; (c) revenues generated in a particular HOT lane corridor be reinvested to provide benefits to all travelers in that corridor; (d) corridor investment plans be developed by stakeholder agencies, and guide the use of revenues to capital and operating programs serving the corridor commensurate with the revenues generated by each corridor; (e) the network provide customers with a simple, consistent and efficient system that is easy to use; and (f) a collaborative process be used to determine the best financing mechanism for constructing the network, including the use of the state-owned toll bridge enterprise as a financing pledge.</p>	<p>4/21/09</p>	<p>Assembly Transportation Committee</p>	
<p>AB 782 (Jeffries) Sustainable Communities Strategies</p>	<p>Provides that upon the acceptance of the California Air Resources Board (CARB) that a sustainable communities strategy or alternative planning strategy, if implemented, will achieve the greenhouse gas emissions reduction targets established by CARB, that acceptance shall be final, and no person or entity may initiate a legal action to review the propriety of CARB's acceptance. Provides that any local government agency participating in a sustainable communities strategy or alternative planning strategy that subsequently determines that a project proposed for approval within its jurisdiction is consistent with the applicable strategy, that project shall be deemed to be compliant with the California Global Warming Solutions Act of 2006 and SB 375 of 2008, and no person or entity may initiate a legal action to review the propriety of the local government agency's determination that the project is consistent with the strategy. Requires a metropolitan planning organization (MPO) preparing a sustainable communities strategy or an alternative planning strategy to create a business advisory committee to provide input on the potential impacts of the proposed strategy on business activities and the economy. Exempts all projects funded through Proposition 1B transportation infrastructure bond revenues and the federal American Recovery and Reinvestment Act of 2009, as well as projects listed in local transportation sales tax measures prior to December 31, 2010, from the consistent requirements with regard to sustainable communities strategies.</p>	<p>As Introduced</p>	<p>Assembly Natural Resources Committee</p>	

State Assembly Bills	Subject	Last Amended	Status	VTA Position
<p>AB 798 (Nava) California Transportation Financing Authority</p>	<p>Creates the California Transportation Financing Authority for the purpose of increasing the construction of new capacity or improvements for the state transportation system, in a manner that is consistent with and will help meet the state’s greenhouse gas reduction goals, air quality improvement goals, and natural resource conservation goals, through the issuance of bonds backed, in whole or in part, by various transportation revenue streams. Allows a project sponsor to apply to the authority for bond financing or refinancing of a transportation project that has been approved by Caltrans and the California Transportation Commission (CTC). Prior to issuing bonds for a project, requires the authority to determine that the revenues and other moneys available for that project will be sufficient to pay debt service on the bonds, and to operate and maintain the project over the life of the bonds. Allows the authority to authorize a project sponsor or Caltrans to collect tolls as one source of financing to pay debt service, and to operate and maintain a project under the following conditions: (a) the governing body of the project sponsor, by a majority vote, has approved the imposition of tolls on users of the project, or a majority of the voters within the jurisdiction of the project sponsor has approved a ballot measure imposing the tolls; (b) each highway project for which tolls are imposed must have non-tolled alternative lanes available for public use in the same corridor as the proposed toll project; (c) for highway projects, the road segment is on the state highway system; (d) the approval of the tolls must require that the tolls be set and maintained at a level expected to be sufficient to pay debt service, as well as the operation and maintenance of the project over the life of the bonds; (e) the project’s financial pro forma must incorporate life-cycle costs for the project, including revenues to pay for operation, maintenance and rehabilitation; (f) subject to any constraints in the bond documents necessary to make the bonds marketable, excess revenues from the operation of the project must be used exclusively in the corridor from which the revenues were generated to fund acquisition, construction, improvement, maintenance, or operation of high-occupancy vehicle facilities, other transportation purposes or transit service; and (g) except for purposes of implementing congestion management mechanisms, tolls may not be set to generate more revenue than the expected cost of paying debt service on the bonds, contracts entered into by the authority or project sponsor in connection with the bonds, funding reserves, operating and maintaining the project, repair and rehabilitation of the project, and providing transportation improvements in the corridor. Allows a project sponsor of a project imposing tolls to incorporate congestion management mechanisms to regulate usage and increase mobility, accessibility and environmental benefits. Provides that nothing in the bill shall allow for: (a) the conversion of any existing non-tolled or non-user-fee, mixed-flow lanes into tolled or user-fee lanes; or (b) the imposition of a toll on any local street or road.</p>	<p>As Introduced</p>	<p>Assembly Appropriations Committee</p>	<p>Support</p>
<p>AB 878 (Caballero) Infrastructure Financing</p>	<p>Authorizes a local governmental agency to enter into an agreement with a private entity for financing for specified types of revenue-generating infrastructure projects.</p>	<p>4/20/09</p>	<p>Assembly Local Government Committee</p>	
<p>AB 949 (Logue) State-Local Partnership Program</p>	<p>Expands the definition of eligible local matching funds for purposes of the Proposition 1B State-Local Partnership Program to include: (a) developer fees; (b) mineral or resource extraction fees or taxes; and (c) local or regional fees or taxes solely dedicated to transportation improvements within a county or any part thereof by voter approval or by the county board of supervisors.</p>	<p>As Introduced</p>	<p>Assembly Transportation Committee</p>	

State Assembly Bills	Subject	Last Amended	Status	VTA Position
AB 1072 (Eng) Proposition 1B Transit Capital Program	For the remaining Proposition 1B transit capital funds to be appropriated by the Legislature, bases a public transit operator's formula share on the operator's average of State Transit Assistance Program (STA) allocations for FY 2005, FY 2006 and FY 2007. Requires a public transit operator to submit to Caltrans an expenditure plan for its remaining formula share of Proposition 1B transit capital funds, so that a statewide program of projects can be established for purposes of guiding annual appropriations for these funds.	As Introduced	Assembly Transportation Committee	Co-Sponsor
AB 1104 (Monning) Off-Highway Motor Vehicles	Expands the period of time during which a review of a parking violation may be requested.	4/14/09	Assembly Transportation Committee	
AB 1135 (Skinner) Odometer Readings	Requires California vehicle owners to report the current odometer reading of their vehicles at the time of vehicle registration.	4/13/09	Assembly Appropriations Committee	
AB 1203 (Ma) Proposition 1B: Transit Security Funding	Requires the California Emergency Management Agency (Cal EMA) to administer the Proposition 1B bond funds appropriated for the Transit System Safety, Security, and Disaster Response Account, rather than the Office of Emergency Services. No later than February 1 of each year, requires Cal EMA to provide the Controller's Office with a list of the projects and sponsoring agencies eligible to receive an allocation from the account. Upon receipt of this information, requires the Controller's Office to commence any necessary actions to allocate the funds to the sponsoring agencies, including seeking the issuance of bonds for that purpose.	As Introduced	Assembly Governmental Organizations Committee	
AB 1321 (Eng) Advance Infrastructure Mitigation Program	Establishes the Advance Infrastructure Mitigation Program to be administered and implemented by the California Natural Resources Agency. In this regard, authorizes the agency to: (a) prepare, approve and implement regional advance mitigation plans for planned infrastructure projects; (b) acquire, restore, manage, monitor, and preserve lands in accordance with a regional advance mitigation plan; (c) establish mitigation or conservation banks; (d) purchase credits at mitigation or conservation banks if it determines that they would provide biologically appropriate mitigation for planned infrastructure projects; and (e) use, or allow infrastructure planning agencies to use, mitigation credits or values created or acquired under the Advance Infrastructure Mitigation Program to fulfill the mitigation requirements of planned infrastructure projects. Specifies that the purposes of a regional advance mitigation plan are to: (1) provide effective mitigation and conservation of natural resources and natural processes on a landscape, regional or statewide scale to expedite the environmental review of planned infrastructure projects; and (2) facilitate the implementation of measures to mitigate the impacts of those projects in advance of project approval. Allows an infrastructure planning agency to identify planned infrastructure projects for the purposes of including them in a regional advance mitigation plan or for other advance mitigation under the Advance Infrastructure Mitigation Program. Specifies that the Advance Infrastructure Mitigation Program is intended to improve the efficiency and efficacy of mitigation only and is not intended to supplant the requirements of the California Environmental Quality Act (CEQA) or any other environmental law.	4/2/09	Assembly Natural Resources Committee	

State Assembly Bills	Subject	Last Amended	Status	VTA Position
AB 1414 (Hill) STIP Process	<p>Makes a number of changes to state statutes related to the process for programming transportation projects through the State Transportation Improvement Program (STIP) process. Specifically, changes the STIP period to six years in order to add one more year of programming capacity. Retains county shares, but eliminates the four-year county share period and calls for county shares to be calculated during each STIP programming cycle pursuant to the Fund Estimate. Requires the California Transportation Commission (CTC) in its STIP guidelines to indicate the criteria to be used to determine whether to accept or reject a Regional Transportation Improvement Program (RTIP) in its entirety. Provides authority for local agencies to bond against their STIP county shares, subject to an agreement executed with the CTC. Requires the STIP to include all projects funded with state dollars through programs administered by the CTC, not just STIP projects. Calls for programming Transportation Enhancement (TE) funds according to the regional Surface Transportation Program (STP) process, rather than the STIP process. Defines a process for how Allocation Plans should be developed in those cases when actual STIP revenues fall short of the Fund Estimate in a given fiscal year.</p>	4/2/09	Assembly Transportation Committee	Sponsor
ACA 9 (Huffman) Local Governments: Special Taxes	<p>Calls for placing before the voters an amendment to the California Constitution to allow a local agency to impose, extend or increase any special tax if the tax is approved by its electorate by a 55 percent majority. Also allows a local agency to incur indebtedness in the form of general obligation bonds to fund: (a) the construction, reconstruction, rehabilitation, or replacement of public infrastructure improvements and public safety agency facilities; (b) the development of affordable housing; and (c) the acquisition or lease of real estate for public infrastructure improvements, public safety agency facilities and affordable housing, if the bond issuance is approved by its electorate by a 55 percent majority.</p>	As Introduced	Assembly Local Government Committee	
ACA 15 (Arambula) Local Governments: Transportation Special Taxes	<p>Calls for placing before the voters an amendment to the California Constitution to allow a local agency to impose, extend or increase a special tax for the purpose of providing funding for local transportation projects if the tax is approved by its electorate by a 55 percent majority.</p>	As Introduced	Assembly Local Government Committee	Support
ACA 16 (Nestande) State General Obligation Bonds	<p>Calls for placing before the voters an amendment to the California Constitution to allow the Legislature to approve general obligation bond measures only for the purpose of funding long-term infrastructure. Defines "long-term infrastructure" to mean any of the following: (a) the acquisition of land, including easements, rights-of-way and other interests in land; (b) the construction or acquisition of improvements to land, including structures and equipment integral to the operation of those structures; and (c) the construction or acquisition of roadways and water conveyances.</p>	As Introduced	Assembly Appropriations Committee	
ACR 14 (Niello) Global Warming Solutions Act: Economic Analysis	<p>Prior to any regulatory action being taken consistent with the scoping plan for the California Global Warming Solutions Act of 2006, requires the California Air Resources Board (CARB) to perform an economic analysis that would give the state a more complete and accurate picture of the costs and benefits of the act's implementation. Calls upon the governor to use the authority granted by the act to adjust any applicable deadlines for regulations.</p>	3/27/09	Assembly Natural Resources Committee	

State Senate Bills

State Senate Bills	Subject	Last Amended	Status	VTA Position
SB 10 (Leno) Local Vehicle Assessment	Authorizes counties and San Francisco to impose a voter-approved local vehicle assessment at a rate not to exceed 2 percent of the market value of each motor vehicle or trailer coach registered within their respective jurisdictions for general revenue purposes if: (a) the board of supervisors approves an ordinance to that effect by a two-thirds vote; and (b) the assessment is approved by a majority vote of the electorate.	4/13/09	Senate Appropriations Committee	
SB 31 (Pavley) Global Warming Solutions Act: Compliance Revenues	Requires revenues collected pursuant to compliance mechanisms related to the implementation of the California Global Warming Solutions Act of 2006 that are adopted by the California Air Resources Board (CARB) to be deposited in the Air Pollution Control Fund. Allows these revenues to be used for: (a) renewable energy and energy efficiency programs that reduce greenhouse gas emissions, particularly those programs focusing on low-income consumers; (b) investments in technologies to reduce greenhouse gas emissions, especially technologies that provide pollution reduction co-benefits; and (c) green jobs development and training that will reduce greenhouse gas emissions.	As Introduced	Senate Environmental Quality Committee	
SB 104 (Oropeza) Global Warming Solutions Act: Definition of Greenhouse Gases	Includes nitrogen trifluoride in the definition of “greenhouse gases” under the California Global Warming Solutions Act of 2006. For purposes of implementing the act, requires the California Air Resources Board (CARB) to designate as a greenhouse gas any anthropogenic gas one metric ton of which makes the same or greater contribution to global warming as one metric ton of carbon dioxide. For anthropogenic gases that are designated as a greenhouse gas, requires CARB to adopt regulations, including emissions limits and emissions reduction measures.	4/13/09	Senate Environmental Quality Committee	
SB 128 (Padilla) California Climate Change Institute	Creates the California Climate Change Institute to: (a) identify and support climate change research and education to be undertaken at academic and research institutions and laboratories throughout the state; (b) oversee, coordinate and manage a non-duplicative, targeted research and development program for the purposes of achieving the state’s targets for reducing greenhouse gas emissions and mitigating the effects of those emissions; (c) develop effective model education pathways, training, model curriculum, and professional development necessary for emerging green technologies and industries; and (d) ensure that its climate change research is conducted in a manner that is targeted and non-duplicative of other research programs. Specifies that the provisions of the bill would be implemented only to the extent that sufficient funds are appropriated by the Legislature for its purposes.	4/2/09	Senate Environmental Quality Committee	
SB 165 (Lowenthal) Federal Economic Stimulus Bill	Specifies that the investment of federal economic stimulus funds for transportation in California should be guided by both of the following principles: (1) investment in transportation projects should stimulate job creation in the near term and support economic activity in the long term; and (2) transportation projects funded with federal economic stimulus money should contribute to a transportation system that is environmentally sustainable, allowing for mobility of people and goods in the cleanest and most efficient manner possible.	4/14/09	Senate Transportation and Housing Committee	

State Senate Bills	Subject	Last Amended	Status	VTA Position
SB 205 (Hancock) Vehicle Registration Surcharges	<p>Authorizes a countywide transportation planning agency to place a measure before its voters to impose an annual surcharge of up to \$10 on each motor vehicle registered within its county to fund transportation-related programs and projects. Provides that the ballot measure must be approved by a simple majority vote of the county's electorate before such a surcharge could be imposed. Requires the governing board of the countywide transportation planning agency to: (a) adopt a resolution by a majority vote to put the surcharge on the ballot; (b) make a finding of fact by a majority vote that the programs and projects to be funded with surcharge revenues have a relationship or benefit to the persons who will be paying the surcharge, and are consistent with the applicable Regional Transportation Plan (RTP); and (c) adopt an expenditure plan programming the surcharge revenues to transportation-related programs and projects that have a relationship or benefit to the persons paying the surcharge. Specifies that the programs and projects included in the expenditure plan may serve the following purposes: (a) providing matching dollars for funding made available for transportation programs and projects from state general obligation bonds; (b) creating or sustaining congestion mitigation programs and projects; and (c) creating or sustaining pollution mitigation programs and projects. If requested by a countywide transportation planning agency, requires the Department of Motor Vehicles to collect the surcharge approved by the voters upon the registration or renewal of registration of any motor vehicle in the applicable county, except for those vehicles that are expressly exempt from the payment of registration fees. Requires the countywide transportation planning agency to pay for the initial set-up and programming costs identified by the Department of Motor Vehicles through a direct contract with the department. Allows the countywide transportation planning agency to be reimbursed for these costs through the initial revenues generated by the surcharge.</p>	4/14/09	Senate Appropriations Committee	Support
SB 391 (Liu) California Transportation Plan	<p>Requires Caltrans to update the California Transportation Plan every five years. Requires the plan to address how the state would achieve maximum feasible emissions reductions in order to attain a statewide reduction of greenhouse gas emissions to 1990 levels by 2020 and 80 percent below 1990 levels by 2050. Requires the plan to identify the statewide integrated multimodal transportation system needed to achieve these results. Requires the plan to consider all of the following subject areas with regard to the movement of people and freight: (a) mobility and accessibility; (b) integration and connectivity; (c) efficient system management and operation; (d) existing system preservation; (e) safety and security; (f) economic development, including productivity and efficiency; and (g) environmental protection and quality of life.</p>	4/23/09	Senate Environmental Quality Committee	
SB 400 (Corbett) Green Vehicles	<p>Allows the California Alternative Energy and Advanced Transportation Financing Authority to provide financing for the development and commercialization of "California green vehicles," as defined. Specifies that projects that develop, manufacture or improve vehicle technologies providing for advanced internal combustion engines with a 30 percent or better efficiency level over current market standards are eligible to receive funding under the Alternative and Renewable Fuel and Vehicle Technology Program administered by the California Energy Resources Conservation and Development Commission.</p>	4/23/09	Senate Environmental Quality Committee	

State Senate Bills	Subject	Last Amended	Status	VTA Position
SB 409 (Ducheny) Department of Railroads	Creates the Department of Railroads within the California Business, Transportation and Housing Agency. Transfers to the department all state programs and responsibilities related to the following: (1) intercity passenger rail; (2) high-speed rail; (3) rail goods movement; and (4) rail-highway grade crossings and separations. Requires the department to conduct an analysis of the state's freight rail transportation system every two years. Requires the department to coordinate regional planning efforts throughout the state relative to rail transportation. Specifies that the department shall be the only state agency eligible to apply for and receive grant and loan funds from the federal government or other sources for intercity rail, high-speed rail and freight rail purposes. Provides that the California High-Speed Rail Authority shall be a division of the department.	As Introduced	Senate Transportation and Housing Committee	
SB 485 (Wright) SHOPP Funding	Enacts the State Highway Operation and Protection Program Emergency Funding Act. States the intent of the Legislature to provide adequate funding to meet the needs of the State Highway Operation and Protection Program (SHOPP) in FY 2010.	As Introduced	Senate Transportation and Housing Committee	
SB 716 (Wolk) TDA: Vanpool Services	Allows operating and capital expenditures related to vanpool services, including vanpool services for transporting farmworkers to and from work, to be eligible to receive funding under the Transportation Development Act (TDA).	As Introduced	Senate Transportation and Housing Committee	
SCA 3 (Wyland) Proposition 42 Suspensions	Calls for placing before the voters an amendment to the California Constitution to eliminate the ability of the Governor and the Legislature to suspend the transfer of gasoline sales tax revenues pursuant to Proposition 42 from the General Fund to the Transportation Investment Fund (TIF). Prohibits the loaning of TIF revenues under any circumstances. Prohibits the enactment of a statute that would reduce the extent to which gasoline sales tax revenues are deposited into the General Fund for transfer to the TIF for transportation purposes.	As Introduced	Senate Revenue and Taxation Committee	
SCA 5 (Hancock) State Budget	Calls for placing before the voters an amendment to the California Constitution to allow for General Fund appropriations in the state budget bill to be enacted by the Legislature with a majority vote.	As Introduced	Senate Rules Committee	
SCA 10 (Ducheny) Constitutional Amendments	Calls for placing before the voters an amendment to the California Constitution regarding statewide initiative measures. Specifically, requires the Secretary of State's Office to transmit a copy of an initiative measure certified for the ballot that would amend the constitution to both the Senate and Assembly no later than 176 days prior to the election at which the measure is to be considered by the electorate. Within 30 days, allows the Legislature to propose an amended form of the initiative measure by adopting a concurrent resolution. If the sponsors of the initiative measure accept the proposed amendments, requires the Legislature's proposal to appear on the ballot in place of the certified initiative measure. If the amended form proposed by the Legislature is not accepted, requires information regarding the proposed amended form to be included in the ballot materials related to the initiative measure.	As Introduced	Senate Elections, Reapportionment and Constitutional Amendments Committee	

**CALIFORNIA STATE LEGISLATURE
2009 Regular Session Calendar**

DAY	JANUARY
1	Statutes signed into law in 2008 take effect.
5	Legislature reconvenes.
10	Budget must be submitted by the Governor to the Legislature on or before this date.
30	Last day to submit bill requests to the Legislative Counsel's Office.

DAY	FEBRUARY
27	Last day for bills to be introduced.

DAY	APRIL
2	Spring Recess begins upon adjournment.
13	Legislature reconvenes from Spring Recess.

DAY	MAY
1	Last day for policy committees to hear and report fiscal bills introduced in their house.
15	Last day for policy committees to hear and report to the floor non-fiscal bills introduced in their house.
29	Last day for fiscal committees to hear and report to the floor bills introduced in their house.

DAY	JUNE
5	Last day for bills to be passed out of their house of origin.
15	Budget must be passed by midnight.

DAY	JULY
10	Last day for policy committees to hear and report bills introduced in the other house.
17	Summer Recess begins upon adjournment, provided that the budget bill has been enacted.

DAY	AUGUST
17	Legislature reconvenes from Summer Recess.
28	Last day for fiscal committees to hear and report to the floor bills introduced in the other house.

DAY	SEPTEMBER
4	Last day to amend bills on the Assembly and Senate floors.
11	Last day for each house to pass bills. Interim Recess begins at the end of this day's session

DAY	OCTOBER
11	Last day for the Governor to sign or veto bills passed by the Legislature before September 11, and in his possession after September 11.

DAY	JANUARY 2010
4	Legislature reconvenes.



Date: May 11, 2009
 Current Meeting: May 21, 2009
 Board Meeting: N/A

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
 Administration & Finance Committee

THROUGH: General Manager, Michael T. Burns

FROM: Chief Administrative Officer, Bill Lopez

SUBJECT: Third Quarter FY 2009 Public Liability/Property Damage Claims Activity

FOR INFORMATION ONLY

BACKGROUND:

The VTA Public Liability/Property Damage (PL/PD) Program is self-insured to \$3 million per occurrence. An excess insurance policy is in place to cover large losses. Claims are adjusted by a third party administrator (TPA), John Glenn Adjusters and Administrators.

DISCUSSION:

In third quarter FY 2009, VTA received 173 new PL/PD claims (See Attachment A), which is a 3% decrease in new claims when compared to third quarter FY 2008 (178 claims). The open claims inventory (563 claims) decreased by 14% or by twenty claims when compared to last year (See Attachment B). Open reserves for all claims decreased by 57% or \$4,485,161 during third quarter FY 2009 as the result of the settlement of a large claim. Payments issued during third quarter FY 2009 (\$124,509) decreased by 26% or \$44,590 when compared to third quarter FY 2008 (See Attachment C).

Third Quarter Comparison

Category	FY 2009	% Change	FY 2008
Bus Hub Miles	4,531,600	(1%)	4,561,708
Rail Miles	911,142	1%	899,010
New Claims	173	(3%)	178
Number of Open Claims	563	(14%)	583
Open Reserves	\$3,432,110	(57%)	\$7,917,271
Payments	\$124,509	(26%)	\$169,099

Top Cause of Claims By Frequency

BUS

The top cause of bus claims by frequency in both third quarter FY 2009 (25 claims) and third quarter FY 2008 (23 claims) was due to sudden stops, causing passengers to fall. This information has been provided to the Technical Training Department to assist them in refresher training courses for Bus Operator education.

RAIL

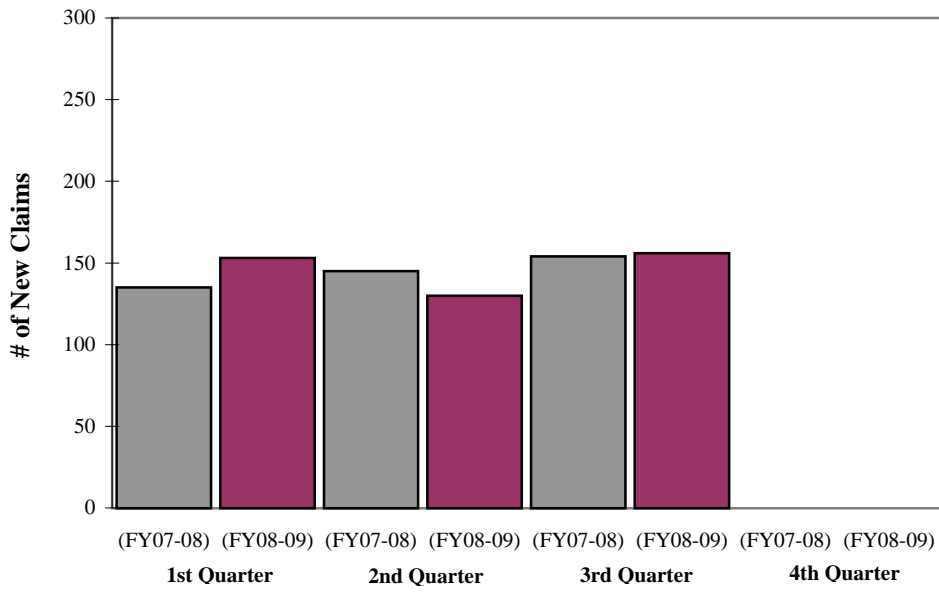
The top cause of rail claims by frequency in third quarter FY 2009 (3 claims) was due to pedestrians/passengers fall on light rail platform. Staff investigated the cause of these falls and found no platform defect. The top cause of rail claims in third quarter FY 2008 (3 claims) was due to vehicles turning left in front of the light rail vehicle and contact was made.

VTA staff performed a study and developed recommendations for mitigation of left hand turn related accidents. A pilot program to implement several of the mitigation measures at test locations is scheduled for calendar year 2009.

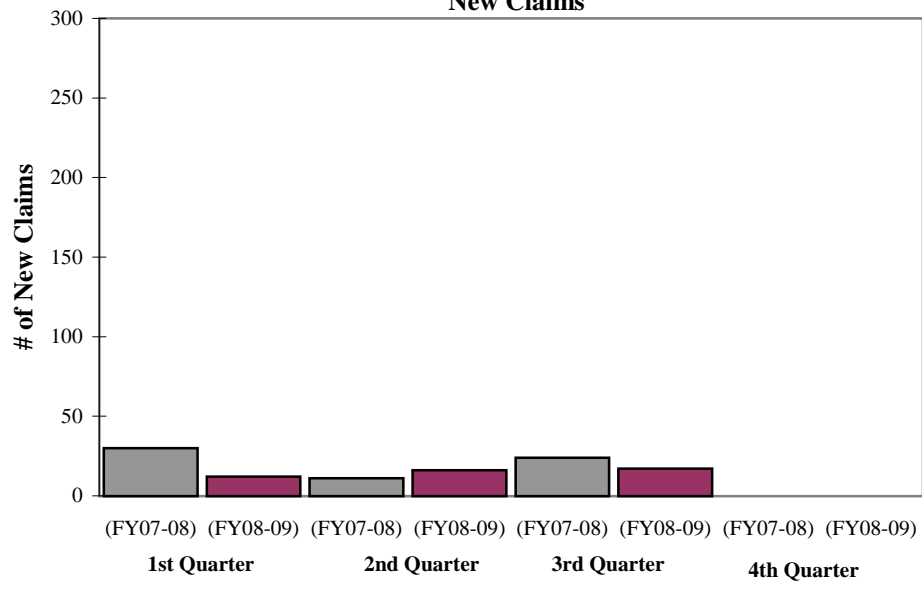
Prepared By: Nanci G. Eksterowicz

**Risk Management
Public Liability/Property Damage Claims Report
Comparison of 3rd Quarter FY 2009 Claims Activity
Administrative Services Division**

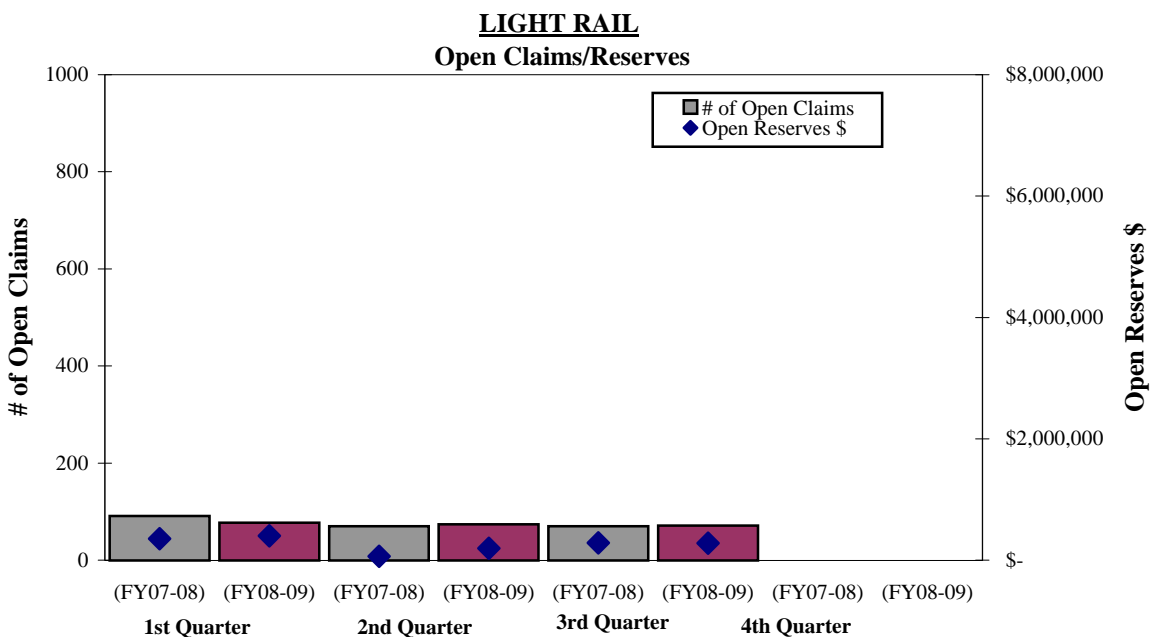
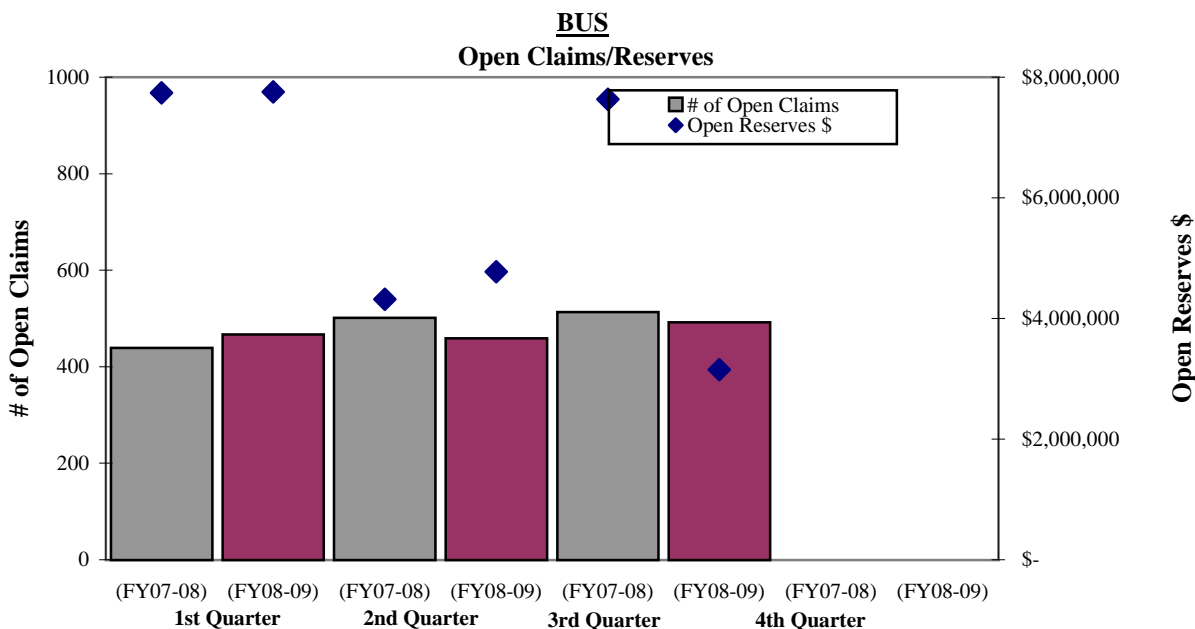
BUS
New Claims



LIGHT RAIL
New Claims

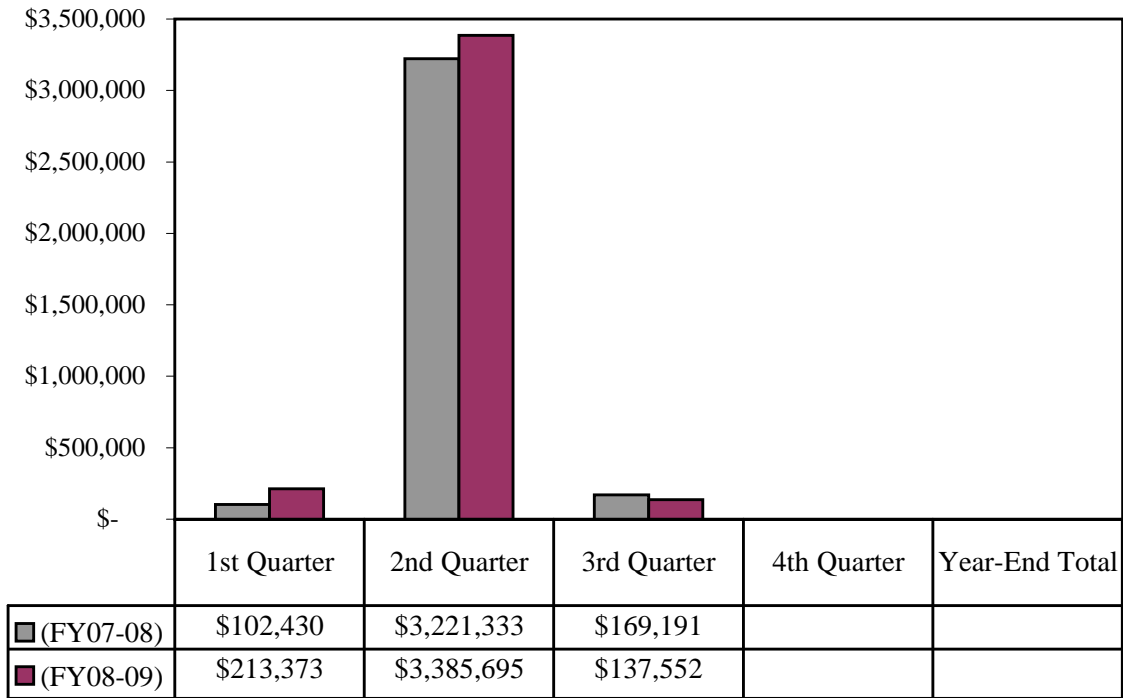


**Risk Management
Public Liability/Property Damage Claims Report
Comparison of 3rd Quarter FY 2009 Claims Activity
Administrative Services Division**



**Risk Management
Public Liability/Property Damage Claims Report
Comparison of 3rd Quarter FY 2008 and FY 2009 Payments
Administrative Services Division**

**Comparison of FY 2008-2009
3rd Quarter Payments**





Date: May 12, 2009
 Current Meeting: May 21, 2009
 Board Meeting: N/A

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
 Administration & Finance Committee

THROUGH: General Manager, Michael T. Burns

FROM: Chief Administrative Officer, Bill Lopez

SUBJECT: Third Quarter FY 2009 Report of Workers' Compensation Claims and
 Transitional Work Program

FOR INFORMATION ONLY

BACKGROUND:

VTA is self-insured for Workers' Compensation benefits and utilizes a third party administrator (Tristar) for claims adjusting to provide benefits to industrially injured employees as required by the California Labor Code.

DISCUSSION:

In third quarter FY 2009 VTA experienced a 26% decrease in Workers' Compensation claims with 64 claims reported, compared to 86 claims reported for third quarter FY 2008. (See Attachment A). Two claims this quarter represent over half the new lost time days. One was a severe laceration and one was a broken ankle, neither of which were able to be accommodated by VTA's transitional work (light duty) program. The circumstances of these accidents have been investigated for appropriate remedial action. These claims contributed to the 161% increase in lost workdays for new claims reported in the third quarter FY 2009 (201 days) compared to third quarter FY 2008 (77 days). Lost workdays for all dates of injury decreased by 24% when compared to the data from third quarter 2008. Overall total new claims reported continue to be lower than last year by 13%.

Payments increased by \$172,309 or 19% in comparison to third quarter FY 2008. (See Attachment B and the following table). Medical and indemnity costs represent the bulk of the increase this quarter.

Third Quarter Comparison

Category	FY 2009	% Change	FY 2008
Number of Employees	2,090	1%	2,065
New Claims Reported	64	(26%)	86
New Claims Lost Work Days	201	161%	77
Number of Open Claims	576	(13%)	661
Open Reserve	\$15,611,639	(9%)	\$17,098,804
Payments	\$1,099,558	19%	\$927,249
Lost Work Days	1,280	(24%)	1,682

Transitional Work Program

In the third quarter FY 2009, 47 employees participated in the Transitional Work Program. Of the 47 participants, 28 entered the program as a result of industrial injury. This has produced a savings of industrial injury temporary disability payments of \$54,396.

Top Cause of Injury by Frequency and Severity

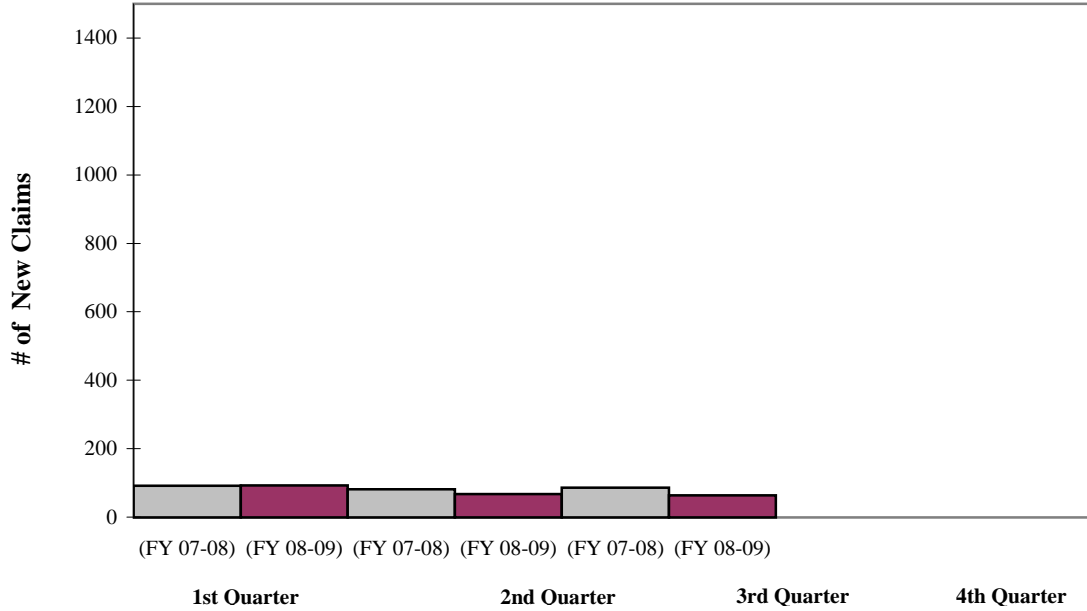
Shoulder injuries were the top claim reported for frequency with 10 claims. Staff investigated the cause and no trend was noted. The ten shoulder claims accounted for 22% of the total new reserves. Last year 10 shoulder claims were reported in the third quarter. There were seven back claims that accounted for 8% of the total new reserve.

Risk Management continues to conduct monthly Risk Analysis meetings with Division Superintendents to discuss loss trends and corrective actions.

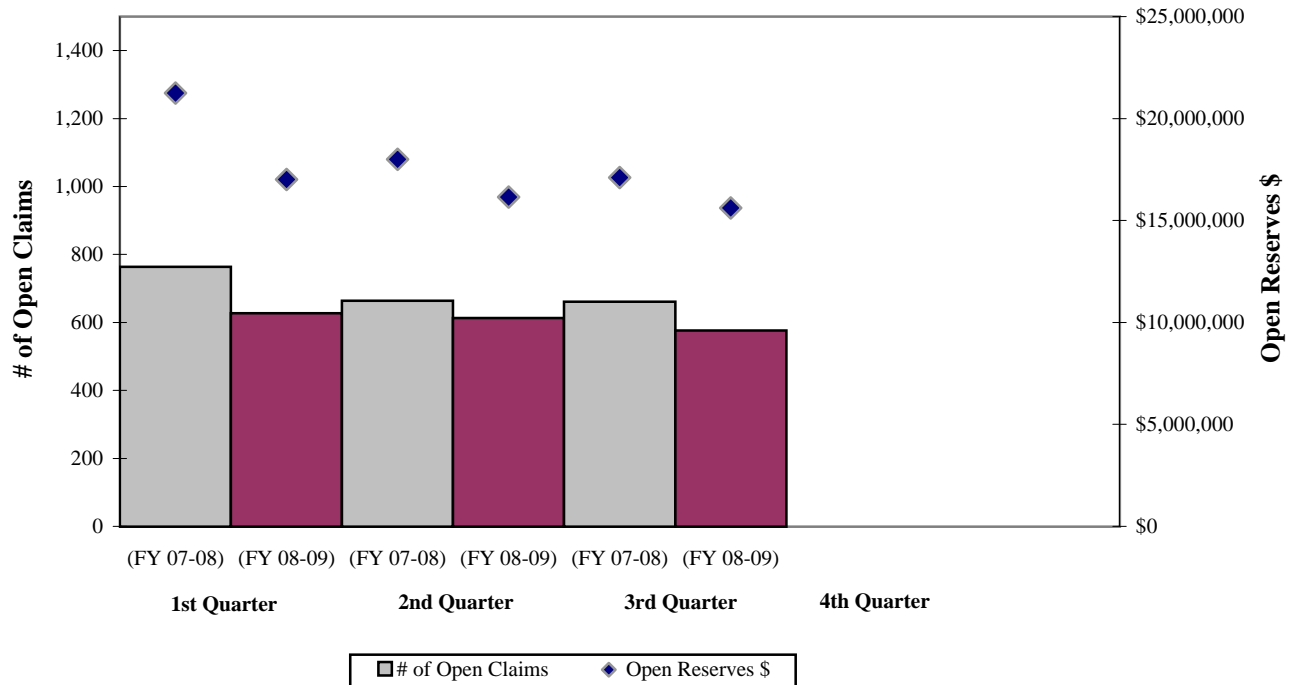
Prepared By: Nanci G. Eksterowicz

**Risk Management
Workers' Compensation Claims Report
Comparison of 3rd Quarter FY 2009 Claims Activity
Administrative Division**

New Claims

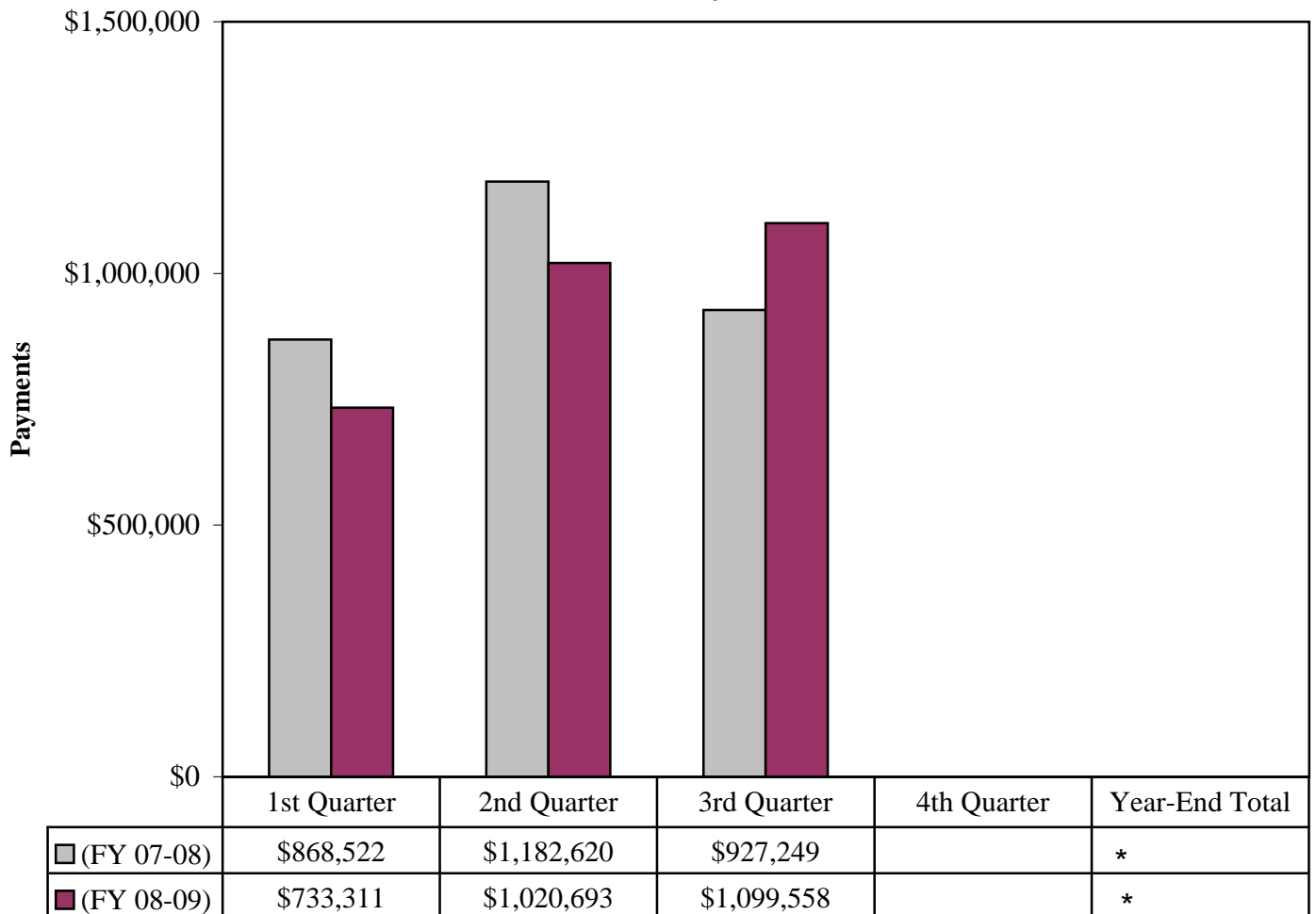


Open Claims/Reserves



**Risk Management
Workers' Compensation Claims Report
Comparison of 3rd Quarter FY 2008 and FY 2009 Payments
Administrative Services Division**

**Comparison of FY 2008-2009
3rd
Quarter Payments**



*Year-End Total incorporates financial adjustments on a quarterly basis.



Date: May 11, 2009
Current Meeting: May 21, 2009
Board Meeting: N/A

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Administration & Finance Committee

THROUGH: General Manager, Michael T. Burns

FROM: Chief Financial Officer, Joseph T. Smith

SUBJECT: Quarterly Purchasing Report

FOR INFORMATION ONLY

DISCUSSION:

The Administrative Code delegates limited contracting authority to the General Manager. This report summarizes the procurements completed, excluding purchases made under \$25,000 and those previously approved by the Board of Directors. This report also includes information about pending and upcoming procurements.

QUARTERLY PURCHASING REPORT

January 1, through March 31, 2009

PURCHASES GREATER THAN \$25,000

Not previously approved by the VTA Board of Directors

PURCHASE ORDERS:

These contracts were awarded using a formal Invitation For Bid process, and the awards were made to the lowest responsive, responsible bidder.

ITEM PURCHASED	VENDOR	PO VALUE
Fuel Injector Rebuilds	Cummins West	\$ 44,773
Used Cubicle Furniture & Install.	Solutions Office Interiors	\$ 58,150
LRV Tire Kits	Penn Machine Co.	\$ 354,627
LRV Analog Control Valves	Knorr Brake	\$ 26,983
Radiator Repair Contract (7 Yrs.)	San Jose Radiator	\$ 755,353
Hydrogen Fuel & Station Lease	Air Products	\$ 239,325
Transmission Parts Contract (7Yrs.)	Specialty Truck Parts	\$ 2,061,672
Bus Parts	New Flyer Ind.	\$ 27,579
Rail Track Grease	Neleco, Inc.	\$ 72,050
Software	Trapeze Software Group, Inc.	\$ 106,274
SAP Consulting	SAP America Public Sector, Inc.	\$ 234,360
McAfee License Renewal	Compucom Corp.	\$ 39,361
Software Maintenance Renewal	SAP America Public Sector, Inc.	\$ 28,750
Web Security Websense Support	Compucom Corp.	\$ 26,252
SAP SCM Training	SAP America Public Sector, Inc.	\$ 26,750
SVRT Move to Milmont Site	RFI Communications	\$ 27,677
Microsoft Office Licenses	Compucom Corp.	\$ 44,431
LR DC Power Supply	Rail Transit Consultants	\$ 34,857
TVM Smart Cards	VenTek Transit, Inc.	\$ 88,416
Repair Fuel Pumps	Cummins West	\$ 48,217
Security System for Milmont Site	RFI Communications	\$ 26,542
Communications for Milmont Site	AdvanTel, Inc.	\$ 121,834
Communications for Milmont Site	AT&T Datacom	\$ 164,959
IT Tape Backup Unit	Compucom Corp.	\$ 47,425
HP Compaq Computers	Compucom Corp.	\$ 27,636
McAfee Virusscan License Renewal	Compucom Corp.	\$ 67,378
Fuel Dispensing Equip. Maintenance	Balch Petroleum	\$ 220,700
	PO TOTAL	\$ 5,022,331

CONSTRUCTION AND FACILITIES MAINTENANCE:

These contracts were awarded using a formal Invitation For Bid process, and the awards were made to the lowest responsive, responsible bidder

PROJECT	CONTRACTOR	CONTRACT AMOUNT
Bus Stop Pavement Improvements	Sposeto Engineering, Inc.	\$ 35,973
Cerone O&R Security Improvements	Pacific West Security	<u>\$ 86,300</u>
CONSTRUCTION TOTAL		\$ 122,273

SERVICE AGREEMENTS:

Service Agreements were awarded using a Request For Proposal process, and the awards were made to the firm whose proposal is evaluated against multiple criteria and awarded on the basis of which offer is the most advantageous to VTA. Evaluation criteria, including price, are used in the determination of which proposal is the most advantageous.

PROJECT	CONTRACTOR	CONTRACT AMOUNT
ATU Small Cap Equity Fund Manager	Wedge Capital Management LLC	\$ 75,000
Language Translation & Desk Top Publishing	International Contact	\$ 50,000
Language Translation & Desk Top Publishing	Jungle Communications	<u>\$ 50,000</u>
SERVICE AGREEMENTS TOTAL		\$ 175,000

PURCHASE ORDERS BEING PROCESSED:

The following are commodity procurements that were in process during the quarter:

ITEMS TO BE PURCHASED	ESTIMATED VALUE	CURRENT STATUS
LR Left Turn Signals	>\$ 150,000	Award Pending
Low Floor Buses	>\$ 70,000,000	Proposals Due 5/28
Low Floor Artic Buses	>\$ 35,000,000	Awaiting Specifications
Bus Brake Shoe Contract	>\$ 250,000	Evaluating Bids
Hybrid Non-revenue Vehicles	>\$ 500,000	Evaluating Bids
Electric Forklift	>\$ 30,000	Evaluating Bids
GPS Equipment	>\$ 200,000	Bids Due 4/24
Janitorial/Cleaning Supply Contract	>\$ 1,000,000	Bids Due 4/17
Prevent. Maint. Floor Scrubbers, Etc.	>\$ 250,000	Evaluating Bids

Awards for the services of Architects, Engineers and certain others cannot use price as an evaluation criterion. (California Government Code Section 4526)

CONSTRUCTION AND FACILITIES MAINTENANCE AGREEMENTS TO BE PURCHASED:

The following are construction and facility maintenance agreements that were in process during the quarter.

AGREEMENTS TO BE PURCHASED	ESTIMATED VALUE	CURRENT STATUS
Laser Intrusion Detection System	>\$ 250,000	Awaiting Board Approval
CCTV Phases 1,2 & 3	>\$ 500,000	Awaiting Board Approval
LR Signals Installation	>\$ 250,000	Award Pending
Cerone Security Fencing	>\$ 1,000,000	Awaiting Scope

SERVICES TO BE PURCHASED:

The following are service procurements that were in process during the quarter:

SERVICES TO BE PURCHASED	ESTIMATED VALUE	CURRENT STATUS
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CONSTRUCTION CONTRACTOR PRE-QUALIFICATION ACTIVITY:

Project	No. Primes Pre-Qual	No. Subs Pre- Qual	No. Denials	No. Appeals
No Pre-qualification activity in Month	-0-	-0-	-0-	-0-

Prepared By: Thomas Smith



Date: May 1, 2009
 Current Meeting: May 21, 2009
 Board Meeting: June 4, 2009

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
 Administration & Finance Committee

THROUGH: General Manager, Michael T. Burns

FROM: Chief Financial Officer, Joseph T. Smith

SUBJECT: Quarterly Revenue & Expense Statement

Policy-Related Action: No

Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

Review and accept the Fiscal Year 2009 Quarterly Statement of Revenues and Expenses for the period ending March 31, 2009.

DISCUSSION:

This memorandum provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through March 31, 2009. The schedule has been designed to follow the same company-wide line item rollup as included in the adopted budget. The columns have been designed to provide easy comparison of actual to budget activities for the current fiscal year, along with a column reflecting the percentage of the budget exhausted (actual revenue received or funds expended) to date. The current staff projections of Revenues and Expenses for Fiscal Year 2009 are also included.

The following are highlights of the current Statement of Revenues and Expenses:

Revenues

Fiscal year-to-date Total Revenues (line 12) are below budget estimates by \$18.4M, primarily due to unfavorable variances in Sales Tax-based accounts, including 1/2 Cent Sales Tax (line 2), TDA (line 3), and Measure A Sales Tax Operating Assistance (line 4), as well as STA (line 5) and Investment Earnings (line 9). This shortfall was partially offset by positive variances in Fares (line 1), Federal Operating Grants (line 6), and Other Income (line 11).

Fares (line 1) shows a favorable variance of \$2.1M through the first nine months of the year, the

result of increased ridership attributable to high gasoline prices earlier in the year and implementation of the new bus service plan in January 2008. While currently declining gas prices and the uncertain economy may have a negative effect on ridership and fare revenue, FY2009 fares are projected to exceed FY2008 levels by 4.5%.

Sales Tax-based revenues, including 1/2 Cent Sales Tax (line 2), TDA (line 3), and Measure A Sales Tax Operating Assistance (line 4), accounted for a collective shortfall of \$27.5M below budget estimates. This is a reflection of the impact of a slowing economy upon locally generated taxable sales. Current projections for these three revenue sources for FY 2009 reflect a 6.4% decrease from FY 2008.

State Transit Assistance, or STA (line 5), has fallen victim to the State's severe budget crisis that will result in an overall 50% reduction in FY 2009 funding.

Federal Operating Grants (line 6) shows an increase of \$10.7M over budget, the result of utilizing Section 5307 grant funds for preventive maintenance that were previously programmed for capital. This action was necessitated by the dramatic reduction in sales tax-based revenues, and those capital costs are now being back-filled with debt-reduction funds.

Investment Earnings (line 9) reports a negative variance of \$3.0M from budget, the result of a one-time bond swap termination payment, along with lower than anticipated interest rates.

Other Income (line 11) exceeds year-to-date budget by \$1.5M primarily due to receipt of a one-time lease transfer fee and higher than budgeted interest rates related to Measure A Bond repayments.

Expenses

Overall, Fiscal year-to-date Total Expenses (line 45) were \$16.4M below budget driven primarily by favorable variances in Labor Costs (line 13), Materials and Supplies (line 14), Professional & Special Services (line 16), Other Services (line 17), Fuel (line 18), Employee-related Expense (line 26), Miscellaneous (line 28), and Paratransit (line 31). These favorable variances are partially offset by an unfavorable variance in Reimbursements (line 29).

Labor Costs (line 13) show a favorable variance of \$12.7M, primarily due to open positions. Projections reflect a continuation of this trend through the end of the fiscal year tempered somewhat by increases from the new ATU contract.

Materials and Supplies (line 14) reflects a positive variance of \$1.2M, primarily related to savings in costs in support of maintaining the bus and light rail fleet.

Professional & Special Services (line 16) and Other Services (line 17) have positive variances of \$1.9M and \$0.6 respectively, generally due to timing of contracted activities.

Recovering from the extremely high oil prices at the beginning of the fiscal year, Fuel (line 18) is now tracking below budget by \$1.2M. The year-to-date average price paid for diesel fuel through March 31 was \$2.27 per gallon versus a budget assumption of \$2.62.

Employee-Related Expenses (line 26) includes expenses related to attending workshops and conferences, travel, education and training. VTA is currently trending \$0.6M under budget in this category primarily the result of cost-control measures.

Miscellaneous costs (line 28) shows a year to date savings of \$0.5M, primarily due to the reduction of administration of a pass-through grant program, along with savings in a variety of other accounts, including legal notices and memberships.

Reimbursements (line 29) are derived primarily from activities within the capital program. The year-to-date negative variance of \$6.4M is due to timing of reimbursable project activities, revisions to the Indirect Cost Allocation Plan methodology, and vacancies in positions that are charged to reimbursable activities.

Paratransit (line 31) shows a positive variance of \$1.8M through the third quarter, the product of continued efficiency strategies to contain costs, despite growth in passenger rides.

SUMMARY:

Through the first nine months of the year, revenues fell short of budgeted projections by \$18.4M while expenses were \$16.4M below budget estimates, for an overall negative variance of revenues over expenses (line 46) of \$2.0M.

FISCAL IMPACT:

There is no fiscal impact as a result of this action.

Prepared by: Jim McCutchen, Manager, Budget Administration

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES AND EXPENSES
Fiscal Year 2009
through March 31, 2009
(In thousands)

Line	Category	Fiscal Year-to-Date Actual	Fiscal Year-to-Date Budget	Year-to-Date Variance	FY 2009 Current Budget ¹	% of Budget Received/ Expended	FY 2009 Projection ²
1	Fares	\$27,432	\$25,332	\$2,100	\$34,015	80.65%	\$37,450
2	1/2 Cent Sales Tax	112,649	133,212	(20,563)	179,531	62.75%	152,021
3	TDA	60,435	63,621	(3,186)	84,829	71.24%	78,417
4	Measure A Sales Tax-Oper Asst ³	20,845	24,587	(3,742)	33,136	62.91%	28,059
5	STA	4,710	7,064	(2,355)	9,419	50.00%	4,459
6	Federal Operating Grants	23,346	12,623	10,723	17,084	136.65%	33,440
7	State Operating Grants	1,038	1,000	39	1,333	77.89%	1,333
8	Local Operating Grants	-	-	-	-	N/A	-
9	Investment Earnings	753	3,794	(3,041)	5,059	14.89%	489
10	Advertising Income	1,444	1,383	61	1,844	78.33%	1,844
11	Other Income	8,259	6,714	1,546	13,437	61.47%	13,683
12	Total Revenues	\$260,912	\$279,331	(\$18,419)	\$379,686	68.72%	\$351,195
13	Labor Costs	\$186,681	\$199,361	\$12,680	\$265,972	70.19%	\$250,103
14	Materials & Supplies	11,803	12,969	1,166	17,421	67.75%	17,218
15	Security	5,821	5,684	(138)	7,579	76.81%	7,641
16	Professional & Special Services	2,327	4,191	1,864	5,984	38.89%	3,887
17	Other Services	6,235	6,798	563	10,087	61.81%	9,331
18	Fuel	9,090	10,282	1,192	13,303	68.32%	11,051
19	Traction Power	2,310	2,784	475	3,735	61.84%	3,438
20	Tires	1,079	1,177	99	1,570	68.71%	1,556
21	Utilities	1,910	1,882	(28)	2,509	76.11%	2,509
22	Insurance	4,366	4,416	50	5,898	74.02%	5,836
23	Data Processing	1,812	1,991	178	3,121	58.07%	3,121
24	Office Expense	291	324	33	441	65.93%	441
25	Communications	878	870	(9)	1,448	60.65%	1,191
26	Employee Related Expense	611	1,252	641	1,661	36.78%	723
27	Leases & Rents	3,401	3,458	57	3,596	94.57%	3,375
28	Miscellaneous	542	1,269	726	1,710	31.71%	950
29	Reimbursements	(33,894)	(40,265)	(6,371)	(53,687)	63.13%	(44,102)
30	Subtotal Operating Expense	\$205,263	\$218,442	\$13,179	\$292,350	70.21%	\$278,269
31	Paratransit ⁴	\$23,051	\$24,806	\$1,755	\$32,666	70.57%	\$32,007
32	Caltrain	11,997	12,602	606	16,619	72.19%	15,995
33	Light Rail Shuttles	22	204	182	207	10.84%	95
34	Altamont Commuter Express	2,872	3,079	207	4,106	69.94%	3,945
35	Highway 17 Express	217	359	142	479	45.32%	369
36	Dumbarton Express	284	379	95	505	56.25%	433
37	Monterey-San Jose Express Service	26	82	55	109	24.29%	48
38	Contribution to Other Agencies	1,223	1,242	19	1,405	87.06%	1,405
39	Debt Service	11,752	11,971	219	22,041	53.32%	20,500
40	Other Expense	20	-	(20)	-	N/A	-
41	Subtotal Other Expense	\$51,464	\$54,723	\$3,259	\$78,136	65.86%	\$74,797
42	Operating & Other Expenses	\$256,728	\$273,165	\$16,438	\$370,486	69.29%	\$353,066
43	Contingency	-	-	-	2,000	0.00%	2,000
44	Contingency Utilization	-	-	-	(753)	N/A	(753)
45	Total Expenses	\$256,728	\$273,165	\$16,438	\$371,734	69.06%	\$354,313
46	Surplus/(Deficit) to Reserves	\$4,184	\$6,165	(\$1,981)	\$7,953		(\$3,118)

¹ Reflects Adopted Budget approved by the Board on June 7, 2007 and transfers between line items

² Reflects current staff projection as of 4/10/09

³ Represents 18.5% of tax for support of operations

⁴ Includes allocation of indirect costs

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
SOURCES AND USES OF FUNDS SUMMARY
Fiscal Year 2009
through March 31, 2009
(In thousands)

<u>Line</u>	<u>Description</u>	<u>FY 2009 Adopted Budget¹</u>	<u>FY 2009 Revised Budget²</u>	<u>FY 2009 Projection³</u>
1	Total Revenues	\$379,686	\$379,686	\$351,195
2	Total Operating Expenses	<u>371,734</u>	<u>371,734</u>	<u>354,313</u>
3	Operating Revenues Over (Under) Expenses	\$7,952	\$7,952	(\$3,118)
4	Total VTA Transit Capital	\$53,653	\$43,653	\$49,901
	LESS:			
5	Funding from Grants & Other Sources	<u>(35,692)</u>	<u>(24,097)</u>	<u>(24,097)</u>
6	VTA Transit Share, drawn from Reserves	\$17,961	\$19,556	\$25,804
7	Beginning Reserves	\$54,629	\$54,629	\$54,629
8	Operating Revenues Over (Under) Expenses	7,952	7,952	(3,118)
9	From (To) Debt Reduction Fund for Capital	11,140	12,735	25,804
10	VTA Transit Funds, drawn from Reserves for Capital	<u>(17,961)</u>	<u>(19,556)</u>	<u>(25,804)</u>
11	Ending Operating Reserves	\$55,760	\$55,760	\$51,510
12	Operating Reserve % ⁴	15.0%	15.0%	13.9%

¹ Adopted Budget approved by the Board on June 7, 2007

² Reflects transfer of \$10M Capital appropriation from FY09 to FY08 approved by BOD 12/13/07 and additional appropriation of \$6.248M approved by BOD 11/06/08

³ Reflects current staff projection as of 4/10/09

⁴ Line 11 divided by Budgeted Line 2



Date: May 13, 2009

Current Meeting: May 21, 2009

Board Meeting: June 4, 2009

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Administration & Finance Committee

THROUGH: General Manager, Michael T. Burns

FROM: Chief Financial Officer, Joseph T. Smith

SUBJECT: Fare Increase Proposal

Policy-Related Action: Yes

Government Code Section 84308 Applies: No

Resolution

ACTION ITEM

RECOMMENDATION:

1. Adopt a finding that a fare increase is necessary to meet operating expenses, including employee wages and fringe benefits and purchasing or leasing supplies, equipment, or materials.
2. Invoke a Statutory Exemption under CEQA, P. R.C. §21080(b)(8) and CEQA Guidelines, 14CCR Section 15273(a) (Rates, Tolls, Fares and Charges) for the purpose of modifying and increasing fares.
3. Adopt a resolution establishing new rates and fares for VTA bus, light rail, and paratransit services effective January 1, 2010.

BACKGROUND:

The last significant change to VTA fares took effect in September 2007, when VTA reduced pricing for all day passes and for Youth and Senior/Disabled monthly passes. The last time VTA raised any single ride, day pass, monthly pass, or ADA Paratransit fare was January 2005, and current Eco Pass fares date from January 2004. **Attachment A** provides a summary of VTA fares over the past decade.

Unfortunately, given the enormity of the current fiscal challenge facing VTA, the Recommended FY 2010 – FY 2011 Budget now assumes implementation of across-the-board fare increases to generate an additional \$4-5 million in annual fare revenues. While this action alone will not balance the budget, a fare increase is an important element of VTA's plan to get through the current economic downturn.

Pursuant to the process established in the Fare Policy, a fare increase proposal was presented to the Board of Directors at the April 2009 Board Workshop. In May, we have scheduled community meetings at five locations throughout the County to discuss the proposal and receive public comment. Also in May, the proposed fare changes will be presented to the VTA Board Advisory Committees for review and comment as part of the discussion of the Recommended FY 2010 – FY 2011 Budget. A summary of comments from all these meetings, as well as other public comments received regarding the fare changes, will be provided to the Board of Directors when the proposed fare changes are presented for final consideration.

The proposed fare change meets requirements for a statutory exemption from the California Environmental Quality Act ("CEQA") Public Resources Code section 21080(b)(8); Title 14, California Code of Regulations section 15273(a)). The exemption applies if a fare change is for the purpose of meeting operating expenses, including employee wages and benefits and purchasing or leasing supplies, equipment, and material. As demonstrated in the proposed FY 2010 – FY2011 budget, all fares received by VTA are used to support transit operating expenses within the meaning of the exemption. Therefore, the proposed tariff resolution includes a finding of necessity, and the recommended Board action includes invocation of the statutory exemption from CEQA.

DISCUSSION:

The proposed fare change increases all Single Ride and Community Bus fares by \$0.25, excepting only the Senior/Disabled Community Bus fare which is proposed to remain at \$0.50. Light Rail Excursion Pass, Day Pass, Monthly Pass, and Paratransit fares are proposed to be adjusted accordingly. The table below details current and proposed fixed route fares.

Current vs. Proposed Fixed Route Fares

	Current Fare	Proposed Fare	Change	% Change
ADULT				
Single Ride Cash	\$1.75	\$2.00	\$0.25	14%
Community Bus	\$1.00	\$1.25	\$0.25	25%
Light Rail Excursion Pass	\$3.50	\$4.00	\$0.50	14%
Day Pass	\$5.00	\$6.00	\$1.00	20%
Day Pass Token (bag of 5)	\$22.50	\$27.00	\$4.50	20%
Express Cash	\$3.50	\$4.00	\$0.50	14%
Express Day Pass	\$10.00	\$12.00	\$2.00	20%
Monthly Pass	\$61.25	\$70.00	\$8.75	14%
Express Monthly Pass	\$122.50	\$140.00	\$17.50	14%
YOUTH				
Single Ride Cash	\$1.50	\$1.75	\$0.25	17%
Community Bus	\$0.50	\$0.75	\$0.25	50%
Light Rail Excursion Pass	\$3.00	\$3.50	\$0.50	17%
Day Pass	\$4.00	\$5.00	\$1.00	25%
Day Pass Token (bag of 5)	\$18.00	\$22.50	\$4.50	25%
Monthly Pass	\$40.00	\$45.00	\$5.00	13%
SENIOR/DISABLED				
Single Ride Cash	\$0.75	\$1.00	\$0.25	33%
Community Bus	\$0.50	\$0.50	\$0.00	0%
Light Rail Excursion Pass	\$1.50	\$2.00	\$0.50	33%
Day Pass	\$2.00	\$2.50	\$0.50	25%
Monthly Pass	\$20.00	\$25.00	\$5.00	25%

Eco Pass fares are proposed to be increased 20% for all service and contract tiers as shown in the table below. Supplemental charges for the Dumbarton Express and Highway 17 Express service option (which also provides a benefit on Monterey-Salinas Transit) and the minimum Eco Pass annual contract charge (currently \$1,495) are also proposed to increase 20%.

Current vs. Proposed Eco Pass Fares

Employer and Residential Location/Service Level	1-99 Employees/Residents		100 - 2,999 Employees/Residents		3,000 – 14,999 Employees/Residents		15,000+ Employees/Residents	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
Downtown San Jose	\$120.00	\$144.00	\$90.00	\$108.00	\$60.00	\$72.00	\$30.00	\$36.00
Areas served by bus and light rail	\$90.00	\$108.00	\$60.00	\$72.00	\$30.00	\$36.00	\$15.00	\$18.00
Areas served by bus only	\$60.00	\$72.00	\$30.00	\$36.00	\$15.00	\$18.00	\$7.50	\$9.00

The base ADA One-Way Trip fare is proposed to increase 14% consistent with the change in the fixed route Adult Base Fare. The One-Way Trip fare will increase from \$3.50 to \$4.00. All premium ADA services are proposed to be priced at 4 times the One-Way Trip fare. Since 2003 South County riders have been exempted from paying the premium Service Area fare. The current proposal is to discontinue this exemption.

Current vs. Proposed ADA Paratransit Fares

Service Type	Current Fare	Proposed Fare
One-Way Trip (2x fixed route Adult Base Fare)	\$3.50	\$4.00
Companion (equal to one-way trip)	\$3.50	\$4.00
Open Return Trip (4x one-way trip)	\$7.00	\$16.00
Second Vehicle Sent (4x one-way trip)	\$17.50	\$16.00
No Show (equal to one-way trip)	\$3.50	\$4.00
Same Day Trip (4x one-way trip)	\$14.00	\$16.00
Same Day Trip Companion (4x one-way trip)	\$7.00	\$16.00
Same Day No Show (4x one way trip)	\$14.00	\$16.00
Extended Service Area (4x one-way trip)	\$7.00	\$16.00

Peer Agency Comparison

The current economic situation has adversely impacted not only VTA but also businesses and other transit agencies throughout the nation, and many of our neighboring agencies have either already approved fare increases, or are in the process of doing so. **Attachment B** provides a comparison of proposed VTA fares against existing or adopted fares for other local transit operators.

AC Transit has adopted new fare increases to take effect July 2009, and SFMTA has approved fare increases for July 2009 and further increases to take effect January 2010 (subject to review of the Board of Supervisors). Sacramento Regional Transit and Caltrain increased fares in January 2009, and Samtrans raised fares in February. BART (not shown) has a previously approved fare increase scheduled for January 2010 and is now considering additional and/or earlier fare increases as part of their budget process. Caltrain is also considering implementing further fare increases as early as October 2009.

Title VI Impact Analysis

Per Title VI of the Civil Rights Act, VTA is required to ensure that we provide our services without discrimination. When making significant service and fare changes we are required to do an analysis of these changes to assess their impacts. VTA has analyzed the impacts of the proposed fare changes and found they are consistent with the requirements of Title VI. The proposed changes will increase almost every VTA fare and will impact every VTA rider.

Charter Service

In response to changes in FTA interpretation of charter service regulations, VTA is no longer operating Sports Service to 49er home games, and fares for this service have been removed from the tariff. References to light rail and historic trolley charters have also been removed from the tariff.

Waived Fares for Personal Care Attendants

Persons with disabilities may require personal care attendants (PCAs) in order to be able to travel on transit or paratransit. We are revising Section VI of the tariff to clarify when fares are waived for PCAs (on fixed route service). Specifically, if a personal-care attendant is necessary for an individual to ride paratransit, then a personal-care attendant may ride free of charge when accompanying a qualifying person on fixed route service.

ALTERNATIVES:

The Board of Directors may reject or modify the proposed fare changes.

FISCAL IMPACT:

As shown in the table below, total annualized impact of the proposed changes is an estimated additional \$4.3 million in fare revenue on the fixed route system. Average fare revenue per boarding is projected to be \$0.94 per boarding once all fare changes are implemented, as compared to \$0.82 per boarding in CY 2008 and \$0.80 FYTD in FY 09.

	Baseline (CY 08 adjusted)	Proposed
Annual Revenue	\$36,910,000	\$41,330,000
Change vs Baseline		\$4,420,000
Change vs Baseline, %		12.0%
Annual Ridership	45,300,000	43,910,000
Change vs Baseline		(1,390,000)
Change vs Baseline, %		-3.1%
Avg. Fare per Boarding	\$0.815	\$0.941
Change vs Baseline		\$0.13
Change vs Baseline, %		15.5%

The fare increase will provide an additional \$2.2 million in revenue for FY 2010 and \$4.3 million in revenue for FY 2011.

Forecast results of the proposed fare change on fare revenue and ridership for individual rider categories and fare types are detailed in **Attachment C**.

Reviewed and verified by: Ali Hudda, Deputy Director of Accounting.

Prepared by: David Sausjord, Revenue Services Manager

ATTACHMENT A

VTA Fare Structure History

Fixed Route and ADA Paratransit

FY 2000 through FY 2009

Fares (effective date)	FY 2000 - FY 2002 (July 1999)	FY 2003 (July 2002)	8/2003 - 12/2004 (Aug 2003)	1/2005 - 8/2007 (Jan 2005)	9/2007 to date (Sep 2007)
Fixed Route Service (Bus and Light Rail)					
Adult					
Cash	\$1.25	\$1.40	\$1.50	\$1.75	\$1.75
Community Bus	-	-	-	-	\$1.00
Express	\$2.00	\$2.25	\$3.00	\$3.50	\$3.50
Light Rail Excursion (1)	-	-	-	\$3.50	\$3.50
Day Pass	\$3.00	\$4.00	\$4.50	\$5.25	\$5.00
Day Pass Express	\$5.00	\$6.00	\$9.00	\$10.50	\$10.00
Monthly Pass	\$39.00	\$45.00	\$52.50	\$61.25	\$61.25
Monthly Pass Express	\$63.00	\$72.00	\$90.00	\$122.50	\$122.50
Single Ride Token (Bag of Ten)	\$10.00	-	-	-	-
Day Pass Token (Bag of Five)	-	\$18.00	\$20.25	\$23.60	\$22.50
Annual Pass/12 mo. Subscription	\$429.00	\$495.00	\$577.50	\$674.00	\$674.00
Annual Pass/12 mo. Subsc. Express	\$693.00	\$792.00	\$990.00	\$1,348.00	\$1,348.00
Youth (2)					
Cash	\$0.70	\$0.85	\$1.25	\$1.50	\$1.50
Community Bus	-	-	-	-	\$0.50
Light Rail Excursion (1)	-	-	-	\$3.00	\$3.00
Day Pass	\$1.75	\$2.50	\$3.75	\$4.50	\$4.00
Monthly Pass	\$22.00	\$27.00	\$30.00	\$49.00	\$40.00
Single Ride Token (Bag of Ten)	\$5.50	-	-	-	-
Day Pass Token (Bag of 5)	-	\$11.25	\$16.90	\$20.25	\$18.00
Annual Pass/12 mo. Subscription	\$242.00	\$297.00	\$330.00	\$539.00	\$440.00
Senior/Disabled (2)					
Cash	\$0.40	\$0.45	\$0.75	\$0.75	\$0.75
Community Bus	-	-	-	-	\$0.50
Light Rail Excursion (1)	-	-	-	\$1.50	\$1.50
Day Pass	\$1.00	\$1.25	\$1.75	\$2.25	\$2.00
Monthly Pass	\$9.00	\$11.00	\$17.50	\$26.00	\$20.00
Annual Pass/12 mo. Subscription	\$99.00	\$121.00	\$192.50	\$286.00	\$220.00
ADA Paratransit (3)					
ADA One-Way Trip	\$2.50	\$2.80	\$3.00	\$3.50	\$3.50

(1) Light Rail Excursion passes implemented on promotional basis in June 2006 and placed in tariff in July 2007.

(2) Youth and Senior/Disabled riders can board Express services for the same fare as Local services.

(3) Effective August 1, 2003, persons with ADA paratransit photo ID cards may ride any VTA fixed-route service for free.

ATTACHMENT B

Proposed VTA Fares vs. Other Local Operators

Agency	Effective Date	Adult Single Ride	Youth Single Ride	Senior Disabled Single Ride	Adult Monthly Pass	Youth Monthly Pass	Senior Disabled Monthly Pass	Adult Day Pass	Youth Day Pass	Senior Disabled Day Pass
VTA Proposed		\$2.00	\$1.75	\$1.00	\$70.00	\$45.00	\$25.00	\$6.00	\$5.00	\$3.00
AC Transit	Jul 09	\$2.00	\$1.00	\$1.00	\$80.00	\$15.00	\$20.00	-	-	-
SamTrans *	Feb 09	\$1.75	\$1.00	\$0.75	\$56.00	\$29.00	\$22.00	-	-	-
Sacramento RT	Jan 09	\$2.25	\$1.10	\$1.10	\$100.00	\$50.00	\$50.00	\$6.00	\$3.00	\$3.00
SF MTA (adopted)	Jul 09	\$2.00	\$0.75	\$0.75	\$55.00	\$15.00	\$15.00	unknown	-	-
SF MTA (proposed)	Jan 10	\$2.00	\$0.75	\$0.75	\$60.00	\$20.00	\$20.00	unknown	-	-
Santa Cruz Metro	Jul 04	\$1.50	\$1.50	\$0.75	\$50.00	\$35.00	\$25.00	\$4.50	\$4.50	\$2.25
Caltrain 1 Zone	Jan 09	\$2.50	\$1.25	\$1.25	\$66.25	\$33.00	\$33.00	\$5.00	\$2.50	\$2.50

* Note: Samtrans assesses additional charges for express and other special routes; these charges apply to Youth and Senior/Disabled riders as well as Adult riders.

Attachment C

Detailed Forecast of Ridership and Revenues

Rider Category	Fare Type	Baseline			Forecast		
		Fares	Ridership	Revenue	Fares	Ridership	Revenue
Adult	Cash *	\$1.75	5,073,333	\$8,864,172	\$2.00	4,921,485	\$9,910,407
Adult	Day Pass **	\$5.00	4,846,844	\$5,626,877	\$6.00	4,428,356	\$6,169,247
Adult	Monthly Pass ***	\$61.25	7,881,784	\$7,901,465	\$70.00	7,672,164	\$8,790,081
Youth	Cash *	\$1.50	1,947,797	\$2,917,036	\$1.75	1,848,407	\$3,289,041
Youth	Day Pass **	\$4.00	951,250	\$904,507	\$5.00	818,614	\$972,986
Youth	Monthly Pass	\$40.00	3,442,619	\$2,334,212	\$45.00	3,396,759	\$2,591,008
Senior/Disabled	Cash *	\$0.75	905,952	\$678,381	\$1.00	867,940	\$866,556
Senior/Disabled	Day Pass **	\$2.00	2,038,393	\$946,577	\$2.50	1,971,560	\$1,144,428
Senior/Disabled	Monthly Pass	\$20.00	4,167,380	\$1,361,942	\$25.00	4,030,745	\$1,646,611
various	Eco Pass	\$21.80	5,073,333	\$3,228,721	\$26.16	4,981,921	\$3,804,655
various	Upgrades, Free, Shuttles, Other	\$0.24	8,968,927	\$2,149,109	\$0.24	8,968,927	\$2,149,109
Total Projected Ridership & Revenue			45,300,000	\$36,910,000		43,910,000	\$41,330,000
Change from Baseline						(1,390,000)	\$4,420,000
Revenue per Boarding				\$0.815			\$0.941
Change from Baseline							\$0.126

- "Cash" includes Light Rail Excursion Pass. ** "Day Pass" includes Day Pass Tokens. *** Adult Monthly Pass includes Express Monthly.
- Assumes an elasticity of 30% for most fares
- Budget assumption is an annualized increase of 4.3 million (conservative)

RESOLUTION NO. _____

**RESOLUTION ESTABLISHING RATES & FARES
FOR SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)**

RESOLVED that the following bus, light rail and paratransit rates and fares are hereby adopted by Santa Clara Valley Transportation Authority effective January 1, 2010, whereupon all previously adopted rates and fares are repealed, except as provided in Section VII.

I. Basic Fare Structure

<u>Fare Category</u>	<u>Fares</u>	<u>Requirements/Restrictions</u>
<u>Adult:</u>		
Single Ride	\$2.00	
Community Bus	\$1.25	
Light Rail Excursion Pass	\$4.00	
Day Pass	\$6.00	
Bag of 5 Day Pass Tokens	\$27.00	
Monthly Pass	\$70.00	
Prepaid 12 Monthly Passes	\$770.00	
<u>Express:</u>		
Single Ride	\$4.00	Applies to Adult riders only.
Day Pass	\$12.00	
Monthly Pass	\$140.00	
Prepaid 12 Monthly Passes	\$1,540.00	
<u>Youth:</u>		
Single Ride	\$1.75	<ul style="list-style-type: none"> • Ages 5 through 17. • Proof of age may be required. • Ages 4 and under ride free
Community Bus	\$0.75	
Light Rail Excursion Pass	\$3.50	
Day Pass	\$5.00	
Bag of 5 Day Pass Tokens	\$22.50	
Monthly Pass	\$45.00	
Summer Blast Pass	\$75.00	<ul style="list-style-type: none"> • Good for June, July, and August
Prepaid 12 Monthly Passes	\$495.00	

<u>Fare Category</u>	<u>Fares</u>	<u>Requirements/Restrictions</u>
<u>Senior/Disabled:</u>		Person must be 65 years of age or older, or a certified disabled person.
Single Ride	\$1.00	
Community Bus	\$0.50	
Light Rail Excursion Pass	\$2.00	
Day Pass	\$2.50	
Monthly Pass	\$25.00	The following forms of identification shall be accepted:
Prepaid 12 Monthly Passes	\$275.00	

- Valid Regional Transit Connection (RTC) Discount Card;
- Medicare Card;
- California Driver's License;
- California ID Card;
- DMV Disabled License Plate Registration;
- DMV Placard computer printout;
- Birth certificate;
- Passport (U.S. or foreign);
- Alien Registration Card;
- Valid S/D ID card from another California transit agency.

II. Application of Fares

A. Bus

1. All fares shall be paid upon boarding and shall be valid for one boarding unless otherwise designated.
2. No change shall be given if fares are not paid in the exact amount of the appropriate fare in cash, pass, token or ticket. Combination of different fare media for a single ride is not allowed except Express Service surcharges may be paid in cash by persons holding Adult Day Passes or Adult Monthly Passes or valid passes or transfers from other agencies.
3. Valid transfers and passes from AC Transit, Altamont Commuter Express, BART, Caltrain, Capitol Corridor, Dumbarton Bridge Express, Highway 17 Express, Monterey-Salinas Transit, and SamTrans shall be accepted at designated locations, specified in separate inter-operator fare and transfer agreements, as provided in Section VII.

B. Light Rail and Historic Trolley

1. Proof of fare payment shall be carried at all times while on light rail and historic trolley, and shall be presented to fare inspector upon request.
2. “Single Ride” tickets purchased from ticket vending machines at light rail stations shall be valid for 2 hours after time of purchase, and shall allow for unlimited travel on light rail or historic trolley in any direction during these 2 hours, unless otherwise designated.
3. “Light Rail Excursion” passes purchased from ticket vending machines at light rail stations are valid for 8 hours from time of purchase, and shall allow for unlimited travel on light rail or historic trolley in any direction during the 8 hours, unless otherwise designated.
4. Valid transfers and passes from AC Transit, Altamont Commuter Express, BART, Capitol Corridor, Caltrain, Dumbarton Bridge Express, Highway 17 Express, Monterey- Salinas Transit, and SamTrans shall be accepted at designated locations, specified in separate inter-operator fare and transfer agreements, as provided in Section VII.

C. Pass Restrictions

1. Day Passes shall be valid for unlimited rides by the person to whom sold from 12:01 a.m. on the day sold until 3:00 a.m. on the following day. The Youth Day Pass, Senior/Disabled Day Pass, and Express Day Pass shall be valid on all VTA operated service. The Adult Day Pass shall be valid on all VTA operated service except Express. The Adult Day Pass shall be credited as base fare on Express Service.
2. Light Rail Excursion Passes are not valid on bus service.
3. Monthly Passes shall be valid for unlimited rides from 12:01 a.m. on the first day of the month for which issued until 3:00 a.m. on the first day of the following month. The Youth Monthly Pass, Senior/Disabled Monthly Pass, and Express Monthly Pass shall be valid on all VTA operated service. The Adult Monthly Pass shall be valid on all VTA operated service except Express. The Adult Monthly Pass shall be credited as base fare on Express Service.
4. No refunds shall be made for purchased passes. Lost or stolen Day Passes or Monthly Passes shall not be replaced.
5. Lost or stolen Eco Passes shall be replaced for a \$25.00 first-time processing fee. If a police report is provided describing the Eco Pass as stolen, the pass shall be replaced for a \$5.00 first-time processing fee. If the pass holder loses the pass or the pass is stolen a second time, the fee shall be \$50.00 whether or not a police report is provided. An Eco Pass shall not be replaced a third time.

III. Special Fares

<u>Fare Category</u>	<u>Fares</u>	<u>Requirements/Restrictions</u>
<u>Eco Pass:</u>		Calendar year pass for unlimited trips on all VTA-operated fixed-route service.
Downtown San Jose		<ul style="list-style-type: none"> Employer Eco Pass contracts include credit equal to an Adult Single Ride fare toward a paratransit One-Way Trip. No credit shall be provided for any other type of paratransit trip or service charge.
1 - 99 Employees/Residents	\$144.00	
100 - 2,999 Employees/Residents	\$108.00	
3,000 – 14,999 Employees/Residents	\$72.00	
15,000+ Employees/Residents	\$36.00	
Areas Served by Bus & Light Rail		<ul style="list-style-type: none"> A minimum annual charge of \$1,794.00 shall apply to employer Eco Pass contracts. A residential community or development shall have a minimum 25 units to join Eco Pass.
1 - 99 Employees/Residents	\$108.00	
100 - 2,999 Employees/Residents	\$72.00	
3,000 – 14,999 Employees/Residents	\$36.00	
15,000+ Employees/Residents	\$18.00	
Areas Served by Bus Only		
1 - 99 Employees/Residents	\$72.00	
100 - 2,999 Employees/Residents	\$36.00	
3,000 – 14,999 Employees/Residents	\$18.00	
15,000+ Employees/Residents	\$ 9.00	
Dumbarton Express, Highway 17 Express, and Monterey-Salinas Transit Option (Add to basic Eco Pass annual rate)		
1 - 99 Employees/Residents	\$21.60	
100 - 2,999 Employees/Residents	\$18.00	
3,000 – 14,999 Employees/Residents	\$14.40	
15,000+ Employees/Residents	\$ 9.00	
San Jose State University Eco Pass Program:	\$18.00	Per semester per participant. Includes credit equal to Adult Single Ride fare toward a Paratransit One-Way Trip. No credit for any other type of Paratransit trip.

<u>Fare Category</u>	<u>Fares</u>	<u>Requirements/Restrictions</u>
<u>Convention Day Pass:</u>		Valid for all VTA operated service except Express.
Adult Convention Day Pass	75% of Adult Day Pass fare per day	Available only to Conventions/Hotels in quantities of 100 or more.
Youth Convention Day Pass	75% of Youth Day Pass fare per day	Available only to Conventions/Hotels in quantities of 100 or more.
<u>Golden Getaway:</u>	35 times Adult Day Pass price	Available to Senior non-profit organizations.

IV. Other Fixed Route Fares

A. Promotional Fares

The Director of Marketing and Customer Service may institute a limited period of reduced or free fares for promotional purposes.

B. Class Pass

The Director of Marketing and Customer Service may offer a free “class pass” for students grades K-12, valid for one field trip per semester per class.

C. Emergency Response and Recovery Plans

The General Manager, or designee, may institute a temporary period of free fares in response to emergency situations and conditions, such as natural disasters, described in VTA’s Emergency Response and Recovery Plans.

D. UPLIFT Program

Per agreement between VTA and Santa Clara County, VTA may provide up to 1,850 quarterly transit stickers for an annual fee of \$111,000. Such stickers shall be valid for fare on all VTA local fare services only when affixed to a valid County-issued photo ID card including the title “Santa Clara County Continuum of Care”. County shall issue such cards and stickers only to homeless individuals receiving case management services. County may purchase additional transit stickers above the base quantity of 1,850 at a rate of \$15.00 per quarterly sticker. The UPLIFT program does not provide any benefit on ADA paratransit service.

V. ADA Paratransit Fares

<u>Fare Category</u>	<u>Fares</u>	<u>Description</u>
One-Way Trip	2 times fixed route Adult Single Ride (\$4.00)	For a disabled individual who is qualified for Paratransit Service.
Companion	Equal to One-Way Trip (\$4.00)	A person other than a personal care attendant accompanying a qualifying disabled individual.
Open Return Trip	4 times One-Way Trip (\$16.00)	A return trip not dispatched until customer calls and requests it.
Second Vehicle Sent	4 times One-Way Trip (\$16.00)	Charge for a second vehicle dispatched because customer was not ready or at pick-up location at the scheduled time for the first vehicle dispatched.
No Show	Equal to One-Way Trip (\$4.00)	Charge for failure to be ready when vehicle arrives at scheduled time for all above services.
Same-Day Trip	4 times One-Way Trip (\$16.00)	Trip scheduled within the same day.
Same-Day Trip Companion	4 times One-Way Trip (\$16.00)	A person, other than a personal care attendant, accompanying a qualifying disabled individual on a same-day trip.
Same-Day No Show	4 times One-Way Trip (\$16.00)	Charge for no show on a same-day trip.
Extended Service Area	4 times One-Way Trip (\$16.00)	For service up to one mile beyond the $\frac{3}{4}$ mile ADA Paratransit Service Area.

VI. Waived Fares

- A. Children under five years of age.
- B. Any peace officer, upon presentation of proper identification (badge or ID card).
- C. VTA employees, their dependents, and VTA retirees upon presentation of currently valid VTA issued identification card.
- D. Persons holding VTA-issued ADA paratransit photo ID cards may ride VTA fixed-route services free of charge. If a personal-care attendant is necessary for an individual to ride paratransit, then a personal-care attendant may also ride free of charge when accompanying a qualifying person on fixed-route service.

VII. Agreements With Other Organizations

VTA may establish separate fare and transfer agreements/arrangements with AC Transit, BART, Monterey-Salinas Transit, SamTrans, Santa Cruz Metropolitan Transit District, the properties represented by the BART Plus Committee, the Dumbarton Bridge Express Service Consortium, the Peninsula Corridor Joint Powers Board (Caltrain), the Altamont Commuter Express Joint Powers Authority, the Capitol Corridor Joint Powers Authority, or any other organization providing transportation services within and through Santa Clara County. These agreements shall define reciprocal transfer arrangements with other operators to facilitate the transfer of passengers between systems. Such agreements are not affected by this resolution.

VIII. Acceptance of Peninsula Corridor Joint Powers Board (Caltrain) Passes

VTA shall allow passengers with any Caltrain monthly pass of greater value than the applicable VTA monthly pass (Adult, Youth, and Senior/Disabled) to ride free on all VTA regular bus and VTA light rail services. On VTA express bus service, Adult passengers with any Caltrain monthly pass of greater value than the applicable VTA monthly pass shall receive a base fare credit; Youth and Senior/Disabled passengers with any Caltrain monthly pass of greater value than the applicable VTA monthly pass shall be allowed to ride free.

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors
on _____ by the following vote:

AYES: DIRECTORS

NOES: DIRECTORS

ABSENT: DIRECTORS

DOLLY SANDOVAL, Chairperson
Board of Directors

ATTEST:

APPROVED AS TO FORM:

DEBORAH HARRINGTON, Secretary
Board of Directors

KEVIN ALLMAND
General Counsel

RESOLUTION NO. _____



Date: May 12, 2009

Current Meeting: May 21, 2009

Board Meeting: June 4, 2009

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Administration & Finance Committee

THROUGH: General Manager, Michael T. Burns

FROM: Chief Financial Officer, Joseph T. Smith

SUBJECT: Approval of Recommended Biennial Budget for Fiscal Years 2010 and 2011

Policy-Related Action: Yes

Government Code Section 84308 Applies: No

Resolution

ACTION ITEM

RECOMMENDATION:

Adopt a resolution of the Board of Directors of the Santa Clara Valley Transportation Authority adopting a Biennial Budget for the period July 1, 2009 through June 20, 2011.

(In thousands)

Fund	FY 2010	FY 2011
VTA Transit-Operating	\$ 352,735	\$ 359,951
VTA Transit-Capital	100,526	17,228
2000 Measure A-Operating	57,718	59,277
2000 Measure A-Capital	401,283	0
CMP-Operating	4,870	5,572
VTP Highway Program-Capital	81,032	214,253

BACKGROUND:

The Draft Recommended Budget for Fiscal Years 2010 and 2011 was presented to the Board of Directors at a budget workshop on April 24, 2009. Proposed adjustments to the Draft Recommended Budget were presented and discussed at the May 7 Board of Directors meeting.

From May 4 to May 12, six community meetings were held in Cupertino, Milpitas, Morgan Hill, Mountain View, and San Jose specifically for the purpose of presenting the budget and receiving public comment. On May 13 and 14, the budget was presented at the Committee for Transit

Accessibility, Citizens Advisory Committee, Technical Advisory Committee, and Policy Advisory Committee meetings. A summary of comments received from the public and advisory committees will be distributed to the Board of Directors prior to the June 4 meeting.

DISCUSSION:

The FY10 & FY11 Recommended Budget was developed amid a backdrop of economic distress, declining Sales Tax Revenues and evaporating State funding for transit operations. Fiscal Year 2009 sales tax related revenues and State Transit Assistance (STA) are projected to decline \$32.3 million from FY08 actual receipts. The FY10 projection reflects an additional \$24.3 million decline from FY09; followed by another \$7.2 million decline in FY11.

The projected cumulative decrease in sales tax related and STA revenues from FY07 to FY11 is \$65.3 million. When sales tax revenues are adjusted for inflation, there has been a significant loss in purchasing power. A comparison of the projected 1976 Sales Tax revenues to Fiscal Year 2003, which was the low-point of receipts after the dot.com bust, shows \$15.6 million less purchasing power in FY11 than in FY03.

The Recommended Budget represents a balanced approach by asking both riders and employees to share the burden of bridging the funding gap in these difficult economic times, while attempting to avoid more drastic solutions like widespread service cuts or layoffs. The remaining operating deficit would be funded through the use of Operating Reserves.

FINAL RECOMMENDED BUDGET BASIC ASSUMPTIONS:

Revenues

Fares

Increase Adult, Youth, and Senior/Disabled Single Ride and Community Bus fares by 25¢ effective January 1, 2010. Day pass, Light Rail 8-hour excursion pass, Paratransit fares, and Monthly Pass fares would increase accordingly. Eco-Pass rates to increase 20% effective January 1, 2010.

1976 and 2000 Measure A Half-Cent Sales Tax

The FY10 projection reflects a 5% decline from FY09 projected sales tax revenues, followed by a 3% decline in FY11, based on forecasts of economic activity from industry experts.

State Transit Assistance (STA)

The Recommended Budget assumes no STA funding for FY10 or FY11. The February 2009 budget action by the California Legislature eliminated all funding for STA for the next four fiscal years.

Federal Operating Grants

Maximize use of Federal Transit Administration (FTA) Section 5307 funds for Preventive Maintenance. Backfill Local Funds for Capital expenditures from Debt Reduction Fund.

Expenditures

Service Reductions/Modifications

Savings identified in Annual Transit Service Plan not reinvested in additional service.
Adjustments made to Light Rail service including reduction of number of cars on some trips.

Labor Cost

- i Maintain current vacancy rates, fill only those positions deemed critical to maintaining the core mission and service plan.
- i Negotiate wage and benefit savings from all bargaining units, implement cost savings for non-represented employees. Savings target of \$10.8 million in FY10 and \$16.8 in FY11.
- i Labor saving strategies:
 - i Wage freeze/cuts
 - i Furloughs
 - i Employee contribution to Pension
 - i Employee contribution to Retiree Medical
 - i Increase employee contribution to healthcare

Diesel Fuel

\$2.00 per gallon (\$2.21 including taxes) for both fiscal years.

Paratransit

Align service coverage consistent with fixed-route service.

Caltrain

No increase from FY09 contribution.

Altamont Commuter Express (ACE)

No increase from FY09 contribution.

Contingency

Reduce from \$2 million to \$500,000 per year.

UPDATES FROM DRAFT RECOMMENDED BUDGET:

Changes to the Draft Recommended Budget for Fiscal Years 2010 and 2011 are outlined below. Updated schedules reflecting these changes are included in Attachment B. In addition, pursuant to Section 11-2(c) of the VTA Administrative Code, a list of all employee position classifications and pay ranges is included as Attachment C.

VTA Transit Enterprise Fund-Operating (Attachment B, page 1)

- Revenues
 - Increase Fares (line 1) \$2.2 million in FY 2010 to reflect January 1, 2010 effective date for fare increase.

- Increase Advertising Income (line 10) \$195 thousand in each fiscal year for advertising on Light Rail vehicles.
- Increase Other Income (line 11) \$94 thousand in FY 2010 and \$120 thousand in 2011 to reflect a grant for the Joint Workforce Investment program.
- Adjustments to Appropriation
 - Increase Labor Costs (line 13) \$3.7 million in each fiscal year to reflect an increase in ATU Pension contributions.
 - Increase Professional & Special Services (line 16) \$94 thousand in FY 2010 and \$120 thousand in 2011 for the Joint Workforce Investment program (offset by grant revenue in Other Income above).
 - Redistribute Service Reductions (line 29) to individual expense categories (no net effect on total appropriation).

VTA Transit Enterprise Fund-Capital (Attachment B, page 3)

- Increase Capital Contingency from \$975 thousand to \$2 million

2000 Measure A Transit Improvement Program Fund-Capital (Attachment B, page 6)

- Maintain existing appropriation for Capital Expressway Light Rail to Eastridge (line 13) in order to fund pedestrian safety, sidewalk, and landscaping improvements; design and construction of Eastridge Transit Center improvements; and relocation of utilities. Reallocate funding source for portion of project from 2000 Measure A to Other and Federal to reflect anticipated receipt of STIP swap funds and federal grants.
- Reduce de-obligation for Dumbarton Rail Corridor (line 14) by \$972 thousand in order to continue funding of preliminary engineering and final design.
- Reduce appropriation for Freight Rail Relocation (line 15) by \$18 million to reflect City of Fremont and Alameda County Transportation Authority contributions previously appropriated.
- Transfer \$41.9 million appropriation from Silicon Valley BART Extension (line 19) to Freight Rail Relocation (line 15) to accurately reflect reporting for Kato Road project.
- Add appropriation for Mineta Airport People Mover (line 23) of \$2 million. This is an augmentation to an existing project initially appropriated in FY 2008.
- Add appropriation for Swap Payments to Other Agencies (line 24) to facilitate distribution of funds to projects and programs in exchange for State Transportation Improvement Program (STIP) funds approved by the Board of Directors on February 1, 2007 and December 13, 2007.

Congestion Management Agency-Operating (Attachment B, page 7)

- Decrease Member Agency Fees (line 3) \$87 thousand in FY 2010 and \$90 thousand in FY 2011 to reflect one-year deferral of 3.5% increase.

VTP Highway Improvement Program-Capital (Attachment B, page 10)

- Increase appropriation for I-280/I-880/Stevens Creek Blvd Interchange (line 2) by \$2.075 million in FY 2011 to reflect identification of additional funds and acceleration of construction schedule.
- Transfer \$950 thousand appropriation for SR 152 Realignment Concept Study (line 9) from FY 2011 to FY 2010.
- Transfer \$44.565 million appropriation for US 101 Improvements, I-280 to Yerba Buena (line 12) from FY 2011 to FY 2010 to reflect acceleration of construction schedule.

ALTERNATIVES:

The Board of Directors may modify the Recommended Biennial Budget before adoption.

FISCAL IMPACT:

The Board has adopted Financial Policies that require a balanced operating budget in which total operating revenues exceed total operating expenditures and a budget that maintains an Operating Reserve balance of at least 15% of operating expenditures. However, due to the severity of declining Sales Tax and STA revenues, the Recommended VTA Transit Enterprise Fund Operating Budget for Fiscal Years 2010 and 2011 is not balanced and assumes that the deficit will be funded from reserves leaving an Operating Reserve balance below 15%.

	(In thousands)	
	FY10	FY11
Deficit Funded from Operating Reserves	(\$6,428)	(\$24,089)
Projected Ending Operating Reserves	\$45,082	\$20,994
Operating Reserve %	12.8%	5.8%

Prepared by: Carol Lawson, Fiscal Resources Manager

Resolution No.

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)
ADOPTING A BIENNIAL BUDGET OF VTA
FOR THE PERIOD JULY 1, 2009 THROUGH JUNE 30, 2011
(FY 2010 AND FY 2011)**

WHEREAS:

1. Section 100071(b) of the California Public Utilities Code requires the Board of Directors to adopt an annual budget for VTA.
2. Pursuant to Section 11-2(d) of the VTA Administrative Code, the General Manager has proposed that the Board of Directors adopt a biennial (two-year) budget.
3. The Board of Directors desires to adopt a biennial budget for the period July 1, 2009 through June 30, 2011 (FY 2010 and FY 2011).
4. Pursuant to Section 11-2(a) of the VTA Administrative Code the General Manager presented the FY 2010 and FY 2011 Recommended Budget to the Board of Directors, and mailed a copy to each City Manager in the County of Santa Clara, and to the County Executive prior to May 15, 2009.
5. The Recommended Budget was reviewed by the Administration and Finance Committee on May 21, 2009, and by the Board of Directors on April 24, May 7, and June 4, 2009, and at public meetings conducted throughout the County.
6. The Recommended Budget includes all administrative, operational and capital expenses for the Congestion Management Program together with the apportionment of Congestion Management Program expenses by levy against the Managing Agency and each Member Agency to the extent necessary to fund the Congestion Management Program.
7. A list of employee position classifications and pay ranges is included in the recommended budget, and the amount of funds budgeted for wages, salaries and benefits for FY 2010 and FY 2011 is based upon VTA's position classification and pay ranges and is set forth in the Statement of Revenues and Expenses in the Recommended Budget.
8. The General Manager proposes an Operating Budget for the VTA Transit Enterprise Fund for FY 2010 in the amount of \$352,735,000 and for FY 2011 in the amount of \$359,951,000.

9. The General Manager proposes a Capital Budget for the VTA Transit Enterprise Fund for FY 2010 in the amount of \$100,526,000 and for FY 2011 in the amount of \$17,228,000.
10. The General Manager proposes an Operating Budget for the 2000 Measure A Transit Improvement Program Fund for FY 2010 in the amount of \$57,718,000 and for FY 2011 in the amount of \$59,277,000.
11. The General Manager proposes a Capital Budget for the 2000 Measure A Transit Improvement Program Fund for FY 2010 in the amount of \$401,283,000.
12. The General Manager proposes an Operating Budget for the Congestion Management Program Fund for FY 2010 in the amount of \$4,870,000 and for FY 2011 in the amount of \$5,572,000.
13. The General Manager proposes a Capital Budget for the VTP Highway Improvement Program Fund for FY 2010 in the amount of \$81,032,000 and for FY 2011 in the amount of \$214,253,000.
14. The General Counsel, pursuant to Section 6-2 of the VTA Administrative Code has prepared and recommended a Budget for the Office of General Counsel for FY 2010 and for FY 2011.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Transportation Authority that:

1. The Recommended Biennial Budget for the Santa Clara Valley Transportation Authority (incorporated herein as though set forth at length), is hereby revised as stated in the attached Board Memorandum and adopted as VTA's budget for FY 2010 and FY 2011.
2. Effective July 1, 2009, positions may be authorized and filled, as required, by the General Manager and General Counsel, as appropriate, provided that total VTA-wide budgeted wages, salaries and benefits account is not exceeded.
3. As necessary for efficient administration, position classifications may be added, modified, or deleted and salary ranges adjusted with the approval of the General Manager or General Counsel, as appropriate, provided that the changes are in accordance with applicable VTA personnel policies and procedures and are consistent with pay practices in the transportation industry. Such changes shall include pay and classification adjustments arising from agreements between VTA and its recognized labor organizations.
4. Capital appropriations, which are not expended during the fiscal year, shall carry over to successive fiscal years until the projects are completed or otherwise terminated.

5. The budget shall consist of five Funds: the VTA Transit Enterprise Fund, the Congestion Management Program Fund, the VTP Highway Improvement Program Fund, the 2000 Measure A Transit Improvement Program Fund, and the 1996 Measure B Transportation Improvement Program Fund. The General Manager may reallocate appropriations between budget units and objects within each Fund up to the limits of each Fund's annual appropriation. Any net increase in authorized appropriations to any Fund (including an allocation from reserves) shall require an affirmative vote of at least eight Directors.
6. The Recommended Assessments of member agencies for the Congestion Management Program are hereby approved.

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors on June 4, 2009 by the following vote:

AYES: DIRECTORS

NOES: DIRECTORS

ABSENT: DIRECTORS

Dolly Sandoval, Chairperson
Board of Directors

ATTEST:

APPROVED AS TO FORM:

Deborah Harrington, Secretary
Board of Directors

Kevin D. Allmand
General Counsel

VTA TRANSIT ENTERPRISE
REVISED RECOMMENDED BUDGET
FY 2010-FY 2011
(In thousands)

Category	FY10 Draft Recommended Budget	FY10 Adjustment	FY10 Final Recommended Budget	FY11 Draft Recommended Budget	FY11 Adjustment	FY11 Final Recommended Budget
1 Fares	\$36,320	\$2,213	\$38,533	\$40,620	\$0	\$40,620
2 1976 Half-Cent Sales Tax	144,420	0	144,420	140,088	0	140,088
3 TDA	67,877	0	67,877	65,841	0	65,841
4 Measure A Sales Tax-Oper. Asst.	26,380	0	26,380	25,588	0	25,588
5 STA	0	0	0	0	0	0
6 Federal Operating Grants	48,268	0	48,268	42,626	0	42,626
7 State Operating Grants	1,408	0	1,408	1,408	0	1,408
8 Local Operating Assistance	0	0	0	0	0	0
9 Investment Earnings	2,196	0	2,196	3,295	0	3,295
10 Advertising Income	1,828	195	2,023	1,830	195	2,025
11 Other Income	15,108	94	15,202	14,251	120	14,371
12 Total Revenue	\$343,805	\$2,502	\$346,307	\$335,547	\$315	\$335,862
13 Labor Cost	\$251,863	\$1,497	\$253,360	\$253,621	\$1,485	\$255,106
14 Materials & Supplies	15,559	(290)	15,269	15,506	(290)	15,216
15 Security	7,584	0	7,584	8,019	0	8,019
16 Professional & Special Services	3,610	75	3,685	3,651	101	3,752
17 Other Services	7,965	(24)	7,941	8,090	(24)	8,066
18 Fuel	10,921	(92)	10,829	10,978	(92)	10,886
19 Traction Power	3,597	(246)	3,351	3,755	(249)	3,506
20 Tires	1,606	(9)	1,597	1,703	(9)	1,694
21 Utilities	2,493	(32)	2,461	2,492	(32)	2,460
22 Insurance	4,847	0	4,847	5,140	0	5,140
23 Data Processing	2,694	0	2,694	2,720	0	2,720
24 Office Expense	353	(6)	347	343	(6)	337
25 Communications	1,039	0	1,039	1,080	0	1,080
26 Employee Related Expense	835	(7)	828	799	(7)	792
27 Leases & Rents	512	0	512	551	0	551
28 Miscellaneous	968	(22)	946	827	(22)	805
29 Service Reductions	(3,000)	3,000	0	(3,000)	3,000	0
30 Reimbursements	(41,906)	0	(41,906)	(41,155)	0	(41,155)
31 Subtotal Operating Expense	\$271,541	\$3,844	\$275,385	\$275,120	\$3,855	\$278,975
32 Paratransit*	\$31,650	\$0	\$31,650	\$34,745	\$0	\$34,745
33 Caltrain*	18,179	0	18,179	18,683	0	18,683
34 Light Rail Shuttles*	34	0	34	39	0	39
35 Altamont Commuter Express*	4,509	0	4,509	4,679	0	4,679
36 Highway 17 Express*	411	0	411	428	0	428
37 Dumbarton Express*	457	0	457	486	0	486
38 Monterey-San Jose*	46	0	46	51	0	51
39 Contribution to Other Agencies	671	0	671	676	0	676
40 Debt Service	20,893	0	20,893	20,689	0	20,689
41 Other Expense	0	0	0	0	0	0
42 Subtotal Other Expense	\$76,850	\$0	\$76,850	\$80,476	\$0	\$80,476
43 Operating and Other Expense	\$348,391	\$3,844	\$352,235	\$355,596	\$3,855	\$359,451
44 Contingency	500	0	500	500	0	500
45 Contingency Utilization	0	0	0	0	0	0
46 Total Expense	\$ 348,891	\$3,844	\$352,735	\$356,096	\$3,855	\$359,951
47 Surplus/(Deficit) to Reserves	(\$5,086)	(\$1,342)	(\$6,428)	(\$20,549)	(\$3,540)	(\$24,089)

* Includes allocation of indirect costs

VTA TRANSIT ENTERPRISE
REVISED SOURCES AND USES OF FUNDS SUMMARY
FY 2009-FY 2011
(In thousands)

<u>Line</u>	<u>Description</u>	<u>FY 2009</u> <u>Projected</u> <u>Actual</u> ¹	<u>FY 2010</u> <u>Recommended</u> <u>Budget</u>	<u>FY 2011</u> <u>Recommended</u> <u>Budget</u>
1	Total Revenues	\$351,195	\$346,307	\$335,862
2	Total Operating Expenses	<u>354,313</u>	<u>352,735</u>	<u>359,951</u>
3	Operating Revenues Over (Under) Expenses	(\$3,118)	(\$6,428)	(\$24,089)
4	Total VTA Transit Capital	\$49,901	\$100,526	\$17,228
	LESS:			
5	Funding from Grants & Other Sources	<u>(24,097)</u>	<u>(94,085)</u>	<u>(13,403)</u>
6	VTA Transit Share, drawn from Reserves	\$25,804	\$6,441	\$3,825
7	Beginning Reserves	\$54,629	\$51,510	\$45,082
8	Operating Revenues Over (Under) Expenses	(3,118)	(6,428)	(24,089)
9	From (To) Debt Reduction Fund for Capital	25,804	6,441	3,825
10	VTA Transit Funds, drawn from Reserves for Capital	<u>(25,804)</u>	<u>(6,441)</u>	<u>(3,825)</u>
11	Ending Operating Reserves	\$51,510	\$45,082	\$20,994
12	Operating Reserve % ²	13.9%	12.8%	5.8%

¹ Staff Projection as of April 10, 2009

² Line 11 divided by Budgeted Line 2

**VTA TRANSIT ENTERPRISE
REVISED CAPITAL PROGRAM DETAIL
(In thousands)**

Project	FY10					FY11				
	Funding Source				Total	Funding Source				Total
	Federal	State	Other	VTA		Federal	State	Other	VTA	
1. Bus Surveillance Equip. Replacement	\$0	\$1,521	\$0	\$0	\$1,521	\$0	\$0	\$0	\$0	\$0
2. Light Rail Vehicle Repair	0	0	1,900	250	2,150	0	0	0	0	0
3. Paratransit Vehicles	0	6,664	0	0	6,664	0	973	0	0	973
4. Procurement of 40' Hybrid Diesel Buses	46,948	2,903	0	0	49,851	0	0	0	0	0
Revenue Vehicles & Equipment Total	\$46,948	\$11,088	\$1,900	\$250	\$60,186	\$0	\$973	\$0	\$0	\$973
5. CARB Vehicle Compliance Program	\$0	\$2,608	\$0	\$0	\$2,608	\$0	\$0	\$0	\$0	\$0
Non-Revenue Vehicles Total	\$0	\$2,608	\$0	\$0	\$2,608	\$0	\$0	\$0	\$0	\$0
6. Chaboya Division Security Improvements	\$0	\$1,464	\$0	\$0	\$1,464	\$0	\$0	\$0	\$0	\$0
7. Emergency Power Generator Upgrade	0	942	0	0	942	0	0	0	0	0
8. Facilities & Equip Emergency Repair/Replacement	0	0	0	725	725	0	0	0	0	0
9. Guadalupe Division CCTV	0	2,099	0	0	2,099	0	0	0	0	0
10. Security Improvement	0	2,800	0	78	2,878	0	3,500	0	0	3,500
Operating Facilities & Equipment Total	\$0	\$7,305	\$0	\$803	\$8,108	\$0	\$3,500	\$0	\$0	\$3,500
11. Guad Corr Traction Power Substations Rehabilitation Prog.	\$2,025	\$675	\$0	\$0	\$2,700	\$1,425	\$475	\$0	\$0	\$1,900
12. Guadalupe OCS Rehab & Replacement Program	694	231	0	0	925	2,756	919	0	0	3,675
13. Laser Intrusion Detection System - Hamilton Station	0	1,164	0	0	1,164	0	0	0	0	0
14. Traction Power Substation Replacement Program	4,050	1,350	0	0	5,400	0	0	0	0	0
15. Rail Replacement & Rehabilitation	2,302	767	0	0	3,069	1,683	561	0	0	2,244
Light Rail Way, Power & Signal Total	\$9,071	\$4,188	\$0	\$0	\$13,258	\$5,864	\$1,955	\$0	\$0	\$7,819
16. Bus Stop Pavement, Duckouts & Accessibility Improv.	\$582	\$0	\$0	\$146	\$728	\$422	\$0	\$0	\$105	\$527
17. ELocker Retrofit Program	0	64	0	11	75	0	64	0	11	75
Passenger Facilities Total	\$582	\$64	\$0	\$157	\$803	\$422	\$64	\$0	\$117	\$602
18. Technology Infrastructure Replacement Fund	\$0	\$0	\$0	\$300	\$300	\$0	\$0	\$0	\$0	\$0
19. Radio Narrowbanding	0	0	0	0	0	0	0	0	690	690
20. Real Time Information (RTI)	0	2,530	0	0	2,530	0	0	0	0	0
Information Systems & Technology Total	\$0	\$2,530	\$0	\$300	\$2,830	\$0	\$0	\$0	\$690	\$690
21. Caltrain Capital - Annual Local Match	\$0	\$0	\$0	\$2,931	\$2,931	\$0	\$0	\$0	\$3,019	\$3,019
22. Caltrain Right-of-Way	0	0	7,177	0	7,177	0	0	0	0	0
23. Joint Development - Sites A, B & C	0	0	300	0	300	0	0	0	0	0
24. W. San Carlos Remediation and Demolition	0	0	325	0	325	0	0	625	0	625
Capital Contingency	0	0	0	2,000	2,000	0	0	0	0	0
Miscellaneous Total	\$0	\$0	\$7,802	\$4,931	\$12,733	\$0	\$0	\$625	\$3,019	\$3,644
Grand Total	\$56,601	\$27,782	\$9,702	\$6,441	\$100,526	\$6,286	\$6,492	\$625	\$3,826	\$17,228

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**2000 MEASURE A TRANSIT IMPROVEMENT PROGRAM
COMPARISON OF REVENUES AND EXPENSES
FY 2008-FY 2011
(In thousands)**

	Category	FY08 Actual	FY09 Adopted Budget	FY10 Recommended Budget	% Var	FY11 Recommended Budget	% Var
1	2000 Half-Cent Sales Tax	\$160,537	\$179,531	\$142,926	-20.4%	\$138,638	-3.0%
2	Investment Earnings	11,742	592	4,769	705.6%	7,154	50.0%
3	Other Income	376	350	415	18.6%	372	-10.4%
4	Total Revenue	\$172,655	\$180,473	\$148,110	-17.9%	\$146,164	-1.3%
5	VTA Operating Assistance	\$29,630	\$33,136	\$26,380	-20.4%	\$25,588	-3.0%
6	Professional & Special Services	299	500	485	-3.0%	493	1.6%
7	Contributions to Other Agencies	0	0	150	N/A	150	0.0%
8	Debt Service	16,651	21,675	18,603	-14.2%	21,046	13.1%
9	Repayment Obligation	12,886	11,057	12,100	9.4%	12,000	-0.8%
10	Total Expense	\$59,466	\$66,368	\$57,718	-13.0%	\$59,277	2.7%
11	Surplus/(Deficit) to Reserves	\$113,189	\$114,105	\$90,392		\$86,887	

**2000 MEASURE A TRANSIT IMPROVEMENT PROGRAM
REVISED SOURCES AND USES OF FUNDS SUMMARY
FY 2009-FY 2011
(In thousands)**

<u>Line</u>	<u>Description</u>	<u>FY 2009 Projected Actual</u> ¹	<u>FY 2010 Recommended Budget</u>	<u>FY 2011 Recommended Budget</u>
1	Total Revenues	\$159,649	\$148,110	\$146,164
2	Total Non-Project Expenses	<u>59,894</u>	<u>57,718</u>	<u>59,277</u>
3	Revenues Over (Under) Expenses	\$99,755	\$90,392	\$86,887
4	Project Expenditures	\$133,455	\$340,574	\$395,259
	LESS:			
5	Funding from Grants & Other Sources	<u>(43,572)</u>	<u>(133,907)</u>	<u>(227,739)</u>
6	2000 Measure A Share, drawn from Reserves	\$89,883	\$206,667	\$167,520
7	Beginning Undesignated Reserves	\$247,134	\$257,006	\$140,731
8	Revenues Over (Under) Expenses	99,755	90,392	86,887
9	2000 Measure A Share, drawn from Reserves for Capital	<u>(89,883)</u>	<u>(206,667)</u>	<u>(167,520)</u>
10	Ending Undesignated Reserves	\$257,006	\$140,731	\$60,098

¹ Staff Projection as of April 10, 2009

2000 MEASURE A
REVISED CAPITAL PROGRAM DETAIL
(In thousands)

Project	FY10 & FY11				Total
	Funding Source				
	Federal	State	Other	2000 Measure A	
1. Procurement of 40 BRT Articulated Buses	\$0	\$0	\$0	\$43,250	\$43,250
Revenue Vehicles & Equipment Total	\$0	\$0	\$0	\$43,250	\$43,250
2. BRT-Santa Clara/Alum Rock Corridor	\$0	\$45,000	\$0	\$13,965	\$58,965
3. Bus Rapid Transit Strategic Plan	0	0	0	(20,410)	(20,410)
4. CE/Environmental for Stevens Creek BRT	0	0	0	1,000	1,000
5. El Camino Real BRT	0	0	0	9,600	9,600
6. Projects from Light Rail Systems Analysis	0	0	0	5,000	5,000
Operating Facilities & Equipment Total	\$0	\$45,000	\$0	\$9,155	\$54,155
7. Caltrain Electrification	\$0	\$0	\$0	\$800	\$800
8. Caltrain Mountain View Parking Structure	0	0	(282)	(9,448)	(9,730)
9. Caltrain Safety Enhancements	0	0	0	15,870	15,870
10. Caltrain Service Upgrades	0	0	0	(1,870)	(1,870)
11. Caltrain South County Capacity Improv.	0	0	0	(11,458)	(11,458)
12. Caltrain/UP Blossom Hill Ped. Grade Sep	0	0	0	500	500
13. Capitol Expressway Light Rail to Eastridge	25,000	0	20,000	(45,000)	0
14. Dumbarton Rail Corridor	0	0	0	(4,604)	(4,604)
15. Freight Rail Relocation Project	0	19,990	47,685	65,098	132,773
16. Light Rail Extension to Vasona	0	0	0	(7,355)	(7,355)
17. Santa Clara and SJ Diridon Station Upgrade	0	0	0	11,600	11,600
18. SC Sta. Pedestrian Underpass Extension	0	0	0	(6,388)	(6,388)
19. Silicon Valley BART Extension	0	87,753	0	42,721	130,474
20. Warm Springs BART Extension	0	8,000	0	8,000	16,000
Rail Facility Expansion Total	\$25,000	\$115,743	\$67,403	\$58,466	\$266,613
21. Environmental Impact Studies	\$0	\$0	\$0	\$1,000	\$1,000
22. Highway 17 Bus Service Improvements	0	0	0	2,075	2,075
23. Mineta Airport People Mover	0	0	0	2,000	2,000
24. Swap Payments to Other Agencies	0	0	0	32,190	32,190
Miscellaneous Total	\$0	\$0	\$0	\$37,265	\$37,265
Grand Total	\$25,000	\$160,743	\$67,403	\$148,137	\$401,283

CONGESTION MANAGEMENT PROGRAM
REVISED RECOMMENDED BUDGET
FY 2010-FY 2011
(In thousands)

Category	FY10 Draft Recommended Budget	FY10 Adjustment	FY10 Final Recommended Budget	FY11 Draft Recommended Budget	FY11 Adjustment	FY11 Final Recommended Budget
1 Federal Operating Grants	\$1,085	\$0	\$1,085	\$1,085	\$0	\$1,085
2 State Operating Grants	980	0	980	980	0	980
3 Member Agency Fees	2,582	(87)	2,495	2,672	(90)	2,582
4 Other Income	50	0	50	250	0	250
5 Total Revenue	\$4,697	(\$87)	\$4,610	\$4,987	(\$90)	\$4,897
6 Professional & Special Services	\$500	\$0	\$500	\$379	\$0	\$379
7 Other Services	31	0	31	31	0	31
8 Data Processing	12	0	12	12	0	12
9 Office Expense	0	0	0	0	0	0
10 Employee Related Expense	0	0	0	0	0	0
11 Miscellaneous	25	0	25	25	0	25
12 VTA Staff Services	4,302	0	4,302	5,125	0	5,125
13 Total Expense	\$4,870	\$0	\$4,870	\$5,572	\$0	\$5,572
14 Surplus/(Deficit) to Reserves	(\$173)	(\$87)	(\$260)	(\$585)	(\$90)	(\$675)

**CONGESTION MANAGEMENT PROGRAM
REVISED SOURCES AND USES OF FUNDS SUMMARY
FY 2009-FY 2011
(In thousands)**

<u>Line</u>	<u>Description</u>	<u>FY 2009 Projected Actual¹</u>	<u>FY 2010 Recommended Budget</u>	<u>FY 2011 Recommended Budget</u>
1	Total Revenues	\$5,115	\$4,610	\$4,897
2	Total Operating Expenses	<u>5,214</u>	<u>4,870</u>	<u>5,572</u>
3	Operating Revenues Over (Under) Expenses	(\$99)	(\$260)	(\$675)
4	Beginning Undesignated Reserves	\$1,430	\$1,331	\$1,071
5	Revenues Over (Under) Expenses	<u>(99)</u>	<u>(260)</u>	<u>(675)</u>
6	Ending Undesignated Reserves	\$1,331	\$1,071	\$396

¹Staff Projection as of April 10, 2009

**CONGESTION MANAGEMENT PROGRAM
REVISED MEMBER ASSESSMENTS
FY 2010-FY 2011**

Member Agency	FY10	FY11
County of Santa Clara	\$281,594	\$291,450
Campbell	52,362	54,196
Cupertino	80,444	83,260
Gilroy	39,138	40,508
Los Altos	25,830	26,736
Los Altos Hills	6,888	7,130
Los Gatos	35,650	36,898
Milpitas	79,778	82,572
Monte Sereno	2,070	2,144
Morgan Hill	26,014	26,926
Mountain View	129,554	134,090
Palo Alto	146,602	151,734
San Jose	812,378	840,812
Santa Clara	214,584	222,096
Saratoga	22,478	23,266
Sunnyvale	257,626	266,644
Subtotal:	\$2,212,990	\$2,290,462
VTA - Managing Agency Contribution	281,594	291,450
TOTAL:	\$ 2,494,584	\$2,581,912

VTP HIGHWAY PROGRAM REVISED CAPITAL PROGRAM DETAIL

(In thousands)

Project	FY 10						FY11					
	Funding Source					Total	Funding Source					Total
	Federal	State	City	Fund Swap	Other		Federal	State	City	Fund Swap	Other	
1. Charcot Avenue Extension	\$0	\$0	\$2,350	\$0	\$0	\$2,350	\$0	\$0	\$2,350	\$0	\$0	\$2,350
2. I-280/I-880/Steven Creek Blvd Interchange	1,660	0	0	415	0	2,075	10,244	0	0	2,561	0	12,805
3. I-880 Improvements, SR 237 to US 101	0	0	0	0	0	0	0	71,600	0	0	0	71,600
4. I-880/Coleman Highway Planting	1,528	0	0	180	0	1,708	0	0	0	0	0	0
5. Mary Avenue Extension	0	0	2,725	1,065	0	3,790	0	0	1,300	0	0	1,300
6. Intelligent Transportation System Project	0	0	0	1,000	4,000	5,000	0	0	0	1,000	4,000	5,000
7. Silicon Valley Express Lanes - SR 85	0	0	0	760	3,040	3,800	0	0	0	1,540	6,160	7,700
8. Silicon Valley Express Lanes - US 101	0	0	0	400	1,400	1,800	0	0	0	3,600	12,600	16,200
9. SR 152 Realignment Concept Study	0	550	0	400	0	950	0	0	0	0	0	0
10. US 101 Aux Lanes, SR 85 - Embarcadero Rd.	0	0	0	0	0	0	0	84,930	0	258	0	85,188
11. US 101 De La Cruz/Trimble Road Interchange	0	0	2,050	0	0	2,050	0	0	2,050	0	0	2,050
12. US 101 Improvements, I-280 to Yerba Buena	6,565	30,700	10,000	0	0	47,265	435	255	0	0	2,620	3,310
13. US 101 Study, De La Cruz to Taylor	0	0	1,750	0	0	1,750	0	0	1,750	0	0	1,750
14. US 101 Widening & SR25/US101 Interchange	0	5,000	0	0	0	5,000	0	5,000	0	0	0	5,000
15. Express Lanes-SR 237/I-880 Connector	1,251	0	0	2,243	0	3,494	0	0	0	0	0	0
Grand Total	\$11,004	\$36,250	\$18,875	\$6,463	\$8,440	\$81,032	\$10,679	\$161,785	\$7,450	\$8,959	\$25,380	\$214,253

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Job Classification and Pay Range As of 7/1/09

Job Classification	Annual Salary	
	Minimum	Maximum
Accessible Services Program Manager	85,892	104,432
Accessible Services Representative	41,497	58,286
Account Clerk I	37,049	44,711
Account Clerk II	41,497	50,084
Accountant Assistant	48,696	58,852
Accountant I	51,756	62,605
Accountant II	57,181	69,187
Accountant III	67,327	81,795
Administrative Services Assistant	44,319	58,501
Administrative Support Officer	55,365	67,327
Asset and Capital Budget Manager	92,110	121,585
Assistant Architect	68,299	83,053
Assistant Board Secretary	79,573	105,036
Assistant Civil Engineer	68,299	83,053
Assistant Cost & Schedule Coordinator	68,299	83,053
Assistant Counsel	92,110	121,585
Assistant Database Administrator	68,852	83,354
Assistant General Counsel	142,870	188,589
Assistant Real Estate Agent	59,391	71,861
Assistant Supt, Field Operations	77,909	94,717
Assistant Supt, Transit Communications	77,909	94,717
Assistant Transportation Engineer	68,299	83,053
Associate Architect	79,484	96,578
Associate Civil Engineer	79,484	96,578
Associate Claims Analyst	59,401	78,410
Associate Counsel	59,401	78,410
Associate Electrical Engineer	79,484	96,578
Associate Environmental Engineer	79,484	96,578

Job Classification	Annual Salary	
	Minimum	Maximum
Associate Financial Analyst	58,127	70,675
Associate Financial Analyst - NR	59,401	78,410
Associate Human Resources Analyst	59,401	78,410
Associate Land Surveyor	70,675	85,892
Associate Management Analyst	58,127	70,675
Associate Mechanical Engineer	79,484	96,578
Associate Network Analyst	68,852	83,354
Associate Org Dev & Training Specialist	58,127	70,675
Associate Real Estate Agent	73,250	88,701
Associate Systems Administrator	68,852	83,354
Associate Systems Design Engineer	79,484	96,578
Associate Systems Engineer	79,484	96,578
Associate Transportation Engineer	79,484	96,578
Auditor	67,327	81,795
Automotive Attendant	37,563	45,354
Board Assistant	52,244	63,222
Board Secretary	117,556	155,175
Bus Stop Maintenance Worker	40,700	49,159
Business Relations Manager	96,696	127,639
Buyer Assistant	42,268	51,061
Buyer I	46,665	56,358
Buyer II	55,303	66,951
Buyer III	61,448	74,329
Chief Administrative Officer	142,870	188,589
Chief CMA Officer	157,528	207,938
Chief Construction Officer	182,365	240,722
Chief Financial Officer	173,671	229,246
Chief Information Officer	142,870	188,589
Chief of External Affairs	142,870	188,589
Chief Operating Officer	157,528	207,938
Chief SVRT Program Officer	157,528	207,938

Job Classification	Annual Salary	
	Minimum	Maximum
Claims Analyst	68,758	90,761
Claims Supervisor	79,573	105,036
Client Relationship Supervisor	90,199	109,653
Communications Systems Analyst	80,192	97,212
Communications Systems Manager	90,199	109,653
Community Outreach Supervisor	70,675	85,892
Compliance Review Manager	90,199	109,653
Construction Contracts Administrator I	56,898	68,852
Construction Contracts Administrator II	71,553	86,619
Construction Inspector	60,857	73,609
Contracts Administrator I	56,898	68,852
Contracts Administrator II	71,553	86,619
Contracts Program Manager	85,892	104,432
Cost & Schedule Coordinator	79,484	96,578
Creative Services Manager	85,892	104,432
Customer Services Supervisor	67,327	81,795
Data Base Administrator	80,192	97,212
Deputy Director	129,591	171,059
Design & Construction Manager	109,653	133,273
Disbursements Manager	92,110	121,585
Dispatcher	47,029	67,184
Dispatcher Supervisor	74,187	90,199
Document Control Clerk I	36,381	43,888
Document Control Clerk II	41,497	50,084
Document Management Supervisor	81,795	99,446
Electrician	64,148	77,594
Electro - Mechanic	66,187	75,213
Electronic Technician	66,187	75,213
Engineering Aide	45,354	54,789
Engineering Group Manager	117,556	155,175
Engineering Technician I	49,622	59,957

Job Classification	Annual Salary	
	Minimum	Maximum
Engineering Technician II	55,844	67,594
Engineering Technician III	63,505	76,849
Environmental Health & Safety Specialist	73,969	89,576
Environmental Health & Safety Supervisor	77,909	94,717
Environmental Planner I	50,804	61,448
Environmental Planner II	55,303	66,951
Environmental Planner III	72,889	88,291
Executive Assistant to the General Manager	117,556	155,175
Executive Policy Advisor	117,556	155,175
Executive Secretary	53,888	71,132
Executive Secretary to General Manager	59,401	78,410
Facilities Design Manager	99,446	120,889
Facilities Maintenance Assistant	40,700	49,159
Facilities Maintenance Coordinator	81,795	99,446
Facilities Maintenance Representative	55,844	67,594
Facilities Worker	35,803	51,147
Fare Inspector	42,413	60,590
Financial Accounting Manager	92,110	121,585
Financial Analyst	67,327	81,795
Financial Analyst -NR	68,758	90,761
Fiscal Resources Manager	111,964	147,792
Foreperson - LRT	72,191	82,035
General Counsel	180,079	180,079
General Maintenance Mechanic	55,844	67,594
General Manager	290,000	290,000
Government Affairs Manager	111,964	147,792
Graphic Designer I	49,853	60,240
Graphic Designer II	57,695	69,855
Human Resources Administrator	62,370	82,328
Human Resources Analyst	68,758	90,761
Human Resources Assistant	46,545	61,440

Job Classification	Annual Salary	
	Minimum	Maximum
Human Resources Manager	111,964	147,792
Information Services Representative	37,477	53,539
Information Systems Analyst Assistant	49,622	59,957
Information Systems Analyst I	56,898	68,852
Information Systems Analyst II	68,852	83,354
Information Systems Supervisor	90,199	109,653
Investment Program Manager	90,199	109,653
Janitor	36,046	43,451
Junior Civil Engineer	62,826	76,325
Junior Cost & Schedule Coordinator	62,826	76,325
Junior Real Estate Agent	53,015	64,148
Junior Transportation Engineer	62,826	76,325
Labor Relations Supervisor	92,110	121,585
Lead Bus Stop Maintenance Worker	43,245	52,244
Lead Document Control Clerk	44,094	53,246
Lead Maint Worker - LRT	37,594	53,706
Lead Reprographics Services Spec	45,791	55,303
Lead Storekeeper	47,102	56,898
Lead Transit Center Maintenance Worker	44,299	53,530
Legal Secretary	56,565	74,666
Light Rail Equipment Superintendent	90,199	109,653
Light Rail Operator	35,506	59,176
Light Rail Power Foreperson	84,052	95,514
Light Rail Power Supervisor	85,892	104,432
Light Rail Signal Maintainer	64,148	77,594
Light Rail Signal Supervisor	81,795	99,446
Light Rail Technical Trainer	74,187	90,199
Light Rail Technical Training Supervisor	81,795	99,446
Light Rail Track Maint Supervisor	74,187	90,199
Light Rail Vehicle Maint Supervisor	81,795	99,446
Light Rail Way, Power & Signal Supt	90,199	109,653
Mail Messenger	38,128	46,022
Maintenance Worker - LRT	35,803	51,147
Maintenance Instructor	77,909	94,717
Maintenance Scheduler	53,246	64,431
Maintenance Superintendent	90,199	109,653
Management Aide	51,175	62,224

Job Classification	Annual Salary	
	Minimum	Maximum
Management Aide -NR	53,888	71,132
Management Analyst	67,327	81,795
Management Analyst - NR	68,758	90,761
Management Secretary	48,878	64,519
Manager, Budget Administration	92,110	121,585
Manager, Business Analysis & Debt Admin	92,110	121,585
Manager, Construction Inspection	99,446	120,889
Manager, Market Development	94,717	115,130
Manager, Ops Analysis, Reporting & Systems	90,199	109,653
Manager, Public Affairs & Customer Information	90,199	109,653
Manager, Real Estate & Project Admin	111,964	147,792
Materials & Warranty Manager	90,199	109,653
Materials Resource Scheduler	46,665	56,358
Network Analyst	80,192	97,212
Office Specialist I	37,049	44,711
Office Specialist II	41,497	50,084
Office Support Supervisor	55,365	67,327
Operations Manager	111,964	147,792
Operations Systems Supervisor	77,909	94,717
Operator	35,506	59,176
Operator - Trainee	29,598	n/a
Org Dev and Training Specialist	67,327	81,795
Overhaul & Repair Foreperson (MFM)	72,191	82,035
Overhaul & Repair Mechanic (FCM)	66,187	75,213
Overhead Line Worker	77,865	88,483
Paint & Body Foreperson	72,191	82,035
Paint & Body Worker	66,187	75,213
Parts Clerk	41,263	58,947
Parts Foreperson	64,357	73,133
Passenger Facilities & Wayside Mtc Supv	67,327	81,795
Permit Technician	51,293	62,014
Policy & Administrative Mgr - Ops	92,110	121,585
Policy & Community Relations Mgr	87,710	115,777
Principal Construction Inspector	81,795	99,446
Principal Transportation Planner	94,717	115,130
Programmer	72,555	87,853
Programmer Analyst I	49,622	59,957
Programmer Analyst II	56,898	68,852

Job Classification	Annual Salary	
	Minimum	Maximum
Programmer Analyst III	68,852	83,354
Project Controls Manager	111,964	147,792
Project Controls Specialist I	56,898	68,852
Project Controls Specialist II	68,852	83,354
Project Management Office Supervisor	90,199	109,653
Public Communication Specialist I	56,898	68,852
Public Communication Specialist II	62,014	75,049
Public Information Officer	101,547	134,041
Public Relations Supervisor	77,909	94,717
Purchasing & Materials Manager	111,964	147,792
Purchasing Manager	90,199	109,653
Quality Assurance & Warranty Manager	85,892	104,432
Quality Assurance & Warranty Specialist	66,951	81,014
Reprographics Services Specialist I	38,128	46,022
Reprographics Services Specialist II	43,040	52,012
Revenue Services Manager	90,199	109,653
Risk Manager	111,964	147,792
Safety Manager	92,110	121,585
Sales & Promotions Supervisor	70,675	85,892
SAP Deployment Manager	136,085	179,632
Secretary	45,354	54,789
Service Mechanic (TCM)	41,933	59,904
Service Worker	40,375	57,678
Service Worker - Foreperson	43,520	62,171
Sr Accountant	77,909	94,717
Sr Architect	92,960	112,983
Sr Assistant Counsel	111,964	147,792
Sr Associate Counsel	75,782	100,032
Sr Auditor	77,909	94,717
Sr Construction Contracts Administrator	81,795	99,446
Sr Construction Inspector	66,616	80,603
Sr Construction Inspector - Lead	70,858	85,796
Sr Contracts Administrator	81,795	99,446
Sr Cost & Schedule Coordinator	92,960	112,983
Sr Environmental Engineer	92,960	112,983
Sr Environmental Planner	85,892	104,432
Sr Financial Analyst	77,909	94,717
Sr Financial Analyst (NR)	79,573	105,036

Job Classification	Annual Salary	
	Minimum	Maximum
Sr Human Resources Analyst	79,573	105,036
Sr Information Representative	51,764	58,822
Sr Information Systems Analyst	80,192	97,212
Sr Land Surveyor	81,795	99,446
Sr Management Analyst	77,909	94,717
Sr Mechanical Engr-Auto Systems	92,960	112,983
Sr Real Estate Agent	85,892	104,432
Sr Signal Maintainer	70,524	85,385
Sr Systems Design Engineer	92,960	112,983
Sr Systems Engineer	92,960	112,983
Sr Track Worker	66,187	75,213
Sr Transportation Engineer	92,960	112,983
Sr Transportation Planner	85,892	104,432
Storekeeper	44,299	53,530
Substation Maintainer	77,865	88,483
Supervising Account Clerk	55,365	67,327
Supervising Maintenance Instructor	81,795	99,446
Supervising Vault Room Worker	52,720	64,097
Support Mechanic	43,520	62,171
Survey & Mapping Manager	94,717	115,130
Systems Administrator	80,192	97,212
Systems Design Manager	99,446	120,889
Technical Project Manager	80,192	97,212
Technical Trainer	74,187	90,199
Technical Training Supervisor	81,795	99,446
Technology Infrastructure Supervisor	90,199	109,653
Technology Manager	111,964	147,792
Track Worker	56,834	64,584
Transit Center Maintenance Worker	41,677	50,341
Transit Division Supervisor	74,187	90,199
Transit Foreperson	72,191	82,035
Transit Maintenance Supervisor	81,795	99,446
Transit Mechanic	66,187	75,213
Transit Mechanic - G	56,834	64,584
Transit Mechanic - Hydrogen	69,519	78,998
Transit Radio Dispatcher	47,029	67,184
Transit Safety Officer	64,097	77,909
Transit Service Development Supervisor	74,187	90,199

Job Classification	Annual Salary	
	Minimum	Maximum
Transit Svc Development Specialist I	48,465	58,568
Transit Svc Development Specialist II	56,358	68,236
Transit Systems Safety Supervisor	77,909	94,717
Transportation Engineering Manager	99,446	120,889
Transportation Planner I	50,804	61,448
Transportation Planner II	60,857	73,609
Transportation Planner III	72,889	88,291
Transportation Planning Aide	42,268	51,061
Transportation Planning Manager	101,547	134,041
Transportation Superintendent	90,199	109,653
Transportation Supervisor	74,187	90,199
Union Business	n/a	n/a
Upholsterer	66,187	75,213
Upholstery Foreperson	72,191	82,035
Utilities Coordination Manager	81,795	99,446
Utility Coordinator	66,616	80,603
Utility Worker	39,569	47,770
Vault Room Worker	37,923	45,791
Vehicle Parts Supervisor	74,187	90,199
Warranty Coordinator	81,795	99,446
Webmaster	80,192	97,212



Date: May 11, 2009

Current Meeting: May 21, 2009

Board Meeting: June 4, 2009

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Administration & Finance Committee

THROUGH: General Manager, Michael T. Burns

FROM: Chief External Affairs Officer, Greta Helm

SUBJECT: Bill Position: AB 610 (Caballero)

Policy-Related Action: Yes

Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

Recommend that the VTA Board of Directors adopt a support position for AB 610 (Caballero), which requires the Office of Planning and Research to assist local agencies interested in pursuing public-private partnerships for local infrastructure projects.

BACKGROUND:

AB 610 is similar to a 2008 bill that the Board of Directors supported, but that did not make it through the legislative process. It requires the Office of Planning and Research to advise and educate local agencies and other interested stakeholders about the role that public-private partnerships can play in planning, studying, designing, financing, constructing, operating, maintaining, and/or managing local infrastructure projects.

Under the provisions of AB 610, the assistance that would be provided by the Office of Planning and Research would include the following: (a) developing and disseminating information that would help a local governmental agency determine whether a local infrastructure project would benefit from a public-private partnership that provides an alternative financing and procurement approach; and (b) serving as a clearinghouse of information regarding the use of public-private partnerships for infrastructure projects in California and elsewhere.

DISCUSSION:

Public-private partnerships are contractual, risk-sharing agreements between public agencies and private entities to design, build, finance, operate, and/or maintain infrastructure projects that traditionally would have been the sole responsibility of the public sector. Canada, Australia and

the United Kingdom, among other nations, have used public-private partnerships extensively to build highways, schools, hospitals, water treatment plants, courthouses, and mass transit lines. But public-private partnerships are still relatively uncommon in the United States, including in California.

Although local governments in California have had the authority, with certain limitations, to use public-private partnerships for more than 10 years, few have exercised that option. According to Assembly Member Anna Caballero (D-Salinas), the chairperson of the Assembly Local Government Committee and the author of AB 610, part of the reason is the lack of information about how and when public-private partnerships could be used, as well as insufficient technical and legal expertise to craft public-private partnerships agreements that fully protect the public interest. AB 610 attempts to address this problem by having the Office of Planning and Research serve as a clearinghouse that would: (a) provide information to educate local agencies about the appropriate application of public-private partnerships to local infrastructure projects; and (b) work with local agencies to ensure that any public-private partnership agreements that they may pursue protect the public interest.

One of the advocacy principles in VTA's Board-adopted 2009 Legislative Program is to support legislation that would enable local entities to engage in public-private partnerships to delivery transportation projects. AB 610 is consistent with this principle and, therefore, we recommend that the Board support this legislation.

ALTERNATIVES:

The Board of Directors could decide to adopt a position for AB 610 that is different from the one being recommended, or could opt to take no position on this bill at this time.

FISCAL IMPACT:

There is no fiscal impact associated with this recommendation.

Prepared by: Kurt Evans



Date: May 13, 2009

Current Meeting: May 21, 2009

Board Meeting: June 4, 2009

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Administration & Finance Committee

THROUGH: General Manager, Michael T. Burns

FROM: Chief Financial Officer, Joseph T. Smith

SUBJECT: Reimbursement Resolution-Express Lanes

Policy-Related Action: No

Government Code Section 84308 Applies: No

Resolution

ACTION ITEM

RECOMMENDATION:

Adopt a resolution to preserve the right to use tax-exempt bond proceeds to reimburse the Santa Clara Valley Transportation Authority (VTA) for costs incurred for capital projects and equipment purchases related to Express Lane System, if VTA or a conduit issuer such as MTC/BATA, at a future date decides to issue bonds.

BACKGROUND:

Treasury Regulations Section 1.150-2 regulates the use of proceeds of bonds issued after June 30, 1993 to reimburse costs paid before the issue date of such bonds. Generally, a cost may be reimbursed only if it is extraordinary working capital expenditure and only if the cost is described in a proper declaration of official intent as further discussed below.

The declaration must be adopted no later than 60 days after the cost to be reimbursed is paid. Bond proceeds must be used to reimburse a cost no later than 18 months after the later of: 1) the date the cost is paid, or 2) the date the project is placed in service (but in no event more than 3 years after the cost is paid).

DISCUSSION:

Expenditures made before the issuance of bonds are generally not eligible for reimbursement from the proceeds of such bonds unless such expenditures were made in anticipation of being reimbursed with such process. The primary purpose of the "reimbursement resolution" is to

evidence such anticipation and intent.

The resolution does not compel VTA to issue bonds or to take any other action. The resolution merely preserves VTA's right to issue bonds later and recapture the funds advanced in anticipation of a bond issuance. An example of two such potential projects includes the SR85 and US 101 Express Lanes.

ALTERNATIVES:

The Board could opt not to adopt a reimbursement resolution; however, this would preclude staff from being able to recover expenditures incurred in support of the Express Lane System.

FISCAL IMPACT:

There is no budget or fiscal impact associated with approving the reimbursement resolution. If it appears advantageous to issue bonds, that action will come to the Board for separate consideration and approval.

Prepared by: Kimberly Koenig, Fiscal Resources Manager

Resolution No. _____

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

**RESOLUTION OF OFFICIAL INTENT
OF SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
TO REIMBURSE CERTAIN EXPENDITURES
FROM PROCEEDS OF INDEBTEDNESS**

WHEREAS, the Santa Clara Valley Transportation Authority (the “Issuer”) intends to acquire real estate; and acquire, construct and improve transit, bridge, roadway, highway facilities; and acquire, replace or improve office machines, training, computers, electronic tolling equipment and systems, communication and other equipment in connection with the High Occupancy Toll Network (the “Program”);

WHEREAS, the Issuer expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Program prior to the issuance of indebtedness for the purpose of financing, on a long-term basis, costs associated with the Program;

WHEREAS, the Issuer reasonably expects that debt obligations in an amount not to exceed \$500,000,000 will be issued by the Issuer, and the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Issuer to declare its reasonable official intent to reimburse the expenditures for the Project that were originally paid from other sources with proceeds of a subsequent borrowing;

NOW, THEREFORE, be it resolved by the Board of Directors of the Santa Clara Valley Transportation Authority:

Section 1. The foregoing recitals are true and correct.

Section 2. The Issuer hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 3. This declaration is made solely for the purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the Issuer to make any expenditure, incur any indebtedness or proceed with any of the Programs.

Section 4. This declaration shall take effect upon its adoption.

PASSED AND ADOPTED this _____ day of June 2009, by the following vote:

AYES:

NAYS:

ABSENT:

Dolly Sandoval, Chairperson
Santa Clara Valley Transportation Authority

Attest:

BY: _____
Deborah Harrington
Board Secretary
Santa Clara Valley Transportation Authority

Approved to form:

BY: _____
Kevin D. Allmand
General Counsel
Santa Clara Valley Transportation Authority