

ADMINISTRATION & FINANCE COMMITTEE

Thursday, May 20, 2010

MINUTES

CALL TO ORDER

The Regular Meeting of the Administration and Finance Committee (A&F) was called to order at 11:07 a.m. by Chairperson Kniss in Room B-104, VTA River Oaks Campus, 3331 North First Street, San Jose, California.

1. ROLL CALL

Attendee Name	Title	Status
Don Gage	Board Member	Present
Liz Kniss	Chairperson	Present
Chuck Reed	Board Member	Absent
Perry Woodward	Vice Chairperson	Present
Nora Campos	Alternate Board Member	N/A
Pete McHugh	Alternate Board Member	N/A
George Shirakawa	Alternate Board Member	N/A

* Alternates do not serve unless participating as a Member.

A quorum was present.

2. PUBLIC PRESENTATIONS

There were no Public Presentations.

3. ORDERS OF THE DAY

There were no Orders of the Day.

CONSENT AGENDA

4. Regular Meeting Minutes of April 15, 2010

M/S/C (Gage/Woodward) to approve the Regular Meeting Minutes of April 15, 2010.

5. Monthly Legislative History Matrix

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

6. Monthly Investment Report – March 2010

M/S/C (Gage/Woodward) to review the Report on Santa Clara Valley Transportation Authority Investments for the month of March 2010.

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

7. **Fiscal Year 2010 Quarterly Statement of Revenues and Expenses for the Period Ending March 31, 2010**

M/S/C (Gage/Woodward) to review and accept the Fiscal Year 2010 Quarterly Statement of Revenues and Expenses for the period ending March 31, 2010.

8. **Quarterly Purchasing Report**

M/S/C (Gage/Woodward) to review the Quarterly Purchasing Report.

9. **Third Quarter FY 2010 Public Liability/Property Damage Claims Activity Report**

M/S/C (Gage/Woodward) to review the Third Quarter FY 2010 Public Liability/Property Damage Claims Activity Report.

10. **Third Quarter Report of Workers' Compensation Claims and Transitional Work Program**

M/S/C (Gage/Woodward) to review the Third Quarter Report of Workers' Compensation Claims and Transitional Work Program.

11. **Amendments to the Advisory Committee Bylaws Recommended by the Advisory Committee Enhancement Task Force**

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to adopt a resolution: 1) Amending the bylaws for the Bicycle & Pedestrian Advisory Committee, Citizens Advisory Committee, and the Committee for Transit Accessibility to implement changes recommended by the Advisory Committee Enhancement Task Force to enhance the advisory committee process; 2) Amending the Policy Advisory Committee and the Technical Advisory Committee bylaws to make minor technical adjustments and corrections; and 3) Amending the VTA Administrative Code to be consistent therewith.

12. **Bicycle and Pedestrian Advisory Committee and Committee for Transit Accessibility Appointments to the Citizens Advisory Committee**

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to ratify the appointments of the following individuals to the Citizens Advisory Committee (CAC) to represent the specified stakeholder group as indicated: Herman Wadler representing the Bicycle & Pedestrian Advisory Committee (BPAC) and Aaron Morrow representing the Committee for Transit Accessibility (CTA).

13. **Bicycle and Pedestrian Advisory Committee (BPAC) Member Appointments**

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to ratify the following appointments and re-appointments to the Bicycle & Pedestrian Advisory Committee (BPAC):

New Appointment: Breene Kerr representing the Town of Los Altos Hills for term commencing July 1, 2010 to June 30, 2012.

Reappointments: Jerri-Ann Meyer representing the City of Mountain View for term commencing July 1, 2010 to December 31, 2011; Ray Cosyn representing the City of Saratoga; Thomas Muniz representing the City of Gilroy; John Sullivan representing the City of Santa Clara; and Richard Swent representing the City of Palo Alto for term commencing July 1, 2010 to June 30, 2012.

14. Federal Fiscal Year 2010 Federal Transit Administration Grant Applications

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to submit federal Fiscal Year 2010 grant applications and execute grant agreements with the Federal Transit Administration (FTA) for Section 5307 Urbanized Area Formula, Section 5309 Fixed Guideway.

15. VTA FY 2010 – 2011 Transportation Development Act and State Transit Assistance Allocation Claim

M/S/C (Gage/Woodward) to approve submitting a recommendation to 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 2010-2011 Transportation Development Act (TDA) and State Transit Assistance (STA) funds.

16. Bill Position: SB 901 (Ashburn)

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to recommend that the VTA Board of Directors adopt a support position for SB 901 (Ashburn), which authorizes the lead agency for a grade separation or safety project funded through the Proposition 1B Highway-Railroad Crossing Safety Account 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 and be eligible to seek reimbursement from bond proceeds at a later date under certain circumstances.

17. Bill Position: SB 964 (Alquist)

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to recommend that the VTA Board of Directors adopt a support position for SB 964 (Alquist), which requires the California High-Speed Rail Authority to contract with the state Employment Development Department to put together a strategy for ensuring that the necessary training programs are in place to facilitate the availability of a skilled, in-state workforce for California's proposed high-speed train system.

18. Bill Position: AB 2324 (J. Perez)

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to recommend that the VTA Board of Directors adopt a support position for AB 2324 (J. Perez), which prohibits the following: (a) a person from knowingly possessing specified weapons within a sterile area of a public transit facility; (b) an unauthorized person from knowingly entering a restricted area of a public transit facility; and (c) a person from intentionally avoiding submission to screening and inspection when entering or re-entering a sterile area of a public transit facility. In addition, this bill increases the penalties for repeat fare evasion offenders and for certain acts of public transit passenger misconduct.

The Agenda was taken out of order.

6. Monthly Investment Report – March 2010 (continued)

Upon query from Chairperson Kniss, Joe Smith, Chief Financial Officer and Staff Liaison, reported on the General Market Conditions, noting the equity markets performed very well in March 2010.

Mr. Smith stated VTA's Retirees' Other Post Employment Benefits (OPEB) Trust composite portfolio increased to 3.8 percent in the current month and increased to 4.2 percent for the quarter; therefore, outperforming the policy benchmark.

Mr. Smith continued Santa Clara Valley Transportation Authority - Amalgamated Transit Union (SCVTA – ATU), Local 265 Pension Plan Assets increased to 4.2 percent, while the ATU Spousal Medical Trust Fund composite portfolio increased to 3.9 percent in the current month.

REGULAR AGENDA

19. Advanced Farebox System Procurement

Ali Hudda, Deputy Director of Accounting, reported VTA's bus fareboxes are 22 years old and difficult to maintain since the fareboxes are functionally obsolete. Mr. Hudda continued that VTA's current bus fareboxes cannot issue tickets or accept electronic payments and are subject to various forms of fare evasion.

VTA issued an initial Request for Proposal (RFP) in July 2009 for VTA's "Advanced Farebox System" and received proposals from three vendors. In December 2009, VTA issued a revised RFP requirements and a request for Best and Final Offer (BAFO) to GFI Genfare and Scheidt & Bachmann.

VTA notified ACS Transport Solutions that their proposal would not be considered further due to the following:

- Farebox prototype used in the demonstration was not fully functional;
- Software development was not complete;
- Proposed Driver Control Unit was not demonstrated; and
- No evidence was provided that the required revenue transfer equipment had been developed.

The Selection Committee determined that the proposal from GFI Genfare was more advantageous to VTA based on the following:

- GFI Genfare revenue transfer equipment is well proven and may be readily installed; and
- GFI Genfare validating fareboxes are currently in service to transit agencies throughout North America and in the Bay Area.

Mr. Hudda reported that the GFI Odyssey Validating Farebox integrates all passenger fare payment and fare media options into one convenient and secure device.

Michael T. Burns, General Manager, noted that the GFI Odyssey Validating Farebox does not integrate with the Clipper System formerly the TransLink System.

Chairperson Kniss stressed the importance to purchase the right equipment at the appropriate time to ensure that the funding is wisely spent on the best model available.

Mr. Burns responded that VTA's current fareboxes have exceeded their recommended life cycle, noting the current fareboxes are obsolete and no longer meet VTA's current requirements.

VTA receives approximately 53 percent of fares in cash and the new fareboxes have the capability to provide a wide variety of traditional and electronic fare media options.

Mr. Burns stated the GFI Odyssey Validating Farebox is a proven reliable product and has been purchased by other transit agencies, such as AC Transit, SamTrans and Golden Gate.

Mr. Burns stated at this time the GFI Odyssey Validating Farebox is a separate fare system, which does not integrate with the Clipper Fare Collection System but noted the industry is moving towards standardizing equipment so there may be opportunities for integration later in the future.

Clipper Fare Collection System formerly the TransLink System is a universal regional transit fare payment system similar to a smart card, which will be used for fare collections for transit services in the Bay Area.

Upon query from Board Member Gage, Mr. Burns responded that the Clipper Fare Collection System is being utilized on BART, Muni, AC Transit, Golden Gate, and Caltrain. Some of these systems, he added, are in the trial period.

Mr. Burns stated staff anticipates the Clipper Fare Collection System will be activated on VTA's transit system within six months, noting the Clipper System card readers are already installed on VTA's buses and on light rail platforms.

Mr. Burns stated the smart cards are available for purchase on the website at www.translink.org and are sold at Walgreens where Clipper is available.

20. Clipper Fare Collection System Memorandum of Understanding (MOU)

Michael T. Burns, General Manager, reported the Clipper Fare Collection System formerly known as TransLink is a regional electronic fare collection system sponsored by the Metropolitan Transportation Commission (MTC). The program is intended to become the primary means of fare collection for both intra-operator and inter-operator travel in the Bay Area.

Mr. Burns stated the Clipper System is currently in operation on several Bay Area transit operators including AC Transit, BART, Caltrain, Golden Gate Ferry and Transit, and SFMTA.

In December 2003, MTC and six of the transit operators entered into an Interagency Participation Agreement (IPA) creating the TransLink Consortium establishing the TransLink Management Group (TMG). The TMG was comprised of the chief executive officers of each of the parties as the primary decision making body for the program.

The IPA included provisions assigning responsibilities to MTC and the operators relative to the implementation, operation, and maintenance of the program, including payment of operating fees due to the contractor.

Ali Hudda, Deputy Director of Accounting, reported that on November 1, 2009, MTC notified the TMG that they intended to withdraw from the TransLink Consortium on June 30, 2010. The TMG discussed several options but were unable to agree upon any structure that would maintain the role of the TransLink Consortium so the TMG is scheduled to meet on June 28, 2010 to vote to terminate the IPA.

MTC wants to move away from the TransLink Consortium and be responsible to take over the management of the Clipper Fare Collection System. In place of the IPA, MTC has proposed a Memorandum of Understanding (MOU), which will provide a means for

MTC and the transit operators to agree to their continuing roles and obligations regarding the implementation, operation, and maintenance of the Clipper Fare Collection System.

Mr. Hudda reported that VTA has been actively engaged in the implementation of Clipper Fare Collection System and has regularly communicated VTA's system requirements to MTC.

Mr. Hudda stated at this time several critical items remain unresolved with the Clipper Fare Collection System:

- The current version of the Clipper business rules does not accommodate VTA's day pass, which is used by approximately 20 percent of VTA's customers;
- The transit operators do not have access to the Clipper database to access information to verify their fare revenues collected by the Clipper Fare Collection System; and
- VTA has not yet received a funding agreement from MTC for the Ticket Vending Machine Integration, which may potentially jeopardize the project schedule.

Mr. Hudda stated staff will endeavor to achieve resolution of the issues prior to execution of the MOU between MTC and VTA.

Chairperson Kniss stressed the importance for staff to provide additional information to the Board of Directors on the Clipper Fare Collection System MOU. Mr. Burns responded that staff will provide an update to the Board at the August 5, 2010 Board of Directors Regular Meeting.

19. Advanced Farebox System Procurement (continued)

M/S/C (Woodward/Gage) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract in the amount of \$7,696,261 with GFI Genfare, of Elk Grove Village, Illinois (a subsidiary of SPX Corporation) for the purchase of 450 electronic validating bus fareboxes plus related revenue transfer equipment, data systems, spare parts, and supplies, with an option to purchase up to 50 additional fareboxes if needed to support VTA fleet requirements at a cost of \$11,400 each, for a total not-to-exceed contract value of \$8,266,261.

20. Clipper Fare Collection System Memorandum of Understanding (MOU) (continued)

On order of Chairperson Kniss and there being no objection, the Committee accepted a report on the recommendation to authorize the General Manager to execute a Memorandum of Understanding with the Metropolitan Transportation Commission and other transit operators to implement the Clipper Fare Collection System at VTA.

21. Approval of Investment Banking Firm Pool

Joe Smith, Chief Financial Officer and Staff Liaison, reported the recommendation is to designate a pool of investment banking firms to underwrite and provide VTA access to capital markets in order to finance capital projects or refinance existing debt.

Kimberly Koenig, Fiscal Resources Manager, reported that investment banks play a key role in the structuring, marketing, and distribution of bonds, which provides a direct benefit to VTA in the form of wide distribution resulting in the lowest cost of borrowing.

VTA issued a Request for Qualifications (RFQ) for underwriting services on January 15, 2010 with the objective to form a pool of underwriting firms to optimize

VTA's general financing plan and assist in the widest distribution of VTA bonds in the capital markets in order to ensure the lowest cost of funds.

Ms. Koenig stated VTA received 19 bids but 14 firms were selected due to the availability of and willingness to use the firm's capital to underwrite transactions, sufficient experience with transportation and/or California issuers, and the firm's team member skills and abilities.

Upon query from Chairperson Kniss, Ms. Koenig commented the underwriters would be compensated at the time bonds are actually issued with fees that are dependent on the type of financing structure and contingent on the bond sale. The fees would be negotiated with the selected underwriters on a transaction by transaction basis.

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to designate fourteen investment banking firms to an underwriting pool for a period of seven years to provide the VTA access to capital markets in order to finance capital projects or refinance existing debt.

22. Substitution of Liquidity – 2008 Measure A Bonds

Kimberly Koenig, Fiscal Resources Manager, reported on the recommendation to execute and deliver any and all documents including a Remarketing Memorandum to implement the replacement of Banco Bilbao Vizcaya Argentaria (BBVA) S.A. with Sumitomo Mitsui Banking Corporation as the liquidity provider for the 2008 Measure A Sales Tax Revenue Refunding Bonds Series C and Series D.

Ms. Koenig stated BBVA informed VTA that it could not commit to an additional extension that would take effect on June 24, 2010; therefore, staff worked to locate a replacement bank with better fees and terms if available.

Ms. Koenig commented that Sumitomo offered VTA a persuasive combination of pricing, trading value, and favorable document provisions, which will result in annual savings of \$0.65 million compared to current costs.

Ms. Koenig noted due to the change in one of the liquidity providers for the 2008 Measure A Sales Tax Revenue Refunding Bonds, the market required VTA to provide an updated disclosure document to investors. The Remarketing Memorandum is a disclosure document that is required by the Securities Exchange Commission (SEC) in order to facilitate the change from BBVA to Sumitomo as VTA's liquidity providers.

Chairperson Kniss expressed appreciation for the document, which includes a great number of data points that serve as a valuable reference.

Ms. Koenig commented on VTA's Board of Directors fiduciary responsibility to reassure that the Remarketing Memorandum disclosure document is correct and accurately reflects any statements regarding VTA.

Upon query from Chairperson Kniss, Ms. Koenig commented on typical questions Board Members should be aware of regarding the Remarketing Memorandum:

- Is the disclosure document correct and accurately reflects VTA's financial conditions;
- Is the current audit of VTA's financial statements included;
- If using new bonds what are the bonds being used for; and
- If it is a good use of bond proceeds.

Chairperson Kniss noted the importance to indicate that VTA's Board of Directors concur that all the necessary questions have been answered regarding the Remarketing Memorandum and they have discussed and understand their fiduciary responsibilities.

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to adopt a resolution authorizing the General Manager or Chief Financial Officer to execute and deliver any and all documents, including a Remarketing Memorandum in connection with the 2008 Measure A Sales Tax Revenue Refunding Bonds, that are required to implement the replacement of Banco Bilbao Vizcaya Argentaria S.A. with Sumitomo Mitsui Banking Corporation as liquidity provider for Series C and Series D.

23. Cellular Mobility – Contract Extension

Gary Miskell, Chief Information Officer, reported the current contract agreement with AT&T for cellular voice and data service will expire on June 30, 2010. Mr. Miskell stated a Request for Proposals (RFP) was issued on April 4, 2010 to solicit bids from qualified vendors.

Mr. Miskell stated the contract amendment will provide staff adequate time to properly review and select the most qualified vendor to meet VTA's cellular voice and data service technologies.

Staff is currently in the process of reviewing the bids submitted to select the best candidate via a competitive RFP process, which will be forwarded for consideration at the September 2, 2010 Board of Directors Meeting.

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract amendment with AT&T for cellular voice and data service. The contract amendment will extend the contract term for an additional one year for a cost of \$200,000, for a new contract value of \$1,558,000.

OTHER ITEMS

24. Caltrain Operating Expenses

Jim Lawson, Senior Policy Advisor, reported that Caltrain operates through a Joint Powers Agreement (JPA) with the counties of Santa Clara, San Francisco, and San Mateo. Santa Clara County provides its representation and funding through the Santa Clara Valley Transportation Authority (VTA).

The JPA established the Peninsula Corridor Joint Powers Board to oversee the operation where the three partner authorities appointed three members each to the Caltrain Board, noting VTA's member representatives are Board Members Don Gage and Ash Kalra, and Ex-Officio Board Member Ken Yeager.

As part of the JPA, the San Mateo County Transit District (SamTrans) provides administration and contract oversight with the National Railroad Passenger Corporation (Amtrak) as the contracted operator. Caltrain receives funding through contributions from the three partners who agreed to fund operations together through a formula based on the number of morning peak boardings in each county established in the JPA.

Mr. Lawson reported that Michael J. Scanlon, SamTrans General Manager and Chief Executive Officer, announced at the April 1, 2010 JPB Meeting that SamTrans

would need to decrease their contribution by 70 percent beginning in Fiscal Year 2011. A decrease in their operating contribution would result in serious reductions to evening, midday, and weekend train service.

VTA has its contribution share for FY 2011 Caltrain Operating Service allocated within VTA's Biennial Budget FY 2010 and 2011.

Mr. Lawson reported that Nathaniel P. Ford, Sr., San Francisco Municipal Transportation Agency (SFMTA) Executive Director and Chief Executive Officer, received approval from their Board to decrease their contribution share by 70 percent.

At the May 6, 2010 Caltrain Meeting, Caltrain submitted a preliminary budget with a 35.5 percent reduction in the partner members contributions, which would decrease the partner contributions by \$14 million resulting in major service reductions. VTA's partner member share would decrease from \$16 million to \$10 million.

Mr. Lawson reported that SamTrans announced that they may not be able to fund their partner member share for future Caltrain Services, which will lead to further discussions regarding the operation of Caltrain Service.

By way of background Mr. Lawson stated in 1992 the State decided to no longer fund the passenger rail service from San Jose to San Francisco; therefore, the three counties have been solely responsible to support and operate Caltrain Service. Mr. Lawson reported due to the economic recession state funding has decreased, which has made it very difficult for the three partner members to continue to support the vital and valuable transportation service.

Chairperson Kniss expressed concern regarding the long term negative impacts to customers that rely on Caltrain Service and stressed the importance to have discussions regarding State funding to operate the service.

Board Member Gage noted that all three agencies are currently experiencing challenging financial concerns that are impacting their transit service operations in addition to funding their partner member shares of Caltrain Service.

Board Member Gage stressed the importance for each partner member to pay their agreed upon share to operate Caltrain Service or else the other partners will be subsidizing the operating budgets of the other transit agencies.

Board Member Gage suggested VTA have discussions with the cities that receive Caltrain Service to request funding assistance to support the service in their city.

Chairperson Kniss noted the importance for VTA to explore all available options to address Caltrain funding constraints.

Vice Chairperson Woodward concurred with Board Member Gage, noting the importance to have the cities contribute to the Caltrain Service in their cities.

Board Member Gage commented if the cities want the Caltrain Service to continue in their cities then they need to provide funding to assist with service costs.

Board Member Gage suggested VTA approach the cities with the heaviest ridership and divide the costs associated with the ridership to determine the percentage they are responsible to provide to assist with service costs.

Michael T. Burns, General Manager, asked the Committee if staff should pursue other options to address the Caltrain funding constraints. The Committee responded in the affirmative.

Jim Lawson, Senior Policy Advisory, clarified that staff will pursue options regarding VTA's partner member share.

Board Member Gage stressed the importance for each partner member to pay their fair share to operate Caltrain Service; otherwise, the result will be a dramatic decrease in this train service.

On order of Chairperson Kniss and there being no objection, the Committee received a report on Caltrain Operating Expenses.

25. Items of Concern and Referral to Administration

There were no Items of Concern and Referral to Administration.

26. Committee Work Plan

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

27. Committee Staff Report

There was no Committee Staff Report.

28. Chairperson's Report

There was no Chairperson's Report.

29. Determine Consent Agenda for the June 3, 2010 Board of Directors Meeting

CONSENT: Agenda Item #7. Review and accept the Fiscal Year 2010 Quarterly Statement of Revenues and Expenses for the period ending March 31, 2010;

Agenda Item #11. Adopt a resolution: 1) Amending the bylaws for the Bicycle & Pedestrian Advisory Committee, Citizens Advisory Committee, and the Committee for Transit Accessibility to implement changes recommended by the Advisory Committee Enhancement Task Force to enhance the advisory committee process; 2) Amending the Policy Advisory Committee and the Technical Advisory Committee bylaws to make minor technical adjustments and corrections; and 3) Amending the VTA Administrative Code to be consistent therewith;

Agenda Item #12. Ratify the appointments of the following individuals to the Citizens Advisory Committee (CAC) to represent the specified stakeholder group for the two-year term ending as indicated: Herman Wadler representing the Bicycle & Pedestrian Advisory Committee (BPAC) and Aaron Morrow representing the Committee for Transit Accessibility (CTA);

Agenda Item #13. Ratify the following appointments and re-appointments to the Bicycle & Pedestrian Advisory Committee (BPAC):

New Appointment: Breene Kerr representing the Town of Los Altos Hills for term commencing July 1, 2010 to June 30, 2012.

Reappointments: Jerri-Ann Meyer representing the City of Mountain View for term commencing July 1, 2010 to December 31, 2011; Ray Cosyn representing the City of Saratoga; Thomas Muniz representing the City of Gilroy; John Sullivan representing the City of Santa Clara; and Richard Swent representing the City of Palo Alto for term commencing July 1, 2010 to June 30, 2012;

Agenda Item #14. Authorize the General Manager to submit federal Fiscal Year 2010 grant applications and execute grant agreements with the Federal Transit Administration (FTA) for Section 5307 Urbanized Area Formula, Section 5309 Fixed Guideway;

Agenda Item #15. Adopt a resolution authorizing the filing of an annual claim to the Metropolitan Transportation Commission (MTC) for allocation of FY 2010-2011 Transportation Development Act (TDA) and State Transit Assistance (STA) funds;

Agenda Item #16. Recommend that the VTA Board of Directors adopt a support position for SB 901 (Ashburn), which authorizes the lead agency for a grade separation or safety project funded through the Proposition 1B Highway-Railroad Crossing Safety Account 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 and be eligible to seek reimbursement from bond proceeds at a later date under certain circumstances;

Agenda Item #17. Recommend that the VTA Board of Directors adopt a support position for SB 964 (Alquist), which requires the California High-Speed Rail Authority to contract with the state Employment Development Department to put together a strategy for ensuring that the necessary training programs are in place to facilitate the availability of a skilled, in-state workforce for California's proposed high-speed train system;

Agenda Item #18. Recommend that the VTA Board of Directors adopt a support position for AB 2324 (J. Perez), which prohibits the following: (a) a person from knowingly possessing specified weapons within a sterile area of a public transit facility; (b) an unauthorized person from knowingly entering a restricted area of a public transit facility; and (c) a person from intentionally avoiding submission to screening and inspection when entering or re-entering a sterile area of a public transit facility. In addition, this bill increases the penalties for repeat fare evasion offenders and for certain acts of public transit passenger misconduct;

Agenda Item #21. Designate fourteen investment banking firms to an underwriting pool for a period of seven years to provide the VTA access to capital markets in order to finance capital projects or refinance existing debt; and

Agenda Item #23. Authorize the General Manager to execute a contract amendment with AT&T for cellular voice and data service. The contract amendment will extend the contract term for an additional one year for a cost of \$200,000, for a new contract value of \$1,558,000.

REGULAR: Agenda Item #19. Authorize the General Manager to execute a contract in the amount of \$7,696,261 with GFI Genfare, of Elk Grove Village, Illinois (a subsidiary of SPX Corporation) for the purchase of 450 electronic validating bus fareboxes plus related revenue transfer equipment, data systems, spare parts, and supplies, with an option to purchase up to 50 additional fareboxes if needed to support VTA fleet requirements at a cost of \$11,400 each, for a total not-to-exceed contract value of \$8,266,261;

Agenda Item #22. Adopt a resolution authorizing the General Manager or Chief Financial Officer to execute and deliver any and all documents, including a Remarketing Memorandum in connection with the 2008 Measure A Sales Tax Revenue Refunding Bonds, that are required to implement the replacement of Banco Bilbao Vizcaya Argentaria S.A. with Sumitomo Mitsui Banking Corporation as liquidity provider for Series C and Series D; and

Agenda Item # 24. Receive a report on Caltrain Operating Expenses.

Scheduled for the August 5, 2010 Board of Directors Meeting

Agenda Item #20. Authorize the General Manager to execute a Memorandum of Understanding with the Metropolitan Transportation Commission and other transit operators to implement the Clipper fare collection system at VTA.

30. Announcements

There were no Announcements.

31. ADJOURNMENT

On order of Chairperson Kniss and there being no objection, the Committee meeting was adjourned at 12:48 p.m.

Respectfully submitted,

Michelle M. Garza, Board Assistant
VTA Office of the Board Secretary