

ADMINISTRATION & FINANCE COMMITTEE

Thursday, November 17, 2011

MINUTES

CALL TO ORDER

The Regular Meeting of the Administration and Finance Committee (A&F) was called to order at 12:13 p.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
Ash Kalra	Board Member	Present
Liz Kniss	Chairperson	Present
Chuck Reed	Board Member	Present
Perry Woodward	Board Member	Absent
Nancy Pyle	Alternate Board Member	NA
Pete McHugh	Alternate Board Member	NA
George Shirakawa	Alternate Board Member	NA

* 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

There were no Orders of the Day.

The Agenda was taken out of order.

REGULAR AGENDA

14. BART Silicon Valley Berryessa Extension (SVBX) C700 Design-Build Contract Procurement and Evaluation Process

Michael T. Burns, General Manager, commented on VTA's Silicon Valley Rapid Transit (SVRT) Program, noting the first stage of the extension will be the Milpitas and Berryessa Stations. Mr. Burns continued that VTA formally submitted a request for a \$900 million Full Funding Grant Agreement (FFGA) to the Federal Transit Administration (FTA) in September 2011, noting staff anticipates the award of the FFGA in February 2012. Mr. Burns commented on several significant Silicon Valley BART Extension (SVBX) actions scheduled for consideration on the December 8, 2011, Board of Directors Regular meeting.

Carolyn M. Gonot, Chief SVRT Program Officer, provided a brief overview of the handout entitled, "Silicon Valley Berryessa Extension (SVBX) C700 Design Build Contract Procurement and Evaluation Process," highlighting: 1) Contract Scope – Line, Track, Systems, and Stations; 2) Request for Proposals (RFP); 3) Design-Build (D/B) Contract Formation; 4) Bid and Proposal Process; 5) Proposal Evaluation; and 6) Next Steps.

Vice Chairperson Kalra arrived at the meeting and took his seat at 12:26 p.m. and a quorum was established.

Ms. Gonot commented that the Design-Build Contract Award is scheduled for consideration at the December 8, 2011 Board of Directors Regular meeting.

Upon query from Chairperson Kniss, Ms. Gonot responded that staff has conducted reference checks and significant due diligence, noting the vendor teams are extremely experienced and qualified in design build projects. Ms. Gonot added

the Board approved the use of the Best Value Design-Build approach for implementation of the SVBX Project, which is not necessarily the lowest responsible bidder.

Upon query from Vice Chairperson Kalra, Ms. Gonot responded that Schedule Incentive and Performance Awards were included as key features built into the contract, noting the incentives reflect VTA's savings in project management oversight.

Members of the Committee expressed appreciation, noting the impressive detail of the Berryessa Extension Plan/Profile Map.

On order of Chairperson Kniss, there being no objection, the Committee received the report on BART Silicon Valley Berryessa Extension (SVBX) C700 Design-Build Contract Procurement Process.

15. State Board of Equalization (SBOE) Agreements for BART Silicon Valley Operating and Maintenance (O & M) Transactions and Use Tax

Kim Koenig, Fiscal Resources Manager, reported that a revised memorandum was submitted to allow staff the ability and flexibility to amend Fiscal Year 2012 and 2013 Budgets as warranted. Ms. Koenig reported the introduction or "First Reading" of the Silicon Valley BART Operating and Maintenance (O & M) Transactions and Use Tax Ordinance was presented at VTA's November 3, 2011 Board of Directors Regular Meeting and the "Second Reading" and adoption is scheduled for VTA's December 8, 2011 Board of Directors Regular Meeting.

Ms. Koenig continued that the resolution and agreements with the State Board of Equalization (SBOE) is necessary to proceed with the administration of the VTA BART O & M Transactions and Use Tax Ordinance.

M/S/C (Reed/Kalra) to approve submitting a recommendation to the Board of Directors to: 1) Adopt a resolution authorizing the General Manager to execute agreements with the State Board of Equalization to prepare and administer the administration of, the VTA BART Operating and Maintenance Transactions and Use Tax Ordinance; and, 2) Adopt a separate resolution authorizing VTA's transaction and use tax auditor, MuniServices, LLC and designated VTA staff to examine transaction and use tax records; and,

3) Approve an increase of \$175,000 to the Adopted FY 2012 BART Operating Sales Tax Program Budget.

16. Silicon Valley Berryessa Extension (SVBX) Full Funding Grant Agreement between VTA and the U.S. Department of Transportation, Federal Transit Administration

Ms. Gonot reported that the execution of the Full Funding Grant Agreement (FFGA) would secure the \$900 million Federal New Starts funding contribution for the Silicon Valley Berryessa Extension (SVBX) Project.

M/S/C (Kalra/Reed) to approve submitting a recommendation to the Board of Directors to adopt a resolution authorizing the General Manager to execute a Full Funding Grant Agreement (FFGA) with the United States Department of Transportation, Federal Transit Administration (FTA) to support the design and construction of the Silicon Valley Berryessa Extension Project (SVBX) up to a maximum federal New Starts financial contribution of \$900 million in capital New Starts funds.

17. 2012 Legislative Program

Kurt Evans, Government Affairs Manager, reported that VTA annually adopts a Legislative Program to provide direction for its legislative and policy activities for the year. The purpose of the Legislative Program is to establish financial, statutory, regulatory, and administrative policies and principles to guide VTA's advocacy efforts.

Mr. Evans stated that the 2012 Legislative Program is divided into the following three sections: 1) Federal; 2) State; and 3) Regional and Local, noting that each section of the program consists of a summary of the key policy issues and a series of related advocacy principles.

Mr. Evans referenced the Federal Section of the Legislative Program and stated the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) expired on September 30, 2009. Congress kept its provisions intact through a series of short term extensions in the absence of an agreement on a new six year authorization bill. VTA continues to urge Congress to act on a longer term surface transportation authorization measure to replace SAFETEA-LU to ensure transportation capital investments are initiated and infrastructure improvement projects are advanced.

Scott Haywood, Policy and Community Relations Manager, referenced the State Section of the Legislative Program and commented on the Regional and Location Section. He noted VTA's intent to advocate for allocating discretionary funding based on population and having decision making authorization regarding project selection and program implementation occur at the county level.

VTA supports maintaining current funding levels, requirements, and schedules for transportation funds received by the region and opposes efforts to divert funding to regional programs that are not related to transportation infrastructure.

M/S/C (Reed/Kalra) to approve submitting a recommendation to the Board of Directors to approve the 2012 Legislative Program for the Santa Clara Valley Transportation Authority (VTA).

OTHER ITEMS

18. *Other Significant Items for Board Action*

The following are items for Board consideration on December 8, 2011:

- **Cooperative Financing Agreement between VTA and the Alameda County Transportation Commission (ACTC)**

Mr. Burns noted that the item is scheduled on the Transit Planning and Operations (TPO) Committee; however, the intent was to provide a brief overview to the A&F Committee Members.

Upon query from Chairperson Kniss, Ms. Gonot responded that the recommendation would allow the advancement of \$42.35 million in 2000 Measure A Funds for the Mission/Warren/Truck-Rail (MWT) Program in exchange for future reimbursement of revenues from the sale of excess properties owned by Caltrans.

Ms. Gonot reported the MWT Program

is a funding partnership between VTA, ACTC, City of Fremont and Caltrans. Each of the project partners is responsible to provide funding to cover their own respective project scope and responsibilities. The partners are working together to reduce overall costs, improve project schedule, and coordinate activities with Union Pacific Railroad (UPRR).

Chairperson Kniss expressed concern that this item was not on the A&F agenda and stressed the importance to ensure everything is specified within the cooperative financing agreement between VTA and the Alameda County Transportation Commission (ACTC), noting the importance to include perimeters within the cooperative financing agreement to protect VTA's partnership interests.

Chairperson Kniss also requested that moving forward the A&F Committee hear all agreements that have a finance component.

Ms. Gonot responded that everything will be addressed within the cooperative financing agreement.

Board Member Reed expressed support, noting the project is a joint venture with the goal to increase savings.

- **Contract Amendments for the Silicon Valley Berryessa Extension (SVBX) Project/Silicon Valley Rapid Transit (SVRT) Program**

- Kimley-Horn and Associates, Inc.
- AECOM Technical Services, Inc.
- CH2M HILL, Inc.
- HMM/Bechtel, a Joint Venture

Ms. Gonot reported that the contract amendments will be utilized to support activities for the Silicon Valley Berryessa Extension (SVBX) Project / Silicon Valley Rapid Transit (SVRT) Program.

CONSENT AGENDA

4. **Regular Meeting Minutes of August 18, 2011**
M/S/C (Reed/Kalra) to approve the Regular Meeting Minutes of August 18, 2011.
5. **Regular Meeting Minutes of October 20, 2011**
M/S/C (Reed/Kalra) to approve the Regular Meeting Minutes of October 20, 2011.
6. **Monthly Legislative History Matrix**
M/S/C (Reed/Kalra) to review the Monthly Legislative History Matrix.
7. **First Quarter of FY 2012 Public Liability/Property Damage Claims Activity Report**
M/S/C (Reed/Kalra) to review First Quarter of FY 2012 Public Liability/Property Damage Claims Activity Report.
8. **First Quarter of FY 2012 Report of Workers' Compensation Claims and Transitional Work Program**
M/S/C (Reed/Kalra) to review First Quarter of FY 2012 Workers' Compensation Claims and Transitional Work Program Report.
9. **Monthly Investment Report – September 2011**
M/S/C (Reed/Kalra) to receive a Report on Santa Clara Valley Transportation Authority Investments for the Month of September 2011.
10. **Quarterly Purchasing Report – July 1 through September 30, 2011**
M/S/C (Reed/Kalra) to review the Quarterly Purchasing Report for July 1 through September 30, 2011.
11. **Fiscal Year 2012 Quarterly Statement of Revenues and Expenses for the Period Ending September 30, 2011**
M/S/C (Reed/Kalra) to approve submitting a recommendation to the Board of Directors to review and accept the Fiscal Year 2012 Quarterly Statement of Revenues and Expenses for the period ending September 30, 2011.
12. **Bicycle and Pedestrian Advisory Committee Appointment**
M/S/C (Reed/Kalra) to approve submitting a recommendation to the Board of Directors to ratify the appointment of Wesley (Wes) Brinsfield to the Bicycle & Pedestrian Advisory Committee representing the City of Los Altos for the remainder of the term ending June 30, 2012 and for the new term ending June 30, 2014.
13. **Committee for Transit Accessibility Appointment**
M/S/C (Reed/Kalra) to approve submitting a recommendation to the Board of Directors to approve the appointment of Kathy Bonilla to the Committee for Transit Accessibility representing persons with disabilities for the two-year term ending December 31, 2013.

OTHER ITEMS (continued)

19. Items of Concern and Referral to Administration

There were no Items of Concern and Referral to Administration.

20. Committee Work Plan

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

21. Committee Staff Report

Michael T. Burns, General Manager stated the December 8, 2011 Board of Directors Regular meeting is scheduled to begin at 8:30 a.m. for Closed Session.

Mr. Burns commented on the retirement of Kevin Allmand, General Counsel, noting that his last day of service is Friday, December 9, 2011. He stated that the General Counsel Selection Process is going well, noting that a Subcommittee of the Board will interview potential candidates prior to the December 8, 2011 Board meeting.

22. Chairperson's Report

There was no Chairperson's Report.

23. Determine Consent Agenda for the December 8, 2011 Board of Directors Meeting

CONSENT:

Agenda Item #11. Review and accept the Fiscal Year 2012 Quarterly Statement of Revenues and Expenses for the period ending September 30, 2011;

Agenda Item #12. Ratify the appointment of Wesley (Wes) Brinsfield to the Bicycle & Pedestrian Advisory Committee representing the City of Los Altos for the remainder of the term ending June 30, 2012 and for the new term ending June 30, 2014;

Agenda Item #13. Approve the appointment of Kathy Bonilla to the Committee for Transit Accessibility representing persons with disabilities for the two-year term ending December 31, 2013;

Agenda Item #14. Receive the report on BART Silicon Valley Berryessa Extension (SVBX) C700 Design-Build Contract Procurement Process;

Agenda Item #15. Adopt a resolution authorizing the General Manager to execute agreements with the State Board of Equalization to prepare and administer the administration of, the VTA BART Operating and Maintenance Transactions and Use Tax Ordinance; and, Adopt a separate resolution authorizing VTA's transaction and use tax auditor, MuniServices, LLC and designated VTA staff to examine transaction and use tax records; and, Approve an increase of \$175,000 to the Adopted FY 2012 BART Operating Sales Tax Program Budget;

Agenda Item #16. Adopt a resolution authorizing the General Manager to execute a Full Funding Grant Agreement (FFGA) with the United States Department of Transportation, Federal Transit Administration (FTA) to support the design and construction of the Silicon

Valley Berryessa Extension Project (SVBX) up to a maximum federal New Starts financial contribution of \$900 million in capital New Starts funds; and

Agenda Item #17. Approve the 2012 Legislative Program for the Santa Clara Valley Transportation Authority (VTA).

REGULAR: None

24. Announcements

There were no Announcements.

25. ADJOURNMENT

On order of Chairperson Kniss and there being no objection, the Committee meeting was adjourned at 1:17 p.m.

Respectfully submitted,

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