

Board of Directors Committee of the Whole

Thursday, July 16, 2009

MINUTES

Call to Order

The Santa Clara Valley Transportation Authority Board of Directors Committee of the Whole (COW) Meeting (In Lieu of Administration and Finance (A&F) Committee, Congestion Management Program and Planning (CMPP) Committee, and Transit Planning and Operations (TP&O) Committee Meetings) was called to order by Member Liccardo at 12:10 p.m. in the Board of Supervisors’ Chambers, County Government Center, 70 West Hedding Street, San Jose, California.

Member Liccardo noted that Committee recommendations would be forwarded for consideration at the August 6, 2009 VTA Regular Board of Directors Meeting.

1. ROLL CALL

Attendee Name	Title	Status
Nora Campos	Alternate Board Member	Absent
David Casas	Board Member	Absent
Dominic Caserta	Board Member	Absent
Don Gage	Board Member	Absent
Rose Herrera	Board Member	Absent
Ash Kalra	Board Member	Present
Yoriko Kishimoto	Board Member	Absent
Liz Kniss	Board Member	Absent
Bob Livengood	Alternate Board Member	Absent
Chris Moylan	Alternate Board Member	Present
Chuck Page	Alternate Board Member	Absent
Nancy Pyle	Board Member	Absent
Chuck Reed	Board Member	Absent
Greg Sellers	Board Member	Absent
George Shirakawa	Alternate Board Member	Absent
Sam Liccardo	Board Member	Present
Dolly Sandoval	Chairperson	Present

2. Election for Chair Pro Tem

M/S (Moylan/Kalra) and there being no objection, to appoint Member Liccardo as Chairperson Pro Tempore.

NOTE: M/S MEANS MOTION SECONDED.

3. PUBLIC PRESENTATIONS

David Jensen, Interested Citizen, inquired when will VTA issue a Request for Proposals for office equipment.

4. ORDERS OF THE DAY

There were no Orders of the Day.

5. General Manager's Report

Michael T. Burns, General Manager, reported the following:

- More Board Members had planned to attend the meeting, however, some things came up such as Ex-Officio Board Member Chu's sister being elected to Congress and he is attending her swearing in ceremony.
- VTA sent a letter to stakeholders and residents along the Vasona Light Rail line to remind them to adhere to warning signals and exercise safe behaviors around rail facilities. VTA is reviewing other safety awareness programs in addition to those that are currently in place at rail crossings.
- On June 30, 2009, the Third District Court of Appeals in Sacramento ruled against the State of California on a lawsuit filed by the California Transit Association (CTA) regarding the diversion of transit funds to non-transit uses. The Court has no authority to order repayment of used funds in the past but noted the continued diversion of transit funding is illegal going forward. The State of California indicated it will appeal this decision to the State Supreme Court.
- The State of California budget is still facing a \$26 billion shortfall and transit funds can still be used for non-transit uses until the State Supreme Court rules on the appeal noted above.
- There is an active effort to remove the language inserted into the budget bill requiring the High Speed Rail Authority to study alignments other than Caltrain corridor for the San Jose to San Francisco line.
- President Obama and the US Congress will most likely agree to an 18-month extension of the current Surface Transportation Program (STP) to provide ample time to discuss the details of the STP Reauthorization and funding for the program. Staff will provide a report to the Board, when details become available.
- VTA's finances are deteriorating due to further decline of sales tax receipts. As a result, the following will be implemented, pending approval of the Board: 1) fare change implementation will be accelerated to October 2009; and 2) eight percent bus service reduction and seven percent light rail service reduction in January 2009. VTA will perform outreach efforts to the public and committees for the planned fare increases and transit service cuts.

- Acknowledged labor union groups for their efforts and cooperation with VTA, which reduced the negative impacts of the deteriorating sales tax receipts collection.

Ross Signorino, Interested Citizen, requested information about VTA's response to the Santa Clara Civil Grand Jury Report.

CONSENT AGENDA

6. Quarterly Annual Attendance Report

M/S (Moylan/Kalra) and without objection to review the 2009 Quarterly Attendance Report.

7. Monthly Legislative History Matrix

M/S (Moylan/Kalra) and without objection to review the Monthly Legislative History Matrix.

8. Joint Workforce Investment Program Quarterly Report

M/S (Moylan/Kalra) and without objection to receive quarterly report on the progress made on the Joint Workforce Investment (JWI) program from January 1, 2009 through March 31, 2009.

9. Monthly Investment Report - April 2009

M/S (Moylan/Kalra) and without objection to receive report on Santa Clara Valley Transportation Authority Investments for month of April 2009.

10. Monthly Investment Report - May 2009

M/S (Moylan/Kalra) and without objection to receive report on Santa Clara Valley Transportation Authority Investments for month of May 2009.

11. VTP Highway Program Semi-Annual Report

M/S (Moylan/Kalra) and without objection to receive the VTP Highway Program Semi-Annual Report.

12. Guadalupe North Line Public Address System Upgrade Contract Award

M/S (Moylan/Kalra) and without objection to recommend the Board of Directors to authorize the General Manager to execute a contract with HSQ Technology, the lowest responsible bidder, in the amount of \$481,930 for the Guadalupe North Line Public Address System Upgrade Project. This contract is 80% federally funded.

13. Guadalupe North Line Public Address System Upgrade Contract Award

M/S (Moylan/Kalra) and without objection to recommend the Board of Directors to authorize the General Manager to execute a contract with Weber Tractor Service, the lowest responsible bidder, in an amount of \$255,781 for the construction of the Bus Stop Pavement Improvements FY09. This contract is 80% federally funded.

14. Bill Position: AB 1158 (Hayashi)

M/S (Moylan/Kalra) and without objection to recommend the Board of Directors to adopt a support position for AB 1158 (Hayashi), which adds educational facilities and other land uses that link people traveling to and from K-12 schools, community colleges and universities to the list of specified characteristics that a transit village plan may address.

15. Bill Position: SB 425 (Simitian)

M/S (Moylan/Kalra) and without objection to recommend the Board of Directors to adopt a support position for SB 425 (Simitian), which specifies that an employer subject to the requirement to implement a parking cash-out program may not deduct the cost of parking subsidies from its gross income unless it is in compliance with this requirement. In addition, this bill provides a tax credit to small businesses for qualified commute reduction expenditures.

16. Rail Rehabilitation - Market Street and Almaden Boulevard Crossings Contract Award

M/S (Moylan/Kalra) and without objection to recommend the Board of Directors to authorize the General Manager to execute a contract with Stacy and Witbeck/Con-Quest (a joint venture), the lowest responsible bidder, in an amount of \$1,337,842 for construction of the Rail Rehabilitation - Market Street and Almaden Boulevard Crossings. This contract is 80% federally funded.

17. FY09 Federal Formula Fund Program

M/S (Moylan/Kalra) and without objection to recommend the Board of Directors to authorize the General Manager to submit Federal Fiscal Year (FFY) 2009 grant applications and execute grant agreements with the Federal Transit Administration (FTA) for Section 5307 Urbanized Area Formula, and Section 5309 Fixed Guideway programs.

18. FY10 Transportation Development Act (TDA) Program

M/S (Moylan/Kalra) and without objection to recommend the Board of Directors to adopt a resolution authorizing the filing of an annual claim to the Metropolitan Transportation Commission (MTC) for allocation of FY 2009-2010 Transportation Development Act (TDA) and State Transit Assistance (STA) funds.

19. Vasona LRT Project - Hamilton MSE Wall Stabilization Contract Award

M/S (Moylan/Kalra) and without objection to recommend the Board of Directors to authorize the General Manager to execute a contract with ConQuest Contractors Inc., the lowest responsible bidder, in an amount of \$343,649 for construction of the Hamilton MSE Wall Stabilization Project improvements.

20. Core Network Equipment Leasing

M/S (Moylan/Kalra) and without objection to recommend the Board of Directors to authorize the General Manager to lease up to \$595,650 in electronic "core" network equipment, primarily switches and routers that control and direct electronic data, from Cisco Systems Inc. and AT&T Inc., under cooperative purchasing agreements negotiated by the State of California on behalf of local agencies. This "lease to own" purchase agreement is to be funded via five annual payments of approximately \$119,000. At the end of the proposed five year term, and after making the five payments as outlined, the VTA may exercise an option to own the equipment outright.

21. County Earmark Proposals for Federal Surface Transportation Program Reauthorization Legislation

M/S (Moylan/Kalra) and without objection to recommend the Board of Directors to support the County's projects for inclusion in the Federal Surface Transportation Program reauthorization legislation and direct staff to submit a letter of support to the appropriate federal departments.

REGULAR AGENDA

22. Committee for Transit Accessibility (CTA) Report

Jim Unites, Operations Deputy Director, read the CTA report from CTA Chairperson Morrow. The report included CTA's comments regarding the Presentation of Mobility Option Taskforce. CTA items referred to staff include inquiries regarding VTA paratransit "cost pool" and detailed direct costs of the Accessible Services Budget.

Member Kalra expressed support for educational transit training for seniors.

M/S (Moylan/Kalra) and without objection to receive a report regarding the July 8, 2009 Committee for Transit Accessibility.

23. Substance Abuse Testing, Medical Review Officer and Medical Examination Services

Upon inquiry of Member Kalra, Jacquelyn Adams, Senior HR Analyst, responded VTA staff reviews the U.S. Health Works reports on a regular basis to ensure compliance. With regards to clinic locations, VTA employees are sent to U.S. Health Works locations closest to the VTA employee's worksite.

M/S (Kalra/Moylan) and without objection to recommend the Board of Directors to authorize the General Manager to approve the award of a contract to U. S. Health Works

for Substance Abuse Testing, Medical Review Officer Services, and Medical Examination Services for three years at a cost of \$877,440, with an option for two one-year extensions priced at \$410,132 for a total authorization of \$1,287,572.

24. Approval of the Labor Agreements between Santa Clara Valley Transportation Authority and Transportation Authority Engineers and Architects Association Local 21 (TAEA), American Federation of State County and Municipal Employees, Local 101 (AFSCME) and Service Employees International Union, Local 521 (SEIU)

The Committee of the Whole expressed appreciation to the bargaining units for their work and cooperation and also thanked the management team for their diligent work.

M/S (Kalra/Moylan) and without objection to recommend the Board of Directors to authorize the General Manager to approve and formally adopt the amended successor labor agreements negotiated between the the Santa Clara Valley Transportation Authority (VTA) and Transportation Authority Engineers and Architects (TAEA), American Federation of State, County and Municipal Employees (AFSCME), and Service Employees International Union, Local 521 (SEIU).

25. Investment Consulting Services

M/S (Kalra/Moylan) and without objection to recommend the Board of Directors to authorize the General Manager to execute a contract with Mercer Investment Consulting, Inc. (Mercer) to provide investment consulting services, including quarterly evaluations of money manager performance with recommendations to retain or not retain; and, to provide other services (i.e. asset allocation study, money manager searches, etc.) as needed, in an amount not to exceed \$235,000 for a period of two years; and, further authorize the General Manager to extend such contract for one year periods not to exceed three additional years with an amount not to exceed \$337,000 total for the third, fourth, and fifth year of the contract (five years not to exceed \$572,000).

26. Freight Railroad - Utility Relocation Spending Authority Augmentation

Upon inquiry, Mark Robinson, Chief Engineering and Construction Officer, explained the majority of the requested additional \$5 million will be used for increased construction costs due to soil conditions which require longer and deeper bores. He further explained if soil remediation is necessary it will be part of the construction contract and not be in advance of the construction contract.

M/S (Kalra/Moylan) and without objection to recommend the Board of Directors to:

1. Increase the General Manager's spending authority for Freight Railroad Relocation (FRR) and the WP Milpitas Corridor clearance utility relocations in an amount not to exceed \$5 million, for a revised authorized amount of \$38.52 million. This authorization increase will complete all utility relocation activities for the FRR and will allow for the commencement of non-FRR preliminary utility relocation design for clearance of the Corridor between Fremont and San Jose.
2. Authorize the General Manager to execute new utility relocation agreements

and/or amend existing utility relocation agreements for FRR and non-FRR corridor clearance activities in a total amount not to exceed the Board authorized \$38.52 million. A combined utility relocation authorization is recommended for financial flexibility and ease of cost administration.

27. Low-Floor Hybrid Electric-Diesel Bus Procurement

Michael Hursh, Maintenance Deputy Director, noted VTA is currently in a competitive bid process. A revised memorandum with the recommended contractor will be submitted prior to the Board of Directors' August 2009 meeting after review of the best and final offers received. Mr. Burns added the \$47 million stimulus package grant was approved for the purchase of the buses. Ten percent of the \$47 million can be used as operating funds.

M/S (Moylan/Kalra) and without objection to recommend the Board of Directors to authorize the General Manager to execute a contract for the purchase of up to 107 forty-foot low-floor hybrid diesel-electric buses and related equipment. A combination of federal stimulus money and state Proposition 1B funds will be used for this procurement.

28. Fare Increase Proposal Effective Date Change

Alternate Member Moylan noted the Policy Advisory Committee (PAC) recommended acceleration of the fare increase implementation.

Joseph Smith, Chief Financial Officer, assured all outreach efforts will be accelerated as well to ensure the public is aware of the fare increase.

M/S (Kalra/Moylan) and without objection to recommend the Board of Directors to adopt a resolution amending Resolution 2009.06.15, Establishing Rates and Fares, to change the effective date to October 1, 2009.

OTHER

29. Items of Concern and Referral to Administration

Alternate Member Moylan recommended future Committee of the Whole meetings be held at VTA River Oaks Campus.

30. Committee Staff Report

There was no Committee Staff Report.

31. Chairperson's Report

There was no Chairperson's Report.

32. Determine Consent Agenda for the August 6, 2009 Board Meeting

CONSENT

Agenda Item #7, Review the Monthly Legislative History Matrix.

Agenda Item #11, Receive the VTP Highway Program Semi-Annual Report.

Agenda Item #12, Authorize the General Manager to execute a contract with HSQ Technology, the lowest responsible bidder, in the amount of \$481,930 for the Guadalupe North Line Public Address System Upgrade Project. This contract is 80% federally funded.

Agenda Item #13, Authorize the General Manager to execute a contract with Weber Tractor Service, the lowest responsible bidder, in an amount of \$255,781 for the construction of the Bus Stop Pavement Improvements FY09. This contract is 80% federally funded.

Agenda Item #14, Recommend that the VTA Board of Directors adopt a support position for AB 1158 (Hayashi), which adds educational facilities and other land uses that link people traveling to and from K-12 schools, community colleges and universities to the list of specified characteristics that a transit village plan may address.

Agenda Item #15, Recommend that the VTA Board of Directors adopt a support position for SB 425 (Simitian), which specifies that an employer subject to the requirement to implement a parking cash-out program may not deduct the cost of parking subsidies from its gross income unless it is in compliance with this requirement. In addition, this bill provides a tax credit to small businesses for qualified commute reduction expenditures.

Agenda Item #16, Authorize the General Manager to execute a contract with Stacy and Witbeck/Con-Quest (a joint venture), the lowest responsible bidder, in an amount of \$1,337,842 for construction of the Rail Rehabilitation - Market Street and Almaden Boulevard Crossings. This contract is 80% federally funded.

Agenda Item #17, Authorize the General Manager to submit Federal Fiscal Year (FFY) 2009 grant applications and execute grant agreements with the Federal Transit Administration (FTA) for Section 5307 Urbanized Area Formula, and Section 5309 Fixed Guideway programs.

Agenda Item #18, Adopt a resolution authorizing the filing of an annual claim to the Metropolitan Transportation Commission (MTC) for allocation of FY 2009-2010 Transportation Development Act (TDA) and State Transit Assistance (STA) funds.

Agenda Item #19, Authorize the General Manager to execute a contract with ConQuest Contractors Inc., the lowest responsible bidder, in an amount of \$343,649 for construction of the Hamilton MSE Wall Stabilization Project improvements.

Agenda Item #20, Authorize the General Manager to lease up to \$595,650 in electronic "core" network equipment, primarily switches and routers that control and direct electronic data, from Cisco Systems Inc. and AT&T Inc., under cooperative purchasing agreements negotiated by the State of California on behalf of local agencies. This "lease to own" purchase agreement is to be funded via five annual payments of approximately \$119,000. At the end of the proposed five year term, and after making the five payments as outlined, the VTA may exercise an option to own the equipment outright.

Agenda Item #21, Recommend that the VTA Board of Directors support the County's projects for inclusion in the Federal Surface Transportation Program reauthorization legislation and direct staff to submit a letter of support to the appropriate federal departments.

Agenda Item #23, Authorize the General Manager to approve the award of a contract to U. S. Health Works for Substance Abuse Testing, Medical Review Officer Services, and Medical Examination Services for three years at a cost of \$877,440, with an option for two one-year extensions priced at \$410,132 for a total authorization of \$1,287,572.

Agenda Item #24, Authorize the General Manager to approve and formally adopt the amended successor labor agreements negotiated between the the Santa Clara Valley Transportation Authority (VTA) and Transportation Authority Engineers and Architects (TAEA), American Federation of State, County and Municipal Employees (AFSCME), and Service Employees International Union, Local 521 (SEIU).

Agenda Item #25, Authorize the General Manager to execute a contract with Mercer Investment Consulting, Inc. (Mercer) to provide investment consulting services, including quarterly evaluations of money manager performance with recommendations to retain or not retain; and, to provide other services (i.e. asset allocation study, money manager searches, etc.) as needed, in an amount not to exceed \$235,000 for a period of two years; and, further authorize the General Manager to extend such contract for one year periods not to exceed three additional years with an amount not to exceed \$337,000 total for the third, fourth, and fifth year of the contract (five years not to exceed \$572,000).

Agenda Item #26, 1) Increase the General Manager's spending authority for Freight Railroad Relocation (FRR) and the WP Milpitas Corridor clearance utility relocations in an amount not to exceed \$5 million, for a revised authorized amount of \$38.52 million. This authorization increase will complete all utility relocation activities for the FRR and will allow for the commencement of non-FRR preliminary utility relocation design for clearance of the Corridor between Fremont and San Jose; 2) Authorize the General Manager to execute new utility relocation agreements and/or amend existing utility relocation agreements for FRR and non-FRR corridor clearance activities in a total amount not to exceed the Board authorized \$38.52 million. A combined utility relocation authorization is recommended for financial flexibility and ease of cost administration.

REGULAR

Agenda Item #27, Authorize the General Manager to execute a contract for the purchase of up to 107 forty-foot low-floor hybrid diesel-electric buses and related equipment. A combination of federal stimulus money and state Proposition 1B funds will be used for this procurement.

Note: Due to the timing of the procurement negotiations, results will be provided in a revised memorandum to the Board of Directors for the August 6, 2009 meeting.

Agenda Item #28. ACTION ITEM - Adopt a resolution amending Resolution 2009.06.15, Establishing Rates and Fares, to change the effective date to October 1, 2009.

33. ANNOUNCEMENTS

There were no Announcements.

34. RECESSED TO CLOSED SESSION at 1:00 p.m.

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:
Amalgamated Transit Union (ATU), Local 265

RECONVENED TO OPEN SESSION at 1:12 p.m.

Kevin Allmand, General Counsel, noted there was no reportable action taken during closed session.

35. ADJOURNMENT

On order of Chairperson Pro Tempore Liccardo and there being no objection, the meeting was adjourned at 1:13 p.m.

Respectfully Submitted,

Elaine F. Baltao, Board Assistant
VTA Board of Directors