



TRANSIT PLANNING & OPERATIONS COMMITTEE

Thursday, May 20, 2004

MINUTES

1. CALL TO ORDER

The Regular Meeting of the Transit Planning and Operations (TP&O) Committee was called to order at 5:15 p.m. by Chairperson Cortese in Room 216B, San Jose City Hall, 801 North First Street, San Jose, California.

ROLL CALL

Members Present

David Cortese, Chairperson
Ron Gonzales
Joe Pirzynski, Vice Chairperson

Members Absent

Pete McHugh

Alternates Present

None

Alternates Absent

Blanca Alvarado
Dolores Sandoval
Ken Yeager

*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

Jack J. Collins, Chief Construction Officer, requested that the following Agenda Item be removed from the Agenda: Item #12. Authorize the General Manager to execute a contract in the amount of \$1,097,487 with Alpha Bay Builders, the lowest responsible bidder for the Rehabilitation of Palo Alto University Avenue Railroad Depot Project. This project is 80 percent federally funded.

On order of Chairperson Cortese, there being no objection, the Orders of the Day were accepted.

CONSENT AGENDA

M/S/C (Pirzynski/Gonzales) to approve the Consent Agenda, as amended.

4. **Minutes of April 15, 2004**

M/S/C (Pirzynski/Gonzales) to approve the Minutes of April 15, 2004.

5. **Community Oriented Design Enhancements (CODE) Program Update – April 2004 – May 2004**

M/S/C (Pirzynski/Gonzales) to receive and file the Community Oriented Design Enhancements (CODE) Program Update – April 2004 – May 2004.

6. **Report on the Capitol Light Rail Project for the Month of April 2004**

M/S/C (Pirzynski/Gonzales) to receive and file the Report on the Capitol Light Rail Project for the Month of April 2004.

7. **Report on the Tasman East Light Rail Project for the Month of April 2004**

M/S/C (Pirzynski/Gonzales) to receive and file the Report on the Tasman East Light Rail Project for the Month of April 2004.

8. **Report on the Vasona light Rail Project for the Month of April 2004**

M/S/C (Pirzynski/Gonzales) to receive and file the Report on the Vasona Light Rail Project for the Month of April 2004.

9. **Joint Powers Board Monthly Status Report**

M/S/C (Pirzynski/Gonzales) to receive and file the Joint Powers Board Monthly Status Report.

10. **Committee for Transit Accessibility Report**

M/S/C (Pirzynski/Gonzales) to receive and file the Committee for Transit Accessibility Report.

11. **Monthly Legislative Reports**

M/S/C (Pirzynski/Gonzales) to receive and file the Monthly Legislative Reports.

12. (Removed from the Agenda.)

Authorize the General Manager to execute a contract in the amount of \$1,097,487 with Alpha Bay Builders, the lowest responsible bidder for the Rehabilitation of Palo Alto University Avenue Railroad Depot Project. This project is 80 percent federally funded.

13. Union Pacific Railroad Agreement for Railroad Modifications at Great Mall Drive

M/S/C (Pirzynski/Gonzales) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute agreement with the Union Pacific Railroad (UPRR) in a not to exceed contract amount of \$505,337 for purchase of UPRR right-of-way and construction of railroad crossing modifications at the Great Mall Drive (Escort Drive) and Main Street intersection.

14. Transfer of Tasman East and Capitol Parcels to Cities and Utility Companies

M/S/C (Pirzynski/Gonzales) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute grants of fee parcels and Public Service Easements (PSE) rights for approximately 300 parcels to the City of San Jose, City of Milpitas and various utility companies at no cost to the cities or utility companies.

REGULAR AGENDA

15. Vasona Light Rail Project Amendment to the San Jose Diridon Station to Winchester Station Construction Contract

M/S/C (Gonzales/Pirzynski) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to increase the total authorized funding for the Stacy and Witbeck, Inc., civil construction contract from San Jose Diridon Station to Winchester Station by an amount of \$2,000,000 to accommodate third-party change requests for a new contract amount of \$31,568,701. This contract is 74 percent federally funded.

16. Silicon Valley Rapid Transit Project Yards & Shops Preliminary Engineering

Member Gonzales queried whether the Disadvantaged Business Enterprise (DBE) goal of 19 percent was 19 percent of the contractors or 19 percent of the project cost. Mr. Collins reported it is 19 percent of the consultant's contract cost for preliminary engineering. He

directed attention to the Memorandum entitled “DBE Goals and Office Locations for Silicon Valley Rapid Transit (SVRT) Subconsultants,” which was prepared in response to Member Gonzales’ question raised at the May 6, 2004 Board of Directors Meeting. Mr. Collins noted that the Memorandum contained a complete list of locations and DBE status of subconsultants working on SVRT preliminary engineering contracts.

M/S/C (Pirzynski/Gonzales) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract with STV, Inc., for Yard & Shops design services for the Silicon Valley Rapid Transit (SVRT) Project in an amount not to exceed \$11,000,000 for the Preliminary Engineering phase. The initial contract term will be for 24 months with future amendments to be presented to the Board for final design services once approval to enter into final design for the SVRT Project is determined. This contract is currently 2.3 percent (\$250,000) federally funded.

17. Silicon Valley Rapid Transit Project Preliminary Engineering Design Integration

M/S/C (Gonzales/Pirzynski) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract with Booz Allen Hamilton, Inc. to provide Design Integration services for the Silicon Valley Rapid Transit (SVRT) Project in an amount not to exceed \$5,000,000 for the Preliminary Engineering phase. The initial contract term will be for 24 months with future amendments to be presented to the Board for continued Design Integration services after approval to begin final design for the SVRT Project is determined. This contract is currently five percent (\$250,000) federally funded.

18. Real Property Appraisal and Appraisal Review Services for Capital Projects

M/S/C (Gonzales/Pirzynski) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute contracts for Real Property Appraisal and Appraisal Review Services, as needed, with the following firms or individuals: Appraisal Research Corporation, Burchard & Rinehart, Charles Bailey & Associates, Inc., Dana Property Analysis, Dean Chapman & Associates, Inc., Diaz, Diaz & Boyd, Inc., Patrick Idiart & Associates, The Reitman Group, Thomas W. Ryland, Smith & Associates and Jonathon R. Strong. Each contract shall be for an initial three-year period with options for two additional years. The five-year total for all contracts shall not exceed \$4,000,000.

OTHER ITEMS

19. Amendment of FY 2003-04 and FY 2004-05 Operating and Capital Budgets and FY 2004-05 Fare Adjustment

Member Gonzales referred to the first quarter-to-quarter increase of 4.1 percent in half-cent sales tax receipts in the second quarter of Fiscal Year 2003-04 and queried whether the 4.1 percent increase included any adjustment payments that would not necessarily go from quarter to quarter. Peter M. Cipolla, General Manager, noted that staff would verify.

Member Gonzales directed attention to the Board Memorandum, Page 19, Paragraph 2, Fiscal Impact, noting VTA's continued structural deficit, and asked how that relates to the fact that VTA has small surpluses in some accounts and does not feel the need at this point to sell the \$80 million of bonds that were authorized. Mr. Cipolla noted that VTA has been able to accrue the service reductions and fare increases and other cost efficiencies. VTA has also deferred capital projects and reduced its operating costs significantly. Mr. Cipolla noted that due to that combination of factors, VTA has been able to push out the draw on the \$80 million until later on this year, essentially being able to defer approximately \$60 million. VTA will be able to utilize the \$60 million plus in the next two-year budget to help defer any major service cuts.

Member Gonzales referred to the implementation of the strategies approved by the Board of Directors that have worked in terms of saving operating costs and seeing an increase in VTA's revenue both in capital and operations, and asked what VTA has to do structurally to not be in a position two to three years from now. Mr. Cipolla noted that VTA will submit to the Board in 2005 a two-year budget and at the end of the two-year cycle, VTA will need to have an additional revenue stream in place.

Member Gonzales queried about the amount of revenue VTA receives from the youth pass. Mr. Cipolla directed attention to Attachment E – Ridership and Revenue Forecast with \$1.75 Base Fare. Member Gonzales asked what financial impact for the next couple of years would take place if VTA accomplished the raise and the base fare for youth over a two-year period. Mr. Cipolla noted that VTA is implementing the Board policy that was adopted. He noted that the financial impact would be minimal, but would affect the policy.

Member Gonzales expressed concern regarding the youth fares, noting that many parents pay the youth fares. He referred to youth fares being raised in the past and asked what has been done to effectively communicate with parents/youths. Mr. Cipolla noted the steps VTA has taken to communicate with the schools.

Member Gonzales asked what percentage would the youth pass be compared to the adult pass. Mr. Cipolla noted that the youth fares would be 80-90 percent of the adult fares.

He directed attention to Attachment B – Current versus Proposed Fare Structure, noting how the proposed fares for youth compare to adult fares on a percentage basis.

Chairperson Cortese referred to the school districts cooperating in community engagement and noted that local officials could help streamline things for VTA with the school districts with outreach.

M/S/C (Gonzales/Pirzynski) to discuss the recommendation to 1.) Approve the amendment of FY 2003-04 and FY 2004-05 biennial operating and capital budgets; 2.) 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; 3.) Invoke a Statutory Exemption under CEQA, P.R.C. §21080(b)(8) and CEQA Guidelines Section 15273 (a) (Rates, Tolls, Fares and Charges) for the purpose of modifying and increasing fares; 4.) Adopt a resolution establishing new rates and fares for VTA bus, light rail, and paratransit services effective January 1, 2005.

20. Draft 1996 Measure B Program Revenue and Expenditure Plan for FY 2005

M/S/C (Gonzales/Pirzynski) to receive and file the Draft 1996 Measure B Program Revenue and Expenditure Plan for FY 2005.

21. FY 2004 Third Quarter Performance Report

Matthew O. Tucker, Chief Operating Officer, directed attention to the distributed document entitled “Monthly Performance Report, April 2004.”

Vice Chairperson Pirzynski referred to VTA’s projected farebox recovery goal of 20-25 percent and queried about the projected timeframe to reach the farebox recovery goal. Mr. Cipolla noted it would take about a four to five years to reach the farebox recovery goal. Vice Chairperson Pirzynski noted the importance of the Board knowing the projection of time and recommended that VTA set that number for the Board.

M/S/C (Pirzynski/Gonzales) to receive and file the FY 2004 Third Quarter Performance Report.

22. Committee Work Plan

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

23. Committee Staff Report

Denise Daly, Chief of Staff, noted that staff is recommending that the June 17, 2004 Transit Planning & Operations (TP&O) Committee Meeting be canceled and that a Committee of the Whole of the Board of Directors would be held on Wednesday, July 14, 2004, at 12:00 p.m.

Ms. Daly directed attention to the Memorandum, dated May 20, 2003, that was distributed entitled "DBE Goals and Office Locations for Silicon Valley Rapid Transit (SVRT) Subconsultants," noting that the information was requested by Member Gonzales at the May 6, 2004 Board of Directors Meeting. Mr. Cipolla noted that the information would be sent to all of the Board Members.

On order of Chairperson Cortese, there being no objection, the Committee Staff Report was received.

24. Chairperson's Report

There was no Chairperson's Report.

25. Determine the Consent Agenda for the June 3, 2004 Board Meeting

CONSENT: Item #13. Authorize the General Manager to execute agreement with the Union Pacific Railroad (UPRR) in a not to exceed contract amount of \$505,337 for purchase of UPRR right-of-way and construction of railroad crossing modifications at the Great Mall Drive (Escort Drive) and Main Street intersection and **Item #14.** Authorize the General Manager to execute grants of fee parcels and Public Service Easements (PSE) rights for approximately 300 parcels to the City of San Jose, City of Milpitas and various utility companies at no cost to the cities or utility companies.

REGULAR: Item #15. Authorize the General Manager to increase the total authorized funding for the Stacy and Witbeck, Inc., civil construction contract from San Jose Diridon Station to Winchester Station by an amount of \$2,000,000 to accommodate third-party change requests for a new contract amount of \$31,568,701. This contract is 74 percent federally funded; **Item #16.** Authorize the General Manager to execute a contract with STV, Inc., for Yard & Shops design services for the Silicon Valley Rapid Transit (SVRT) Project in an amount not to exceed \$11,000,000 for the Preliminary Engineering phase. The initial contract term will be for 24 months with future amendments to be presented to the Board for final design services once approval to enter into final design for the SVRT Project is determined. This contract is currently 2.3 percent (\$250,000) federally funded; **Item #17.** Authorize the General Manager to execute a contract with Booz Allen Hamilton, Inc. to provide Design Integration services for the Silicon Valley Rapid Transit (SVRT) Project in an amount not to exceed \$5,000,000 for the Preliminary Engineering phase. The initial contract term will be for 24 months with future amendments to be presented to the Board for continued Design Integration services after approval to begin final design for the SVRT Project is determined. This contract is currently five percent (\$250,000) federally funded; and **Item 18.** Authorize the General Manager to execute contracts for Real Property Appraisal and Appraisal Review

Services, as needed, with the following firms or individuals: Appraisal Research Corporation, Burchard & Rinehart, Charles Bailey & Associates, Inc., Dana Property Analysis, Dean Chapman & Associates, Inc., Diaz, Diaz & Boyd, Inc., Patrick Idiart & Associates, The Reitman Group, Thomas W. Ryland, Smith & Associates and Jonathon R. Strong. Each contract shall be for an initial three-year period with options for two additional years. The five-year total for all contracts shall not exceed \$4,000,000.

26. Announcements

There were no Announcements.

27. ADJOURNMENT

On order of Chairperson Cortese, there being no objection, the meeting was adjourned at 5:40 p.m.

Respectfully submitted,

Tracene Y. Crenshaw, Board Assistant
VTA Board of Directors