BOARD OF DIRECTORS MEETING

Thursday, November 5, 2009

5:30 P.M.

Board of Supervisors’ Chambers
County Government Center
70 West Hedding Street
San Jose, CA

AGENDA

To help you better understand, follow, and participate in the meeting, the following information is provided:

- Persons wishing to address the Board of Directors on any item on the agenda or not on the agenda should complete a blue card located at the public information table and hand it to the Board Secretary staff prior to the meeting or before the item is heard. Speakers will be called to address the Board when their agenda item(s) arise during the meeting and are asked to limit their comments to 2 minutes. The amount of time allocated to speakers may vary at the Chairperson's discretion depending on the number of speakers and length of the agenda. If presenting handout materials, please provide 25 copies to the Board Secretary for distribution to the Board of Directors.

- The Consent Agenda items may be voted on in one motion at the beginning of the meeting. If you wish to discuss any of these items, please request the item be removed from the Consent Agenda by completing a blue card at the public information table and handing it to the Board Secretary staff prior to the meeting or prior to the Consent Agenda being heard.

- 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 our website, www.vta.org, and also at the meeting. Any document distributed less than 72 hours prior to the meeting will also be made available to the public at the time of distribution. Copies of items provided by members of the public at the meeting will be made available following the meeting.

In compliance with the Americans with Disabilities Act (ADA), those requiring accommodations 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 or TDD (408) 321-2330. VTA’s Home page is on the Web at: www.vta.org

NOTE: THE BOARD OF DIRECTORS MAY ACCEPT, REJECT OR MODIFY ANY ACTION RECOMMENDED ON THIS AGENDA
CALL TO ORDER

1. ROLL CALL

2. ORDERS OF THE DAY

3. AWARDS AND COMMENDATIONS

INFORMATION ITEM - Recognize Jerry Horner, Technical Trainer, Guadalupe Administration, and Kirpal Atwal, Coach Operator, Chaboya Division, as Employees of the Month for November 2009.

4. PUBLIC PRESENTATIONS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any item within the Board’s jurisdiction. Speakers are limited to 2 minutes. The law does not permit Board action or extended discussion of any item not on the agenda except under special circumstances. If Board 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.

5. REPORT FROM THE GENERAL MANAGER (Verbal Report)

6. REPORT FROM THE CHAIRPERSON (Verbal Report)

7. Citizens Advisory Committee (CAC) Chairperson’s Report (Tebo)


CONSENT AGENDA


10. ACTION ITEM - Ratify the appointment of Aaron Faupell as the City of Milpitas representative on the Bicycle Pedestrian Advisory Committee (BPAC).

11. ACTION ITEM - Authorize the General Manager to execute on-call task order contracts with three printing firms for four to six color printing services to be utilized on an as-needed basis. Each contract shall be for a period of up to three years, with an option to extend the contract for an additional two-year term. The total amount for all three contracts shall not exceed $1 million for a total of five years.

12. ACTION ITEM - Adopt New Funding Program for County Expressways Pedestrian Projects.

13. ACTION ITEM - Authorize the General Manager to execute a contract amendment with Mark Thomas & Company in an amount not to exceed $303,395, for a new contract amount of $1,244,677 for engineering services to implement ramp metering on I-880 between SR 237 and I-280 in the PM peak period.
14. ACTION ITEM - Recommend the VTA Board adopt revisions to the distribution strategy of the 2009 American Recovery and Reinvestment Act (ARRA) local streets and roads funds to accommodate cost savings.

15. ACTION ITEM - Authorize the General Manager to execute a contract with Restoration Resources, the lowest responsible bidder, in the amount of $276,060 for the Landscaping and Long Term Maintenance Project.

16. INFORMATION ITEM - Receive an update on the Silicon Valley Express Lanes Program.

17. INFORMATION ITEM - Review the Security Guard Qualification and Training Internal Audit Report

REGULAR AGENDA

18. ACTION ITEM - Appoint a temporary, Ad Hoc Committee of the Board to review the Santa Clara Valley Transportation Authority’s (VTA) current and projected financial condition; and, to make recommendations to the Board that will address the VTA’s financial outlook on a near-term, mid-term and long-term basis to insure the continued sustainability of transit services in Santa Clara County.

19. ACTION ITEM - Approve the Joint Development Portfolio & Priority Schedule as recommended by staff.

20. ACTION ITEM - That the Santa Clara Valley Transportation Authority (VTA) Board consider the following alternative actions regarding the governance structure:

   1. Revise the current governance structure for the small city groupings per one of the following options:

      a. Reconfigure the small city groupings to include a new city group comprised of Sunnyvale, Santa Clara and Milpitas, that would appoint two Board Members and one alternate: or

      b. Implement a new process where the VTA Policy Advisory Committee will select the five Board Members and Alternates to represent the small cities.

   2. Take no further action.

   3. If either 1a or 1b is approved, direct staff to return with a resolution to amend the Joint Powers Agreement for the Administration of the Santa Clara County Congestion Management Program.
OTHER ITEMS

21. ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION

22. MONTHLY LEGISLATIVE HISTORY MATRIX

23. REPORTS (UNAPPROVED MINUTES) FROM STANDING COMMITTEES
   A. Administration and Finance Committee
   B. Congestion Management Program and Planning Committee
   C. Transit Planning and Operations Committee
   D. Audit Committee

24. REPORTS (UNAPPROVED MINUTES) FROM ADVISORY COMMITTEES
   A. Committee for Transit Accessibility (CTA)
   B. Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC)
   C. Bicycle & Pedestrian Advisory Committee (BPAC)
   D. Technical Advisory Committee (TAC)
   E. Policy Advisory Committee (PAC)

25. REPORTS FROM JOINT POWERS BOARDS (JPBs) & REGIONAL COMMISSIONS
   A. Peninsula Corridor JPB
   B. Capitol Corridor JPB
   C. Dumbarton Rail Corridor Policy Committee
   D. Metropolitan Transportation Commission (MTC)
   E. Sunol Smart Carpool Lane Joint Powers Authority

26. REPORTS FROM VTA POLICY ADVISORY BOARDS (PABs)
   A. Vasona Light Rail PAB
   B. Silicon Valley Rapid Transit Corridor & BART Warm Springs Extension PAB
   C. Downtown East Valley PAB
   D. Highway PAB South
27. REPORT FROM THE NOMINATING COMMITTEE

28. ANNOUNCEMENTS

29. ADJOURN
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief Administrative Officer, Bill Lopez

SUBJECT: Employees of the Month for November 2009

FOR INFORMATION ONLY

BACKGROUND:

Jerry Horner, Technical Trainer in the Guadalupe Light Rail Division, is the Administration Award Winner for November. He is known as a team player who sets a great example for others. In his current role, Jerry uses his extensive knowledge and solid technical skills to teach classes for Light Rail vehicle operation and certification. He also does a great job updating materials and lesson plans to ensure that Light Rail Operators receive the most current information and hands-on skills training. Jerry, who joined VTA in 1980, is a valued member of the Technical Training team and his exceptional level of professionalism is worthy of recognition. Congratulations to Jerry Horner, Administration Employee of the Month for November!

Kirpal Atwal, Chaboya Division Coach Operator, is our November Operations Award Winner. Kirpal has been with VTA since 1979, and consistently meets the high performance standards of his job. Known for taking the initiative to help fellow Operators when needed, Kirpal has also received positive customer feedback for providing excellent service to his riders in a courteous and professional manner. Recognized by his supervisors for attention to safety, excellent driving skills and a great attitude, Kirpal helps create a positive working environment at Chaboya Division. He upholds VTA’s commitment to delivering dependable service to the public. Congratulations to Kirpal Atwal, Operations Employee of the Month for November!

Prepared By: Mitsuno Baurmeister
Memo No. 2250
BOARD OF DIRECTORS MEETING

Thursday, October 1, 2009

MINUTES

CALL TO ORDER

The Regular Meeting of the Santa Clara Valley Transportation Authority’s (VTA) Board of Directors was called to order by Chairperson Sandoval at 5:42 p.m. in the Board of Supervisors’ Chambers, County Government Center, 70 West Hedding Street, San Jose, California.

1. ROLL CALL

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<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
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<tbody>
<tr>
<td>Nora Campos</td>
<td>Alternate Board Member</td>
<td>Absent</td>
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<tr>
<td>David Casas</td>
<td>Board Member</td>
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<tr>
<td>Dominic Caserta</td>
<td>Board Member</td>
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<tr>
<td>Dean Chu</td>
<td>Ex-Officio Board Member</td>
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<tr>
<td>Don Gage</td>
<td>Board Member</td>
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<tr>
<td>Rose Herrera</td>
<td>Board Member</td>
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<tr>
<td>Ash Kalra</td>
<td>Board Member</td>
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<tr>
<td>Yoriko Kishimoto</td>
<td>Board Member</td>
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<tr>
<td>Liz Kniss</td>
<td>Board Member</td>
<td>Present</td>
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<tr>
<td>Sam Liccardo</td>
<td>Vice Chairperson</td>
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<td>Bob Livengood</td>
<td>Alternate Board Member</td>
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<td>Chris Moylan</td>
<td>Alternate Board Member</td>
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<tr>
<td>Chuck Page</td>
<td>Alternate Board Member</td>
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<tr>
<td>Nancy Pyle</td>
<td>Board Member</td>
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<tr>
<td>Chuck Reed</td>
<td>Board Member</td>
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<tr>
<td>Dolly Sandoval</td>
<td>Chairperson</td>
<td>Present</td>
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<tr>
<td>Greg Sellers</td>
<td>Board Member</td>
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<tr>
<td>George Shirakawa</td>
<td>Alternate Board Member</td>
<td>Absent</td>
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<tr>
<td>Ken Yeager</td>
<td>Ex-Officio Board Member</td>
<td>Absent</td>
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* Alternates do not serve unless participating as a Member.

A quorum was present.
2. **ORDERS OF THE DAY**

Chairperson Sandoval noted the meeting will be adjourned in memory of those who have lost their lives or have been displaced in American Samoa, Indonesia, and Samoa.

Chairperson Sandoval stated Chuck Page requested the Policy Advisory Committee report to be heard before Awards and Commendations.

M/S/C (Liccardo/Sellers) to accept the Orders of the Day.  

*The Agenda was taken out of order.*

8. **Policy Advisory Committee (PAC) Chairperson’s Report**

Chuck Page, PAC Vice Chairperson, reported the following regarding the September 10, 2009 PAC meeting: 1) PAC received a presentation on Freight Rail Relocation Project; 2) PAC received an update on High Speed Rail; and 3) PAC discussed VTA Governance. The items of discussion for its October 8, 2009 meeting are: Light Rail Systems Analysis, County Expressways Pedestrian Projects funding; Silicon Valley Express Lanes Program.

3. **AWARDS AND COMMENDATION**

*Employees of the Month for October 2009 and Supervisor of the Quarter*

Chairperson Sandoval recognized and presented award to Jose Mares, Office Specialist II, Engineering and Construction Administration; Gurdip Tiwana, Bus Dispatcher, North Division as Employees of the Month for October 2009. Tu Vo, Transit Mechanic, Chaboya Division was unable to attend.

Chairperson Sandoval recognized and presented an award to Dolly Grey, Senior Accountant, as Supervisor of the Quarter for the fourth quarter of 2009.

4. **PUBLIC PRESENTATIONS**

James Wightman, Interested Citizen, inquired about Light Rail Speeds and surveillance cameras.

Michael T. Burns, General Manager, noted VTA is in the initial process of conducting Light Rail Systems analysis and schedules are yet to be determined. VTA is working to outfit the entire surveillance camera system, pending funding from Homeland Security.

**NOTE:** M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.
5. General Manager’s Report

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

- Fare increases were implemented October 1, 2009 and is going smoothly.
- Ridership for August 2009 was lower when compared to August 2008. Average weekday boardings, bus and light rail boardings were down 5.8, 4.7, and 9 percent respectively. VTA’s interagency partners are experiencing the same decline in ridership: 1) Monterey San Jose express declined almost 36 percent; 2) Caltrain was down 10 percent; and Altamont Commuter Express (ACE) was down 29 percent.
- The new Cancelled Meeting Procedures is provided on the dais. The new procedure calls for advance polling prior to agenda packet distribution. Members will be notified via e-mail and telephone if the meeting is cancelled. Once agenda packets are distributed, the meeting will not be cancelled.
- The California Transit Association (CTA) was successful in its lawsuit against the State of California regarding transportation funding. The California Supreme Court denied the Attorney General’s petition to appeal the District Court of Appeal ruling which stated it is unlawful to divert transportation funds to non-transportation uses. The State and the Legislature still have to work out the details of repayment. Mr. Burns commented it is too early to determine the impact of the ruling to VTA or any other transit agency in California.
- On September 30, 2009, BART broke ground for the Warm Springs Central Subway Project, which will bring BART closer to Santa Clara County. The event was attended by over 200 people and was very well covered by the media. Ex-Officio Board Member Chu was there to represent VTA.
- Mr. Burns indicated he was in Washington D.C. last week together with Board Members Liccardo and Reed, Silicon Valley Leadership Group (SVLG), and other business leaders. They met with Federal Transit Administrator Peter Rogoff and Department of Transportation Secretary LaHood to discuss status of the BART Project, issues regarding reauthorization of the Surface Transportation Bill, and the steps needed to advance the BART Extension Project through the federal process. They also met with the Federal Railway Administration to discuss High Speed Rail (HSR).

Kurt Evans, Government Affairs Manager, provided an update on the status of the Surface Transportation Authorization Bill. Congress passed a continuing resolution yesterday, which includes a one-month extension of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). There is still no consensus between the House and the Senate on how to proceed. The House is willing to concede to a three-month extension to develop the multi-year surface transportation bill. On the other hand, the Senate and President are endorsing an 18-month extension to push SAFETEA-LU past the November 2010 elections. The concern is the amount of money to replace the SAFETEA-LU, which will potentially require a gas tax increase. As of this time, there seem to be no political will in the Senate to increase gas sales tax and the President indicated he will not support a gas tax increase as well.
Eugene Bradley, Silicon Valley Transit Users (formerly known as SVTA Riders’ Union), was pleased to hear the good news regarding CTA lawsuit against the State of California. He remarked his group strongly urges VTA to fight for transportation dollars and use these monies to restore service to January 2008 levels as soon as possible.

6. **Chairperson’s Report**

Chairperson Sandoval explained the September 25, 2009 Workshop was cancelled due to last minute schedule changes of Board Members, which resulted in a lack of quorum. She reminded Board Members to respond to polling e-mails and inform the Board Secretary if their schedule changes.

Chairperson Sandoval reminded Board Members of the group photo to be taken before the November 5, 2009 Board meeting.

A. **Nominating Committee for the election of Chairperson and Vice-Chairperson for the 2010 Board of Directors**

On order of Chairperson Sandoval and there being no objection, the Board appointed Members Gage, Pyle and Sellers as the Nominating Committee for the election of Chairperson and Vice Chairperson for calendar year 2010.

Mr. Bradley commented the selection of the Chairperson and Vice Chairperson should be based on candidate’s transportation experience.

7. **Citizens Advisory Committee (CAC) Chairperson’s Report**

Noel Tebo, CAC and Citizens Watchdog Committee (CWC) Chairperson, reported the CWC published its annual report to the public. For this year, the CWC pursued a different publication strategy to reach more audience and save money. The essential facts such as completion of audit and appropriate use of Measure A funds were published in black and white in local newspapers, San Jose Mercury News, and foreign language publications. Readers were advised full details of the Annual Report are available online. The full report will also be distributed to local libraries, VTA lobby, and Board Members.

**CONSENT AGENDA**

Michael Ludwig, Interested Citizen, urged the Board to support H.R. 2746 (Carnahan) as this will prevent further service reductions. He commented public transportation is important and needed in Santa Clara County. He further urged the Board to restore service to January 2008 levels as soon as funding becomes available.

9. **Board of Directors’ Regular Meeting Minutes of September 3, 2009**

M/S/C (Pyle/Gage) to approve the Board of Directors’ Regular Meeting Minutes of September 3, 2009.

M/S/C (Pyle/Gage) to authorize the General Manager to amend the contract with URS for the Project approval/Environmental Documentation phase, Plans, Specifications and Estimates phase and Electronic Toll Systems design services for the SR 85 Express Lanes project by increasing the current cost-plus-fixed-fee contract value by $4,700,000 for a revised contract value not to exceed $6,700,000 and extend the term of the contract to June 30, 2012.

11. **VTA-ATU Pension Plan Actuarial Valuation as of January 1, 2009**

M/S/C (Pyle/Gage) to review the VTA-ATU Pension Plan Actuarial Valuation as of January 1, 2009.

12. **Adoption of ICMA Retirement Corporation’s Model Plan Document for the 457(b) Governmental Deferred Compensation Plan and Trust**

M/S/C (Pyle/Gage) to adopt Resolution No. 2009.10.28 adopting ICMA Retirement Corporation’s (ICMA-RC) Model Plan Document for the 457(b) Governmental Deferred Compensation Plan and Trust, to replace the current customized VTA Plan Document; to authorize VTA staff to make changes to non-optional provisions whenever ICMA-RC amends its Model Plan Document to ensure compliance with Internal Revenue Service (IRS) laws and regulations; and authorize VTA’s Deferred Compensation Committee to make determinations regarding the acceptance or rejection of optional provisions that may become available in the future and to instruct staff to make such changes.

13. **Renewal of Employeee Health Benefit Contracts**

M/S/C (Pyle/Gage) to authorize the General Manager to renew benefit contracts with Kaiser, PacifiCare, Valley Health Plan, Delta Dental, Pacific Union Dental, Vision Service Plan, and Custom Benefits Administrators for VTA employees and retirees for calendar year 2010 and approve the selection of CIGNA as the new provider for life and long-term disability benefits.


M/S/C (Pyle/Gage) to adopt a support position for H.R. 2746 (Carnahan), which allows all public transit agencies to use a portion of their federal Section 5307 Urbanized Area (UZA) formula funds for operating purposes.

15. **Citizens Watchdog Committee 2008 Measure D Duties**

M/S/C (Pyle/Gage) to adopt Resolution No. 2009.10.29 amending the bylaws of the Citizens Advisory Committee to incorporate the additional duties specified by the 2008 Measure D ballot and amending the VTA Administrative Code to be consistent therewith.
16. **October 2009 Service Changes**

M/S/C (Pyle/Gage) to receive the report on service changes becoming effective October 5, 2009.


M/S/C (Pyle/Gage) to receive the 2000 Measure A Semi-Annual Report.

18. **Increase Contingency Allowance - Chaboya Bus Wash**

M/S/C (Pyle/Gage) to authorize the General Manager to amend the lump-sum time-and-materials contract with Air and Lube Systems Incorporated of Sacramento, CA by $176,990, bringing the total value of this contract to $787,024. This contract is 80% federally funded.

19. **Emergency Telephones for Light Rail Platforms - Contract Award to RFI Communications and Security Systems Inc.**

M/S/C (Pyle/Gage) to authorize the General Manager to execute a contract and contract amendments with RFI Communications and Security Systems Inc., the lowest responsible bidder, in the amount of $539,653 to furnish and install up to 70 Emergency Telephones for light rail platforms, and Emergency Telephones as needed for 5 major transit centers. This contract will be 100% funded by the Department of Homeland Security - Transit Security Grant Program.

20. **Freight Railroad Relocation - Cooperative Funding Agreement with the Alameda County Flood Control District for Construction of the Agua Caliente Creek Culvert Improvements**

M/S/C (Pyle/Gage) to authorize the General Manager to execute a Cooperative Funding Agreement with the Alameda County Flood Control District in an amount not to exceed $2.0 million for construction costs related to improvements to Agua Caliente Creek Culvert. Under the proposed agreement, VTA’s financial obligation would be limited to $1.0 million.

21. **Mission Warren Truck Rail Program - Cooperative Funding Agreement Amendment with the Alameda County Transportation Authority and the City of Fremont for Final Engineering Services**

M/S/C (Pyle/Gage) to authorize the General Manager to execute an amendment to the Cooperative Funding Agreement with Alameda County Transportation Authority and City of Fremont for final engineering services for the Mission Warren Truck Rail Program. The Cooperative Funding Agreement amendment will increase the VTA final engineering services share by $5.3 million to $12.2 million.
REGULAR AGENDA

22. Quarterly Revenue & Expense Statement for Period Ending June 30, 2009

Joseph Smith, Chief Financial Officer, provided a brief summary of the Quarterly Revenue and Expense Statement for Period Ending June 30, 2009 highlighting the following: 1) actual total revenues are $48 million below budget estimates; 2) total expenses are $28.6 million below budget estimates; and 3) actual budget reflects $11.3 million deficit. Revenues are down due to unfavorable variances in sales tax receipts. VTA was able to offset some loss revenues through the use of federal grants for preventive maintenance and other cost saving measures. Expenses had favorable variances due to labor savings, cost saving measures for materials and services, and lower fuel prices.

Mr. Burns commented the financial situation is worse than expected. Staff is working with the Administration and Finance Committee (A&F) to develop a financial strategy the Board can adopt by the end of the year. Although the CTA lawsuit was successful, VTA cannot rely on those monies coming in the near future as it is still not clear on how and when the State will repay the funds. Mr. Burns noted VTA is facing serious financial challenges and there will be significant decisions to be made while maintaining a relevant transit system. VTA’s reserves has a positive balance; however, if the current trends continue, the reserves will have a negative balance before the end of FY 2010.

Upon inquiry of Vice Chairperson Liccardo, Mr. Smith explained projected revenues for FY 2011 are lower than FY 2010 due to grant funding VTA is scheduled to receive by FY 2010 only. The assumptions were also based on VTA’s historical experience during previous economic downturn. Staff is working with Beacon Economics to review the budget projections regularly and make updates as necessary.

Board Member Casas inquired about VTA’s financial plan and potential structural changes that can be implemented. Mr. Smith responded staff’s immediate plan is to conduct a thorough budget review during this month to determine where adjustments could be made. Mr. Smith added VTA needs to develop a long-term strategy on how to do business.

Mr. Burns reiterated staff will begin the financial strategy discussions with the A&F this month and hopefully develop a strategy the Board could adopt by December 2009. Mr. Burns concurred there is a need to make fundamental changes on how to do business.

Board Member Pyle commented the public should be made more aware of VTA’s financial condition. This strategy could be used to encourage the Governor and State Legislature to look into creative ways of obtaining revenue such as oil extraction fees. Mr. Evans reported there was an oil severance tax initiative in the past but there was no Republican support in the Assembly or Senate at that time. However, the Commission for 21st Century Economy recently recommended this concept and the Governor called the legislature to a special session to consider the Commission’s recommendations.
Board Member Sellers stressed the importance of keeping the public informed. The outreach materials for the service reductions in January 2010 should include information on how the current economic condition may trigger further potential changes. Board Member Gage argued VTA’s message should be kept as positive as possible to prevent significant ridership loss. The public should be notified of VTA’s plans to fix problems.

Upon inquiry of Chairperson Sandoval, Mr. Smith responded VTA is not isolated in this financial crisis. In fact, transit and local agencies across the nation are experiencing financial problems.

Ross Signorino, Interested Citizen, inquired about the CTA lawsuit. Mr. Burns explained CTA sued the State of California over the unlawful diversion of transportation dollars to general fund (non-transportation) uses over the last several years. CTA won the case on the lower and appellate courts and the California Supreme Court refused to hear the State of California’s appeal to reverse the earlier rulings. There is about $3.4 billion to be repaid back to transportation; however, the details of repayment still need to be determined and therefore cannot immediately help with VTA’s current financial condition.

M/S/C (Gage/Liccardo) to review and accept the Fiscal Year 2009 Quarterly Statement of Revenues and Expenses for the period ending June 30, 2009.

23. **January 2010 Service Changes**

Mr. Burns explained these service changes are included in the adopted budget. He noted the service cuts are not going to help with the budget shortfall reported earlier in the previous item. The Service Reduction Plan had an extensive public outreach process and was reviewed by all VTA Committees. Necessary changes have been made to the original proposal to accommodate the comments received from the public outreach and Committee process.

Jim Unites, Operations Deputy Director, reviewed the process and schedule including public process and the review of various VTA Committees. Mr. Unites reviewed the original proposal for bus and light rail service changes, revised proposal based on comments received; and the impacts of the service changes.

Board Member Kniss arrived and took her seat at 6:45 p.m.

Mr. Bradley stated bus service is very important to the community. He thanked staff for making adjustments to the original proposal based on comments received (i.e. retention of late night bus service for Bus Lines #22 and #34). He urged restoration of the 2008 service levels as soon as possible.

Mr. Ludwig concurred with Mr. Bradley’s comments and urged restoration of service to January 2008 service levels.

Jim Fink, Interested Citizen, noted a typographical error in the memorandum concerning River Oaks Shuttle. Mr. Fink suggested the following: 1) implement higher fare increases
to address inflation; 2) implement a transfer fee; 3) like Monterey Salinas Transit, VTA should pursue golden parachute from Department of Defense for providing rides to people who are and were in service; and 4) seek Congresswoman Zoe Lofgren’s assistance in obtaining funding from Department of Defense.

Mr. Signorino referred to the potential 49ers Football Stadium in the City of Santa Clara. He noted there may be a financial strain to VTA once the stadium is operational since VTA would have to provide transportation to and from the sporting events. To mitigate this, VTA should consider obtaining a subsidy from 49ers management early in the process. This will ensure costs of providing transportation to and from the future stadium is shared and will not be a financial burden to VTA.

Upon inquiry of Board Member Casas, staff responded they will work with the City of Mountain View and the community to improve the productivity of Bus Route #34. Staff affirmed it will do its annual review and will use the results to determine if the route needs any cuts.

The Board thanked staff for their diligent work and professionalism during the outreach process. They expressed appreciation to staff’s responsiveness and willingness to revise the original plan based on the comments received.

The Board commented politics should not be in play in this process of determining which routes should be cut, restored, or maintained. Instead, restoration or maintenance of transit service should solely be based on evaluation of need and performance. The Board inquired if staff looked into strategies on how to restore the services that have been cut. Mr. Unites responded staff proactively evaluates the transit service regularly and makes recommendations to the Board for appropriate adjustments.

The Board communicated there will be bigger challenges in the coming months. The service changes presented today were actually contained in the approved budget. The lower sales tax revenues may prompt more cuts in the future. Additionally, there is also the challenge of restoring ridership and keeping public transportation a viable alternative.

Vice Chairperson Liccardo referred to Santa Clara County Supervisor Cortese’s letter and asked which particular lines Supervisor Cortese was concerned about. Mr. Unites responded the staff response is available in the dais and added some of the lines were restored (i.e. Bus Line #22) and others were not.

Chairperson Sandoval reminded everyone the Transit Service Reduction Plan is already included in the Budget adopted in June 2009. She reiterated the cuts are not going to address the reduced sales tax revenues reported earlier in the meeting.

M/S/C (Gage/Sellers) to certify that the Initial Study for the January 2010 Transit Service Reduction Plan (Project):

1. Meets the requirements of the California Environmental Quality Act (CEQA);
2. Represents the independent judgment of VTA as the Lead Agency; and
3. Was presented to the VTA Board for review and consideration.
M/S/C (Gage/Sellers) to adopt a Negative Declaration based on the consideration of the Initial Study, comments received and responses to those comments.

M/S/C (Gage/Sellers) to approve the Transit Service Reduction Plan, which will take effect on January 11, 2010.

**Agenda Items #24 to Agenda Item #32**

Agenda Item #24. Silicon Valley Rapid Transit Program - Planning and New Starts Support Services Contract with AECOM Consult

Agenda Item #25. Silicon Valley Rapid Transit Program - Planning and Outreach Services Contract with Kimley-Horn and Associates, Inc.

Agenda Item #26. Silicon Valley Rapid Transit Program - Operations Planning Services Contract with Connetics Transportation Group

Agenda Item #27. Silicon Valley Rapid Transit Program - Travel Forecasting Services Contract with Hexagon Transportation Consultants, Inc.

Agenda Item #28. Silicon Valley Rapid Transit Program - Management Services Contract Amendment with HMM/Bechtel Joint Venture

Agenda Item #29. Silicon Valley Rapid Transit Program and Freight Railroad Relocation Program – Amendment to Engineering Services Contract with HNTB Corporation

Agenda Item #30. Silicon Valley Rapid Transit Program – Amendment to Engineering Services Contract with AECOM Technical Services, Inc.

Agenda Item #31. Silicon Valley Rapid Transit Program – Amendment to Engineering Services Contract with PGH Wong Engineering/Parsons Brinckerhoff Quade & Douglas Joint Venture

Agenda Item #32. Silicon Valley Rapid Transit Program – Amendment to Engineering Services Contract with Booz Allen Hamilton, Inc.

Mr. Burns noted these contracts are necessary to complete the work needed to advance the project to final design.

Carolyn Gonot, Silicon Valley Rapid Transit (SVRT) Program Officer, provided a presentation for Agenda Items #24 to Agenda item #32 highlighting the following: 1) SVRT Funding Sources; 2) Federal Funding Milestones Achieved for the SVRT Program; 3) FTA Full Funding Grant Agreement Process and Schedule; 4) Re-entry into New Starts Funding Program; 5) Final Environmental Impact Statement (FEIS); 6) Federal Funding Milestones Ahead; 7) FTA Permission to Enter Final Design; 8) FTA Full Funding Grant Agreement (FFGA) Support; 9) Summary of Professional Services Contracts; and 10) BART Agency Support.
Upon inquiry of Chairperson Sandoval, Ms. Gonot confirmed funding for these contracts are coming from the capital budget and supported mostly by State Transportation Congestion Relief Program (TCRP) monies.

Board Member Kniss expressed concern about awarding contracts to non-California or non-local companies. She noted there should be greater efforts to keep contracts of this magnitude within California. Board Member Casas noted he appreciates the desire to keep dollars local; however, he stated it is important to look at efficiency, performance, and effectiveness in selecting contractors. Chairperson Sandoval suggested the Board to have a future discussion on policy decisions regarding weighted criteria, which will give preference to local companies.

Vice Chairperson Liccardo inquired if there is conflict of interest as he did a fundraising for Measure B and some of these firms contributed to the Measure B. Kevin Allmand, General Counsel responded “no.” He explained Government Section Code 84308 applies if contributions were accepted for a candidate’s own campaign or controlled committee.

Board Member Casas referred to Rail Vehicle Procurement process and stated VTA should take necessary steps now to ensure cars procured for the BART Extension are used to serve Santa Clara County residents. He added mechanisms should be placed early in the process to guarantee investments made by VTA will serve its community. Ms. Gonot responded staff will come back to the Board within six to nine months to discuss those issues. Ex-Officio Board Member Chu indicated the Metropolitan Transportation Commission (MTC) is aware of BART’s intent to procure vehicles; however, BART does not have enough funding to procure the number of vehicles they intend to buy.

Mr. Bradley expressed concern regarding BART car costs and the lack of seats in the new design. Ms. Gonot responded BART released a request for proposals (RFP) and there were 10 interested vendors. There have been discussion about fewer seats for the new design and that information will be provided to the Board once available.

Mr. Wightman commented on the importance of BART Extension to VTA’s existing light rail lines.

Board Member Kniss reiterated her concern about awarding contracts to non-local or non-California companies. She expressed concern regarding people’s perception to awarding multi-million contracts for the BART Project and yet transit services are reduced. To mitigate misinformation of the public, she strongly advised VTA to exert efforts to remind the public that they have voted for BART to come to Santa Clara County.

M/S/C (Gage/Pyle) to approve Agenda Items 24 through 32 as follows:

24. Silicon Valley Rapid Transit Program - Planning and New Starts Support Services Contract with AECOM Consult

M/S/C (Gage/Pyle) to authorize the General Manager to execute a contract with AECOM Consult, for services associated with continued planning of the BART Extension to Milpitas, San Jose and Santa Clara for an amount of $942,576 and a contract term to March 31, 2012.
25. **Silicon Valley Rapid Transit Program - Planning and Outreach Services Contract with Kimley-Horn and Associates, Inc.**

M/S/C (Gage/Pyle) to authorize the General Manager to execute a contract with Kimley-Horn and Associates, Inc., for services associated with continued planning of the BART Extension to Milpitas, San Jose and Santa Clara. The contract will be for an amount of $9,500,000 with a contract term to September 30, 2011.

26. **Silicon Valley Rapid Transit Program - Operations Planning Services Contract with Connetics Transportation Group**

M/S/C (Gage/Pyle) to authorize the General Manager to execute a contract with Connetics Transportation Group, for services associated with continued planning of the BART Extension to Milpitas, San Jose and Santa Clara for an amount of $750,000 and for a contract term to March 31, 2012.

27. **Silicon Valley Rapid Transit Program - Travel Forecasting Services Contract with Hexagon Transportation Consultants, Inc.**

M/S/C (Gage/Pyle) to authorize the General Manager to execute a contract with Hexagon Transportation Consultants, Inc., for services associated with continued planning of the BART Extension to Milpitas, San Jose and Santa Clara for an amount of $312,500 and for a contract term to March 31, 2012.

28. **Silicon Valley Rapid Transit Program - Management Services Contract Amendment with HMM/Bechtel Joint Venture**

M/S/C (Gage/Pyle) to authorize the General Manager to execute a contract amendment with the HMM/Bechtel Joint Venture for Program management services supporting the BART Extension to Milpitas, San Jose and Santa Clara. The contract amendment will extend the contract term to March 2011 and be for an amount of $28,500,000.

29. **Silicon Valley Rapid Transit Program and Freight Railroad Relocation Program – Amendment to Engineering Services Contract with HNTB Corporation**

M/S/C (Gage/Pyle) to authorize the General Manager to execute a contract amendment with the HNTB Corporation in an amount not to exceed $10.98 million, and extend the contract term to December 31, 2010, for engineering services for the Silicon Valley Rapid Transit Program and design support during construction and engineering services for the Freight Railroad Relocation Program. The current HNTB Corporation contract amount is $72.36 million.

30. **Silicon Valley Rapid Transit Program – Amendment to Engineering Services Contract with AECOM Technical Services, Inc.**

M/S/C (Gage/Pyle) to authorize the General Manager to execute a contract amendment with AECOM Technical Services, Inc. (formerly known as Earth Tech, Inc.) in an amount not to exceed $1.1 million, and extend the contract term to December 31, 2010,
for engineering services for the Silicon Valley Rapid Transit Program. The current AECOM Technical Services, Inc. (AECOM) contract amount is $42.2 million.

31. **Silicon Valley Rapid Transit Program – Amendment to Engineering Services Contract with PGH Wong Engineering/Parsons Brinckerhoff Quade & Douglas Joint Venture**

M/S/C (Gage/Pyle) to authorize the General Manager to execute a contract amendment with PGH Wong Engineering, Inc. and Parsons Brinckerhoff Quade & Douglas, Inc. (Wong/PB Joint Venture) in an amount not to exceed $1.5 million, and extend the contract term to December 31, 2010, for engineering services for the Silicon Valley Rapid Transit Program. The current Wong/PB Joint Venture contract amount is $29.2 million.

32. **Silicon Valley Rapid Transit Program – Amendment to Engineering Services Contract with Booz Allen Hamilton, Inc.**

M/S/C (Gage/Pyle) to authorize the General Manager to execute a contract amendment with Booz Allen Hamilton, Inc. in an amount of $2.19 million, and extend the contract term to December 31, 2010, for design integration engineering services for the Silicon Valley Rapid Transit Program. The current Booz Allen Hamilton, Inc. contract amount is $14.0 million.

OTHER ITEMS

33. **ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION**

Chairperson Sandoval noted the Board needs to review the policy on local consultants.

34. **Monthly Legislative History Matrix**

On order of Chairperson Sandoval and there being no objection, the Monthly Legislative History Matrix was received.

35. **REPORTS (UNAPPROVED MINUTES) FROM STANDING COMMITTEES**

A. **Administration and Finance Committee**

On order of Chairperson Sandoval and there being no objection, the September 17, 2009 Administration and Finance Committee Meeting Minutes were accepted as contained on the dais.

B. **Congestion Management Program and Planning Committee**

On order of Chairperson Sandoval and there being no objection, the September 17, 2009 Congestion Management Program and Planning (CMPP) Committee Meeting Minutes were accepted as contained on the dais.
C. **Transit Planning and Operations Committee**

   *On order of Chairperson Sandoval* and there being no objection, the September 17, 2009 Transit Planning and Operations (TP&O) Committee Meeting Minutes were accepted as contained on the dais.

D. **Audit Committee**

   There was no report from the Audit Committee.

36. **REPORTS (UNAPPROVED MINUTES) FROM ADVISORY COMMITTEES**

   A. **Committee for Transit Accessibility (CTA)**

      *On order of Chairperson Sandoval* and there being no objection, the September 9, 2009 Committee for Transit Accessibility (CTA) Minutes were accepted as contained in the Agenda packet.

   B. **Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC)**

      *On order of Chairperson Sandoval* and there being no objection, the September 9, 2009 Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC) Minutes were accepted as contained in the Agenda packet.

   C. **Bicycle & Pedestrian Advisory Committee (BPAC)**

      *On order of Chairperson Sandoval* and there being no objection, the August 12, 2009 Bicycle & Pedestrian Advisory Committee (BPAC) Minutes were accepted as contained in the Agenda packet.

   D. **Technical Advisory Committee (TAC)**

      There was no report from the Technical Advisory Committee (TAC).

   E. **Policy Advisory Committee (PAC)**

      *On order of Chairperson Sandoval* and there being no objection, the September 10, 2009 Policy Advisory Committee (PAC) Meeting Minutes were accepted as contained in the Agenda packet.
37. REPORTS FROM JOINT POWERS BOARDS (JPBs) & REGIONAL COMMISSIONS

A. Peninsula Corridor JPB

On order of Chairperson Sandoval and there being no objection, the October 1, 2009 Summary Notes from the Peninsula Corridor Joint Powers Board were accepted as contained on the dais.

B. Capitol Corridor JPB

On order of Chairperson Sandoval and there being no objection, the September 16, 2009 Summary Notes from the Capitol Corridor JPB were accepted as contained on the dais.

C. Dumbarton Rail Corridor Policy Committee

Board Member Casas referred to the Dumbarton Rail Project Memorandum and clarified the following: 1) there is a lot of push back on the $700 million project costs; 2) the Policy Committee will discuss the costs increases in December because there is a lack of transparency on what contributed to the escalation of costs; 3) ridership data is outdated; and 4) enhancements referred to in the memorandum is the connection to Fremont, which will increase ridership projection to BART Extension projected ridership levels.

On order of Chairperson Sandoval and there being no objection, the September 25, 2009 Summary Notes from the Dumbarton Rail Corridor Policy Committee were accepted as contained on the dais.

D. Metropolitan Transportation Commission (MTC)

On order of Chairperson Sandoval and there being no objection, the September 23, 2009 Summary Notes from the Metropolitan Transportation Commission (MTC) were accepted as contained on the dais.

E. Sunol Smart Carpool Lane Joint Powers Authority

On order of Chairperson Sandoval and there being no objection, the September 14, 2009 Summary Notes from the Sunol Smart Carpool Lane Joint Powers Authority were accepted as contained on the dais.
38. **REPORTS FROM VTA POLICY ADVISORY BOARDS (PABs)**

   A. **Vasona Light Rail PAB**

      There is no report from the Vasona Light Rail PAB.

   B. **Silicon Valley Rapid Transit Corridor & BART Warm Springs Extension PAB**

      There is no report from the Silicon Valley Rapid Transit Corridor & BART Warm Springs Extension PAB.

   C. **Downtown East Valley PAB**

      There is no report from the Downtown East Valley PAB.

   D. **Highway PAB South**

      There is no report from the Highway PAB South.

39. **ANNOUNCEMENTS**

   There were no Announcements.

40. **ADJOURNMENT**

   **On order of Chairperson Sandoval** and there being no objection, the meeting was adjourned at 7:53 p.m. in memories of the following:

   - People who have lost their lives or have been displaced due to the Tsunami in American Samoa, Indonesia, and Samoa; and
   - Former Mountain View Mayor Rosemary Stasek, who passed away in Afghanistan due to health reasons. Ms. Stasek was in Afghanistan to focus on helping improve the lives Afghanistan girls and women. A service will be held on Monday at noon.

   Respectfully Submitted,

   Elaine F. Baltao, Board Assistant
   Office of the Board Secretary
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief CMA Officer, John Ristow

SUBJECT: Bicycle & Pedestrian Advisory Committee (BPAC) Member Appointment

ACTION ITEM

RECOMMENDATION:

Ratify the appointment of Aaron Faupell as the City of Milpitas representative on the Bicycle Pedestrian Advisory Committee (BPAC).

BACKGROUND:

The Bicycle & Pedestrian Advisory Committee (BPAC) advises the VTA Board of Directors on planning and funding for bicycle and pedestrian projects and issues. The BPAC consists of 16 voting members, one appointed by each of VTA’s 16 Member Agencies (the 15 cities in the county and the County of Santa Clara), and one non-voting ex-officio member from the Silicon Valley Bicycle Coalition.

The BPAC bylaws specify that each Member Agency appoints one representative to the BPAC and that the SVBC appoints one representative and one alternate. The bylaws also specify that the appointment term is two years and that members may be appointed to successive terms. Committee members must live or work in Santa Clara County during their term. Voting members of the Committee must also be a representative of the Member Agency’s local bicycle advisory committee or, for Member Agencies without a local bicycle advisory committee, their representative must be an individual who lives or works in the local jurisdiction and is interested in bicycle or pedestrian issues. BPAC members are precluded from representing a Member Agency that is their employer.

In accordance with the bylaws, the process to fill BPAC vacancies is that VTA staff notifies the appointing authority of the vacancy and current membership requirements. The appointing authority then appoints one member for the designated membership position. For vacancies
occurring in mid-term, the bylaws specify that they be filled for the remainder of the term by the appointing authority. In both cases, the VTA Board must ratify the appointment.

DISCUSSION:

At the September 1, 2009 City Council meeting, the City of Milpitas appointed Aaron Faupell to serve as the City of Milpitas representative on the VTA BPAC (Attachment A). Mr. Faupell has lived in Milpitas for eight years and is a long time recreational and utilitarian cyclist; he often commutes to work from Milpitas to Sunnyvale and Santa Clara by bicycle.

Mr. Faupell began his bicycle advocacy many years ago when he was involved in a car accident while riding his bicycle. Since then, he has become an active member in several organizations including Responsible Organized Mountain Pedalers (ROMP), International Mountain Bicycling Organization (IMBA) and the Silicon Valley Bicycle Coalition (SVBC). Over the past year as a member of the Milpitas BPAC, Mr. Faupell contributed to the completion of the new city bikeways map and the update of the Bicycle Master Plan.

Due to Mr. Faupell's qualifications, experience and knowledge of bicycle and pedestrian issues, staff recommends that the Board ratify this appointment.

ALTERNATIVES:

The Board could choose to not to ratify this appointment.

FISCAL IMPACT:

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

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

The Administration and Finance Committee considered this item as part of its October 15, 2009 Consent Agenda and approved it unanimously without comment.

Prepared by: Aiko Cuenco
Memo No. 2208
September 30, 2009

Santa Clara Valley Transportation Authority
Attn: Mr. John Ristow
Chief CMA Officer
3331 North First Street, Building B-2
San Jose, CA  95134

RE: BICYCLE & PEDESTRIAN ADVISORY COMMITTEE APPOINTMENT

Dear Mr. Ristow:

I am writing to inform the VTA that Mr. Aaron Faupell was appointed by the Milpitas City Council to serve as the Milpitas representative on the VTA’s Bicycle & Pedestrian Advisory Committee.

Mr. Faupell is a member of the Milpitas Bicycle Pedestrian Advisory Commission and has served on the Commission for one year. Mr. Faupell is a resident of Milpitas and has been an active member of the Milpitas Commission.

If you have any questions or additional information is required, please contact me by phone at 586-3001 or e-mail to mlavelle@ci.milpitas.ca.gov.

Sincerely,

Mary Lavelle
Mary Lavelle, CMC
Milpitas City Clerk

c: City Council
   City Manager
   Staff Janice Spuller

   Mr. Aaron Faupell
   735 London Drive
   Milpitas, CA  95035
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority  
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief External Affairs Officer, Greta Helm

SUBJECT: Contract Award: Four to Six Color Offset Printing Services

Policy-Related Action: No  
Government Code Section 84308 Applies: Yes

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute on-call task order contracts with three printing firms for four to six color printing services to be utilized on an as-needed basis. Each contract shall be for a period of up to three years, with an option to extend the contract for an additional two-year term. The total amount for all three contracts shall not exceed $1 million for a total of five years.

BACKGROUND:

The estimated request is based on previous budget expenditures over the last ten years of printed collateral required to support operations planning and construction. VTA produces agency required materials, transit and project information, and community relations and promotional materials in four to six color (full color) offset printing for various VTA departments. These printed publications communicate varied information about VTA services and projects to our riders and the general public.

Yearly printed examples include the VTA bus & light rail service changes (32,000 pieces), light rail station posters (1,500 pieces), VTA Transportation Handbook, Eco Pass & Residential Eco Pass promotional collateral, VTA Bus & Rail folded map (50,000 pieces) and shelter map (2,400 pieces), Santa Clara County Bikeways map (30,000 pieces) and VTA bus and light rail cut-outs. Examples printed to support funding requirements include the VTA Short Range Transit Plan, VTA Legislative Program brochure, capital project newsletters (100,000 pieces) and support materials and construction updates.

In order to meet the demands for full color printing cost-effectively, a multi-year contract is proposed. The task order contract would encompass a group of pre-qualified vendors to fulfill...
VTA’s four to six color offset printing needs. With this approach, VTA could consistently secure the services of a qualified vendor for multiple and simultaneous projects.

**DISCUSSION:**

VTA Contracts and Materials Management Department solicited vendors through the Request for Proposals (RFP) process in July 2009. Proposals were solicited from 22 firms, 13 of which are based in Santa Clara County. All potential vendors were invited and encouraged to attend a pre-proposal conference held on August 7, 2009. Representatives from eight firms attended the pre-proposal conference.

Nine proposals were received and evaluated by a review board consisting of representatives from Contract Administration and Marketing & Communications. Respondents included:

- Benjamin Litho, Inc. - San Jose, CA
- Essence Printing, Inc. - So. San Francisco, CA
- Fong Brothers Printing, Inc. - Brisbane, CA
- Fong & Fong Printers & Lithographers - Sacramento, CA
- ImageX - Pleasanton, CA
- Imperial Printing - Campbell, CA
- Lahlouh, Inc. - Burlingame, CA
- Malone & Company - San Jose, CA
- Pacific Standard Press - Sacramento, CA (consolidated with American Lithographers - Hayward, CA)

The review board evaluated the proposals according to a pre-established set of criteria, including qualifications of the firm, staffing, project understanding and approach, and price. Six firms were invited for interviews between September 2 & 3, 2009 to present their company experience and project team, provide additional information and printed samples for discussion, and answer questions from the review board.

The review board is recommending Fong Brothers Printing, Inc., ImageX and Pacific Standard Press for this contract, with each vendor receiving the same contract terms. The review board rated these firms to be the overall best candidates based on professional qualification, staffing, project understanding and approach, and competitive pricing.

It is anticipated that the agreements resulting from this solicitation, if awarded, will be “Task Order” agreements. These agreements are anticipated to commence on January 1, 2010 and expire January 1, 2013, with an option for an additional two-year term. The two-year extension (if applicable) would commence on January 2, 2013 and continue through January 2, 2015.

**ALTERNATIVES:**

If the Board of Directors should choose not to award these contracts through the RFP process, then VTA would have to place individual purchase orders for each requirement. This could not be done in as timely a manner as having on-call service contracts with pre-negotiated
commercial terms. VTA does not have the internal resources to produce multi-color offset printing.

**FISCAL IMPACT:**

This action will authorize up to $1 million for full color offset printing for a period of three years with an optional two-year extension. Task orders issued against these contracts will be charged against the VTA Transit Operating Budget or the appropriate capital project. Sufficient appropriation for the proposed scope of work for the current fiscal year is available in the FY10 Adopted VTA Transit Fund Operating Budget and individual capital projects where applicable. Appropriation for the remainder of the contract period will be included in subsequent biennial budget appropriation requests.

VTA continues to efficiently produce one and two color materials. However, should there be a need for four to six color print materials, VTA will have contracts in place to complete these types of projects.

**SMALL BUSINESS ENTERPRISE (SBE) PARTICIPATION:**

Based on the limited and specialized nature of the subcontracting opportunities in these contracts, an SBE goal of 5% was established for these contracts. All three of the selected firms have proposed to meet or exceed the 5% goal.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Administration and Finance Committee considered this item on October 15, 2009 as part of its Regular Agenda, and unanimously recommended that the Board of Directors approve this item.

Prepared by: Helen Bellitto, Creative Services Manager
Memo No. 2239
### Listing of Recommended Prime and Sub-Consultants
Four to Six Color Offset Printing

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<th>Prime</th>
<th>Sub-Consultant</th>
<th>City, State</th>
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<tr>
<td>Fong Brothers Printing, Inc.</td>
<td>Prime</td>
<td>Nancy Bryant</td>
</tr>
<tr>
<td>ImageX</td>
<td>Prime</td>
<td>Glen Douglas</td>
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<tr>
<td>A&amp;M Printing</td>
<td>Sub-Consultant</td>
<td>Amy Chan</td>
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<tr>
<td>Atinta</td>
<td>Sub-Consultant</td>
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<td>Easy Color</td>
<td>Sub-Consultant</td>
<td>Russell Bender</td>
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<td>Moquin Press</td>
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<tr>
<td>Pacific Standard Press</td>
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<td>Charlene Petersen</td>
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BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief CMA Officer, John Ristow

SUBJECT: Funding Program for County Expressway Pedestrian Projects

Policy-Related Action: Yes  Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

Adopt New Funding Program for County Expressways Pedestrian Projects.

BACKGROUND:

The County of Santa Clara is the owner-operator of the eight Expressways including San Tomas, Lawrence, Foothill, Montague, Almaden, Central, Oregon/Page Mill, Capitol and the future Santa Teresa Corridor. The initial Countywide Expressway Study prepared in 2003, identified locations for new sidewalks that would close gaps in existing sidewalks, access transit stops and provide access to land uses fronting on the expressway. The pedestrian element of the Expressway Study was updated in late 2008 and includes numerous pedestrian improvements throughout the expressway network. However, funding availability, coordination challenges and competing priorities have made project implementation a challenge.

DISCUSSION:

In order to promote pedestrian safety and multimodal travel, it is in the interests of VTA, County, and respective cities to explore ways to advance pedestrian projects along expressways. The County has expressed a desire to seek funding assistance for pedestrian projects identified in the Expressway Study.

VTA's Community Design and Transportation (CDT) Program provides capital funds to support projects that integrate pedestrian and multimodal transportation design elements along major transit corridors, around station areas, and in urban core areas such as downtowns and local main streets. However, CDT grants are not available to most areas along County expressways because
they are typically outside of the cores, corridors and station areas defined by local jurisdictions for the CDT Program.

VTA's Transportation Development Act (TDA) Article 3 provides relatively flexible capital funding for bicycle and pedestrian projects throughout the county on an annual basis. Currently, 70% of these funds are distributed to the cities and the County, based on population. The remaining 30% go to fund the projects identified in VTA's Bicycle Expenditure Program (BEP).

In order to provide a relatively secure and steady source of funds for pedestrian and bicycle improvements on the Expressways that are neither part of the BEP nor CDT eligible, VTA staff proposes to use up to $150,000 per year from the BEP’s 30% of TDA Article 3 funding, and make them available to fund these projects.

In order to receive these funds, the County and the respective City(s) where the project is located would be required to jointly sponsor the project, coordinate planning, and commit equal amounts of matching funds which would be matched by VTA on equal one third shares. VTA’s one-third share would be from the $150,000 in TDA Article 3 funding noted above.

VTP 2035 identifies $160 million for the BEP over the next 25 years, and the Board has adopted a list of priority bicycle projects totaling that amount. Diverting $150,000 per year would leave the BEP under-funded by $3.75 million. To make up for the diversion, VTA staff proposes "backfilling" the BEP with $3.75 million of future Federal funds currently intended for the Community Design and Transportation (CDT) Program, which does not yet have a Board-adopted project list. VTP 2035 identifies $360 million for the Community Design and Transportation (CDT) program over the same period. In summary, these proposals would be revenue-neutral to the BEP, and reduce future funding directed to the CDT Program by $3.75 million, or roughly 1%.

**FISCAL IMPACT:**

There is no impact to either the VTA Enterprise or CMP accounts. Additional grant funds will be provided to the County of Santa Clara for expressway pedestrian projects.

**ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:**

The Bicycle and Pedestrian Advisory Committee (BPAC), Technical Advisory Committee (TAC) and Policy Advisory Committee (PAC) considered this item at their respective October 7 and October 8 2009 meetings.

All three committees requested additional explanation of, and justification for, the proposed three-way movement of funds between the new County Expressway Sidewalk program, the BEP and the CDT program versus a direct County Expressway - CDT program transfer. Staff provided this verbally at the meetings.

All three committees expressed concern with the viability of requiring three-way VTA, County and City project funding commitments. Staff explained that multi-agency funding of expressway sidewalks has occurred in the past. Should this requirement become a barrier to use of the TDA
funds in the future, staff would return to the Committees and the Board seeking an adjustment to the program criteria.

The BPAC and TAC unanimously recommended that the Board of Directors approve this item.

The PAC recommended that the Board of Directors approve this item, with two members objecting.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Congestion Management Planning & Programming Committee (CMPP) considered this item at its' October 15, 2009 meeting. The Committee discussed the relative priority of expressway sidewalks versus city and County bicycle and pedestrian improvements in other locations, then unanimously recommended this item to the VTA Board for approval.

Prepared by: John Sighamony
Memo No. 1540
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief CMA Officer, John Ristow

SUBJECT: Ramp Metering - Professional Services Contract Amendment

Policy-Related Action: No  Government Code Section 84308 Applies: Yes

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a contract amendment with Mark Thomas & Company in an amount not to exceed $303,395, for a new contract amount of $1,244,677 for engineering services to implement ramp metering on I-880 between SR 237 and I-280 in the PM peak period.

BACKGROUND:

At its April 3, 2008 meeting, VTA Board approved an authorization for the General Manager to execute a funding agreement for $2,051,000 with the Metropolitan Transportation Commission (MTC) that specifies the roles and responsibilities to implement ramp metering on three corridors in Santa Clara County:

- Southbound SR 85 between Almaden Expressway and Cottle Road
- Northbound and Southbound SR 87 between US 101 and SR 85
- Southbound US 101 between Embarcadero Road and De La Cruz Boulevard

Ramp metering on southbound SR 85 between Almaden Expressway and Cottle Road, and on northbound and southbound SR 87 have been operational since early 2009. Implementation of ramp metering on southbound US 101 between Embarcadero Road and De La Cruz Boulevard is expected to be operational before the end of 2009.

MTC approved the use of remaining funds not yet assigned to a project activity to go towards additional ramp metering implementation. Based on discussions with Caltrans, the owner/operator of the freeway system, the use of these funds to turn on additional ramp meters on southbound I-880 between SR 237 and I-280 has been identified. This proposal was reviewed
with the Systems Operations & Management (SOM) Working Group of VTA’s Technical Advisory Committee (TAC) at its June 2009 meeting. The SOM Working Group supported this proposal.

DISCUSSION:

It is proposed that the professional engineering services needed to assist Caltrans and VTA with this ramp metering in the I-880 corridor in the cities of Milpitas and San Jose would be obtained through a contract amendment to the existing contract with Mark Thomas & Company (MT&Co) for the ramp metering work currently underway. VTA staff is recommending the assignment of this work to the MT&Co team based on the following reasons:

- Their experience and knowledge of implementing ramp metering on freeway corridors in Santa Clara County and other parts of the Bay Area.
- Their familiarity with: current project efforts in regards to Caltrans requirements, the Santa Clara County adopted process for implementing ramp metering as described by the Memorandum of Understanding (MOU) signed by VTA and Caltrans, and local stakeholders needs.
- Use of another contractor at the end of the current work to implement ramp metering would require a learning curve for another engineering firm to become familiar with the requirements, process, and stakeholders, resulting in a process that would not be as cost effective as the recommended approach.
- VTA staff and local stakeholders are pleased with the work performed by the MT&Co team to date so there is no reason to assign the work already funded by MTC to another engineering team.

VTA contacted MT&Co requesting a proposal in early July 2009. The scope of work for this task order is to implement ramp metering for the on-ramps listed in Attachment A along southbound I-880. The tasks to complete for this work are as follows:

- Conduct “Before” ramp metering implementation traffic data collection (e.g., conduct travel times along the freeway mainline and parallel arterials, collect traffic volumes for freeway and arterials, etc).
- Conduct field review of the existing ramp metering for implementation readiness.
- Develop the ramp metering plans based on the “Before” ramp metering implementation traffic data.
- Assist Caltrans staff to implement the ramp metering plans.
- Conduct “After” ramp metering implementation traffic data collection (e.g., conduct travel times along the freeway mainline and parallel arterials, collect traffic volumes for freeway and arterials, etc).
- Prepare a final report comparing the “After” implementation conditions with the “Before” implementation conditions.
- Attend meetings to present the key findings from each of the above tasks to local agency stakeholders.
MT&Co submitted a cost proposal on August 25, 2009. The proposal met the scope requirements as outline by VTA, with the proposed budget being under the independent cost estimate prepared by VTA staff. The proposed cost for these services from MT&Co is $303,395. A list of consultants is included as Attachment B.

**ALTERNATIVES:**

The VTA Board of Directors could request that staff work with another engineering team to provide these services; however, such an approach would add several months to the project and may even result in the loss of this funding from MTC.

**FISCAL IMPACT:**

This action will authorize up to $303,395 for engineering services for ramp metering implementation. Appropriation for this project is included in the FY 2010 Adopted VTP Highway Improvement Program Fund Capital Budget under the Intelligent Transportation System (ITS) project. The funding agreement with MTC provides enough funding to complete the work included in the recommended contract and VTA staff project management services.

**DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION:**

The Contractor will be encouraged to make a reasonable effort to utilize DBEs in its procurement of ancillary services and products associated with the performance of this contract.

**ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:**

The Technical Advisory Committee (TAC) met and recommended to move this item forward to the Congestion Management Programming and Planning (CMPP) standing committee with the following conditions:

- Final ramp metering plans for I-880 between SR 237 and I-280 should be brought to the TAC for review before implementation.
- “After” studies showing the effects of ramp metering on traffic operations for southbound SR 85 between Almaden Expressway and Cottle Road, northbound and southbound SR 87 between SR 85, and southbound US 101 should be presented to the TAC.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Congestion Management Program & Planning (CMPP) Committee unanimously recommended approval of this item by Board of Directors.

Prepared by: David Kobayashi
Memo No. 2231
## Attachment A  Proposed Southbound I-880 Ramp Metering

<table>
<thead>
<tr>
<th>On-Ramp Location</th>
<th>Ramp Type</th>
<th>Metering to be Turn On</th>
</tr>
</thead>
<tbody>
<tr>
<td>Route 237</td>
<td>connector</td>
<td>Yes</td>
</tr>
<tr>
<td>Tasman Drive</td>
<td>diagonal</td>
<td>Yes</td>
</tr>
<tr>
<td>N/B Montague Expwy</td>
<td>diagonal</td>
<td>Yes</td>
</tr>
<tr>
<td>S/B Montague Expwy</td>
<td>loop</td>
<td>Yes</td>
</tr>
<tr>
<td>Brokaw Road</td>
<td>diagonal</td>
<td>Yes</td>
</tr>
<tr>
<td>Old Bayshore Hwy</td>
<td>loop</td>
<td>Yes</td>
</tr>
<tr>
<td>N/B Route 101</td>
<td>loop</td>
<td>No</td>
</tr>
<tr>
<td>S/B Route 101</td>
<td>diagonal</td>
<td>No</td>
</tr>
<tr>
<td>N. First St. (northbound)</td>
<td>loop</td>
<td>Yes</td>
</tr>
<tr>
<td>N. First St. (southbound)</td>
<td>diagonal</td>
<td>Yes</td>
</tr>
<tr>
<td>Airport Blvd (SJ Airport)</td>
<td>diagonal</td>
<td>Yes</td>
</tr>
<tr>
<td>Coleman Ave. (northbound)</td>
<td>loop</td>
<td>Yes</td>
</tr>
<tr>
<td>Coleman Ave. (southbound)</td>
<td>diagonal</td>
<td>Yes</td>
</tr>
<tr>
<td>The Alameda (SR 82 northbound)</td>
<td>loop</td>
<td>Yes</td>
</tr>
<tr>
<td>The Alameda (SR 82 southbound)</td>
<td>diagonal</td>
<td>Yes</td>
</tr>
<tr>
<td>Bascom Ave. (northbound)</td>
<td>loop</td>
<td>Yes</td>
</tr>
<tr>
<td>Bascom Ave. (southbound)</td>
<td>diagonal</td>
<td>Yes</td>
</tr>
<tr>
<td>Stevens Creek Blvd.</td>
<td>collector</td>
<td>Yes</td>
</tr>
<tr>
<td>Rte 280</td>
<td>connector</td>
<td>Yes</td>
</tr>
</tbody>
</table>
## Attachment B  List of Consultants

<table>
<thead>
<tr>
<th>Contractor Firm</th>
<th>Contractor Role</th>
<th>Contact Name</th>
<th>Location</th>
</tr>
</thead>
</table>
| Mark Thomas & Company, Inc.  | Prime-Consultant: Civil Engineering | Richard Tanaka | 1960 Zanker Road  
San Jose, CA 95112  
408-453-5373 |
| Kimley Horn and Associates   | Sub-Consultant: Traffic Engineering | Brian Sowers  | 200 Crow Canyon Plane  
, Suite 410  
San Ramon, CA 94583  
925-543-0840 |
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief CMA Officer, John Ristow

SUBJECT: American Recovery and Reinvestment Act (ARRA) Local Streets & Roads Project Cost Savings

Policy-Related Action: Yes  Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

Recommend the VTA Board adopt revisions to the distribution strategy of the 2009 American Recovery and Reinvestment Act (ARRA) local streets and roads funds to accommodate cost savings.

BACKGROUND:

The Metropolitan Transportation Commission (MTC) distributed ARRA local streets and roads funding, referred to as system preservation funds, to the Congestion Management Agencies (CMA) for programming to individual city and County local streets, roads and expressway reconstruction and rehabilitation projects.

On March 5, 2009, the VTA Board of Directors took action to adopt a distribution strategy for Santa Clara County’s ARRA funds as well as a list of system preservation projects. The Board's action also included a provision that should an agency be unable to submit eligible projects, unused capacity would be distributed to agencies that could use it. Those agencies who could not use the ARRA funds would be given additional consideration in future Federal funding cycles.

DISCUSSION:

The bid environment for the ARRA projects has proven to be extremely good, which resulted in significant cost savings for 15 of the initial 19 and County ARRA projects. These projects have
realized cost savings between 10% to 50% of the engineer's estimate.

MTC is allowing the CMAs to redirect those cost savings to other projects within the county. Funds that cannot be redirected to projects within the county must be returned to MTC for programming at their discretion.

To prevent Santa Clara County from forfeiting any cost savings funds, staff recommends the following redistribution strategy:

(1) Project sponsors have the first opportunity to use ARRA cost savings. Consistent with regional policy, any new ARRA projects must have a minimum of $500,000 in Federal ARRA funds, and be able to obligate funds and award contracts by the regional deadlines.

(2) Those project sponsors who cannot use all of their allocated ARRA funds may give them to a project sponsor who can apply them to an approved ARRA project. In exchange, the donor sponsor would receive Federal funds in the next applicable future funding cycle from the share that would have gone to the recipient agency, equal to the amount of ARRA funds actually utilized by the recipient sponsor.

(3) Should "second round" savings become available from these new projects, and neither (1) and/or (2) can be applied, VTA will redirect those savings to a Federally-funded regionally significant Santa Clara County project which can obligate and award the funds in the very limited time that will be available. There will be no "pay-back".

A list of projects affected will be provided at the Board of Director's meeting.

**ALTERNATIVES:**

The VTA Board may consider alternative strategies.

**FISCAL IMPACT:**

There is no direct fiscal impact to VTA as a result of this action. However, this action ensures Member Agencies will be able to fully utilize the ARRA grant funds which the Board has prioritized for them.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Congestion Management Planning & Programming Committee (CMPP) considered this item at its' October 15, 2009 meeting. VTA staff explained that city and County staffs are still assessing their savings, and distributed a draft chart showing each agency's status as of October 14, 2009. A final version will be provided to the Board at its' November meeting. The Committee unanimously recommended this item to the VTA Board for approval

Prepared by: Celeste Fiore
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief Engineering & Construction Officer, Mark S. Robinson

SUBJECT: 1996 Measure B Transportation Improvement Program - Landscaping and Long Term Maintenance Project

Policy-Related Action: No  Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a contract with Restoration Resources, the lowest responsible bidder, in the amount of $276,060 for the Landscaping and Long Term Maintenance Project.

BACKGROUND:

As part of the 1996 Measure B Transportation Improvement Program, biological mitigation sites were developed to mitigate the biotic impacts from various Measure B funded highway projects. Two sites that have been developed are the Riverside Drive site along Coyote Creek in San Jose, and Llagas Creek flood control channel near Route 152 in Gilroy (Exhibit A).

The Riverside site has been in place for approximately five years. During this period damage and loss of existing planting has occurred due to animal browsing and poor soil conditions. A review by the regulatory agencies (Army Corps of Engineers, Regional Water Quality Control Board and California Fish and Game) resulted in areas of replacement planting being identified in order to meet conditions of the mitigation site permit.

The Route 152 site has been in place for approximately three years and is under a five year monitoring program. VTA staff proposes to contract out services to maintain the site for the remaining part of the monitoring program. Maintenance may include replacement of planting in poor condition.

The Landscaping and Long Term Maintenance contract will be responsible for replanting the Route 152 site and for the long term maintenance at both the Riverside site and Route 152 site.
through April 2013. Since the Riverside site permit requires monitoring to 2016, a new maintenance contract will be advertised in 2013.

**DISCUSSION:**

The Landscaping and Long Term Maintenance contract was advertised on July 28, 2009. Bids were opened on September 18, 2009 with the following results:

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restoration Resources</td>
<td>$276,060</td>
</tr>
<tr>
<td>Nature’s Image, Inc.</td>
<td>$362,005</td>
</tr>
<tr>
<td>Watkin &amp; Bortolussi</td>
<td>$366,500</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$393,150</td>
</tr>
</tbody>
</table>

There were three bidders for this contract. Restoration Resources was the lowest responsible bidder. The bid is 30% under the Engineer’s Estimate. VTA staff has completed a bid analysis and has determined the bid to be fair and reasonable. Staff recommends award of this contract to Restoration Resources.

Construction is scheduled to begin in December 2009 with completion in April 2013.

**ALTERNATIVES:**

There are no reasonable alternatives to the recommended action.

**FISCAL IMPACT:**

This action will authorize $276,060 for planting, irrigation and maintenance. Appropriation for these expenditures is available in the 1996 Measure B Transportation Improvement Program Capital Budget.

**SMALL BUSINESS ENTERPRISE (SBE) PARTICIPATION:**

Based on the identifiable subcontracting opportunities, a Small Business Enterprise (SBE) goal of 5% has been established for this contract. Contractor met the goal and has committed to 100% SBE participation on this contract.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Congestion Management Program & Planning Committee heard a brief presentation from staff. The Committee asked if the sustainability policy was considered for this project. Staff responded that this mitigation project is to meet regulatory agency requirements but that sustainability design is considered in future landscape projects. There was no subsequent discussion and the Committee recommended the item be placed on the Consent Agenda for the November 5, 2009 Board meeting.

Prepared by: Ven Prasad, Engineering Group Manager
Memo No. 2084
Exhibit A

Route 152 Mitigation Site at the Llagas Creek Flood Control Channel

Consolidated Biological Mitigation Site at Riverside Drive
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief CMA Officer, John Ristow

SUBJECT: Express Lanes Program Update

FOR INFORMATION ONLY

BACKGROUND:

At its December 11, 2008 meeting, the VTA Board of Directors approved the Silicon Valley Express Lanes Program (Program). As part of the program, the Express Lanes projects (Attachment A) will implement a roadway pricing system to allow for the use of unused capacity in the carpool lanes to provide congestion relief. The roadway pricing system will allow solo commuters to use the available capacity in the carpool lanes for a fee. The fee would change dynamically in response to existing congestion levels and available capacity in the carpool lanes. This implementation of roadway pricing is also part of the Bay Area Express Lanes network that was approved by the Metropolitan Transportation Commission in April 2009.

The Program has been undertaken to provide long-term mobility benefits and to provide another funding stream for transportation improvements. Specifically, the primary objectives of the Program are the following:

1. Provide congestion relief through more effective use of existing roadways;
2. Provide commuters with a new mobility option; and
3. Provide a new funding source for transportation improvements including public transit.

DISCUSSION:

The purpose of this memorandum is to provide an update on the most recent activities of the Program and to provide a preview of items that will be brought to the VTA Board for consideration in the near future. The memorandum covers the following topics:

- Update on Santa Clara County Express Lanes Projects;
- Update on Bay Area Regional Express Lanes;
- Update on other Express Lanes Projects in California; and
Update on Santa Clara County Express Lanes Projects

I-680 Express Lanes

The I-680 Express Lanes project will convert the existing 14-mile southbound carpool lane between SR 84 in Alameda County and SR 237 in Santa Clara County to Express Lanes (approximately 20 percent of the corridor is in Santa Clara County). A Joint Powers Authority (JPA) consisting of two members representing Alameda County Transportation Improvement Authority (ACTIA), two members representing Alameda County Congestion Management Agency (ACCMA), and one member representing VTA has been formed to oversee the implementation and operation of the I-680 Express Lanes. ACCMA is the lead agency for this project. Projects following in the footsteps of the I-680 Express Lanes project will benefit from the experience gained as a result of this project. The electronic tolling system contractor is finalizing its design for the tolling infrastructure which will be incorporated into the roadway construction which is expected to open to traffic and tolling operations in the fall of 2010.

SR 237/I-880 Express Connectors

This project will convert the direct carpool lane-to-carpool lane connectors at the SR 237/I-880 interchange for Express Lanes operations. In the morning commute, the southbound I-880 to westbound SR 237 travel direction has peak delays of about 10 minutes at the interchange of the two freeways resulting in lengthy back-ups onto the I-880 mainline. The same situation exists in the opposite direction in the evening commute due to the ramp metering on the connector ramp. This $7.9 million project, with $2.7 million of American Recovery and Reinvestment Act (ARRA) funds and $3.96 million of Value Pricing Pilot Program funds is under development with opening projected for the spring of 2011.

SR 85 Express Lanes

The SR 85 Express Lanes project includes a conversion of the entire length of the existing directional 24 miles of carpool lanes on SR 85 from US 101 in Mountain View to US 101 in south San Jose to Express Lanes operations for both directions of the freeway. The project is analyzing the inclusion of short Express Lanes segments on US 101 to make use of the unused capacity through the interchange available on the existing carpool lane-to-carpool lane direct connector ramps at the two US 101/SR 85 interchanges. Enhancements to this project could include certain segments of SR 85 converted to two-lane Express Lanes to provide added congestion relief and operational benefits to users. Preparation of a Caltrans project initiation document, a Project Study Report (PSR), is nearing completion. Opening of these Express Lane is projected for early 2013. This project is also a recipient of $3.3 million in ARRA funds that will be used for the preliminary engineering, environmental documentation and final design efforts.

US 101 Express Lanes

The project involves converting 34 miles of existing carpool lanes on US 101 between Cochrane Road in Morgan Hill and the San Mateo County line. The current recommendation is to implement two-lanes of Express Lanes within the existing freeway footprint to accommodate the
projected travel demand for US 101. Work on US 101 will lag behind the SR 85 Express Lanes efforts, and have a projected opening year of 2015.

**Update on Bay Area Regional Express Lanes Program**

**Regional Transportation Plan**

In July 2008, Metropolitan Transportation Commission (MTC) approved a $223 billion Regional Transportation Plan for the Bay Area that describes a regional network of Express Lanes (MTC Resolution 3868) consisting of about 500 miles of carpool lane conversion to Express Lane operations and another 300 miles of new Express Lanes to complete the gaps and extend the existing carpool network in the Bay Area.

**AB 744**

In April 2009, Assembly Member Torrico introduced AB 744 that would authorize the Bay Area Toll Authority (BATA) to develop, administer, operate, and maintain a Bay Area Express Lanes Network. The development of this network will be guided by the Bay Area Express Lanes Network Project Oversight Committee (BAYPOC) with recommendations from the Corridor Working Group (CWG) headed by a Congestion Management Agency for the respective geographic area where the project is being implemented. BATA would collect revenues and have authority to issue revenue bonds for the Express Lanes network. Revenues would be used to pay for expenses of the Express Lanes facility including payments to Caltrans (operations and maintenance), CHP (enforcement) and debt service costs for bond obligations. The remaining 95% of the net revenues will be reinvested back to the corridor.

AB 744 is a two-year bill with the earliest date for the bill to take effect being January 1, 2011. BATA would have to enter into an agreement with VTA when the bill is passed to provide for the transfer of rights obtained from AB 2032 (the legislation obtained by VTA already giving it the rights to do roadway pricing on two corridors and collect tolls with Express Lanes). This bill would allow the Bay Area Express Lanes Network to be eligible for financing backed by funding from bridge toll revenues. BATA would reimburse agencies for certain service contract costs associated with electronic tolling, operations, maintenance and enforcement incurred up to the effective date of the legislation. This could be relevant for the SR 237/I-880 Express Connectors if it opens under VTA management project prior to passage of AB 744.

**Regional Express Lanes Concept of Operations**

Concurrent with the legislative effort to create the Bay Area Express Lanes Network, BATA is working with VTA, ACCMA, Caltrans and CHP to produce the Regional Concept of Operations. This document will describe and approaches for such topics as lane configuration, signing, striping, enforcement, incident response, toll operations, hours of operation, maintenance, customer service, marketing and agency agreements. **Attachment B** highlights key items in this Concept of Operations that will be brought to the VTA Board for input.

**Marketing**

Work is on-going to define the scope of services that BATA’s FasTrak Customer Service Center will provide in support of Express Lanes. This scope includes such topics as customer service
representatives training for responding to Express Lanes patrons, modifications to BATA customer service software to accommodate Express Lanes toll charging, responding to disputes, and marketing support.

For the ongoing focused work for SR 237/I-880 Express Connectors, VTA is working with BATA and ACCMA on marketing efforts to inform and attract potential customers on the use of Express Lanes. The goals of the marketing activities are to:

1. Inform the public on operations of Express Lanes;
2. Educate potential customers about the benefits of the Express Lanes/Connectors; and
3. Promote future customers to obtain toll tags so they have the use of Express Lanes/Connectors as potential mobility option.

Other Express Lanes Projects in California

Los Angeles (LA) Express Lanes

The Los Angeles Metropolitan Transportation Agency (MTA) received a $210 million federal grant to convert existing carpool lanes on I-10 and I-110 into Express Lanes which is scheduled to open in December 2010. The MTA Board has decided to require FasTrak tags in all vehicles that will use the LA Express Lanes, including carpools. MTA is working with BATA to develop a switchable tag that will make it possible for drivers to indicate how many people are in their cars. On the I-10 El Monte busway lanes, HOV2+ would also pay during the peak periods but will be free during the off-peak hours. The use of switchable tags and requiring all travelers in Express Lanes to have tags is expected to improve toll collection and reduce the dependence upon CHP enforcement for enforcing toll evaders by making it possible to use license plate recognition (LPR) for toll collection and enforcement (see notes in Attachment B).

Future Items for Board Recommendations

This memorandum is a continuation of the project team’s efforts to keep the VTA Board updated on the Program’s progress. The following is a summary of potential VTA Board recommendations that could be sought in the near future:

1. Board workshop in spring 2010 on Concept of Operations for SR 237/I-880 Express Connectors and how it relates to Bay Area Regional Concept of Operations
2. Inter-agency agreements with Caltrans, CHP and BATA
3. Policy directions on toll rates, hours of operation and carpool requirements
4. Marketing and outreach

CITIZEN ADVISORY COMMITTEE DISCUSSION:

The Citizen Advisory Committee considered this item on October 7, 2009. The Committee posed questions related to how Express Lanes would operate. In addition, the Committee also enquired as to areas in which they could provide input that would be helpful in the implementation of Express Lanes. Staff indicated that input in areas such as hours of operation and toll rates would be valuable to the VTA Board of Directors to consider in their decision to guide the final implementation policies.
TECHNICAL ADVISORY COMMITTEE and POLICY ADVISORY COMMITTEE
DISCUSSION:

Both the Technical Advisory Committee and Policy Advisory Committee considered this item on October 8, 2009. The primary concern that was expressed by both Committees was to ensure that the AB 744 adequately clarifies that net revenue from Regional Express Lanes network is returned to its individual corridor. Staff explained that the Legislative Framework for Bay Area Express Lane Network by MTC noted the return of at least 95 percent of revenues net of operating, maintenance, debt service, financing costs and all covenants required of the issuance generated within each corridor “corridor revenues” will be provided back to the Corridor Working Group. This was the basis upon which the VTA Board of Directors supported AB 744. However, it is important for staff to keep abreast of the on-going changes in AB 744 to ensure this requirement is fulfilled before AB 744 is passed into law.

CONGESTION MANAGEMENT PROGRAM AND PLANNING COMMITTEE
DISCUSSION:

The Congestion Management Program and Planning Committee considered this item on Oct 15, 2009. The primary question was regarding the use of any future net revenues from Express Lanes in Santa Clara County, including the use of these revenues for transit. Staff responded that Valley Transportation Plan 2035 directs net revenues generated from Express Lanes in Santa Clara County to be used for transit, including for Measure A transit projects. The committee also asked about the use of these revenues for transit park and ride lots. Staff responded that this could be another use of these revenues. A possible next step is a workshop in the Spring of 2010 focusing on operational policies and procedures for Express Lanes and to begin discussion on development of guidelines for expenditure plans. The I-680 Express Lane is targeted for operations in the fall of 2010, followed by the SR 237/I-880 Express Connectors in early 2011.

Prepared By: Murali Ramanujam, Leo Scott
Memo No. 2224
Attachment B

Hours of Operation

Near Term: Expand to 24/7 operations when tolling is introduced to a corridor. The SR 237/I-880 Express Connectors will be exempted due to existing adjacent carpool lane segments on either side of the project. The I-680 Express Lanes is planned to operate as a 24/7 tolled facility.

Long Term: All Express Lanes will be 24/7 operations.

Vehicle Registration

Near Term: Mandatory registration of carpools is already planned for Bay Area toll bridges in 2010 as part of the new toll policies for HOV bypass lanes. Near-term projects (I-680 and SR 237/I-880 Express Lanes) will not require any registration.

Long Term (5-10 years): Registration is desired for all Express Lane users. The Los Angeles MTA Board has decided to have FasTrak tags in all vehicles that will use these lanes, including carpools starting December 2010.

Transponders

Near Term (1-5 years): Adoption of switchable transponders starting with beta test being done on Bay Bridges with the tolling of carpool vehicles. Los Angeles Metro is partnering with BATA to participate in the beta testing and joint procurement of switchable transponders. Los Angeles Express Lanes will use the switchable transponders when they open in December 2010. I-680 and SR 237/I-880 Express Connectors project will plan to accommodate the switchable transponders as part of the Electronic Toll System design but will open using the current transponders in use.

Switchable Transponders

Long Term (5-10 years): Looking forward, tolling based on Vehicle Miles Traveled (VMT) based user fees possibly using PDAs/cell phones and other electronic communication devices are likely to be used.

Signing

The recommended signing rules for Express Lanes projects are as follows:

- Overhead signs will include a purple banner showing the FasTrak® symbol and denoting “FasTrak® ONLY.”
- The diamond symbol is reserved for HOV only facilities and any facility requiring all users to carry transponders is precluded from using the diamond.
- For interim transitions between abutting projects and operations, HOV lanes would be clearly delineated and separate from Express Lanes, still apply the diamond and current signing needs.
CHP Enforcement

**Near Term:** CHP requires enhanced tools to eliminate unnecessary stops that result from malfunctioning transponders. The ability to automatically enforce toll transactions compliance is preferred but constrained without License Plate Recognition (LPR) capabilities. LPR on Express Lanes requires state legislation approval. LPR is practiced on a number of toll roads in the state, as well as on Bay area bridges. Hence, use of components such as beacons for indicating a successful transaction occurred and switchable transponders will be used to provide enforcement for toll evasion, occupancy violation, buffer crossings and moving violations.

**Long Term:** With enabling legislation to use LPR, CHP will provide enforcement for occupancy violations and moving violations only. Toll evasions will be enforced separately via LPR and other technologies.

Toll Enforcement

**Near Term:** The following measures are recommended:
- License Plate Recognition (LPR) to augment toll zones
- Beacons for CHP at each toll zone
- On-board mobile tag and account readers for CHP.

**Long Term (5-10 years):** Ways of testing and adopting automated vehicle occupancy systems to reduce CHP presence and exposure is desired, but no near-term technology or strategy is likely to become prevalent and accepted. Longer term GPS solution or new mileage based tax technology might be available.

Incident Management

**Near-term:** Rely on Caltrans TMC for incident response with augmented capabilities. The operator will augment TMC capabilities with dedicated personnel to monitor and detect incidents on the Express Lanes, directly notify TMC or affected agency support personnel for minor events, and provide additional resources for in-field response (such as enhancements to freeway service patrol and on-call wrecker services).

**Long-term:** Dedicated Express Lanes incident surveillance and management housed within the TMC. This operation would be staffed 24 hours per day, 7 days per week by operator staff and/or a third party contractor on a performance-based contract that includes field incident detection systems. This functional system would be separate from the tolling systems integrator role and comprise the incident management for express lane operation.

Maintenance

**Near Term:** Caltrans contractor provides maintenance for pavement and structures.

**Long Term:** Enhanced customer service for Express Lanes users using dedicated contractor(s) for tolling systems and infrastructure such as signing, sensors, pavement markings, and pavement surface condition, but not including structural pavement or structures. Structural components would rely on Caltrans’s provider for routine and life cycle inspection, repair, and replacement under a joint agreement with BATA that would also allow BATA to perform such work should the need arise.
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Auditor General, Pat Hagan

SUBJECT: Security Guard Qualification and Training Internal Audit

FOR INFORMATION ONLY

BACKGROUND:

At the June 4, 2009, meeting, the VTA Board of Directors approved the FY 2010 internal audit work plan and authorized the General Manager to execute task orders with Deloitte & Touche LLP to conduct the internal audit projects identified in the plan. In July 2009, Deloitte & Touche initiated the first audit on security guard qualification and training. The audit was performed in accordance with the Standards for Consulting Services issued by the American Institute for Certified Public Accountants. The results of this audit are presented in Auditor General Report No. 2009-01 (see Attachment A).

DISCUSSION:

The purpose of this project was to assess the VTA security contractor’s compliance with training and certification requirements, including firearms training, as specified in the new Security and Protective Service Agreement with AlliedBarton, which went into effect on March 13, 2009 (“the Agreement”).

The Auditor General established the following objectives for this audit:

- Assess whether AlliedBarton security personnel serving VTA are in compliance with training and certification requirements specified in the contract terms; and
- Assess VTA processes for monitoring contractor reports of compliance with critical training certification requirements.

The scope of the contract requirements evaluated included the following provisions:

- Criminal background checks
- Drug and alcohol procedures and program
• “State Guard Card certification”
• California driver’s license and “Safe Driver Training”
• VTA-provided training and orientation
• Contractor-provided pre-assignment training
• Roadway Protection, Security Awareness and National Incident Management System (“NIMS”) training
• “Security Guard Power to Arrest Training” for armed security guards
• Periodic re-certifications
• Reporting requirements related to personnel assignments and training, drug and alcohol testing and the status of license and background checks.

A sample of 25 AlliedBarton security guards were selected (armed and unarmed) from a total of 81 security guards assigned to the VTA account as of July 6, 2009. For each security guard in the sample, the internal audit team reviewed the documentation evidencing that the appropriate training and certifications requirements were achieved. Additionally, the internal audit team conducted inquiries and evaluated processes to identify potential improvements to enhance the efficiency and effectiveness of VTA’s monitoring process for critical training and certification requirements.

Results:

Overall, based on the sample selected for the testing period (March 13, 2009 through June 30, 2009), it appears that AlliedBarton complied with the key contractual training and certification requirements, including the firearm permit (armed security guards only), security guard card, and requirements on drug and alcohol testing and criminal background search.

However, VTA’s informal monitoring process can be improved through formalization of process and controls. In addition, there were several lower relative risk observations for which the Auditor General recommends that VTA either amend the Agreement to reflect current practice and document exceptions to the Agreement, or comply with the training requirements in accordance with the Agreement.

Management Response:

VTA’s General Manager and Chief Operating Officer concur with the findings of the internal audit, and have identified steps that will be taken to formalize the process for monitoring AlliedBarton’s compliance with all security contract requirements. VTA has committed to implementing these process improvements by no later than November 30, 2009.

The internal audit team will assess the remedial actions after that date, and will report its findings at a subsequent Audit Committee meeting.
STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

The Audit Committee considered this item on October 1, 2009. In response to committee members’ questions, VTA’s Deputy Director for Maintenance and Security, Mr. Michael Hursh, noted that the scope-of-work for the Security and Protective Services Agreement with AlliedBarton was the same as the previous contract with Securitas, although VTA has made changes in the deployment of both armed and unarmed guards. He confirmed that AlliedBarton personnel do not carry tasers and that the firearms and use-of-force training they receive exceeds State requirements. Mr. Hursh clarified that the Security and Protective Services contractor monitors the CCTVs, but that VTA maintains the CCTV network through a service contract with another vendor. Mr. Hursh explained that the contractor is in compliance with all federal random drug testing requirements, but is not required to conduct a financial background check of prospective employees. Auditor General Pat Hagan pointed out that the required civil background check would, however, detect significant financial breaches. Mr. Hagan confirmed that VTA’s waiver of any security guard qualification and training requirements does not relieve AlliedBarton of any liability and responsibility under the contract.

The Committee unanimously agreed to forward this report to the Board of Directors.

Prepared By: Pat Hagan, Auditor General
Memo No. 2087
MEMORANDUM

TO: Audit Committee Chair, Don Gage
   Santa Clara Valley Transportation Authority

THROUGH: Michael T. Burns, General Manager

FROM: Pat Hagan, Auditor General

DATE: September 3, 2009

SUBJECT: Security Guard Qualification and Training Internal Audit

Enclosed is our report for the security guard qualification and training internal audit.

Our internal audit was performed in accordance with the terms of the agreement between Santa Clara Valley Transportation Authority and Deloitte & Touche LLP for Auditor General Services, Contract No. SO9022, dated January 9, 2009, and in accordance with the Standards for Consulting Services issued by the American Institute of Certified Public Accountants. This report is intended solely for the information and use of management and the Audit Committee of the Santa Clara Valley Transportation Authority and is not intended to be used by anyone other than these specified parties. Recommendations for improvement are presented for management’s consideration. Management is responsible for the effective implementation of corrective action plans.

Please contact Pat Hagan in the VTA Auditor General’s office, if you have any questions.
EXECUTIVE SUMMARY

Security and protective services at VTA are under the direction of the Chief Operating Officer. VTA has a contract with AlliedBarton Security Services LP (AlliedBarton), for security and protective services; VTA also contracts with the Santa Clara County Sheriff’s Department for law enforcement services.

Internal Audit performed an internal audit of AlliedBarton’s compliance with security guard training and certification requirements as specified in the Security and Protective Services Agreement, effective March 13, 2009 (“the Agreement”), at such time AlliedBarton replaced Securitas Security Services, VTA’s former security services provider.

The objectives of the internal audit were:

- Assess whether AlliedBarton security personnel serving VTA are in compliance with training and certification requirements specified in contract terms.
- Assess the effectiveness of VTA processes for monitoring contractor reports of compliance with training and certification requirements.

A sample of 25 AlliedBarton security guards were selected (armed and unarmed) from a total of 81 security guards assigned to the VTA account as of July 6, 2009. For each security guard in the sample, Internal Audit reviewed the support evidencing that the appropriate training and certifications requirements were achieved. Additionally, Internal Audit conducted inquiries and obtained evidence to identify potential process improvements to enhance the efficiency and effectiveness of the process to monitor contractor reports of compliance with critical training and certification requirements.

Results

Overall, based on the sample selected for the testing period (March 13, 2009 through June 30, 2009), it appears that AlliedBarton complied with the key training and certification requirements, including the firearm permit (armed security guards only), security guard card, and requirements on drug and alcohol testing and criminal background search.

VTA’s informal monitoring process can be improved through formalization of the process and controls. In addition, there were several lower relative risk observations for which Internal Audit recommends that VTA either amend the Agreement to reflect current practice and document exceptions to the Agreement, or comply with the training requirements in accordance with the Agreement.

*This report is intended solely for the information and internal use of Santa Clara Valley Transportation Authority, and should not be used or relied upon by any other person or entity.*
Management Response

VTA’s General Manager and Chief Operating Officer concur with the findings of the internal audit, and have identified steps that will be taken to formalize the process for monitoring AlliedBarton’s compliance with all security contract requirements. VTA has committed to implementing these process improvements by November 30, 2009.

The Internal Audit team will assess the remedial actions after that date, and will report its findings at a subsequent Audit Committee meeting.

BACKGROUND

Santa Clara Valley Transportation Authority (VTA) and AlliedBarton Security Services LP (AlliedBarton) signed an agreement for Security and Protective Services effective March 13, 2009 (“the Agreement”). The Agreement is for a term of three years and VTA has the option to extend it by an additional two years. The total compensation for services provided under the Agreement is expected to be approximately $11 million for the three year term.

AlliedBarton replaced Securitas Security Services (“Securitas”) who held the security and protective services contract for the last six years. This is the first time AlliedBarton has contracted with VTA.

VTA Operations’ Department is responsible for monitoring the security and protective services agreement with AlliedBarton. In the Agreement it states that AlliedBarton will furnish the technical and professional labor and materials to satisfactorily provide services to maintain a program of security and protective services on behalf of VTA transit patrons, employees and contractors, and VTA properties. Specifically, the security guards are generally responsible for:

- employee / contractor and passenger security,
- property and revenue protection,
- revenue collection,
- lost and found,
- fixed asset inventory,
- site security and facility access control,
- security at special events,
- special operations, and
- closed circuit television and other security services as required by VTA.

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The Agreement specifies the security guard qualification requirements and the training requirements to be furnished by VTA and by AlliedBarton. In addition, the Agreement outlines the periodic reporting requirements that AlliedBarton must meet, including reports summarizing the status of the training requirements.

Internal Audit was informed by VTA and AlliedBarton that the transition from Securitas to AlliedBarton went smoothly and that the parties worked closely together to resolve any training, certification or scheduling issues. A significant number of Securitas guards were retained by AlliedBarton to continue working on the VTA account as AlliedBarton employees. Per VTA, this high incidence of retention helped make the transition a success.

**INTERNAL AUDIT OBJECTIVES**

- Assess whether AlliedBarton security personnel serving VTA are in compliance with training and qualification requirements specified in contract terms.
- Assess VTA processes for monitoring contractor reports of compliance with training and certification requirements; identify potential process improvements to enhance efficiency and effectiveness.

**SCOPE:**

The scope of contract requirements assessed included:

- Criminal background checks
- Drug and alcohol procedures and program
- State Guard Card certification
- California driver’s license and Safe Driver Training
- VTA-provided training and orientation
- Contractor-provided pre-assignment training (e.g., 24 hours for armed security guards performing revenue collection and protection function)
- “Roadway Protection, Security Awareness and National Incident Management System (“NIMS”) Training”
- “Security Guard Power to Arrest Training” for armed security officers
- Periodic re-certifications

The scope of VTA processes assessed included monitoring of the following contractor reports:

- Monthly reports of personnel assignments and training
- Rosters of new security personnel and their training records
- Quarterly reports on drug and alcohol testing
- Annual reports on the status of licenses and background checks

*This report is intended solely for the information and internal use of Santa Clara Valley Transportation Authority, and should not be used or relied upon by any other person or entity.*

4 of 12
APPROACH:
For the testing period March 13, 2009 through June 30, 2009, Internal Audit tested a sample of 25 personnel files and conducted follow-up interviews, as needed, to assess contract compliance.

Conducted interviews with key VTA personnel and documented processes used to periodically verify that contractor training and certification reports are filed as required and reviewed; evaluated key process controls.

OVERALL RISK RATING:
Low

FISCAL IMPACT:
None

RESULTS:
The following summarizes the internal audit observations, each individual area’s risk rating, the Auditor General’s recommendation, and management’s response.
## 1.0 Contract Compliance with Training and Qualification Requirements

### Exhibit A.C.6: Contractor shall be responsible for providing all training, retraining, and obtaining the required certifications to keep all security guards proficient with the requirements of the contract and to maintain their State Guard Certification.

- **Observation**: No Exceptions Observed
- **Recommendation**: Not Applicable
- **Management Response**: Not Applicable

### Exhibit A.C.6: The Contractor shall deliver to VTA a roster listing all security guards and administrative staff assigned to the VTA account with a copy of their certifications and training records at the time of Orientation Training.

- **Observation**: For 19 (12 armed and 7 unarmed) out of the 25 AlliedBarton security guards and supervisors selected for testing, Internal Audit could not obtain evidence that the individuals attended the training or that VTA waived the orientation requirement. Internal Audit was informed that the required training was verbally waived for 14 out of the 19 security guards, since they transitioned from their previous employer Securitas to AlliedBarton and are considered experienced security guards. The additional five security guards, who were hired after the Agreement became effective, have not yet attended the orientation training.

### Exhibit A.H.1.A: All of Contractor's security guards and field supervisors assigned to VTA must attend orientation training for one week, 40 hours, prior to transition and commencement of security guard service; Contractor’s assigned staff should anticipate being in training up to eight hours per day for five consecutive days for a maximum of 40 hours; If the Contractor's security guards and/or supervisors have been previously trained by VTA, VTA may, at its sole determination, waive the orientation requirement for some or all of such guards and supervisors.

- **Observation**: We recommend VTA Management maintain documentary evidence to support the waiver or delay of the orientation requirements for certain AlliedBarton security guards and supervisors in accordance with contract requirements.
- **Recommendation**: VTA waived the orientation training for 14 guards, from the sample of 25, who transitioned from Securitas to AlliedBarton; these 14 guards had previously received orientation training (as Securitas employees). In the future VTA will document any waiver of this orientation requirement for guards who have previously received VTA orientation training. The guards who were hired after the Agreement became effective are scheduled to attend VTA’s next orientation training in September 2009. VTA will continue to require orientation training for any security guard who has not received orientation training.
- **Remediation**: All new security guards and field supervisors hired after the Agreement became effective will attend the VTA orientation training in September 2009. All training waivers and exceptions will be documented by October 31, 2009.

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* The applicable requirements are excerpts from Exhibit A ‘Scope of Services’ of the agreement between Santa Clara Valley Transportation Authority and AlliedBarton Security Services LP for Security and Protective Services (Contract No. S09013), dated March 13, 2009.
AUDITOR GENERAL REPORT No. 2009-01  
Security Guard Qualification and Training Internal Audit  
September 3, 2009

<table>
<thead>
<tr>
<th>Applicable Requirement*</th>
<th>Observation</th>
<th>Recommendation</th>
<th>Management Response</th>
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<tbody>
<tr>
<td><strong>Exhibit A.C.7</strong>: Contractor shall be responsible for providing its staff Safe Driver Training on an annual basis - each officer must be recertified in Safe Driver Training annually.</td>
<td>For eight unarmed guards out of the 25 security guards and supervisors selected for testing, no evidence was available that the annual Safe Driver Training was completed. Internal Audit was informed that the training was verbally waived, as the location where the eight security guards are assigned does not require driving a vehicle. Having security guards without Safe Driver Training limits their opportunities for assignment or ability to back-fill for other security guards. [Risk Rating: Low]</td>
<td>We recommend that either the Agreement is amended to reflect current practice or each of the security guards complete the annual safe driver training in accordance with contract requirements.</td>
<td>VTA has waived training requirements for those security guards serving in non-driving assignments; going forward VTA will formalize the process for future waivers of non-driving security guard assignments. Remediation: All training waivers and exceptions will be documented by October 31, 2009.</td>
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<td><strong>Exhibit A.C.9</strong>: The Contractor shall provide a weekly staffing schedule and produce a monthly report deliverable to VTA's Chief Operating Office or designee which will reflect post hours, personnel assigned to the post, and a monthly report itemizing all pre-assignment post training and post supervisor inspection activity performed by the Contractor's field supervision and management.</td>
<td>No Exceptions Observed</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
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<td><strong>Exhibit A.C.15</strong>: The Contractor shall also cooperate with VTA reporting requirements including quarterly program reports………</td>
<td>No Exceptions Observed</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td><strong>Exhibit A.C.15</strong>: The Contractor shall also cooperate with VTA reporting requirements including ……, the annual federal drug and alcohol MIS report, periodic site visits, and processing of annual re-certification forms.</td>
<td>The annual requirements are not due until 2010.</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

* The applicable requirements are excerpts from Exhibit A ‘Scope of Services’ of the agreement between Santa Clara Valley Transportation Authority and AlliedBarton Security Services LP for Security and Protective Services (Contract No. S09013), dated March 13, 2009.
The applicable requirements are excerpts from Exhibit A ‘Scope of Services’ of the agreement between Santa Clara Valley Transportation Authority and AlliedBarton Security Services LP for Security and Protective Services (Contract No. S09013), dated March 13, 2009.

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<thead>
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<th>Applicable Requirement*</th>
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<th>Management Response</th>
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<tr>
<td><strong>Exhibit A.C.15</strong>: The Contractor shall implement and maintain procedures for pre-employment drug and alcohol testing for all security guards assigned to VTA. In addition, the Contractor shall implement a drug and alcohol testing program for all safety sensitive personnel pursuant to the D.O.T. Requirements, 49 CFR Parts 40 and 655.</td>
<td>No Exceptions Observed</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td><strong>Exhibit A.C.18</strong>: Contractor must create and maintain an updated roster of all officers (armed and unarmed and administrative staff) assigned to the VTA account. Contractor shall deliver an updated roster to VTA upon request within 48 hours.</td>
<td>Internal Audit confirmed that the roster is updated as required; during the test period, VTA did not request the updated roster.</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td><strong>Exhibit A.D.2</strong>: To the extent permitted under California Penal Code Section 11105, Contractor must perform a Department of Justice criminal background search, by a fingerprint search by Live Scan of the California State Department of Justice, on each employee hired by the Contractor after the effective date of the contract (3/13/2009), who will be assigned to provide the security guard or supervisor services to VTA.</td>
<td>No Exceptions Observed</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
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<td>Applicable Requirement*</td>
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<td><strong>Exhibit A.D.3</strong></td>
<td>This annual requirement is not due until 2010.</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
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<td>a. That it has verified the current status of each employee's security guard license;</td>
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<td>b. That any employee whose security guard license has been revoked is no longer assigned to perform services under the contract with VTA; and</td>
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<td>c. That it has performed criminal background checks on all new employees as required under item 2 above.</td>
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<td>d. That it has verified the current status of each employee's California Driver's license</td>
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<td><strong>Exhibit A.H.1.B</strong></td>
<td>No Exceptions Observed</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
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<tr>
<td>Roadway Protection Training (RWP) needs to be provided to all armed officers, command staff, supervisors, and selected unarmed officers. The four hour course is provided on an as needed basis.</td>
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<td>Applicable Requirement*</td>
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<tr>
<td><strong>Exhibit A.H.1.C:</strong> Security Awareness Training (4 hours) will be provided for all security officers and command staff....The frequency of this training will be determined by VTA.</td>
<td>For 19 (12 armed and 7 unarmed) out of the 25 Allied Barton security guards and supervisors selected for testing, Internal Audit could not obtain evidence that the Security Awareness training was completed. Internal Audit was informed that the required training was verbally waived for 14 out of the 19 security guards, since they transitioned from their previous employer Securitas to Allied Barton and are considered by VTA to be experienced security guards. The additional five security guards, who were hired after the Agreement became effective, have not yet received security awareness training. Exceptions to the contract, such as waivers for required training, should be documented. [Risk Rating: Low]</td>
<td>We recommend that exceptions to the Agreement are documented and supported, or that each security guard receives the Security Awareness training in accordance with contract requirements.</td>
<td>VTA waived the security awareness training for 14 guards, from the sample of 25, who transitioned from Securitas to Allied Barton; these 14 guards had previously received security awareness training. VTA will document any future waiver of security awareness training. The guards who were hired after the Agreement became effective are scheduled to attend VTA’s next orientation training (which includes security awareness) in September 2009. VTA will continue to require security awareness training for any security guard and supervisor who has not received security awareness training. Remediation: All new security guards and field supervisors hired after the Agreement became effective will attend the VTA orientation training in September 2009. All training waivers and exceptions will be documented by October 31, 2009.</td>
</tr>
<tr>
<td><strong>Exhibit A.H.1.D:</strong> Classroom National Incident Management System (NIMS) training will be provided when training opportunities become available to command staff in leadership roles, rank of Sergeant and above or these classes may be taken online, VTA’s preferred method.</td>
<td>As of July 2009, classroom NIMS training has not been provided. [Risk Rating: Low]</td>
<td>We recommend that VTA, together with Allied Barton, look for NIMS training opportunities, including online courses.</td>
<td>Command staff will receive on-line NIMS training; VTA will continue to seek funding to provide classroom training opportunities to supplement the on-line training. Remediation: On-line training will be completed and documented by November 30, 2009.</td>
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</table>

* The applicable requirements are excerpts from Exhibit A ‘Scope of Services’ of the agreement between Santa Clara Valley Transportation Authority and Allied Barton Security Services LP for Security and Protective Services (Contract No. S09013), dated March 13, 2009.
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<th>Management Response</th>
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<tbody>
<tr>
<td><strong>Exhibit A.H.2</strong>: All armed security  guards must complete Security Guard Power to Arrest Training as outlined by the Department of Consumer Affairs - Bureau of Security and Investigative Services.</td>
<td>No Exceptions Observed</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
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</table>
| **Exhibit A.H.2**: As part of the minimum pre-assignment training furnished by AlliedBarton, the following training hours are required for the security guards to complete based on their assigned positions:  
  - Security guards assigned to non-public worksite facilities: 8 hours.  
  - Security guards assigned to public facilities: 16 hours.  
  - Armed security guards performing revenue collection and protection functions: 24 hours.  
  - Designated armed officers: 80 hours. | For 14 (8 armed and 6 unarmed) out of the 25 AlliedBarton security guards and supervisors selected for testing, no evidence was available that these security guards complied with the minimum hourly requirement for the pre-assignment training courses furnished by AlliedBarton. We were informed that the required training was verbally waived, as the 14 security guards transitioned from their previous employer Securitas to AlliedBarton and are considered experienced security guards.  
Exceptions to the contract, such as waivers for required training, should be documented.  
[Risk Rating: Low] | We recommend that exceptions to the Agreement for experienced security guards are documented and supported or each security guard receives minimum pre-assignment training in accordance with contract requirements. | VTA waived the minimum pre-assignment training for 14 guards, from the sample of 25, who transitioned from Securitas to AlliedBarton; these 14 guards had previously received training that met the requirements of the pre-assignment training.  
VTA will document any future waiver of pre-assignment training for security guards.  
VTA will continue to require pre-assignment training for any security guard who has not received pre-assignment training.  
Remediation: All training waivers and exceptions will be documented by October 31, 2009. |

* The applicable requirements are excerpts from Exhibit A ‘Scope of Services’ of the agreement between Santa Clara Valley Transportation Authority and AlliedBarton Security Services LP for Security and Protective Services (Contract No. S09013), dated March 13, 2009.
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</table>
| 2.0 Assessment of monitoring contractor compliance with critical training and qualification requirements. | Internal Audit assessed the efficiency and effectiveness of VTA processes for monitoring contractor compliance with critical training and qualification requirements. Internal Audit noted that, although frequent communication and coordination meetings take place between VTA Management and AlliedBarton, a formalized monitoring process has not yet been developed and implemented. Current monitoring processes should be formalized to avoid the potential that VTA does not have current status of security guard training and certification and notification of potential issues. [Risk Rating: Low] | We recommend that VTA and AlliedBarton develop and implement a formalized process to monitor AlliedBarton’s compliance with critical training and qualification requirements as outlined in the Agreement. | VTA will establish procedures to formalize monitoring of contractor compliance with all contract provisions. These procedures will include written documentation of any waiver or exception of training/orientation requirements, documentation of communications between VTA and AlliedBarton, records of requests for information and acknowledgement of receipt when reports are received from the contractor. 

**Remediation:** Procedures to formalize current monitoring processes of contractor compliance with all contract provisions will be completed and in place by October 31, 2009. |
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief Financial Officer, Joseph T. Smith

SUBJECT: Appointment of AD-HOC Committee of the Board

Policy-Related Action: Yes  Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

Appoint a temporary, Ad Hoc Committee of the Board to review the Santa Clara Valley Transportation Authority’s (VTA) current and projected financial condition; and, to make recommendations to the Board that will address the VTA’s financial outlook on a near-term, mid-term and long-term basis to insure the continued sustainability of transit services in Santa Clara County.

BACKGROUND:

At the October Administration & Finance Committee (A&F) meeting, staff provided an update regarding projected deficits in FY 2010 and FY 2011 based on final FY 2009 sales tax revenues received in September. Attachment A is a copy of the Sources and Uses Funds Comparison that was provided at the meeting. It illustrates projected operating reserve levels assuming different levels of sales tax revenue growth in FY 2010 and FY 2011. Scenario C, which is staff’s recommended planning scenario, shows an operating deficit of $98 million for FY 2010 and FY 2011 combined. A summary of the assumptions and operating reserve balances for each of the scenarios is included in Attachment B.

An initial list of potential solutions/strategies, which was also distributed at the meeting, is included as Attachment C.

During the discussion at the Administration & Finance Committee, Director Kniss requested that staff submit an action item for consideration at the November board meeting that would establish a short-term Ad Hoc Committee of the Board responsible for developing strategies to address the immediate funding shortfalls as well as the continued sustainability of transit services in the County.
DISCUSSION:

The adopted FY 2010 and FY 2011 budget assumed an operating deficit of $27 million over the two-year period. Operating reserves were projected to be drawn down to cover the deficit, leaving an operating reserve of approximately 5% ($19 million) at the end of FY 2011. Actual FY 2009 sales tax receipts, as well as revised projections for sales tax revenues in the next two years, exacerbate VTA’s fundamental problem: VTA’s recurring operating expenses exceed recurring revenues available to support operations. While one-time revenues and cost-savings may close the near-term budget shortfall, VTA must address the underlying structural problem by identifying recurring revenues and making permanent expenditure reductions to eliminate the operating deficit and restore a prudent level of operating reserves. Some of the potential solutions and strategies included in Attachment C involve significant changes to VTA’s current business model but may be necessary in order to provide a sustainable level of service to the residents of Santa Clara County; however, changes such as these may take 12 months or more to implement. Therefore, staff recommends that a temporary Ad Hoc Committee of the Board be charged with the following objectives:

1) Develop a recommendation for the Board’s consideration at the December board meeting, which identifies a target operating reserve level and strategies to achieve the target in the near-term; and,

2) Develop one or more recommendations for the Board to consider at a later date that would address the continued sustainability of transit services in Santa Clara County.

ALTERNATIVES:

The Board could choose to refer the matter to the entire Board for their consideration at a future board meeting or workshop, or could choose to direct staff to develop recommendations for their consideration.

FISCAL IMPACT:

The nominal amount of funding required to support the Ad Hoc committee is included in the FY 2010 and FY 2011 Adopted VTA Transit Enterprise Fund Operating Budget.

Prepared by: Kimberly Koenig, Fiscal Resources Manager
Memo No. 2254
## VTA TRANSIT
### SOURCES AND USES OF FUNDS COMPARISON
(Dollars in Thousands)

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<td>Projected Ending Operating Reserves</td>
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<td>(26,291)</td>
<td>(2,112)</td>
<td>(52,091)</td>
<td>4,971</td>
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<td>27,745</td>
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<td>Projected Operating Reserve %</td>
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<td>4.7%</td>
<td>-7.5%</td>
<td>-0.6%</td>
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### Sales Tax Change Assumption

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<td>A Adopted June 2009</td>
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</tr>
<tr>
<td>B Budget Projections</td>
<td>-5.0%</td>
<td>-3.0%</td>
</tr>
<tr>
<td>C Beacon October 2009</td>
<td>-13.1%</td>
<td>+2.35%</td>
</tr>
<tr>
<td>D First Quarter SBOE FY10, flat FY11</td>
<td>-10.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>E Flat from FY09 Actual</td>
<td>0.0%</td>
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</tr>
</tbody>
</table>

Projections include adjustments for:
- Base Sales Tax adjusted for FY09 actual receipts
- Fare Revenue trend
- Fare increase accelerated to October 2009
- January service reduction
- May '09 ATU increase
- ARRA 10% to PM
FY 2010 & FY 2011 Operating Budget Scenarios

Scenario A
Scenario A represents the adopted biennial operating budget. Sales tax revenues (which include VTA’s 1976 half-cent sales tax, TDA, and 2000 Measure A Operating Assistance) were assumed to decline 5% and 3% in FY 2010 and FY 2011, respectively, from projected FY2009 sales tax revenues. The projected two-year operating deficit was $27 million and projected operating reserve was $19 million at the end of FY 2011.

Scenarios B-E
Subsequent to adoption of the budget, VTA received the final disbursement of FY 2009 sales tax revenues from the state, concluded labor negotiations, accelerated the fare increase to October 2009, and instituted a service reduction for January 2010. Revenues and expenditures for Scenarios B through E have all been adjusted to reflect the following changes from the adopted budget:

- Revised sales tax base corresponding to actual FY2009 sales tax receipts;
- Declining trend in fare revenue (due to declining in ridership);
- Accelerated fare increase effective October 2009;
- January 2010 service reductions approved by the Board in October 2009;
- May 2009 ATU wage increase;
- Additional $4.7 million operating revenues provided by a 10% allocation of ARRA funds to be received by VTA.

The only differences in Scenarios B through E are the assumptions used to project sales tax related revenues.

Scenario B
Scenario B represents the adopted biennial operating budget updated to reflect only the changes listed above. This scenario uses the same assumptions for sales tax related revenues as the adopted budget (declines of 5% and 3% in FY 2010 and FY 2011, respectively). The projected two-year deficit has increased from $27 million to $72 million and operating reserves are completely exhausted prior to the end of FY 2011.

Scenario C
Scenario C adjusts sales tax revenues, based on taxable sales projections from VTA’s economist, Dr. Chris Thornberg of Beacon Economics. Dr. Thornberg’s projections of taxable sales indicate that VTA will suffer a further decline of 13.11% in FY 2010 sales tax revenues, followed by an increase of 2.35% in FY 2011. The operating deficit in this scenario is $98 million and operating reserves are exhausted prior to FY 2010 year end.

Scenario D
Scenario D assumes sales tax growth projections of a 10% decline in FY 2010 (consistent with the first advance from the State Board of Equalization for first quarter of FY 2010) and 0% growth in FY 2011. The two-year operating deficit in this scenario is $89 million and operating reserves are exhausted prior to FY 2011 year end.

**Scenario E**
Scenario E assumes no growth (or decline) in sales tax revenues in either FY 2010 or FY 2011. The two-year operating deficit in this scenario is $43 million with a projected ending operating reserve of $3 million at FY 2011 year end.
Budget/Structural Deficit Solutions/Strategies

Near-Term (next 6 months)

1. Implementation of cost savings as a result of Activity Budget based review
2. Board Action for Resolution of Economic Emergency
   - Allows Non-ATU layoffs (negotiated contract terms)
3. STA funding reinstated
4. Increase Measure A contribution to VTA Transit
5. Backstop portion of deficit with Debt Reduction Funds
6. Review existing VTA Transit Capital Program

Mid-Term (next 12 months)

1. Revisit service plan
   a. Eliminate non-productive routes
   b. Weekend service on core routes only
   c. Other potential reductions/efficiencies
2. Alternative service models
   a. Cost sharing
   b. Subsidizing local service provided by cities
3. Continue implementation of identified cost saving measures
4. Eliminate Community Bus Fare
5. Eliminate EcoPass Program
6. Eliminate Summer Blast Pass Program
7. Maximize contracted service hours allowed in ATU contract (50K)
8. Explore Medical/Dental and Retiree Medical opt out options

Long-Term (next 18 months)

1. Address benefit levels in next contract negotiations
   a. Pension—caps, increased vesting period &/or defined contribution for new employees, employee contribution
   b. Retiree Health—discontinue offering benefit, increase vesting period for new employees, change benefit period
   c. Medical/Dental—Cover employee only, $$ cap
2. Aggressively pursue Joint Development opportunities
3. Consolidate operating facilities
4. Eliminate participation in contracted services partnerships
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief CMA Officer, John Ristow

SUBJECT: Joint Development Portfolio & Priority Schedule -Action Item

Policy-Related Action: No Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

Approve the *JD Portfolio & Priority Schedule* as recommended by staff.

BACKGROUND:

In April 2009, VTA’s Board of Directors approved a revised Joint Development policy framework that consists of a new *Joint Development Policy* (Part I) which establishes specific goals for the Joint Development Program and a detailed *Joint Development Implementation Plan* (Part II) for achieving those goals. Collectively, these two documents are referred to as the *JD Guidance Documents*.

The *JD Guidance Documents* specify the following asset management tools be employed for the Program: (A) *Real Estate Inventory (RE Inventory)* to comprehensively identify and assess VTA’s revenue generating real estate assets; (B) *Joint Development Portfolio (JD Portfolio)* to appropriately identify those assets within the *RE Inventory* that are best suited for joint development; and (C) *Joint Development Priority Schedule (Priority Schedule)* to target VTA’s limited resources toward those assets best suited to meet the near term goals of the Program.

The *JD Guidance Documents* require the VTA Board to approve the *JD Portfolio and Priority Schedule* to ensure the Program is implemented pursuant to a uniform organizational vision.

Staff has undertaken an extensive research effort to compile the *RE Inventory*, a summary of which is presented in Attachment A. From this inventory, staff has analyzed and ascertained which assets are most appropriate for joint development and which of this subset should become the Program’s priorities for the next three to five years. Staff’s recommendations for this *JD Portfolio and Priority Schedule* are noted in Attachment B and Attachment C, respectively.
A discussion of staff's research methodology and analyses supporting the noted recommendations is provided below. In addition, at the Board of Directors meeting on November 5, 2009, staff will present a detailed presentation with more information about the RE Inventory and overall research efforts.

**DISCUSSION:**

I. **Methodology**

The *RE Inventory* is the first of the asset management tools identified in the *JD Guidance Documents*. The *RE Inventory* is a comprehensive summary of basic data on all VTA-controlled real estate assets that are suitable for revenue generation. This revenue generation can occur through active asset management in the form of targeted interim leasing and strategic joint development as well as the permanent disposition of excess properties to capture their underutilized economic value.

A. **Preliminary Research**

Staff initiated compilation of the *RE Inventory* through a multi-pronged research effort which involved distilling information from VTA historic files, the personal knowledge bases of veteran VTA staff, and public data such as assessor’s records and planning designations. All potential assets were included, even if currently utilized for active transit uses, such as park and ride lots for either the light rail system or Caltrain as well as unused properties and assets acquired for the long-term needs of capital projects.

At present, the *RE Inventory* consists of over 50 real property assets. These assets are located in 9 jurisdictions throughout Santa Clara County and range in size from less than an acre to over 120 acres representing a wide range in land use and economic value.

The data is currently consolidated into a spreadsheet and supported by files of all relevant documents such as ownership records and third party agreements. The goal is to ultimately incorporate the *RE Inventory* into the VTA Enterprise Accounting System - Real Estate Module and other data base programs utilized by the agency as appropriate to make the information available throughout the organization.

The *RE Inventory* will be periodically reviewed and updated as necessary to reflect new acquisitions, sales, and other asset dispositions so as to ensure its accuracy and completeness to the maximum extent possible.

B. **Additional Research**
A myriad of factors have been considered to appropriately segregate the assets in the RE Inventory into the above-noted categories. These factors include objective elements such as physical size and constraints of the assets, quantitative considerations related to the properties’ economic values, and qualitative considerations such as local jurisdictional policy goals and land use requirements. To effectively compile the requisite information, staff has undertaken the following multi-pronged research efforts over the past few months.

1. **Initial Property Attributes**

   Much relevant information has already been gathered in the process of identifying the basic property attributes included in the RE Inventory itself. This initial level of research has revealed physical and/or operational constraints which make certain properties clearly unsuitable for joint development. By the same token, it has confirmed that much of the RE Inventory consists of underutilized property due to various factors, such as the property being inefficiently used, an excessive supply of parking, and/or portions of the property being unimproved.

2. **Local Jurisdictional Goals**

   Other factors that are important considerations in VTA’s categorization process are local jurisdictional goals and land use requirements. Staff has already analyzed the existing land use regulations applicable to the identified properties. To supplement this information and understand current priorities and goals, VTA staff has meet with relevant staff at all of the local jurisdictions in which the RE Inventory assets are located. The meetings provided an opportunity to informally exchange information on the individual properties and served as an open forum for understanding the needs and desires of the local community. Through this outreach, VTA can identify local planning agency goals and objectives regarding the specific sites and to identify other key constraints and opportunities regarding the implementation of a joint development effort in that jurisdiction.

3. **Developer/Market Response**

   Market viability of VTA’s assets is a critical consideration in the categorization process. This information is being obtained in two manners. The first is through formal economic analysis, as explained in Section 4 below. The second manner is through active engagement with developers and brokers to keep abreast of current and near term economic conditions and interests.

   To this end, VTA held a Developer Forum on Tuesday, April 21, 2009 in the VTA Auditorium. Nearly 20 representatives from various Bay Area development and brokerage groups were in attendance. Those in attendance
were given the opportunity to learn more about VTA’s Joint Development Program, including the recently adopted *JD Guidance Documents* and the diversity of VTA-owned assets. This was followed with a preliminary take on the potential *RE Inventory* to pique interest and assess which types of assets developers are most interested in currently and in the near future. Following the presentations, an open discussion about market conditions and development opportunities ensued. Feedback was mostly positive with indication that many developers are actively seeking strategic opportunities with the intent to begin development by the end of 2010 when, some presume, the market will have recovered.

Following the event, self-guided tour maps and directions were given to those interested in touring selected properties. Market surveys were also disbursed in an effort to solicit more feedback. The data has been compiled by VTA staff and will be continually updated on an informal basis.

In addition to organized events such as the Developer Forum, staff is in active contact with local developers and brokers. These ongoing relationships are vital to understanding the dynamics of this challenging market. At this point, most investors appear to be bargain hunting and seeking only distressed, fully-entitled projects. Many such opportunities exist right now in Santa Clara County. However, demand for ideally located unentitled properties in the County may exist on a limited basis.

4. **Economic Analysis**

As noted above, the second manner in which quantitative information is being gathered is through a formal economic study of relevant assets. For this task, staff screened all of the assets in the *RE Inventory*, based on their current utilization, physical constraints and operational availability under short- and long-term scenarios. This screening resulted in a list of 26 assets which staff determined had potential for joint development and were appropriate for more detailed economic analysis. The sites are located in several cities in Santa Clara County and include Palo Alto, Mountain View, Sunnyvale, Milpitas, Gilroy, Morgan Hill, and San Jose.

For the formal economic analysis, VTA engaged Economic & Planning Systems, Inc. (EPS). EPS evaluated the 26 sites based on three key parameters, reflective of the *Joint Development Policy* goals:

(a) Generation of Revenues for VTA - proceeds from lease or sale of development sites;

(b) Creation of Transit-Oriented Development (TOD) - high-density, mixed-use development near transit; and

(c) Enhancement of Transit Operations - added ridership, improved...
transit access.

To perform its analysis, EPS conducted site visits, reviewed known site characteristics and constraints, and analyzed aerial mapping. Based on this preliminary work, EPS estimated the amount of land that would be available for development on each site. Among other adjustments, EPS assumed that land in riparian corridors, under freeway overpasses, or dedicated as open space would not be developable. To analyze the size of joint development potential for any given asset, EPS analyzed parking replacement scenarios for both 2035 projected demand levels as well as a one-to-one replacement.

In cases where replacement parking could be accommodated in a surface lot and a developable parcel remained, the replacement parking configuration was assumed to be surface. In cases where surface parking left a remnant parcel too small to accommodate development, replacement parking is assumed to be structured.

Based on the above information, EPS created development assumptions for each asset regarding the most appropriate use (residential, office, light industrial, or retail) and density (townhomes, commercial with surface parking, low-rise, or mid-rise). These determinations include considerations of compatibility with existing neighborhoods and existing land use regulations. For each development prototype, EPS calculated development costs based on information from developers of comparable projects as well as recognized industry sources.

Also, EPS conducted a high-level review of market conditions for the various land use types in the geographic vicinity of each site. This review is comprised of a review of comparable development projects and observed market values as published in brokerage or other industry reports. Because the regional economy has been affected by an international recession that is thwarting development of numerous real estate types, EPS has prepared residual land value analysis for both existing economic conditions and improved economic conditions. The “improved economic conditions” scenario reflects pre-recession pricing which supported new construction.

To arrive at the “residual land value” of each asset, EPS calculated the difference between development values and costs. EPS also calculated a net residual land value for each asset, after costs for parking replacement have been incorporated. This residual land value is a rough estimation of the economic value to be gained by VTA from pursuing joint development opportunities on the given sites. These values are, of course, approximate only and contingent upon various factors such as ultimate market conditions, development prototype and deal structure. This rough gauge, though, is a useful tool for ascertaining the relative economic values of the various assets in VTA’s portfolio, for purposes of categorization and prioritization.
C. Categorization of RE Inventory

The JD Guidance Documents require the assets in the RE Inventory be segregated into strategic categories based upon preliminary assessments of their respective real estate potentials and/or anticipated uses by VTA staff. The goal of this categorization is to enable VTA staff to formulate site-appropriate real estate management plans for each of the catalogued assets, such as joint development, interim leasing and licensing, and permanent sale, transfer or other disposition.

The initial categories determined appropriate for the RE Inventory include the following:

1. Joint Development. This category consists of those assets with potential for joint development, either in the near or long term. Special importance will be given to those assets with strong transit-oriented development viability and/or long-term revenue potential through ground leasing or a joint venture development structure. Assets in this category may also include those which require value-added investment to be made to them prior to development, such as site remediation or improvements, site assembly, facilities relocation, entitlement work and pre-design. The assets in this category will comprise the JD Portfolio.

Each asset within the JD Portfolio will be evaluated to determine the timeline for strategic development, identified as the Priority Schedule. The Priority Schedule will ensure that VTA resources are utilized efficiently on the assets that present the strongest potential for development at the present time.

2. Interim Leasing. This category consists of those assets that are currently available and significantly underutilized, yet do not warrant permanent disposition due to anticipated favorable long-term market shifts or capital/operations needs. They may offer interim revenue potential through leasing, licensing or other asset management. These assets should be managed through VTA’s leasing policies and procedures in a manner that is industry competitive yet compatible with the organization’s core purposes. Interim leasing may be a viable option for sites that are also identified for Joint Development. The Joint Development process is a complex undertaking and will vary in its time and duration. Interim leasing is an opportunity for revenue generation while this long-term strategy is being implemented.

3. Permanent Disposition. This category is reserved for those assets that offer limited joint development potential, either because of their small sizes (which limit the economic viability of a public private partnership), the complexity of their local land use regulatory environments, difficult site attributes/constraints, or other factors affecting their development feasibility. These properties may be either disposed of for fair market value pursuant to VTA’s disposition policies and procedures or used for exchange of fair market value property with private or public entities as determined by the VTA Board.
through formal actions. Properties in this category should not be considered for joint development once active disposition strategies have been implemented without a thorough analysis at the staff level of such reconsideration.

4. **Land Banking.** Assets in this category include those which do not readily fall into one of the above-mentioned categories due to any number of factors, including the insufficiency of information necessary to ascertain the respective asset’s potential, contingency upon the occurrence of future events, planning efforts and/or capital projects, and anticipated favorable changes in the long term market dynamics relevant to the asset. Any asset in the Land Banking category will be regularly assessed for its suitability for interim leasing and deployed on such a strategic plan as appropriate.

II. **Analysis**

The results of the multi-pronged research effort have been complied in a comprehensive matrix. This summary of findings details the results of the in-house property analysis, the response from our meetings with local jurisdictions, any developer interest on specific assets, and the findings from the formal economic analysis. The summary of findings provides a concise listing of the array of information gathered for each asset and helps to identify the best use for each asset. The findings from the research efforts will help determine the assets best suited for the following categories: Joint Development, Interim Leasing, Permanent Disposition, and/or Land Banking.

Overall, the research efforts have enabled clear categorization for select assets in the *RE Inventory*. For example, the I-880/Milpitas LRT Station is a strong candidate for the Joint Development category. The existing land use regulations and the support of the local jurisdiction provide the context necessary for a successful joint venture, and the residual land value determined by the formal economic analysis indicates there is a strong potential for revenue generation under improved market conditions for this asset.

On the other hand, an example of an asset more appropriate for the Interim Leasing category is the Gilroy Transit Center. Although this site may be suitable for joint development someday, neither the current nor improved market economic conditions allow for the site to be economically feasible for development. Further, the future implications of High Speed Rail on this site are unknown. The site may, though, have potential for revenue generation through short-term leasing opportunities, such as local community events, flea markets, car shows, and special event parking.

An asset that is best suited for the Permanent Disposition category is the VTA property on Communications Hill. This asset consists of several small parcels that are land-locked between private property and Highway 87. The location of the property is on a hill, and the steep grade is a significant constraint to development. In addition, PG&E pole lines and private water lines run through the property, and present ongoing liability and obligations to VTA.
III. Recommendations

As previously mentioned, the *JD Guidance Documents* require the assets in the *RE Inventory* be segregated into strategic categories based upon preliminary assessments of their respective real estate potentials and/or anticipated uses by VTA staff.

Based on the methodology described above, staff recommends segregating the *RE Inventory* into the *JD Portfolio* as presented in Attachment B. Attachment C reflects staff's recommendation for the *Priority Schedule*. At the Board of Directors meeting on November 5, 2009, staff will present a detailed presentation providing additional support for these recommendations.

In addition, staff will present its recommendations for the assets identified for permanent disposition even though formal action on this category is not required under the *JD Guidance Documents*. These assets have been carefully studied and are not deemed feasible for joint development or interim leasing, nor are they essential to VTA's transit system. It should be noted that the assets determined for permanent disposition will follow VTA's established procedure for declaring assets "excess property," and a separate Board action item will be presented in subsequent months for any asset that falls into this category.

In addition to the above specific categories, all of the assets in the *RE Inventory* will be considered for Interim Leasing. Even assets that are targeted for Joint Development or Permanent Disposition may offer short-term revenue generation until the respective longer-term strategies are implemented.

Any asset within the Land Banking category will be regularly assessed to determine the best strategy for the asset when deemed appropriate.

Additionally, staff has recently learned that certain assets in the *RE Inventory* were purchased or renovated through bond financing. The implications of this bond financing on VTA's ability to execute particular real estate strategies for the relevant assets remain unclear. Joint Development staff will work with the fiscal group and legal counsel in the months ahead to better understand these issues. For now, the affected assets are noted in the *RE Inventory* and will be assumed to be available for whichever real estate category deemed appropriated as a result of the research efforts noted above.

IV. Board Approval of *JD Portfolio* and *Priority Schedule*

Staff is seeking Board approvals of the proposed *JD Portfolio* and *Priority Schedule*.

**ALTERNATIVES:**

There are no practical alternatives as the *JD Guidance Documents* require the Board to approve the *JD Portfolio & Priority Schedule*.

**FISCAL IMPACT:**
There are no negative fiscal impacts. The Joint Development Program is anticipated to generate substantial revenue to VTA when fully implemented.

**ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:**

PAC Advisory Committee unanimously approved the *JD Portfolio & Priority Schedule* at the meeting on October 8, 2009.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

CMPP Standing Committee unanimously approved the *JD Portfolio & Priority Schedule* at the October 15 meeting with the condition that planning, design and policy related to parking be evaluated as part of the update of the *Community Design and Transportation (CDT)* manual. There was also discussion regarding the need for developing a comprehensive replacement parking policy and multi-modal access plan for VTA's park and ride lots in advance of any potential joint development projects for such properties.

Prepared by: Bijal Patel  
Memo No. 1526
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<th>Site Name</th>
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<td>Alum Rock Transit Center</td>
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<td>Blossom Hill Station</td>
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<td>Branham Station</td>
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<td>Capitol LRT Station</td>
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<td>27</td>
<td>Avenue A near Alum Rock</td>
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<td>Cerone Division</td>
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<td>30</td>
<td>Communications Hill &amp; Hwy 87</td>
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<td>31</td>
<td>Delmas Dog Park</td>
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<td>Eastridge Transit Center</td>
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<td>First &amp; Younger (portion of Guadalupe Division)</td>
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<td>Lawrence Expway @ Moorpark Park-n-Ride</td>
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<td>Lean Ave @ Herlong</td>
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<td>Mabury parcel</td>
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<td>37</td>
<td>Main and Hale Transit Center</td>
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<td>Morgan Hill</td>
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<tr>
<td>38</td>
<td>Mill Pond Drive</td>
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<td>Mitchell Block</td>
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<td>Newhall Yard</td>
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<tr>
<td>41</td>
<td>North 1st and St. James</td>
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<tr>
<td>42</td>
<td>Page Mill &amp; El Camino Park-n-Ride</td>
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<td>San Jose Diridon Arena Parking Lot</td>
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<tr>
<td>44</td>
<td>San Jose Diridon Excess Parcels (San Fernando Plaza/tunnel)</td>
<td>3,914 sf (net)</td>
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<td>45</td>
<td>Shoreline @ L’Avenida</td>
<td>1.0 ac</td>
<td>Mountain View</td>
</tr>
<tr>
<td>46</td>
<td>UPRR (Five Wounds)</td>
<td>2.4 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>47</td>
<td>UPRR (Santa Clara to Whitton)</td>
<td>1.2 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>48</td>
<td>UPRR (Whitton to 23rd)</td>
<td>1.79 ac.</td>
<td>San Jose</td>
</tr>
<tr>
<td>49</td>
<td>UPRR (23rd &amp; Williams)</td>
<td>10603 sf</td>
<td>San Jose</td>
</tr>
<tr>
<td>50</td>
<td>VTA Administration</td>
<td>17.5 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>51</td>
<td>West San Carlos</td>
<td>5.25 ac</td>
<td>San Jose</td>
</tr>
</tbody>
</table>
Our preliminary findings indicate these assets are all suitable for Joint Development

<table>
<thead>
<tr>
<th>Map #</th>
<th>Property</th>
<th>Size</th>
<th>Jurisdiction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Almaden Station</td>
<td>4.8 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>2</td>
<td>Alum Rock Transit Center</td>
<td>2.5 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>3</td>
<td>Blossom Hill Station</td>
<td>6.8 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>4</td>
<td>Branham Station*</td>
<td>3.0 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>5</td>
<td>Capitol LRT Station*</td>
<td>13.3 ac</td>
<td>San Jose</td>
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<tr>
<td>29</td>
<td>Cerone Division</td>
<td>122.3 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>6</td>
<td>Cottle Station (Title transfer to VTA pending)</td>
<td>4.7 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>7</td>
<td>Curtner Station</td>
<td>5.9 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>8</td>
<td>Evelyn Station</td>
<td>2.0 ac</td>
<td>Mountain View</td>
</tr>
</tbody>
</table>

* Disposition strategy contingent upon private use test implications under bond financing
Our preliminary findings indicate these assets are all suitable for Joint Development.

<table>
<thead>
<tr>
<th>Map #</th>
<th>Property</th>
<th>Size</th>
<th>Jurisdiction</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>Gilroy Transit Center*</td>
<td>6.1 ac</td>
<td>Gilroy</td>
</tr>
<tr>
<td>10</td>
<td>Hostetter Station</td>
<td>2.6 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>11</td>
<td>I-880 / Milpitas Station</td>
<td>3.4 ac</td>
<td>Milpitas</td>
</tr>
<tr>
<td>39</td>
<td>Mitchell Block</td>
<td>3.3 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>19</td>
<td>Morgan Hill Caltrain Station</td>
<td>6.5 ac</td>
<td>Morgan Hill</td>
</tr>
<tr>
<td></td>
<td>(Partial Ownership with the City of Morgan Hill Redevelopment Agency)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Mountain View Transit Center Plaza</td>
<td>10,454 sf</td>
<td>Mountain View</td>
</tr>
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<td></td>
<td>(VTA Owned)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Ohlone/Chynoweth Station*</td>
<td>8.3 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>47</td>
<td>San Jose Diridon Arena Parking Lot</td>
<td>1.6 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td></td>
<td>(VTA Owned)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Santa Clara Transit Center*</td>
<td>30,102 sf</td>
<td>San Jose</td>
</tr>
</tbody>
</table>

* Disposition strategy contingent upon private use test implications under bond financing.
Our preliminary findings indicate these assets are all suitable for Joint Development.

<table>
<thead>
<tr>
<th>Map #</th>
<th>Property</th>
<th>Size</th>
<th>Jurisdiction</th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>San Martin Caltrain Station</td>
<td>2.8 ac</td>
<td>San Martin</td>
</tr>
<tr>
<td></td>
<td>(Partial Ownership with the Santa Clara County)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Santa Teresa Station</td>
<td>35.8 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>14</td>
<td>Snell Station</td>
<td>6.5 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>15</td>
<td>Tamien Station*</td>
<td>17.3 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>49</td>
<td>UPRR Corridor (Whitton to 23rd St.)*</td>
<td>1.8 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td></td>
<td>(SVRT)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50</td>
<td>UPRR Corridor (23rd St. &amp; Williams)*</td>
<td>10,603 sf</td>
<td>San Jose</td>
</tr>
<tr>
<td></td>
<td>(SVRT)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>51</td>
<td>VTA Administration (River Oaks)*</td>
<td>17.5 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>52</td>
<td>West San Carlos</td>
<td>5.25 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>16</td>
<td>Winchester Station</td>
<td>1.6 ac</td>
<td>Campbell</td>
</tr>
</tbody>
</table>

* Disposition strategy contingent upon private use test implications under bond financing.
**PRIORITY SCHEDULE: PRIORITY SITES**

Our preliminary findings are that the following assets from the Joint Development Portfolio should become VTA’s Priority Sites pursuant to the JD Guidance Documents.

<table>
<thead>
<tr>
<th>Map #</th>
<th>Property</th>
<th>Size</th>
<th>Jurisdiction</th>
</tr>
</thead>
<tbody>
<tr>
<td>29</td>
<td>Cerone Division</td>
<td>122.3 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>11</td>
<td>I-880 / Milpitas Station</td>
<td>3.4 ac</td>
<td>Milpitas</td>
</tr>
<tr>
<td>19</td>
<td>Morgan Hill Caltrain Station</td>
<td>6.5 ac</td>
<td>Morgan Hill</td>
</tr>
<tr>
<td>47</td>
<td>San Jose Diridon Arena Parking Lot</td>
<td>1.6 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>13</td>
<td>Santa Teresa Station</td>
<td>35.8 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>15</td>
<td>Tamien Station</td>
<td>17.3 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>49/50</td>
<td>UPRR Corridor (Whitton to Williams)</td>
<td>2.0 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>51</td>
<td>VTA Administration (River Oaks)</td>
<td>17.5 ac</td>
<td>San Jose</td>
</tr>
<tr>
<td>52</td>
<td>West San Carlos</td>
<td>5.25 ac</td>
<td>San Jose</td>
</tr>
</tbody>
</table>
BOARD MEMORANDUM

TO:       Santa Clara Valley Transportation Authority  
           Board of Directors

THROUGH:  General Manager, Michael T. Burns

FROM:     Senior Policy Advisor, Jim Lawson

SUBJECT:  VTA Governance

Policy-Related Action: Yes  Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

That the Santa Clara Valley Transportation Authority (VTA) Board consider the following alternative actions regarding the governance structure:

1. Revise the current governance structure for the small city groupings per one of the following options:
   a. Reconfigure the small city groupings to include a new city group comprised of Sunnyvale, Santa Clara and Milpitas, that would appoint two Board Members and one alternate: or
   b. Implement a new process where the VTA Policy Advisory Committee will select the five Board Members and Alternates to represent the small cities.

2. Take no further action.

3. If either 1a or 1b is approved, direct staff to return with a resolution to amend the Joint Powers Agreement for the Administration of the Santa Clara County Congestion Management Program.

BACKGROUND:

VTA engaged the Hay Group to conduct a comprehensive Organization and Financial Assessment (Assessment) in 2007. As a result of the Assessment, VTA received
recommendations designed to strengthen VTA's governance, financial management and organizational effectiveness.

In the area of governance, the Assessment identified Board turnover as a critical challenge to VTA's governance structure. Turnover is particularly high for the small city groupings. The Assessment recommended that the Board examine alternatives to lengthen the term of office for Directors and to work with appointing authorities to ensure that eligibility to serve on the Board include appropriate qualifications and that there is enough time left in the elected official's term of office so they do not "term out" during their tenure as a Director.

To address these issues, as well as concerns regarding the geographical configuration of the small city groupings, Director Sellers was asked to work with VTA staff and outside consultant to develop recommendations for the Board's consideration.

The recommendations were presented to the Policy Advisory Committee (PAC), the Citizens Advisory Committee (CAC) and several city councils. At the May 1, 2008 Board of Directors meeting, the Board approved the following recommendations*:

1. Eliminate the concept of city groups selecting their representative(s) through a rotation process. Each of the city groups will "select" their representative(s) to serve as a Director on the VTA Board.

2. VTA Directors will still serve two-year terms. However, the appointing authorities will be encouraged to reappoint representatives to consecutive terms.

3. Include a process for selecting VTA Directors within the city groups. VTA Directors should have the required experience and qualifications in transportation.

*These constitute recommendations only. The groups are autonomous and are simply required to notify VTA of their selections.

At the request of Director Casas, the Board deferred taking action on a fourth recommendation which would have amended the Joint Powers Agreement that created the small city groups until the August 7, 2008 Board of Directors meeting. This allowed Director Casas and Director Sellers additional time to work together as the Governance Committee to discuss the recommendation and determine if there are additional governance alternatives the Board should consider.

The two members of the governance committee invited two members of the Policy Advisory Committee (PAC) and two members of the Citizens Advisory Committee (CAC) to participate in
the committee's activities. They met regularly in the spring and early summer of 2008 and
developed an alternative recommendation for the Board to consider. Member Casas supported
the alternative recommendation (Selection by PAC) and Member Sellers continued to support the
original recommendation (Reconfigure Small City Groupings).

At the August 7, 2008 VTA Board of Directors meeting, the Board appointed the Administration
and Finance (A&F) Committee to take up the issue and make a recommendation to the Board on
the proposed changes to VTA’s governance.

The A&F Committee discussed the issue at its August 21, 2008 meeting. The Committee
requested that staff return with a summary of several different approaches to VTA’s governance
as well as the necessary legal steps required to implement any of the proposals.

At the October 16, 2008 A&F Committee meeting, the committee agreed to revisit the item in
one year. In the interim, the city groups were requested to decide for themselves how they will
make their appointments to the Board in-lieu of the board rotation schedule.

Staff provided updates to the committee in April and August of this year reporting on how the
city groups were planning to select their members. At the August committee meeting, there was
a robust discussion on the challenges with the current structure and the proposed alternatives.
Milpitas Mayor Robert Livengood stated that the current MGM city grouping was not working
and that he supported the concept of creating a new group with Milpitas, Santa Clara and
Sunnyvale. The committee requested that staff send the transcript of the committee’s discussion
to the potentially impacted cities for any feedback and to return to the committee in October to
consider changes to the governance structure.

**DISCUSSION:**

Below is a summary of the two alternatives for the Board’s consideration. A summary of the
two alternatives is included in Attachment A.

**Reconfiguring the Small City Groupings**

This alternative was developed by Member Sellers working with VTA’s consultant and staff.
This alternative is the original staff recommendation that was forwarded to the Board at their
May 2008 meeting.

This alternative will reconfigure the existing small city groupings and add one new group based
on geographic proximity and common regional interests to create groups based on communities
of interest within the county.

The current configuration was based primarily on population and secondarily on geography.
VTA’s history and Directors’ experience has shown that cities that are geographically proximate
The following recommendation groups cities based on geographic proximity and areas of common interest:

a. North West - One seat comprised of Los Altos, Los Altos Hills, Mountain View and Palo Alto. The population of the region is approximately 176,593.

b. North East - Two seats comprised of Milpitas, Santa Clara and Sunnyvale. The population of the region is approximately 326,885.

c. South County - One seat comprised of Gilroy and Morgan Hill. The population of the region is approximately 91,322.

d. West Valley - One seat comprised of Campbell, Cupertino, Los Gatos, Monte Sereno and Saratoga. The population of the region is approximately 162,055.

The groupings for the City of San Jose and Santa Clara County would remain unchanged.

The population estimates are provided by the California Department of Finance - January 1, 2008 and 2009.

Selection by VTA Policy Advisory Committee (PAC)

This alternative was developed through the Governance Subcommittee, which was comprised of Members Sellers and Casas. Members Sellers and Casas invited two members of the CAC and two members of the PAC to participate in their meetings. The two board members comprising the governance committee were split in their support of this alternative with the CAC and PAC representatives supporting this approach.

Under this alternative, PAC members (other than San Jose and the County) will hold an election to appoint five board members and three alternates to represent the small cities. The election will be held in December of every odd year and the new members will begin serving two-year terms the following January. The election would be by population weighted, rank ordered voting as detailed below.

Each city may submit one nominee. The nominee must be an incumbent council member whose council term would allow them to serve the entire two-year term of the Board of Directors. Furthermore, each nominee must meet one of the following criteria:

- At least one year's service on the Transit District Board (the VTA Board or the County Board of Supervisors prior to 1994).
- At least one year's service on a policy advisory committee that reports to the Transit District Board (the PAC, CAC or the County Transportation Commission).
- Any other transportation policy credential that has been approved in advance by the VTA Board as meeting the intent of the legislation.

Election to the Board would be accomplished by ranked-choice voting, using written ballots that
display all nominee names, the city represented by the voting member, and that member's selections in order of preference.

Each PAC member, not including the members representing San Jose and Santa Clara County, shall vote by ranking his or her top five choices in order. A voting member must fill out all five choices in order for the ballot to be counted.

Each first-choice candidate will be awarded five points multiplied by the population of the voting member’s city in units of 1,000 (rounded to the nearest thousand). Each second-choice candidate will be awarded four points multiplied by population, and so on.

The five candidates with the largest number of points shall be appointed to the Director positions, and the next three candidates, in rank order, shall serve as VTA Board Alternates.

A VTA Board Governance Committee would be convened after this procedure has been in place for ten years in order to evaluate the fairness of the selection process and the quality of the Board members chosen.

Next Steps:

If either of these alternatives is approved, staff will return to the Board with a recommended amendment to the Joint Powers Agreement for the Administration of the Santa Clara County Congestion Management Program dated December 1, 1994, which Agreement established the current city groupings. Upon approval of the amendment by the VTA Board, a majority of the cities representing a majority of the population and the County Board of Supervisors, staff will return with proposed amendments to the Administrative Code to implement the procedures.

ALTERNATIVES:

The Board could modify the recommendations presented.

FISCAL IMPACT:

There is no fiscal impact with the proposed changes to the governance structure.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

Since this item was referred to the A&F committee in September 2008, the committee has thoroughly discussed governance over the course of six meetings. At the October 15, 2009 meeting, the committee held two separate votes on the issue. The first motion failed on a vote of two to two, which would have recommended that the Board of Directors reconfigure the small city groupings as outlined above. The second motion, which also failed on a vote of two to two, would have recommended that the Board of Directors take no further action regarding the city groupings.

Because the members were split on the issue, the committee is forwarding the item to the Board of Directors without a recommendation from A&F.
Also at the October 15th A&F Meeting, staff was directed to establish how reconfiguration of the small city groups would impact the terms of Board Members represented by those groups. The city groups will be appointing or re-appointing Board Members for the next two-year term beginning January 1st, 2010. These appointments will be made by the existing city groups according to the process each group has established.

If the amendment reconfiguring the small city groups is approved by the VTA Board, County of Santa Clara and a majority of the cities representing a majority of the population, then those reconfigured groups, along with the groups that remain the same, will appoint or reappoint their representatives for a two-year term at the conclusion of the then current Board Members’ terms, commencing January 1, 2012.

Prepared by: Scott Haywood
Memo No. 2244
Summary of Governance Alternatives

Current Small City Groups

<table>
<thead>
<tr>
<th>West Valley</th>
<th>North County</th>
<th>MGM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Member &amp; 1 Alternate</td>
<td>3 Members &amp; 1 Alternate</td>
<td>1 Member &amp; 1 Alternate</td>
</tr>
<tr>
<td>Campbell</td>
<td>Los Altos</td>
<td>Gilroy</td>
</tr>
<tr>
<td>Cupertino</td>
<td>Los Altos Hills</td>
<td>Milpitas</td>
</tr>
<tr>
<td>Los Gatos</td>
<td>Mountain View</td>
<td>Morgan Hill</td>
</tr>
<tr>
<td>Monte Sereno</td>
<td>Palo Alto</td>
<td></td>
</tr>
<tr>
<td>Saratoga</td>
<td>Santa Clara</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sunnyvale</td>
<td></td>
</tr>
</tbody>
</table>

Option 1 a. - Proposed Reconfigured City Groups

<table>
<thead>
<tr>
<th>West Valley</th>
<th>North West</th>
<th>North East</th>
<th>South County</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Member &amp; 1 Alternate</td>
<td>1 Member &amp; 1 Alternate</td>
<td>2 Members &amp; 1 Alternate</td>
<td>1 Member &amp; 1 Alternate</td>
</tr>
<tr>
<td>Campbell</td>
<td>Los Altos</td>
<td>Milpitas</td>
<td>Gilroy</td>
</tr>
<tr>
<td>Cupertino</td>
<td>Los Altos Hills</td>
<td>Santa Clara</td>
<td>Morgan Hill</td>
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<tr>
<td>Los Gatos</td>
<td>Mountain View</td>
<td>Sunnyvale</td>
<td></td>
</tr>
<tr>
<td>Monte Sereno</td>
<td>Palo Alto</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saratoga</td>
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Option 1b. – Policy Advisory Committee (PAC) Selects Directors

<table>
<thead>
<tr>
<th>Small Cities</th>
<th>Milpitas</th>
<th>Saratoga</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Member &amp; 3 Alternates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Campbell</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cupertino</td>
<td>Monte Sereno</td>
<td>Sunnyvale</td>
</tr>
<tr>
<td>Gilroy</td>
<td>Morgan Hill</td>
<td></td>
</tr>
<tr>
<td>Los Altos</td>
<td>Mountain View</td>
<td></td>
</tr>
<tr>
<td>Los Altos Hills</td>
<td>Palo Alto</td>
<td></td>
</tr>
<tr>
<td>Los Gatos</td>
<td>Santa Clara</td>
<td></td>
</tr>
</tbody>
</table>

- Directors selected by PAC members by rank-choice, weighted voting.
- Weighted voting will be determined by population of each PAC member’s city.
- Replaces small city groupings.
- Nominees will be required to meet qualification criteria set by the Board.
FOR INFORMATION ONLY

BACKGROUND:

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

DISCUSSION:

The regular legislative session for 2009 ended during the early morning hours of September 12 as lawmakers determined the fate of a couple thousand bills that were still winding their way through the process. For those measures that were not sent to Gov. Arnold Schwarzenegger for his consideration, they are now “two-year” bills and can be taken up again by the Legislature when it reconvenes the regular session in January 2010.

During the course of the year, the Board of Directors adopted formal positions for 15 pieces of legislation. Of this number, 10 were approved by the Legislature and are on the Governor’s desk, with one already having been signed into law. The other five have become two-year bills. A summary of each measure follows.

AB 112 (Beall): This bill makes several technical changes to VTA’s enabling statutes to ensure that we have the appropriate statutory authority to work with our local jurisdictions on developing funding strategies to address their local street and road maintenance needs. Status: Signed into law, Chapter #81.

AB 116 (Beall): VTA partnered with the San Mateo County Transit District (SamTrans); the Alameda-Contra Costa Transit District (AC Transit); and the Golden Gate Bridge, Highway and Transportation District (Golden Gate Transit) on this measure. It raises the dollar threshold for
when VTA and the other three transit agencies must use the formal competitive bidding process to procure materials, supplies and equipment from $25,000 to $100,000, consistent with federal guidelines. The legislation also provides VTA, as well as SamTrans, AC Transit and Golden Gate Transit, with the option to use either low bid or best value when going through the formal bidding process for these types of procurements that exceed $100,000. The intent of AB 116 is to improve our cost efficiencies with regard to materials, supplies and equipment contracts.

Status: Governor’s Office. VTA Position: Co-Sponsor.

AB 266 (Carter): This bill requires the California Transportation Commission (CTC) to develop a statewide 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. The assessment also must include recommendations on how the state and local transportation agencies could address any transportation funding shortfalls and unmet needs that are identified. Under the provisions of AB 266, the CTC would be required to do this assessment every five years. Status: Two-year bill. VTA Position: Support.

AB 338 (Ma): Sponsored by the California Transit Association and BART, this legislation is intended to encourage transit-oriented development by allowing local officials to use property tax increment revenues to pay for infrastructure within transit village development districts. Status: Governor’s Office. VTA Position: Support.

AB 610 (Caballero): This measure calls for the Office of Planning and Research to assist local agencies interested in pursuing public-private partnerships for local infrastructure projects. Status: Two-year bill. VTA Position: Support.

AB 672 (Bass): This legislation authorizes a regional or local agency to expend its own money for a project funded through Proposition 1B transportation infrastructure bonds with the expectation of eventual reimbursement with bond proceeds. The intent of AB 672 is to provide regional and local agencies with a tool that would help them ensure the timely delivery of their Proposition 1B bond projects. Status: Governor’s Office. VTA Position: Support.

AB 729 (Evans): Sponsored by the California Transit Association, this bill extends the existing statutory authority for public transit agencies to use design-build contracting for transit capital improvement projects for another four years -- until January 1, 2015. If AB 729 is not enacted, this statutory authority will sunset on January 1, 2011. Status: Governor’s Office. VTA Position: Support.

AB 744 (Torrico): Sponsored by the Metropolitan Transportation Commission (MTC), AB 744 is the legislative vehicle for authorizing the development and implementation of a regional express lane network on state highways within the nine-county Bay Area. Status: Two-year bill. VTA Position: Support.

AB 798 (Nava): Sponsored by the Treasurer’s Office, this bill 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. The measure 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. Status: Governor’s Office. VTA Position: Support.

AB 1072 (Eng): Established as a new formula program under Proposition 1B, the Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) provides $3.6 billion to public transit operators for transit capital projects. AB 1072 makes several important changes to this program. For example, it fixes the formula factors that would be used to allocate the remaining amount of PTMISEA funding to public transit operators. This would provide certainty to public transit operators as to the total amount of their individual formula shares and, thus, allow them to more effectively plan for how they would use their PTMISEA money. AB 1072 also calls upon each public transit operator to submit to the state an expenditure plan for its remaining formula share so that a statewide program of projects for PTMISEA can be established. This statewide program of projects would provide the Governor and the Legislature with important guidance in terms of how much money should be appropriated for PTMISEA in any given fiscal year. VTA is co-sponsoring AB 1072 with the California Transit Association. Status: Governor’s Office. VTA Position: Co-Sponsor.

AB 1158 (Hayashi): This legislation 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. Status: Governor’s Office. VTA Position: Support.

ACA 15 (Arambula): ACA 15 calls for placing before the voters an amendment to the California Constitution to change the voting requirement for local special taxes for transportation purposes from a two-thirds vote to a 55 percent majority vote. Status: Two-year bill. VTA Position: Support.

SB 83 (Hancock): Mirroring bills that have been introduced in the past, SB 83 authorizes countywide transportation planning agencies, including VTA, to place a measure before their voters to impose a vehicle registration surcharge to fund transportation-related projects and programs. Status: Governor’s Office. VTA Position: Support.

SB 425 (Simitian): This measure has two key provisions. First, SB 425 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 for tax purposes unless it is in compliance with this requirement. This provision is intended to improve compliance with California’s existing parking cash-out law. Second, in order to provide a direct incentive for small businesses to implement measures designed to reduce solo driving to and from work, this bill provides a tax credit to small businesses for qualified alternative commute expenditures, such as subsidies for vanpools, carpools and public transit passes. Status: Two-year bill. VTA Position: Support.

SB 626 (Kehoe): This legislation requires the California Public Utilities Commission (CPUC) to develop and implement policies designed to overcome the barriers associated with the widespread deployment of plug-in hybrids and electric vehicles. Status: Governor’s Office. VTA Position: Support.
Even though the regular session for 2009 has come to a close, lawmakers are not entirely done for the year. Gov. Schwarzenegger already has called two special sessions to deal with tax reform and education, and could initiate a third to address the state’s water situation.

Prepared By: Kurt Evans, Government Affairs Manager
Memo No. 1869
## State Assembly Bills

<table>
<thead>
<tr>
<th>State Assembly Bills</th>
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<tbody>
<tr>
<td><strong>AB 112</strong> (Beall)</td>
<td>Santa Clara Valley Transportation Authority: Local Streets/Roads Funding</td>
<td>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.</td>
<td>3/25/09</td>
<td>Signed into Law: Chapter #81</td>
</tr>
<tr>
<td><strong>AB 116</strong> (Beall)</td>
<td>Contracts: Materials, Supplies and Equipment</td>
<td>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).</td>
<td>4/21/09</td>
<td>Governor’s Office</td>
</tr>
<tr>
<td><strong>AB 118</strong> (Logue)</td>
<td>Global Warming Solutions Act: Repeal</td>
<td>Repeals the California Global Warming Solutions Act of 2006.</td>
<td>As Introduced</td>
<td>Assembly Natural Resources Committee</td>
</tr>
<tr>
<td><strong>AB 153</strong> (Ma)</td>
<td>California High-Speed Rail Authority</td>
<td>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.</td>
<td>As Introduced</td>
<td>Senate Transportation and Housing Committee</td>
</tr>
<tr>
<td><strong>AB 231</strong> (Huffman)</td>
<td>Climate Protection Trust Fund</td>
<td>By March 30, 2010, 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. Requires revenues collected pursuant to compliance mechanisms related to the implementation of the California Global Warming Solutions Act, as well as any federal climate change funds received by the state, 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.</td>
<td>6/26/09</td>
<td>Senate Environmental Quality Committee</td>
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<tr>
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<td><strong>AB 254</strong> (Jeffries) Emergency Vehicles: Payment of Tolls</td>
<td>Exempts emergency vehicles from any requirement to pay tolls under the following circumstances: (1) the vehicle is properly identified or marked as an emergency vehicle; (2) the vehicle is being driven while responding to an urgent or emergency call, is engaged in an urgent or emergency response, or is engaged in a fire station coverage assignment directly related to an emergency response; and (3) the driver of the vehicle determines that the use of the toll facility will likely improve the availability or response and arrival time of the emergency vehicle and its delivery of essential public safety services. Specifies that the provisions of the bill apply to a toll road, high-occupancy toll (HOT) lane, toll bridge, toll highway, a vehicular crossing for which payment of a toll or charge is required, or any other toll facility.</td>
<td>6/26/09</td>
<td>Governor’s Office</td>
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<td><strong>AB 266</strong> (Carter) Transportation Needs Assessment</td>
<td>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.</td>
<td>4/20/09</td>
<td>Senate Rules Committee</td>
<td>Support</td>
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<tr>
<td><strong>AB 277</strong> (Ammiano) Bay Area County Traffic and Transportation Funding Act</td>
<td>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.</td>
<td>5/11/09</td>
<td>Vetoed by the Governor</td>
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<tr>
<td><strong>AB 286</strong> (Salas) Vehicle Theft Crimes</td>
<td>Extends until January 1, 2018, existing provisions that allow counties to impose a $1 vehicle registration surcharge to fund local programs related to vehicle theft crimes.</td>
<td>6/23/09</td>
<td>Governor’s Office</td>
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<tr>
<td><strong>AB 289</strong> (Galgiani) High-Speed Rail Bonds</td>
<td>Requires the California High-Speed Rail Authority, to the extent possible, to use bond proceeds from the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to match federal economic stimulus funds made available under the American Recovery and Reinvestment Act of 2009.</td>
<td>8/17/09</td>
<td>Senate Rules Committee</td>
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<td>AB 338 (Ma)</td>
<td>Transit Village Developments: Infrastructure Financing</td>
<td>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, if the district is being proposed to implement a transit village development plan.</td>
<td>6/25/09</td>
<td>Governor’s Office</td>
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<td>AB 497 (Block)</td>
<td>HOV Lanes: Physicians</td>
<td>Allows Caltrans and local transportation authorities to permit a vehicle driven by a physician who is traveling in response to an emergency call to use high-occupancy vehicle (HOV) lanes regardless of the number of passengers in the vehicle, provided the vehicle displays an insignia approved by the California Highway Patrol (CHP) indicating that the vehicle is owned by a licensed physician. Specifies that the provisions of the bill would only apply if Caltrans determines that its application would not subject the state to a loss of federal aid for highways.</td>
<td>5/14/09</td>
<td>Senate Transportation and Housing Committee</td>
</tr>
<tr>
<td>AB 522 (Blumenfield)</td>
<td>Federal Economic Stimulus Money: Proposition 1B Bond Projects</td>
<td>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.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
</tr>
<tr>
<td>AB 569 (Emmerson)</td>
<td>Meal Periods: Construction and Transportation Industries</td>
<td>Specifies that provisions in the Industrial Welfare Commission’s wage order pertaining to meal periods do not apply to an employee in a construction occupation or a commercial driver in the transportation industry if all of the following conditions are satisfied: (1) the employee is covered by a valid collective bargaining agreement; (2) the valid collective bargaining agreement expressly provides for the wages, hours of work, and working conditions of employees; and (c) the valid collective bargaining agreement expressly provides for meal periods, final and binding arbitration of disputes concerning the application of its meal period provisions, premium wage rates for all overtime hours worked, and a regular hourly rate of pay of not less than 30 percent more than the state minimum wage rate.</td>
<td>9/11/09</td>
<td>Senate Rules Committee</td>
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<td><strong>AB 610</strong></td>
<td>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.</td>
<td>As Introduced</td>
<td>Assembly Local Government Committee</td>
<td>Support</td>
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<td><strong>AB 619</strong></td>
<td>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 cash flow or other funding issues, if the delay places at risk federal funds, including money earmarked for the project.</td>
<td>As Introduced</td>
<td>Senate Transportation and Housing Committee</td>
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<td><strong>AB 628</strong></td>
<td>Authorizes a tolling authority to charge and collect tolls using digital images of license plates.</td>
<td>8/26/09 Governor’s Office</td>
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<td><strong>AB 652</strong></td>
<td>Authorizes the Alameda-Contra Costa Transit District (AC Transit) to install three-position bicycle racks on its buses provided that: (a) the rack does not extend more than 40 inches from the front of the bus when fully deployed; and (b) the handlebars of the bicycle being transported do not extend more than 46 inches from the front of the bus.</td>
<td>8/24/09 Governor’s Office</td>
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<td><strong>AB 670</strong></td>
<td>Allows Caltrans and local transportation authorities to permit a vehicle driven by a veteran or active duty member of the U.S. Armed Forces to use high-occupancy vehicle (HOV) lanes regardless of the number of passengers in the vehicle, provided the vehicle displays an insignie approved by the Department of Motor Vehicles (DMV). Specifies that the provisions of the bill would only apply if Caltrans determines that its application would not subject the state to a loss of federal aid for highways.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td><strong>AB 672</strong></td>
<td>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 under certain conditions. In the case of the State-Local Partnership Program, requires the California Transportation Commission (CTC), prior to the commencement of each funding cycle, to calculate the amount of bond funds designated for the program that have not been appropriated, and requires the CTC to establish projected targets for the distribution of those funds for purposes of planning projects for which LONPs may be issued.</td>
<td>6/2/09 Governor’s Office</td>
<td>Support</td>
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<td>AB 726 (Nielsen)</td>
<td>States that local roadway rehabilitation projects are eligible for funding under the State Transportation Improvement Program (STIP).</td>
<td>As Introduced</td>
<td>Senate Transportation and Housing Committee</td>
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<tr>
<td>AB 729 (Evans)</td>
<td>Makes permanent the statutory authority for public transit agencies to use design-build contracting for capital improvement projects.</td>
<td>6/30/09</td>
<td>Governor’s Office</td>
<td>Support</td>
</tr>
<tr>
<td>AB 732 (Jeffries)</td>
<td>Extends the authority for Caltrans to use the design-sequencing method of contracting for the design and construction of not more than nine transportation projects from January 1, 2010, to July 1, 2010.</td>
<td>6/16/09</td>
<td>Senate Appropriations Committee</td>
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<tr>
<td>AB 733 (Galgiani)</td>
<td>Allows the California High-Speed Rail Authority to consider, to the extent permitted by federal and state law, the creation of jobs in California when awarding major contracts or purchasing high-speed trains.</td>
<td>As Introduced</td>
<td>Governor’s Office</td>
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<td>AB 744</td>
<td>Authorizes the Bay Area Toll Authority (BATA) to develop, acquire, administer, operate, and maintain a regional express lane network on state highways within the geographic jurisdiction of the Metropolitan Transportation Commission (MTC) in a collaborative manner with the congestion management agencies (CMAs) in the Bay Area, Caltrans and the California Highway Patrol (CHP). Creates the Bay Area Express Lane Network Project Oversight Committee to recommend policies related to the network to BATA, including an express lane development plan. Specifies that the plan would consist of the following two elements: (1) a phasing plan for the development of the express lane network, which would include a definition of the geographic boundaries of each of the express lane corridors in the network; and (2) an operational plan, which would include consistency standards for the network related to geometric design, signage, safe and simple operations, technology, pricing policies and goals, carpool occupancy requirements, hours of operation, maintenance, enforcement, marketing, tort liability, and performance standards. Requires the committee to establish corridor working groups for each express lane corridor. Requires each corridor working group to prepare a project initiation document to assess the feasibility and desirability of express lanes in the corridor, as well as to develop a corridor investment plan. Requires the corridor investment plan to consist of the following: (a) phased development of the segment of the regional express lane network within the corridor of the group; (b) carpool occupancy and fee policies; (c) local funding for the development of part or all of the segment of the network within the corridor of the group; (d) proposed reimbursement of local agencies for prior expenditures on elements of the network; (e) proposals as to which agencies would perform the work described in the corridor investment plan; (f) an examination of equity considerations; (g) a proposal for improving public transit services in the corridor; (h) an examination of safety and operations, including express lane ingress and egress; and (i) projects and programs to be funded with any net revenues generated by the corridor, giving the highest priority to projects and programs that would provide cost-effective transit. Authorizes BATA to issue revenue bonds to finance the development of the regional express lane network, and to pledge toll revenues from the Bay Area’s state-owned toll bridges as a “backstop” for those bonds. Allows BATA to increase the tolls collected on those bridges if that action is necessary to meet the obligations of the revenue bonds. Allows BATA to expend toll bridge revenues on the regional express lane network provided that: (a) funding from other sources is not available; and (b) BATA projects that funding the network will not necessitate an increase in bridge toll rates or preclude BATA from upholding its contractual and statutory obligations. Requires all revenues generated by the network to be deposited in the Bay Area Express Lane Network Account, which BATA would create. Requires BATA to return 95 percent of any revenues net of operating, maintenance, financing, and administration costs to the corridors where the net revenues are generated for the purpose of funding projects and programs identified in the relevant corridor investment plan. Requires the Santa Clara Valley Transportation Authority (VTA), the Alameda County Congestion Management Agency and the Sunol Smart Carpool Lane Joint Powers Authority to enter into agreements with BATA by January 1, 2011, to provide for the transfer of their rights and obligations relative to express lane projects to BATA. Requires BATA to provide vehicle owners with the option of obtaining a FasTrak account using cash or a check, and without having to provide a name or address. Prohibits BATA from converting existing non-tolled general purpose lanes to express lanes.</td>
<td>7/15/09</td>
<td>Senate Appropriations Committee</td>
<td>Support</td>
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<td>AB 782 (Jeffries) Sustainable Communities Strategies</td>
<td>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.</td>
<td>As Introduced</td>
<td>Assembly Natural Resources Committee</td>
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<tr>
<td>AB 798 (Nava)</td>
<td>California Transportation Financing Authority</td>
<td>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.</td>
<td>6/24/09</td>
<td>Governor’s Office</td>
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<tr>
<td>AB 810 (Caballero)</td>
<td>General Plans: Circulation and Transportation Element</td>
<td>Renames the circulation element of local general plans the “circulation and transportation element.”</td>
<td>As Introduced</td>
<td>Senate Local Government Committee</td>
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<td><strong>AB 823</strong> (Hill)</td>
<td>Smog Check: Vehicle Repair Assistance and Retirement Program</td>
<td>9/1/09</td>
<td>Governor’s Office</td>
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<td>In the case when a motor vehicle fails a smog check inspection and is</td>
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<td>being retired from operation at a dismantler under contract with the</td>
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<td>Bureau of Automotive Repair, increases the amount of the payment that</td>
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<td>the Department of Consumer Affairs is required to make to the owner of</td>
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<td>the vehicle from $1,500 to $2,000. Authorizes the department to offer</td>
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<td>the vehicle owner a transit voucher in lieu of the $2,000 payment.</td>
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<td><strong>AB 878</strong> (Caballero)</td>
<td>Infrastructure Financing</td>
<td>4/20/09</td>
<td>Assembly Local Government</td>
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<td>Authorizes a local governmental agency to enter into an agreement with</td>
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<td>a private entity for financing for specified types of revenue-generating</td>
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<td>infrastructure projects.</td>
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<td><strong>AB 922</strong> (Miller)</td>
<td>Biodiesel Fuel Tax Exemption</td>
<td>As Introduced</td>
<td>Assembly Revenue and Taxation</td>
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<td>Until June 30, 2014, exempts biomass-based diesel fuel produced in the</td>
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<td>state with California feedstock from the diesel fuel excise tax.</td>
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<td><strong>AB 949</strong> (Logue)</td>
<td>State-Local Partnership Program</td>
<td>As Introduced</td>
<td>Assembly Transportation</td>
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<td>Expands the definition of eligible local matching funds for purposes of</td>
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<td>the Proposition 1B State-Local Partnership Program to include: (a)</td>
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<td>developer fees; (b) mineral or resource extraction fees or taxes; and</td>
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<td>(c) local or regional fees or taxes solely dedicated to transportation</td>
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<td>improvements within a county or any part thereof by voter approval or</td>
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<td>by the county board of supervisors.</td>
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<td><strong>AB 1030</strong> (Blumenfield)</td>
<td>Caltrans: Renewable Energy Projects</td>
<td>7/13/09</td>
<td>Senate Appropriations</td>
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<td>In consultation with Caltrans, authorizes the Institute of the</td>
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<td>Environment at the University of California-Los Angeles (UCLA) to</td>
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<td>undertake a project for mapping the renewable energy development</td>
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<td>potential of state-owned real property under the direction and control</td>
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<td>of Caltrans. Requires Caltrans to respond within 90 days to any</td>
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<td>proposal to develop a renewable energy project as to whether: (a)</td>
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<td>the property is available for sale, lease or encroachment permit; and</td>
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<td>(b) the project would be compatible with the current and projected</td>
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<td>use of that property.</td>
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<td><strong>AB 1072</strong> (Eng)</td>
<td>Proposition 1B Transit Capital Program</td>
<td>6/18/09</td>
<td>Governor’s Office</td>
<td>Co-Sponsor</td>
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<td>For the remaining Proposition 1B transit capital funds to be</td>
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<td>appropriated by the Legislature, bases a public transit operator’s</td>
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<td>formula share on the operator’s average of State Transit Assistance</td>
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<td>Program (STA) allocations for FY 2005, FY 2006 and FY 2007. Requires</td>
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<td>a public transit operator to submit to Caltrans an expenditure plan</td>
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<td>for its remaining formula share of Proposition 1B transit capital</td>
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<td>funds, so that a statewide program of projects can be established for</td>
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<td>purposes of guiding annual appropriations for these funds. Under</td>
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<td>terms and conditions approved by Caltrans, allows a project sponsor,</td>
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<td>in a particular fiscal year, to loan its allocation of Proposition 1B</td>
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<td>transit capital funds to another project sponsor in order to ensure</td>
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<td>that all allocations in that fiscal year are put to use. Allows a</td>
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<td>project sponsor to use a Proposition 1B transit capital funding</td>
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<td>allocation in a subsequent fiscal year to complete a project that was</td>
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<td>approved by Caltrans in a previous fiscal year.</td>
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<td><strong>AB 1091</strong> (Ruskin)</td>
<td>Climate Change Adaptation Strategy</td>
<td>5/6/09</td>
<td>Assembly Appropriations</td>
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<td>Authorizes the Natural Resources Agency to develop a Climate Change</td>
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<td>Committee</td>
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<td>Adaptation Strategy to assess California’s vulnerability to the</td>
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<td>impacts of climate change, including the impacts of projected sea-level</td>
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<td>rise, on the state’s physical and natural infrastructure. Requires the</td>
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<td>strategy to be subject to a multidisciplinary review process prior to</td>
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<td>adoption to ensure that ecosystems, sensitive species, or other</td>
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<td>environmentally sensitive resources or habitats are not inadvertently</td>
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<td>put at risk or adversely impacted.</td>
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<td>State Assembly Bills</td>
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<td>VTA Position</td>
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<td>AB 1104 (Monning) Off-Highway Motor Vehicles</td>
<td>Expands the period of time during which a review of a parking violation may be requested.</td>
<td>4/14/09</td>
<td>Senate Transportation and Housing Committee</td>
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<tr>
<td>AB 1135 (Skinner) Odometer Readings</td>
<td>Requires California vehicle owners to report the current odometer reading of their vehicles at the time of vehicle registration.</td>
<td>4/13/09</td>
<td>Assembly Appropriations Committee</td>
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<tr>
<td>AB 1158 (Hayashi) Transit Village Plans: Educational Facilities</td>
<td>Adds educational facilities and other land uses that provide direct linkages for people traveling to and from primary and secondary schools, community colleges and universities to the list of specified characteristics that a transit village plan may address.</td>
<td>6/25/09</td>
<td>Governor’s Office</td>
<td>Support</td>
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<tr>
<td>AB 1175 (Torlakson) Bay Area Toll Authority</td>
<td>Requires the Controller’s Office to collect unpaid bridge tolls and express lane fees, as well as any relevant interest, penalties, fines, or other charges from money owed to a person or entity from state income or sales tax refunds, or winnings in the state lottery. Adds seismic safety improvement projects on the Antioch and Dumbarton Bridges to the Toll Bridge Seismic Retrofit Program. Redirects surplus cost overrun revenues to be shared between the state and the Bay Area Toll Authority (BATA) to BATA for the seismic safety improvement projects on the Antioch and Dumbarton Bridges. Requires BATA to provide all remaining necessary funds to complete those projects. Allows BATA to increase tolls on all Bay Area state-owned toll bridges for the following purposes: (a) funding the seismic safety improvement projects on the Antioch and Dumbarton Bridges; (b) meeting its obligations and covenants under any bond resolution or indenture of the authority for any outstanding toll bridge revenue bonds issued by the authority; and (c) funding the planning, design, construction, operation, maintenance, repair, replacement, rehabilitation, and seismic retrofit of the Bay Area state-owned toll bridges. Allows BATA to vary its toll structure from bridge to bridge, and to provide discounts for high-occupancy vehicles. Requires maintenance expenditures funded from toll revenues to be paid for by those toll revenues remaining after payment of all obligations of BATA that are secured by toll revenues. Requires BATA to provide vehicle owners with the option of obtaining a FasTrak account using cash or a check, and without having to provide a name or address. Requires BATA to contract with a nationally recognized independent entity with expertise in privacy issues associated with the electronic transmission and storage of data to conduct a review and an analysis of the privacy issues pertaining to FasTrak, and to report to the Legislature by January 31, 2011.</td>
<td>8/19/09</td>
<td>Governor’s Office</td>
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<tr>
<td>AB 1186 (Blumenfield) Employee Parking</td>
<td>Requires that lease agreements for non-residential buildings occupied by 50 or more persons that offer parking to tenants list separately the costs for parking from other costs included in the lease.</td>
<td>8/18/09</td>
<td>Governor’s Office</td>
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<tr>
<td>AB 1192 (Strickland) SILO/LILO Transactions</td>
<td>Prohibits a legislative body of a city from selling or leasing any existing public improvement to a private or public entity for the purposes of renting or leasing back, or repurchasing through installment payments that existing public improvement.</td>
<td>4/20/09</td>
<td>Assembly Local Government Committee</td>
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<td>State Assembly Bills</td>
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<td>AB 1203 (Ma)</td>
<td>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.</td>
<td>As Introduced</td>
<td>Governor’s Office</td>
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<td>AB 1321 (Eng)</td>
<td>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, waterways, aquatic resources, or fisheries 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.</td>
<td>5/6/09</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 1364 (Evans)</td>
<td>Allows any state agency that has entered into a grant agreement for the expenditure of state bond funds where the state agency or grant recipient may not be able to comply with the terms of that agreement because of the suspension of interim funding for projects and contracts by the Pooled Money Investment Board on or after December 18, 2008, to do either of the following: (a) renegotiate, modify or eliminate the deadlines and timetables for deliverables within the grant agreement in order to address the suspension; or (b) terminate the grant agreement if no grant funds have yet been delivered.</td>
<td>8/17/09</td>
<td>Governor’s Office</td>
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<td><strong>AB 1375</strong></td>
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<td><strong>As Introduced</strong></td>
<td><strong>Assembly Appropriations Committee</strong></td>
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<td>(Galgiani)</td>
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<td>California High-Speed Rail Authority</td>
<td>Creates the Department of High-Speed Trains within the Business, Transportation and Housing Agency. Requires the California High-Speed Rail Authority to establish policies directing the development and implementation of high-speed train service that is fully integrated with the state’s existing intercity rail and bus network, consisting of interlinked conventional and high-speed train lines and associated feeder buses. Further specifies that the intercity network in turn shall be fully coordinated and connected with commuter train lines and urban transit systems developed by local agencies, through the use of common station facilities whenever possible. Requires the Department of High-Speed Trains to implement these policies. Requires the authority to do all of the following: (1) select the routes of the high-speed train system; (2) determine the priority of construction of the various segments of the high-speed train system; (3) serve as the governing body of the Department of High-Speed Trains; (4) adopt criteria for the awarding of franchises; and (5) set fares or establish guidelines for the setting of fares. By October 1 of each year, requires the authority to adopt and submit to the Governor and the Legislature a high-speed train program that would cover a period of six fiscal years. Requires the program to include a listing of all capital improvement projects that are expected to require an appropriation in the annual Budget Act, including federal, state, local, and private funds, during the following six fiscal years. Requires the director of the Department of High-Speed Trains to be appointed by the authority. Requires the department to do all of the following: (1) conduct engineering and other studies related to the selection and acquisition of rights-of-way, and the selection of a franchisee; (2) evaluate alternative high-speed train technologies, systems and operators, and select an appropriate high-speed train system; (3) award franchises consistent with criteria adopted by the authority; (4) select a proposed franchisee, a proposed route and proposed terminal sites; (5) prepare a detailed financing plan, including any necessary taxes, fees or bonds to pay for the construction of the high-speed train system; (6) enter into contracts for the design, construction and operation of the high-speed train system; (7) acquire rights-of-way through purchase or eminent domain; (8) enter into cooperative or joint development agreements with local governments or private entities; (9) subject to the approval of the authority, issue debt secured by pledges of state funds, federal grants or project revenues; (10) relocate highways and utilities; (11) plan, construct and operate the high-speed train system; (12) acquire, sell and lease passenger rail rolling stock, power units and associated equipment; and (13) acquire, lease, design, construct, and improve track lines and related facilities.</td>
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<td><strong>AB 1404</strong></td>
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<td>9/4/09</td>
<td><strong>Governor’s Office</strong></td>
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<td>(De Leon)</td>
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<td>Global Warming Solutions Act: Compliance Offsets</td>
<td>If the California Air Resources Board (CARB) allows the use of market-based compliance mechanisms pursuant to the California Global Warming Solutions Act of 2006, requires the board to limit the use of compliance offsets to no more than 10 percent of the greenhouse gas emission reductions expected from market mechanisms during the compliance period.</td>
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<td><strong>AB 1405</strong>&lt;br&gt;(De Leon)&lt;br&gt;Global Warming Solutions Act: Community Benefits Fund</td>
<td>Requires the California Air Resources Board (CARB) to deposit a minimum of 30 percent of the fee revenues generated under the California Global Warming Solutions Act of 2006 in the Community Benefits Fund. Requires the revenues in the fund to be used solely in the most impacted and disadvantaged communities in the state to accelerate greenhouse gas emission reductions or mitigate direct health impacts of climate change in those communities. Requires the revenues in the fund to be used to provide competitive grants for projects that do any of the following: (a) reduce greenhouse gas emissions while achieving co-benefits such as reductions in other air pollutants, diversification of clean energy sources, and improving energy efficiency; (b) minimize health impacts caused by climate change; (c) assist small businesses to reduce their greenhouse gas emissions; (d) reduce greenhouse gas emissions by the installation or replacement of equipment; (e) improvements to mass transit that reduce greenhouse gas emissions; (f) clean distributed electricity generation systems that reduce greenhouse gas emissions; (g) energy efficiency upgrades for schools, senior centers or low-income housing that reduce greenhouse gas emissions; or (h) emergency preparedness for extreme weather events caused by climate change. Requires CARB to adopt a methodology to identify the most impacted and disadvantaged communities by June 30, 2010.</td>
<td>9/1/09</td>
<td>Senate Floor</td>
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<td><strong>AB 1431</strong>&lt;br&gt;(Hill)&lt;br&gt;Port of Oakland: Emission Reduction Strategies</td>
<td>Requires the Port of Oakland and entities involved in goods movement at that port to establish emission reduction strategies that are no less stringent than those employed at the Ports of Los Angeles and Long Beach.</td>
<td>4/14/09</td>
<td>Assembly Transportation Committee</td>
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<td><strong>AB 1464</strong>&lt;br&gt;(Smyth)&lt;br&gt;Bicycle Routes of National, State or Regional Significance</td>
<td>Authorizes Caltrans to establish a process for identifying and promoting bicycle routes of national, state or regional significance. Allows Caltrans to establish a process whereby local bicycle organizations, private entities, or state or local government entities may nominate a route for inclusion in the system of bicycle routes of national, state or regional significance. Authorizes Caltrans to develop criteria for the design, placement and installation of signs relative to bicycle routes of national, state or regional significance. Allows the applicants or nominating entities to pay the costs for purchasing, erecting and maintaining the signs, as determined by Caltrans. Allows these costs to be reimbursed by Caltrans.</td>
<td>6/30/09</td>
<td>Governor’s Office</td>
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<td><strong>AB 1500</strong>&lt;br&gt;(Lieu)&lt;br&gt;HOV Lanes: Low-Emission Vehicles</td>
<td>Unless pre-empted by federal law, extends the authorization for low-emission vehicles to use high-occupancy vehicle (HOV) lanes regardless of the number of vehicle occupants from January 1, 2011, to January 1, 2014.</td>
<td>7/14/09</td>
<td>Senate Floor</td>
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<td><strong>AB 1502</strong>&lt;br&gt;(Eng)&lt;br&gt;HOV Lanes: Low-Emission and Hybrid Vehicles</td>
<td>Unless pre-empted by federal law, extends the authorization for certain low-emission vehicles to use high-occupancy vehicle (HOV) lanes regardless of the number of vehicle occupants from January 1, 2011, to January 1, 2017. However, retains the January 1, 2011, sunset date for hybrid vehicles.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td>ACA 3 (Blakeslee)</td>
<td>State General Obligation Bonds</td>
<td>Calls for placing before the voters an amendment to the California Constitution to require an initiative measure authorizing the issuance of state general obligation bonds in a total amount exceeding $1 billion to either provide additional tax or fee revenues, eliminate existing programs or both as necessary to fully fund the bonds in order to be placed on the ballot.</td>
<td>6/16/09</td>
<td>Assembly Floor</td>
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<tr>
<td>ACA 5 (Calderon)</td>
<td>State General Obligation Bonds</td>
<td>Calls for placing before the voters an amendment to the California Constitution to require an initiative measure authorizing the issuance of state general obligation bonds to be approved by a 55 percent majority of the electorate.</td>
<td>7/14/09</td>
<td>Assembly Floor</td>
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<td>ACA 9 (Huffman)</td>
<td>Local Governments: Special Taxes</td>
<td>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 any of the following: (a) the construction, reconstruction, rehabilitation, or replacement of public infrastructure improvements, and facilities or buildings used primarily to provide sheriff, police or fire protection services to the public; (b) affordable housing; and (c) the acquisition or lease of real estate for public infrastructure improvements, public safety facilities or buildings, and affordable housing, if the bond issuance is approved by its electorate by a 55 percent majority. Creates an exception to the 1 percent limit for property tax assessments if the revenues are being used to pay bonded indebtedness, approved by a 55 percent majority vote, to fund any of the following: (a) the construction, reconstruction, rehabilitation, or replacement of public infrastructure improvements, and facilities or buildings used primarily to provide sheriff, police or fire protection services to the public; (b) affordable housing; and (c) the acquisition or lease of real estate for public infrastructure improvements, public safety facilities or buildings, and affordable housing.</td>
<td>6/26/09</td>
<td>Assembly Floor</td>
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<td>ACA 13 (Hernandez)</td>
<td>Initiatives</td>
<td>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 to the Legislature prior to certification of the voter signatures that were collected to qualify the measure for the ballot. Allows the Legislature to amend the initiative measure by concurrent resolution in a manner consistent with its intent if the proponents accept the amendments. If the Legislature returns the initiative measure to the Secretary of State’s Office within 30 legislative session days after it has been transmitted to the Legislature and the measure is certified to have been signed by the requisite number of voters, requires the Secretary of State’s Office to place the measure, including any proposed amendments, on the ballot. If the Legislature does not return the initiative measure to the Secretary of State’s Office within 30 legislative session days after it has been transmitted to the Legislature, requires the Secretary of State’s Office to place the measure on the ballot only if it is certified to have been signed by the requisite number of voters. Allows an initiative measure transmitted to the Legislature that only proposes a statute to be introduced in the Legislature as a bill. Provides that if such a bill is enacted and the proponents of the initiative measure accept any amendments of the Legislature, then the Secretary of State’s Office shall not submit the initiative measure to the voters.</td>
<td>9/4/09</td>
<td>Assembly Floor</td>
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<td>State Assembly Bills</td>
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<td>ACA 15 (Arambula)</td>
<td>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.</td>
<td>As Introduced</td>
<td>Assembly Floor</td>
<td>Support</td>
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<tr>
<td>ACA 16 (Nestande)</td>
<td>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.</td>
<td>As Introduced</td>
<td>Assembly Appropriations Committee</td>
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<td>ACR 14 (Niello)</td>
<td>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.</td>
<td>3/27/09</td>
<td>Assembly Natural Resources Committee</td>
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<td>ACR 77 (Swanson)</td>
<td>Urges the California Air Resources Board (CARB) to meet the statutory requirements of the California Global Warming Solutions Act of 2006 by ensuring that its analysis of the emission reduction measures as proposed in its scoping plan and related rulemaking includes the following: (1) an analysis of the projected employment impacts of the proposed measures by sector in each of the years leading up to 2020 and beyond that specifies the potential for green collar jobs to be located in California or outside the state; (2) identification of the types of jobs that will be created in California, the industry sectors where the jobs will be created, and the wage and benefit levels expected for those workers; (3) identification of the types of jobs that may be lost in California and the industry sectors where the jobs may be lost; and (4) a plan for providing California workers with training programs for new green technology jobs that are different from the traditional jobs in energy, transportation and construction.</td>
<td>9/1/09</td>
<td>Enacted by the Legislature</td>
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## State Senate Bills

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<th>State Senate Bills</th>
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<tr>
<td><strong>SB 10</strong>&lt;br&gt;(Leno)&lt;br&gt;Local Vehicle Assessment</td>
<td>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. Specifies that the bill is not to be construed to supplant any funds that the state apportions to counties and San Francisco, including those apportioned under the Vehicle License Fee Law.</td>
<td>7/8/09</td>
<td>Assembly Appropriations Committee</td>
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<td><strong>SB 31</strong>&lt;br&gt;(Pavley)&lt;br&gt;Global Warming Solutions Act: Compliance Revenues</td>
<td>Requires any revenues collected pursuant 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.</td>
<td>5/5/09</td>
<td>Senate Floor</td>
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<td><strong>SB 83</strong>&lt;br&gt;(Hancock)&lt;br&gt;Vehicle Registration Surcharge</td>
<td>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 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.</td>
<td>9/4/09</td>
<td>Governor’s Office</td>
<td>Support</td>
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| **SB 104 (Oropeza)**  
Global Warming Solutions Act: Definition of Greenhouse Gases | Subjects nitrogen trifluoride and any other gas designated as a greenhouse gas by the United Nations Framework Convention on Climate Change to the regulatory framework established in the California Global Warming Solutions Act of 2006. Requires the California Air Resources Board (CARB) to adopt emission limits and reduction measures for a gas designated as a greenhouse gas by the United Nations Framework Convention on Climate Change or by CARB within two years of the designation. | 9/4/09 | Governor’s Office |  |
| **SB 124 (Oropeza)**  
Air Pollution: Vehicle Idling at Schools | Increases the minimum civil penalty for violating administrative regulations adopted by the California Air Resources Board (CARB) limiting the idling of school buses, transit buses and other commercial vehicles near schools. | 8/27/09 | Governor’s Office |  |
| **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 Appropriations Committee |  |
| **SB 295 (Dutton)**  
Global Warming Solutions Act: Peer-Reviewed Study | Requires the California Air Resources Board (CARB) to complete a peer-reviewed study to re-evaluate the costs and benefits included in its scoping plan prepared pursuant to the California Global Warming Solutions Act of 2006. Requires this additional study to include all of the following: (1) estimates of the actual costs in every year and for every sector of the economy of the recommendations identified in the scoping plan; (2) estimates of overall costs and savings, as well as the cost-effectiveness of the reductions identified in the scoping plan; (3) estimates of the timing of capital investments, annual expenditures to repay those investments, and the resulting cost savings; (4) sensitivity of the results to changes in key inputs, including energy price forecasts, and estimates of measure costs and savings; (5) impacts on small businesses; (6) the current state of California’s economy; (7) the impact of increased federal funding for green technology as a result of the American Recovery and Reinvestment Act of 2009; (8) estimates of the greenhouse gas emission reductions, and annualized costs and savings that would result if the emission targets were raised and lowered for at least five measures in the scoping plan. Requires CARB to provide this study to the Legislature by October 1, 2009. Requires CARB to report to the Legislature by November 1, 2009, on whether the study will lead to changes to the scoping plan. | 5/13/09 | Senate Environmental Quality Committee |  |
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| **SB 391**  
*(Liu)*  
California Transportation Plan | Requires Caltrans to update the California Transportation Plan by December 31, 2015, and every five years thereafter. 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 as required by the California Global Warming Solutions Act of 2006, 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. Requires Caltrans to complete an interim report by December 31, 2012. Requires this interim report to include: (a) a list and overview of all sustainable communities strategies and alternative planning strategies that have been prepared; and (b) an assessment of how the implementation of these sustainable communities strategies and alternative planning strategies would influence the configuration of the statewide integrated multimodal transportation system. | 5/4/09 | Governor’s Office |
| **SB 406**  
*(DeSaulnier)*  
Regional Blueprint Plans | Requires the Planning Advisory and Assistance Council to: (a) work with regional agencies, such as metropolitan planning organizations (MPOs) and councils of governments (COGs), as well as with cities and counties to facilitate the implementation of regional blueprint plans; and (b) develop and propose recommendations to facilitate the coordination between regional blueprint plans, state growth and infrastructure funding plans, and programs that facilitate the implementation of regional blueprint plans. Authorizes an MPO, COG, or county transportation commission and subregional COG jointly preparing a subregional sustainable communities strategy to impose a vehicle registration surcharge of $1 or $2 solely to: (a) develop a regional blueprint plan or sustainable communities strategy to identify land-use strategies to reduce the use of motor vehicles in its jurisdiction and thereby achieve the greenhouse gas emission reduction target specified in the California Global Warming Solutions Act of 2006; and (b) implement a sustainable communities strategy or regional blueprint plan that achieves the greenhouse gas emission reduction target specified in the act. In the Bay Area, requires the surcharge to be jointly imposed by the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG), and the revenues from the surcharge to be divided in accordance with an agreement between those two entities. If the surcharge exceeds $1, requires all amounts above $1 in a jurisdiction with a population greater than 300,000 to be used to provide grants to cities and counties for planning and projects related to the implementation of a regional blueprint plan. Requires 5 percent of the surcharge revenues to be transmitted to the Planning Advisory and Assistance Council. Allows an MPO, COG, or county transportation commission and subregional COG jointly preparing a subregional sustainable communities strategy to divide the revenues from the surcharge with the local air quality management district. Requires any surcharge revenues received by a local air quality management district to be used to assist local and regional governments in reducing greenhouse gas emissions. | 9/4/09 | Governor’s Office |
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<td>SB 409 (Ducheny)</td>
<td>Creates the Department of Railroads within the California Business, Transportation and Housing Agency. Specifies that the department would be overseen by a director to be appointed by the governor and confirmed by the Senate. 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. Creates the Division of Railroad-Highway Grade Separation and Grade Crossing Protection within the department. 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. Establishes the California High-Speed Rail Authority as a division of the department. Requires the chief of this division to be nominated by the director of the Department of Railroads and approved by the High-Speed Rail Authority. Requires one of the appointments to the High-Speed Rail Authority to be the director of the Department of Railroads. Requires the director of the Department of Railroads to serve as the chair of the High-Speed Rail Authority.</td>
<td>5/21/09</td>
<td>Senate Floor</td>
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<td>SB 425 (Simitian)</td>
<td>Authorizes the Franchise Tax Board to deny a deduction for parking as a business expense if the employer is not in compliance with state parking cash-out requirements. Requires any revenues generated by disallowed deductions to be allocated as a tax credit to small business to help them implement and maintain qualified commute trip reduction measures.</td>
<td>7/23/09</td>
<td>Senate Appropriations Committee</td>
<td>Support</td>
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<td>SB 455 (Lowenthal)</td>
<td>Requires the five gubernatorial appointments to the California High-Speed Rail Authority to be confirmed by the Senate. Exempts the High-Speed Rail Authority from the following: (a) various statutory provisions related to the acquisition and disposal of property requiring the approval of the Department of Finance; (b) securing the approval of the Department of Finance or the State Public Works Board when expending funds appropriated for capital outlay purposes; and (c) securing the approval of the Department of General Services when acquiring an easement or right-of-way. Prohibits the Department of General Services from: (a) granting easements across the property of the High-Speed Rail Authority; and (b) maintaining an inventory of the property owned by the authority. Authorizes the High-Speed Rail Authority to negotiate, in the name of the state, access to rights-of-way that it owns. Requires any capital investment made by the High-Speed Rail Authority for Phase 1 of the high-speed train project to be consistent with one or more of the following criteria: (a) enhances railroad access to stations and terminals, with priority being given to those stations and terminals that serve the largest employment centers; (b) improves travel times, service reliability, safety, and service frequency for existing commuter and intercity passenger train services; or (c) improves connections from the San Joaquin Valley to Southern California, or from the San Joaquin Valley to the Bay Area. Requires changes in contracts entered into by the High-Speed Rail Authority to be approved by its governing board. Requires the High-Speed Rail Authority to create an overall schedule with delivery milestones for all aspects of the high-speed train project.</td>
<td>4/16/09</td>
<td>Assembly Floor</td>
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| **SB 474** (Ducheny)  
Innovative Contracting and Financing Pilot Programs | Requires the California Transportation Commission (CTC) to provide an annual consolidated report to the Legislature on the progress of the following pilot programs authorized under current law: (1) public-private partnerships; (2) design-build; and (3) design-sequencing. Within 90 days after the award of a contract or after entering into any agreement for a pilot program involving public-private partnerships, design-build or design-sequencing under current law, requires the lead agency for the project to make a finding that the use of the alternative contracting or financing method will provide any of the following benefits to the public when compared to a traditional contracting or financing method: (a) accelerates the project completion date; (b) produces savings in personnel or financial resources; (c) results in lower costs to the users of the facility developed under the method; or (d) brings financial resources to the project that would not otherwise be available. If the lead agency on a project is not the owner of the facility, requires the owner of the facility to concur with the finding. | 8/24/09 | Assembly Desk | |
| **SB 476** (Correa)  
CEQA: Non-Compliance Allegations | Clarifies provisions of the California Environmental Quality Act (CEQA) that prescribe when and how a person may bring an action or a proceeding against a project before a public entity. | 4/30/09 | Assembly Natural Resources 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 | |
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<td>SB 518 (Lowenthal) Parking</td>
<td>Beginning January 1, 2011, prohibits state funds from being used, directly or indirectly, to subsidize the construction or operations of parking. Establishes a menu of parking policy reforms with a point score for each reform. By January 1, 2012, authorizes cities and counties within a region covered by a metropolitan planning organization (MPO) to adopt and implement measures from the menu that achieve a total score of at least 20 points. Includes reforms relating to the following as part of the menu: (a) eliminating or reducing minimum parking requirements and/or establishing maximum parking requirements in local zoning ordinances; (b) allowing greater development potential on existing parking lots; (c) requiring that parking costs be unbundled from rent costs in residential or commercial leases; (d) requiring that all new employment contracts charge the full cost of employer-provided parking; (e) requiring employers to offer public transit passes to employees on a pre-tax basis; (f) setting parking meter rates at market rate; (g) installing meters in areas with parking shortages; (h) establishing parking benefit districts to direct new revenues from meters or meter rate increases to the community from which they come; (i) allowing commuters to use surplus spaces in residential permit areas for a price; and (j) dedicating parking revenues to programs that reduce parking demand, including public transit, transportation demand management, and bicycle and pedestrian infrastructure. Requires the California Air Resources Board (CARB) to consider making a city or county that adopts and implements measures that exceed a total score of 20 points eligible to receive carbon reduction credits through its cap-and-trade program for those measures that exceed the 20-point threshold if the granting of those credits does not result in increasing the overall cap on emissions. Requires a city or county that adopts at least 50 points of reforms to receive a 5 percent scoring bonus for any state competitive loan or grant program related to housing, transportation or economic development, or that is funded by a general obligation bond approved by the voters on or after January 1, 2010. Allows any funding apportioned to cities or counties from the Highway Users Tax Account to be expended for implementing transportation demand management measures. Authorizes a local entity to dedicate any portion of the revenues collected from parking meter zones to parking benefit districts or programs that reduce parking demand, including public transit, transportation demand management, or bicycle and pedestrian infrastructure improvements and promotion.</td>
<td>5/28/09</td>
<td>Senate Floor</td>
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<td>SB 526 (Ashburn) Intercity Rail: Altamont Pass Extension</td>
<td>Requires Caltrans to enter into negotiations with the relevant operating freight and passenger commuter railroads for the purpose of developing a service plan and an operating agreement for the extension of at least one San Joaquin Corridor intercity passenger train using the Altamont Corridor to and from San Francisco.</td>
<td>4/2/09</td>
<td>Senate Appropriations Committee</td>
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<td>SB 527 (Kehoe) Bicycles</td>
<td>Prohibits a person from operating a bicycle on a highway if he or she is riding other than upon or astride a permanent and regular seat attached to the bicycle, unless the bicycle was designed by the manufacturer to be ridden without a seat.</td>
<td>5/6/09</td>
<td>Governor’s Office</td>
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<td>SB 528 (Negrete McLeod) Public-Private Partnerships: Lessee Compensation</td>
<td>Prohibits a lease agreement related to a public-private partnership for a transportation facility that is entered into on or after January 1, 2010, from providing for compensation to the private entity for the adverse effects on toll revenues resulting from the development, operation or lease of competing transportation projects.</td>
<td>As Introduced</td>
<td>Senate Transportation and Housing Committee</td>
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<td><strong>SB 535</strong> (Yee)</td>
<td>HOV Lanes: Low-Emission and Fuel-Efficient Vehicles</td>
<td>Unless pre-empted by federal law, indefinitely extends the authorization for vehicles that meet California’s super ultra-low exhaust emission standard and the federal inherently low-emission evaporative emission standard to use high-occupancy vehicle (HOV) lanes regardless of the number of vehicle occupants. In addition, allows certain highly fuel-efficient vehicles to travel in HOV lanes without the required number of passengers, beginning in 2011. However, retains the January 1, 2011, sunset date for hybrid vehicles.</td>
<td>9/4/09</td>
<td>Assembly Floor</td>
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<td><strong>SB 555</strong> (Kehoe)</td>
<td>Eminent Domain: Conservation Easements</td>
<td>Revises eminent domain law to establish requirements for the acquisition of property subject to a conservation easement. Requires the person seeking to acquire the property through eminent domain to give the holder of the conservation easement a notice containing specified information and an opportunity to comment on the acquisition. Requires the holder of the conservation easement to provide notice of the proposed acquisition to each public entity that helped fund the purchase of the easement or that imposed conditions on the approval or permitting of a project that were satisfied, in whole or in part, by the easement. Requires the person seeking to acquire the property subject to a conservation easement to respond to any comments in writing. Specifies that the holder of a conservation easement is entitled to compensation under eminent domain law.</td>
<td>9/3/09</td>
<td>Governor’s Office</td>
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<td><strong>SB 560</strong> (Ashburn)</td>
<td>Sustainable Communities Strategies</td>
<td>Provides that greenhouse gas emission credits for cities and counties that site and permit commercial wind, solar and biomass projects may be used as credit in the formation of a sustainable communities strategy or an alternative planning strategy. Provides that transportation trips outside of federal lands that are directly related to activities of a federal or state military installation shall not be included in the emissions inventory otherwise required to be considered to achieve any reductions in greenhouse gas emissions.</td>
<td>As Introduced</td>
<td>Senate Environmental Quality Committee</td>
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<td><strong>SB 575</strong> (Steinberg)</td>
<td>Sustainable Communities Strategies</td>
<td>Makes technical changes to several provisions under the Sustainable Communities and Climate Protection Act of 2008, including: (a) the rezoning requirements under housing element law; and (b) housing element due dates. In addition, requires Caltrans to maintain and publish a current schedule of the estimated regional transportation plan (RTP) adoption dates, and a current schedule of the estimated and actual housing element due dates on its Internet Web site.</td>
<td>8/17/09</td>
<td>Governor’s Office</td>
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<td><strong>SB 626</strong>&lt;br&gt;(Kehoe)&lt;br&gt;Plug-In Hybrids and Electric Vehicles</td>
<td>Requires the California Public Utilities Commission (CPUC) to evaluate policies to develop infrastructure sufficient to overcome any barriers to the widespread deployment and use of plug-in hybrids and electric vehicles. By July 1, 2011, requires the CPUC to adopt rules to address all of the following: (1) the impacts on the state’s electrical infrastructure of the widespread use of plug-in hybrids and electric vehicles, and the role and development of public charging infrastructure; (2) the impact of plug-in hybrids and electric vehicles on grid stability and the integration of renewable energy resources; (3) the technological advances that are needed to ensure the widespread use of plug-in hybrids and electric vehicles, and what role the state should take to support the development of this technology; (4) the existing code and permit requirements that will impact the widespread use of plug-in hybrids and electric vehicles; (5) any recommended changes to existing legal impediments to the widespread use of plug-in hybrids and electric vehicles; (6) the role the state should take to ensure that technologies employed in plug-in hybrids and electric vehicles work in a harmonious manner and across service territories; and (7) the impact of the widespread use of plug-in hybrids and electric vehicles on achieving the state’s greenhouse gas emission reduction goals pursuant to the California Global Warming Solutions Act of 2006, and what steps should be taken to address possibly shifting emission reduction responsibilities from the transportation sector to the electrical industry.</td>
<td>7/1/09</td>
<td>Governor’s Office</td>
<td>Support</td>
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<td><strong>SB 632</strong>&lt;br&gt;(Lowenthal)&lt;br&gt;Ports: Infrastructure Needs</td>
<td>Beginning January 1, 2010, requires the ports of Long Beach, Los Angeles and Oakland to assess their infrastructure and air quality improvement needs, including projects that improve the efficiency of the movement of cargo, and that reduce the congestion impacts and pollution associated with the movement of cargo. Requires these assessments to include the total costs of the infrastructure and air quality improvements, possible funding options for these projects, and estimated timelines for their implementation. Requires each port to provide this assessment to the Legislature by July 1, 2010.</td>
<td>4/30/09</td>
<td>Assembly Floor</td>
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<td><strong>SB 716</strong>&lt;br&gt;(Wolk)&lt;br&gt;TDA: Farmworker Vanpool Services</td>
<td>For counties that had a population of less than 500,000 as of the 1970 census, but that have a population of 500,000 or more as of the 2000 census or at a subsequent census, requires Transportation Development Act (TDA) funds apportioned to the urbanized areas of those counties to be used solely for public transit and paratransit purposes, as well as for bicycle projects. However, for TDA money apportioned to the non-urbanized areas of those counties, allows these funds to remain available for local street/road purposes and to be used for the acquisition or lease of vans and related equipment for a farmworker vanpool program, if there is a finding by the relevant transportation planning agency that there are no unmet transits needs that are reasonable to meet. Furthermore, for counties with a population of less than 500,000, allows TDA funds to be used for the acquisition or lease of vans and related equipment for a farmworker vanpool program, if there is a finding by the relevant transportation planning agency that there are no unmet transits needs that are reasonable to meet.</td>
<td>9/3/09</td>
<td>Governor’s Office</td>
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<td><strong>SB 721</strong> (Steinberg) <strong>Climate Action Team</strong></td>
<td>Creates the Climate Action Team consisting of the following representation:  (a) secretary of the California Environmental Protection Agency;  (b) secretary of the Natural Resources Agency;  (c) chairperson of the California Air Resources Board (CARB);  (d) chairperson of the Energy Resources Conservation and Development Commission;  (e) president of the California Public Utilities Commission (CPUC);  (f) secretary of the Business, Transportation and Housing Agency;  (g) secretary of the Department of Food and Agriculture;  (h) secretary of the Department of Consumer Affairs; and  (i) secretary of the Labor and Workforce Development Agency. Consistent with the California Global Warming Solutions Act of 2006, requires the Climate Action Team to coordinate the state’s overall climate change policy. Requires the Climate Action Team to prepare and adopt a strategic research, development, demonstration, and deployment plan that identifies funds to be expended to:  (1) assist in bringing California clean technologies into the marketplace that provide quantifiable reductions in greenhouse gas emissions;  (2) encourage behavior changes or changes in consumer preferences that assist California in meeting its climate change targets and requirements; and  (3) identify and forecast the impacts of climate change, and identify and research methods to mitigate and adapt to those impacts. Requires the Climate Action Team to coordinate with the Natural Resources Agency to prepare and adopt a climate change impact mitigation and adaptation plan that includes all of the following:  (1) an assessment of the current state of climate change impact analysis, and an identification of potential climate change impacts that should be included in decision-making related to the management of natural resources or investment in infrastructure;  (2) a process for integrating climate change impact information into the planning and decision-making of state agencies as appropriate;  (3) the identification of additional research and research priorities that could assist and improve state decision-making in future years;  (4) an evaluation of each sector’s contribution toward meeting the greenhouse gas emission reduction targets established by the Global Warming Solutions Act of 2006; and  (5) a review of the best available scientific information regarding projected climate change impacts, risk analysis and best management practices developed to date.</td>
<td>4/23/09</td>
<td>Senate Appropriations Committee</td>
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<tr>
<td><strong>SB 728</strong> (Lowenthal) <strong>Parking Cash-Out Program</strong></td>
<td>Allows cities, counties and air districts to establish, by ordinance or resolution, a penalty or other mechanism to ensure compliance with the state’s parking cash-out law.</td>
<td>8/20/09</td>
<td>Governor’s Office</td>
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<tr>
<td>State Senate Bills</td>
<td>Subject</td>
<td>Last Amended</td>
<td>Status</td>
<td>VTA Position</td>
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<td><strong>SB 783</strong></td>
<td>No later than January 1, 2012, and every two years thereafter, requires the California High-Speed Rail Authority to prepare, publish, adopt, and submit to the Legislature a business plan. Requires the business plan to identify all of the following: (1) the type of service that the authority anticipates it will develop, such as local, express, commuter, regional, or interregional; (2) a description of the primary benefits that high-speed rail will provide; (3) a forecast of the anticipated patronage, operating and maintenance costs, and capital costs for the high-speed train system; (4) an estimate and description of the total anticipated federal, state, local, and other funds that the authority intends to access to fund the construction and operation of the high-speed train system; and (5) the proposed chronology for the construction of the eligible corridors of the high-speed train system. In addition, requires the plan to include the following elements: (a) using the most recent patronage forecast for the high-speed rail system, develop a forecast of the expected patronage and service levels for the Phase 1 corridor (San Francisco/San Jose to Los Angeles/Anaheim), and by each segment or combination of segments for which a project-level environmental analysis is being prepared for Phase 1; (b) based on the patronage forecast, develop alternative financial pro formas for the different levels of service, and identify the operating break-even points for each alternative; (c) identify the expected schedule for completing environmental review, and initiating and completing construction for each segment of Phase 1; (d) identify the source of federal, state and local funds available for the project that will augment funds from the high-speed rail bond measure, and the level of confidence for obtaining each type of funding; (e) identify written agreements with public or private entities to fund components of the high-speed rail system and any impediments to the completion of the system, such as the inability to gain access to existing railroad rights-of-way; and (f) identify alternative public-private development strategies for the implementation of Phase 1.</td>
<td>7/2/09</td>
<td>Governor’s Office</td>
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<td><strong>SCA 3</strong></td>
<td>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.</td>
<td>As Introduced</td>
<td>Senate Revenue and Taxation Committee</td>
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<tr>
<td><strong>SCA 5</strong></td>
<td>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.</td>
<td>As Introduced</td>
<td>Senate Floor</td>
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<td><strong>SCA 10</strong></td>
<td>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 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.</td>
<td>8/17/09</td>
<td>Senate Floor</td>
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<tr>
<td>State Senate Bills</td>
<td>Subject</td>
<td>Last Amended</td>
<td>Status</td>
<td>VTA Position</td>
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<td>SCA 14 (Ducheny) Ballot Initiative Costs</td>
<td>Calls for placing before the voters an amendment to the California Constitution regarding the costs associated with statewide initiative measures. Specifically, prohibits an initiative measure that would result in a net increase in state or local government costs other than costs attributable to the issuance, sale or repayment of bonds from being placed on the ballot unless the Legislative Analyst’s Office and the Department of Finance jointly determine that the initiative measure provides for additional revenues in an amount that would meet or exceed the net increase in costs.</td>
<td>8/17/09</td>
<td>Senate Floor</td>
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<td>DAY</td>
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<tr>
<td>1</td>
<td>Statutes signed into law in 2008 take effect.</td>
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<tr>
<td>5</td>
<td>Legislature reconvenes.</td>
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<tr>
<td>10</td>
<td>Budget must be submitted by the Governor to the Legislature on or before this date.</td>
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<tr>
<td>30</td>
<td>Last day to submit bill requests to the Legislative Counsel’s Office.</td>
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<thead>
<tr>
<th>DAY</th>
<th>FEBRUARY</th>
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<tbody>
<tr>
<td>27</td>
<td>Last day for bills to be introduced.</td>
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<tr>
<th>DAY</th>
<th>APRIL</th>
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<tbody>
<tr>
<td>2</td>
<td>Spring Recess begins upon adjournment.</td>
</tr>
<tr>
<td>13</td>
<td>Legislature reconvenes from Spring Recess.</td>
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<table>
<thead>
<tr>
<th>DAY</th>
<th>MAY</th>
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<tbody>
<tr>
<td>1</td>
<td>Last day for policy committees to hear and report fiscal bills introduced in their house.</td>
</tr>
<tr>
<td>15</td>
<td>Last day for policy committees to hear and report to the floor non-fiscal bills introduced in their house.</td>
</tr>
<tr>
<td>29</td>
<td>Last day for fiscal committees to hear and report to the floor bills introduced in their house.</td>
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<thead>
<tr>
<th>DAY</th>
<th>JUNE</th>
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<tbody>
<tr>
<td>5</td>
<td>Last day for bills to be passed out of their house of origin.</td>
</tr>
<tr>
<td>15</td>
<td>Budget must be passed by midnight.</td>
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<thead>
<tr>
<th>DAY</th>
<th>JULY</th>
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<tr>
<td>10</td>
<td>Last day for policy committees to hear and report bills introduced in the other house.</td>
</tr>
<tr>
<td>17</td>
<td>Summer Recess begins upon adjournment, provided that the budget bill has been enacted.</td>
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<tr>
<th>DAY</th>
<th>AUGUST</th>
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<tbody>
<tr>
<td>17</td>
<td>Legislature reconvenes from Summer Recess.</td>
</tr>
<tr>
<td>28</td>
<td>Last day for fiscal committees to hear and report to the floor bills introduced in the other house.</td>
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<tr>
<th>DAY</th>
<th>SEPTEMBER</th>
</tr>
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<tbody>
<tr>
<td>4</td>
<td>Last day to amend bills on the Assembly and Senate floors.</td>
</tr>
<tr>
<td>11</td>
<td>Last day for each house to pass bills. Interim Recess begins at the end of this day’s session</td>
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<tr>
<th>DAY</th>
<th>OCTOBER</th>
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<tbody>
<tr>
<td>11</td>
<td>Last day for the Governor to sign or veto bills passed by the Legislature before September 11, and in his possession after September 11.</td>
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<tr>
<th>DAY</th>
<th>JANUARY 2010</th>
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<tbody>
<tr>
<td>4</td>
<td>Legislature reconvenes.</td>
</tr>
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</table>
ADMINISTRATION & FINANCE COMMITTEE

Thursday, October 15, 2009

MINUTES

On General Consensus, there being no objection, the Committee of the Whole appointed Member Casas as Chairperson Pro Tempore.

CALL TO ORDER

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

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
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<tbody>
<tr>
<td>David Casas</td>
<td>Board Member</td>
<td>Present</td>
</tr>
<tr>
<td>Don Gage</td>
<td>Vice Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Liz Kniss</td>
<td>Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Chuck Reed</td>
<td>Board Member</td>
<td>Present</td>
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<tr>
<td>Nora Campos</td>
<td>Alternate Board Member</td>
<td>N/A</td>
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<tr>
<td>Chris Moylan</td>
<td>Alternate Board Member</td>
<td>N/A</td>
</tr>
<tr>
<td>George Shirakawa</td>
<td>Alternate Board Member</td>
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* 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

Joe Smith, Chief Financial Officer and Staff Liaison, noted Chairperson Kniss’ request to move the following Item from Other Items to the Regular Agenda: Agenda Item #10. Discussion regarding FY 2010 Budget Strategies.

Chairperson Pro Tempore Casas requested the Consent Agenda be deferred until a quorum was established.

On order of Chairperson Pro Tempore Casas and there being no objection, the Committee of the Whole accepted the Orders of the Day.

The Agenda was taken out of order.

Board Member Reed indicated he would abstain from Agenda Item #8. Contract Award: Four to Six Color Offset Printing Services.
Board Member Reed left his seat at 12:08 p.m.

REGULAR AGENDA

8. **Contract Award: Four to Six Color Offset Printing Services**

Greta Helm, Chief External Affairs Officer, reported VTA produces agency required materials, transit and project information, and community relations and promotional materials in four to six color offset printing for various VTA departments. VTA contracts with two vendors for printing needs; however, the contracts will expire at the end of this year; therefore, VTA solicited vendors through the Request for Proposals (RFP) process in July 2009.

VTA’s review board received several bid proposals and recommended American Lithographers; Fong Brothers Printing, Inc.; and ImageX for the contract. VTA’s review board determined the firms to be the overall best candidates based on professional qualification, staffing, project understanding and approach, and competitive pricing.

The contract agreements will be Task Order agreements and are anticipated to initiate on January 1, 2010 and expire January 1, 2013 with an option for an additional two year term.

Vice Chairperson Gage arrived at the meeting and took his seat at 12:10 p.m.

Ms. Helm reported the contract amount is 30 percent lower due to VTA’s reduction in printing hard copy material over the last few years due to the implementation of electronic media distribution.

Chairperson Kniss arrived at the meeting and took her seat at 12:11 p.m. and a quorum was established.

VTA still produces hard copy material to accommodate customers without access to computers. Ms. Helm reported VTA produces large amounts of its system maps, which need to be produce in color. VTA does not have the internal resources to produce multi-color offset printing; therefore, there is a need to have certain items produced outside.

**M/S/C (Gage/Kniss)** on a vote of 3 ayes and 1 abstention to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute on-call task order contracts with three printing firms for four to six color printing services to be utilized on an as-needed basis. Each contract shall be for a period of up to three years, with an option to extend the contract for an additional two-year term. The total amount for all three contracts shall not exceed $1 million for a total of five years. Board Member Reed abstained.

Chairperson Pro Tempore Casas relinquished his seat as Chairperson Pro Tempore and Chairperson Kniss presided for the remainder of the meeting.

Board Member Reed returned to his seat at 12:14 p.m.

**NOTE:** M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISED INDICATED, THE MOTION PASSED UNANIMOUSLY.
CONSENT AGENDA

4. Regular Meeting Minutes of September 17, 2009
   M/S/C (Gage/Casas) to approve the Regular Meeting Minutes of September 17, 2009.

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

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

7. Bicycle and Pedestrian Advisory Committee (BPAC) Member Appointment
   M/S/C (Gage/Casas) to approve submitting a recommendation to the Board of Directors to ratify the appointment of Aaron Faupell as the City of Milpitas representative on the Bicycle Pedestrian Advisory Committee (BPAC).

OTHER ITEMS

10. Discussion regarding FY 2010 Budget Strategies
   Joe Smith, Chief Financial Officer, provided a brief overview regarding FY 2010 Budget Strategies, noting the actual third and fourth quarter sales tax receipts were overall significantly lower than anticipated.

   Mr. Smith noted VTA’s budget assumptions were based on the sales tax revenues, which were estimated to be down 8 percent in the third quarter and an additional 5 percent in the fourth quarter. The actual third quarter receipts were down 21 percent and the fourth quarter receipts were down 27 percent. The sales tax revenue decline creates a larger deficit for FY 2010 and 2011.

   Mr. Smith directed attention to the budget strategy scenarios handout entitled, “VTA Transit Sources and Uses of Funds Comparison,” noting staff developed four scenario options for the Committees consideration. Mr. Smith noted the scenario projections include adjustments for the base sales tax adjusted for FY 2009 actual receipts, fare revenue trend, fare increase accelerated to October 2009, January 1, 2010 VTA Service Reductions, May 2009 Amalgamated Transit Union (ATU) wage concession increase, and the Federal Stimulus American Recovery and Reinvestment Act (ARRA) 10 percent grant funding.

   Mr. Smith commented on the scenario projections, which include the sales tax change assumptions for FY 2010 and 2011, highlighting:
   Scenario A - VTA’s Adopted Budget in June 2009 assumed a 5 percent decrease in sales tax receipts for FY 2010 and a 3 percent decrease in FY 2011;
   Scenario B - VTA’s Budget Projections with the necessary adjustments assumes a 5 percent decrease in sales tax receipts for FY 2010 and a 3 percent decrease in FY 2011;
   Scenario C - assumptions from Beacon Economics, regional economic forecasting firm, assumes a 13.1 percent decrease in sales tax receipts for FY 2010 and a 2.35 percent increase in FY 2011;
Scenario D - first quarter State Board of Education (SBOE) assumes a 10 percent decrease in sales tax receipts for FY 2010 and flat for FY 2011; and
Scenario E - flat from FY 2009 Actual assumes the sales tax receipts will be flat for both FY 2010 and FY 2011.

Mr. Smith stated VTA does not have enough reoccurring revenues to fund VTA’s reoccurring expenditures over the next two years.

Michael T. Burns, General Manager, stated when the adopted budget was prepared the assumption was by 2012 the economy would be turning around and VTA’s Operating Reserves would be sufficient to carry VTA through FY 2010 and FY 2011. Mr. Burns reported VTA is in a financial crisis, noting VTA’s Operating Reserves will be absorbed this fiscal year.

Vice Chairperson Gage stressed the importance to review all of VTA’s transit services to determine the service that provides the best return and in order to identify the areas that should be eliminated.

Vice Chairperson Gage suggested management work with the unions to discuss a reduction in pay in order to sustain the organization, but if they do not agree then VTA needs to be prepared to implement layoffs.

Vice Chairperson Gage stressed the importance for VTA to work collaboratively with other transit agencies to assist one another. Vice Chairperson Gage stressed the importance to inform the public of VTA’s financial constraints.

Board Member Casas expressed support to see staff looking for corrective actions and structural changes instead of one time revenue adjustments to address VTA’s financial constraints.

Board Member Casas stressed the importance to start moving forward with the budget structural deficit solutions and strategies to ensure the transition is not alarming and provides adequate notice to the public.

Chairperson Kniss stated the economical constraints and challenges are impacting not only VTA but other transit agencies and noted the importance to identify what the other transit agencies are doing to address the concerns.

Chairperson Kniss stressed the need to identify what VTA has done in the past to address its financial challenges during the economical crisis.

Board Member Reed queried how fast VTA needs to act on the near term next six months solutions and strategies. Mr. Burns responded the goal is to have Board discussion and consider adoption of VTA’s Budget Strategies at the December 10, 2009 Board of Directors Workshop Meeting.

Mr. Burns referenced the California Transit Association (CTA) lawsuit regarding the State Transit Assistance (STA) funding, noting the State appeal was rejected by the California Supreme Court, which upholds the lower court decision. The CTA was successful in the lawsuit; therefore, VTA expects to receive STA funding possibly in January 2010.

Mr. Burns referenced the budget strategy scenarios handout, noting VTA’s expenses exceed revenues in every scenario, which makes the organizations budget unsustainable.
Mr. Burns stressed the importance and urgency to review labor and benefit cost structures in order to reduce VTA’s expenses.

Mr. Burns noted VTA will utilize its operating reserve fund and 2000 Measure A fund sources to increase revenues, while the organization proceeds with actions to address its financial challenges.

Mr. Burns stated VTA’s financial challenges cannot be addressed entirely through service reductions or employee layoffs since VTA will still have a budget shortfall.

Vice Chairperson Gage noted the importance for VTA’s Board of Directors to be unified in the organization to address the issues and come to a decision.

Board Member Reed stressed the importance to start implementing budget strategy measures sooner rather than later to address the financial issues.

Chairperson Kniss noted the need to identify VTA’s financial challenges as long term issues that need to be resolved and queried about what the other transit agencies are doing to address their issues. Mr. Burns responded VTA is in a better situation than other transit agencies due to its revenue sources. He stressed the importance to have Board discussion on changes to VTA’s business model regarding the core transit services VTA provides.

Mr. Burns stated VTA will continue to provide core transit services but it will be the responsibility of the cities to provide local transportation to link up with VTA’s core service.

Chairperson Kniss noted the City of Palo Alto Transportation Department provides transit services through its Cross Town Shuttle service.

Board Member Casas stated this would make the cities responsible and accountable to provide the local level of transit service, but noted it would be a conscious investment that serves their community.

Vice Chairperson Gage stated the cities would need to determine and make the decision what level of local transit service they need for their community.

Chairperson Kniss noted the City of Palo Alto Cross Town Shuttle service is heavily utilized by its seniors and students.

Board Member Casas stated the City of Los Altos has a dispersed population and large commercial section, but everyone needs to realize funding is finite and it is not possible to solve all the problems without making investments.

Board Member Casas stated if the cities are responsible to provide their own local transit service then they must ensure to take care of their citizens transportation needs.

Board Member Reed expressed concern for VTA to use its entire operating reserve fund as a source to address the financial crisis. Mr. Burns responded there needs to be strategic direction with detailed information from the Board of Directors on how VTA will address the situation to move forward.

Mr. Burns noted due to the political environment it may be necessary to determine if a ballot measure is needed to achieve some of the budget structural strategies VTA may pursue to address its financial constraints.
Chairperson Kniss suggested a Subcommittee be formed to address VTA’s financial challenges and issues.

Vice Chairperson Gage referenced the Ad-Hoc Financial Stability Committee, which worked diligently to develop 19 recommendation strategies to address VTA’s previous financial issues.

Board Member Reed concurred with Chairperson Kniss, noting the Ad-Hoc Financial Stability Committee should be reconvened with the direction to begin working on solutions to address VTA’s current financial situation.

Vice Chairperson Gage stated the Ad-Hoc Financial Stability Committee was comprised of key stakeholders, which meet weekly for discussion sessions, and utilized the assistance of a facilitator who attended the meetings and gathered data for the Committee.

Chairperson Kniss suggested the Ad-Hoc Financial Stability Committee utilize the same model and Vice Chairperson Gage act in the capacity as an advisor to the General Manager regarding the Committee.

Board Member Casas requested an item be forwarded to the November 5, 2009 Board of Directors Regular Meeting regarding a recommendation for consideration to reconvene the Ad-Hoc Financial Stability Committee with the direction to begin working on solutions to address VTA’s current financial situation.

Board Member Casas stressed the importance to utilize the Committee model, which was successful in the past and to allocate staff to facilitate the Committee Meetings.

Chairperson Kniss concurred with Board Member Casas referral to staff, noting it is essential to begin the process to address VTA’s financial challenges.

Board Member Reed stressed the importance to agendized and requested to forward VTA’s Budget Strategies for consideration to the November 5, 2009 Board of Directors Regular Meeting.

Chairperson Kniss referenced Board Member Reed’s concern and request to ensure VTA does not use its entire operating reserve fund as a revenue source to address its financial crisis.

Mr. Burns noted the short timeframe to get the Ad-Hoc Financial Stability Committee information to the Board Members.

Chairperson Kniss suggested an email be sent to the Board of Directors to solicit volunteers to serve on the Ad-Hoc Financial Stability Committee. Chairperson Kniss expressed her appreciation to staff for their diligent work on the budget strategies presentation.

Tammy Dhanota, Chief Steward of Services Employees International Union (SEIU), queried if VTA’s union members would be involved and allowed to participate in the Ad-Hoc Financial Stability Committee meetings. Vice Chairperson Gage responded, “yes” and noted several key stakeholders were involved and participated in the weekly discussion sessions. Vice Chairperson Gage stressed the importance for the volunteers to be aware of the commitment and effort required to serve on the Ad-Hoc Committee.

**On order of Chairperson Kniss** and there being no objection, the Committee discussed the FY 2010 Budget Strategies.
REGULAR AGENDA (continued)

9. **VTA Governance**

Jim Lawson, Senior Policy Advisor, reported at the August 7, 2008 Board of Directors Regular Meeting, the Board appointed the Administration and Finance (A&F) Committee to take up the issue and make a recommendation to the Board on the proposed changes to VTA’s Governance Structure. Mr. Lawson referenced the Hay Group’s Assessment, which identified the Board representation turnover for the small city groupings as a critical challenge to VTA’s Governance Structure.

At the May 1, 2008, the Board approved to eliminate the concept of city groups selecting their representative through a rotation process; VTA Directors will serve a two year term, but appointing authorities are encouraged to reappoint representatives to consecutive terms; and implement a process for selecting VTA Directors within the city groups. VTA Directors should have the required experience and qualifications in transportation.

The A&F Committee discussed the issues at four regular meetings and requested staff to return with several approaches to VTA’s Governance Structure with information on the legal steps required to implement any of the proposals. The following recommendations to change VTA’s Governance Structure are to reconfigure the small city groupings; implement a new process where VTA’s Policy Advisory Committee (PAC) selects the Board Members and Alternate Members accomplished by ranked order and population based; or to take no further action on VTA’s Governance Structure.

Board Member Casas stated the North County city grouping is working well together as is the West Valley city grouping except for the Milpitas, Gilroy, and Morgan Hill (MGM) city grouping.

Board Member Casas expressed his support to not consider any additional changes to VTA’s Governance Structure, noting the recommendations approved by the Board on May 1, 2008 addressed about 95 percent of the concerns raised by the Hay Group Assessment.

Board Member Casas expressed his support to take no action to realign the small city groupings and requested the MGM city grouping work together to address their issues.

Vice Chairperson Gage stated the MGM city grouping does not work well since the cities have nothing in common with one another, noting their issues and challenges are completely different.

Vice Chairperson Gage stressed the importance to consider what is best for the entire County, noting the City of Milpitas will not receive the same opportunity to serve on VTA’s Board unless the small city groupings are reconfigured.

Upon query from Chairperson Kniss, Mr. Lawson stated the legislature specifies five members from the City of San Jose, two members from the County of Santa Clara, and five members divided among the small city groups.

Kevin Allmand, General Counsel, stated the small city groups agreed to the current established city grouping structure recognized in the Joint Powers Agreement for the Santa Clara County Congestion Management Agency (CMA).

Board Member Casas expressed concern VTA would consider altering its structure that
works, simply to address the concerns of one city. Board Member Casas noted the MGM cities have different needs but it does not mean that the City of Milpitas does not have a voice at the table.

Greg Sellers, VTA Board of Director and Governance Subcommittee Member, expressed concern if the current Governance Structure continues then Morgan Hill and Gilroy will have a representative for South County, but Milpitas would be excluded. Mr. Sellers stressed the importance to be fair and allow the City of Milpitas an opportunity to have representation on VTA’s Board of Directors.

Mr. Sellers stated it is crucial and vital for all the small cities to have the opportunity to participate on VTA’s Board of Directors. Mr. Sellers stated Milpitas has commonalities with Santa Clara and Sunnyvale; therefore, it makes sense to reconfigure the three cities into another new city grouping.

Mr. Sellers reported the Governance Subcommittee worked diligently to address VTA’s Governance Structure issues as well as reviewed several proposals, adding some of the smaller cities support the reconfiguration option. Mr. Sellers expressed his support to forward the Governance recommendations for consideration to the November 5, 2009 VTA’s Board of Directors Regular Meeting to allow the Board the opportunity to resolve the issue.

Mr. Lawson distributed a handout entitled, “City Populations – Option 1a – Reconfigured City Groupings” to the A&F Committee Members, noting the seat representation is determined by population per seat. Mr. Lawson reported VTA’s Board of Directors is specifically designed as regionally represented and not required to be absolutely one person one vote, which is why the City of San Jose does not have the majority. The seat representation was determined using the dichotomy between the population based by representation and regional representation.

Board Member Reed concurred with Board Member Sellers comments regarding the reconfiguration of the small city groupings to include a new city grouping, which consists of Milpitas, Santa Clara, and Sunnyvale.

M/S/F (Reed/Gage) on a vote of 2 ayes to 2 noes to approve submitting a recommendation to the Board of Directors to consider: 1) One of the following changes to VTA’s governance structure: a) Reconfigure the small city groupings to include a new city group comprised of Sunnyvale, Santa Clara, and Milpitas, that would appoint two Board Members and one alternate. Board Member Casas and Chairperson Kniss opposed.

Board Member Casas and Chairperson Kniss noted their support to not change the current configuration of the small city groupings.

On order of Chairperson Kniss and there being no objection, the Committee approved forwarding without a recommendation to the Board of Directors for consideration at the November 5, 2009 VTA Board of Directors Regular Meeting the item to consider: 1) One of the following changes to VTA’s governance structure: a) Reconfigure the small city groupings to include a new city group comprised of Sunnyvale, Santa Clara, and Milpitas, that would appoint two Board Members and one alternate: or b) Implement a new process where the VTA Policy Advisory Committee will select the five Board Members and Alternates to represent the small cities; or 2) Take no further action.

NOTE: M/S/F MEANS MOTION SECONDED AND FAILED.
Upon query from Chairperson Kniss, Mr. Allmand responded if VTA’s Board of Directors approve to reconfigure the small city groupings then a resolution would have to be adopted by the Santa Clara County Board of Supervisors, City of San Jose, and 7 other cities, since this action would be based on a majority of the cities and a majority of the population.

Board Member Casas stressed the importance to ensure the process is managed timely and expedited but allows for a smooth transition period.

Vice Chairperson Gage noted the importance to come to a decision and resolve VTA’s Governance Structure as soon as possible.

Board Member Casas expressed his support to allow appointed Board Members to serve a longer term on VTA’s Board of Directors. Board Member Casas stressed the importance to ensure the process allows for a smooth transition period.

OTHER ITEMS (continued)

11. **Items of Concern and Referral to Administration**

There were no Items of Concern and Referral to Administration.

12. **Committee Work Plan**

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

13. **Committee Staff Report**

There was no Committee Staff Report.

14. **Chairperson’s Report**

There was no Chairperson’s Report.

15. **Determine Consent Agenda for the November 5, 2009 Board of Directors Meeting**

**CONSENT:** Agenda Item #7. Ratify the appointment of Aaron Faupell as the City of Milpitas representative on the Bicycle Pedestrian Advisory Committee (BPAC); and Agenda Item #8. Authorize the General Manager to execute on-call task order contracts with three printing firms for four to six color printing services to be utilized on an as-needed basis. Each contract shall be for a period of up to three years, with an option to extend the contract for an additional two-year term. The total amount for all three contracts shall not exceed $1 million for a total of five years.

**REGULAR:** Agenda Item #9. The Santa Clara Valley Transportation Authority (VTA) Board consider: 1) One of the following changes to VTA’s governance structure: a) Reconfigure the small city groupings to include a new city group comprised of Sunnyvale, Santa Clara and Milpitas, that would appoint two Board Members and one alternate; or b) Implement a new process where the VTA Policy Advisory Committee will select the five Board Members and Alternates to represent the small cities; or 2) Take no further action; and Agenda Item #10. FY 2010 Budget Strategies.
16. **Announcements**

There were no Announcements.

17. **ADJOURNMENT**

On order of Chairperson Kniss and there being no objection, the meeting was adjourned at 1:40 p.m.

Respectfully submitted,

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

1. ROLL CALL

The Regular Meeting of the Congestion Management Program & Planning Committee (CMPP) was called to order at 10:07 a.m. by Vice Chairperson Kishimoto in Conference Room B-104, Valley Transportation Authority, River Oaks Campus, 3331 North First Street, San Jose, California.

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
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<tbody>
<tr>
<td>Rose Herrera</td>
<td>Member</td>
<td>Present</td>
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<tr>
<td>Yoriko Kishimoto</td>
<td>Vice Chairperson</td>
<td>Present</td>
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<tr>
<td>Sam Liccardo</td>
<td>Chairperson</td>
<td>Present</td>
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<tr>
<td>Nancy Pyle</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Nora Campos</td>
<td>Alternate Member</td>
<td>N/A</td>
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<tr>
<td>Chris Moylan</td>
<td>Alternate Member</td>
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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.

Chairperson Liccardo took his seat at 10:08 a.m. and a quorum was declared.

CONSENT AGENDA

4. Minutes of September 17, 2009

M/S/C (Kishimoto/Pyle) to approve the Minutes of September 17, 2009.

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

5. Joint Development Portfolio & Priority Schedule

Bijal Patel, Deputy Director Property Development and Management, reported staff is recommending CMPP recommend the board consider and approve the Joint Development (JD) Portfolio and Priority Schedule as outlined in the agenda item.

In April 2009, the board adopted a new Joint Development Policy framework that specified several asset management tools be implemented as the next step for the program. Specifically, it required that a real estate inventory be created that was comprehensive of all assets that have potential for revenue generation. From the inventory, a portfolio was to be created specifically for Joint Development Assets. From the portfolio staff was to create a priority schedule, prioritizing the near-term Joint Development Assets. Both the Joint Development Portfolio and Priority Schedule are required to be adopted by the board.

Collectively, the Joint Development Policy and the Joint Development Implementation Plan are referred to as the JD Guidance Documents.

Member Herrera took her seat at 10:11 a.m.

The JD Guidance Documents require the VTA Board of Directors approve the JD Portfolio and Priority Schedule to ensure the Program is implemented pursuant to a uniform organizational vision.

Ms. Patel provided a Power Point Presentation detailing the Joint Development Guidance Documents (Adopted April 2009) as: 1) Real Estate Inventory; 2) Joint Development Portfolio; and 3) Joint Development Priority Schedule.

Ms. Patel’s discussion included information on: 1) Methodology; 2) Analysis; and 3) Recommendation.

Methodology: 1) Real Estate Inventory; 2) Local Jurisdictional Outreach; Developer/Market Response; and 3) Economic Analysis.

Analysis: 1) Diversified Real Estate Inventory; 2) Light Rail Transit Park-and-Ride Lots; 3) Caltrain Stations; 4) Other Sites; 5) Economic Findings; and 6) Summary Research & Analysis Matrix.

Recommendation: 1) Joint Development Portfolio; 2) Permanent Disposition; and 3) Priority Schedule: Priority Sites.

Next steps include: 1) Received recommendation from PAC at its October 8, 2009, meeting; 2) Seeking recommendation from CMPP at its October 15, 2009, meeting; and 3) Categorization of Assets, JD Portfolio and Priority Schedule.

Ms. Patel noted this information item will be presented to the CMPP as an action item in spring 2010. Ms. Patel stated, as an organization, VTA needs to focus efforts, address constraints, and position these properties so that VTA is prepared when the market is ready.
Ms. Patel recognized Property Development staff members Jennifer Rocci, Senior Transportation Planner, and Tamiko Percel, Intern, and commended them for their efforts in the preparation of this report.

Ms. Patel noted, if bond proceed assets are sold, the funds are kept in a separate account. Interest on those proceeds may be used to pay down the bond.

Member Pyle noted at least three listed properties that affect her district: 1) Almaden; 2) Blossom Hill; and 3) Branham. She expressed concern over the sale of property that might be needed for future population increases. Ms. Patel noted all three of these sites are listed in the JD Portfolio. Assets listed in the JD Portfolio are not recommended for sale, but are all suitable for joint development.

Michael T. Burns, General Manager, stated preservation of parking for transit users would be a key part of VTA’s valuation.

Member Pyle questioned the plan for the 4.8 acres in Almaden. Ms. Patel noted part of the 4.8 acres is currently used for parking and staff is still working on a policy for parking replacement, whether it should be one-to-one replacement or per a particular demand forecast that has yet to be addressed.

Member Pyle suggested legitimizing the current illegal parking on specific VTA-owned properties, thereby gaining a source of income. Ms. Patel noted liability and economic issues would need to be addressed.

Member Herrera questioned regarding Capitol Light Rail and Eastridge. Ms. Patel noted there is a limited amount of leasing, licensing, or joint development revenue that can be generated from properties for private use, otherwise the bond is jeopardized. If an asset is sold, the funds can be kept in a segregated account that can generate interim interest to pay down some of the bond debt. Ms. Patel noted the funds from an asset can be used to fund other capital projects. Staff will continue to identify the constraints and options for revenue. Ms. Patel then noted Eastridge is part of a longer-term strategy, stating there are other opportunities within the portfolio to focus on before Eastridge.

Vice Chairperson Kishimoto confirmed with John Ristow, Chief Congestion Management Agency (CMA) Officer and Staff Liaison, that the JD list can be changed by future vote.

Vice Chairperson Kishimoto questioned future plans for VTA headquarters. Mr. Burns noted staff has researched taking advantage of the First Street Redevelopment Program. By developing the site of the current headquarters as a transit-oriented development, revenues could be used to relocate VTA staff/headquarters to a more urban setting, such as the Downtown San Jose or the Diridon Station area.

Mr. Burns noted the footprint for the existing headquarters could be reduced by increasing the height of the building for VTA use and then develop the remaining property. Mr. Burns stated this is an idea that has been considered. Mr. Burns noted, even in a better market with better macro conditions, staff had not been able to move this beyond the idea stage. He deemed it a “long shot.”
Mr. Ristow noted the land use for the River Oaks property has been changed, to match the City of San Jose’s goals for the area.

Vice Chairperson Kishimoto questioned parking fees. Mr. Ristow noted parking fees would be addressed system wide, but applied in individualized areas, when BART and the High Speed Rail (HSR) start to come online. Vice Chairperson Kishimoto noted her support for charging parking fees.

Vice Chairperson Kishimoto noted her interest in a multimodal approach to transportation and recommended amending the motion to direct staff to evaluate parking, bicycle and pedestrian guidelines and to design a policy as part of the update to the Community Design and Transportation (CDT) Program Manual. Members of the Committee noted they would accept such an amendment.

Vice Chairperson Kishimoto referenced existing Park & Ride lots and questioned whether VTA was looking to purchase new land for Park & Ride lots or future Joint Development. Ms. Patel stated there is no funding available to purchase additional Joint Development properties despite the tremendous opportunities. Acquisition of projects is through the right-of-way program for Park & Ride lots.

Mr. Ristow noted additions will be made to the Joint Development List as properties are purchased for the BART project.

Vice Chairperson Kishimoto reported when the Dumbarton Express Park and Ride lot capacity was doubled in the East Bay, the lots were instantly filled and ridership increased dramatically.

Chairperson Liccardo thanked Ms. Patel for her presentation. He referenced the Redevelopment Agency’s Parking Plus Program, where the Redevelopment Agency pays developers for use of structured parking spaces. Chairperson Liccardo questioned whether VTA is considering a similar program. Ms. Patel noted this is a multi-departmental issue and staff needs to look at all options.

Mr. Ristow stated accommodations must be made for parking now and in the future. He noted an arrangement, similar to what is being done in Downtown San Jose, must be made.

Chairperson Liccardo questioned the potential relocation of the Cerone maintenance yard. Ms. Patel noted rather than moving the site, perhaps the best option would be consolidation.

Chairperson Liccardo questioned the priority schedule for the Diridon parking lot, noting the public may be more eager to purchase than the private entities. Mr. Ristow noted VTA had been contacted by both public and private entities.

Chairperson Liccardo questioned the priority schedule and asked if staff was attempting to obtain entitlements on those sites. Ms. Patel noted the importance of being realistic in this economy. VTA has had to change its thinking on these sites and market them more effectively. As with Cerone, it will be a long-term discussion with developers. She stated other sites are dealing with existing constraints.
Chairperson Liccardo defined Eastridge as a great opportunity and noted his surprise it was not included on this list. He questioned if the delay had to do with the Light Rail schedule. Mr. Ristow noted the delay was partially due to the Light Rail, whether the transit center will be rebuilt, as well as the potential purchase of additional property. He noted that is subject to a future decision by the board.

Member Herrera questioned whether transit would be rebuilt at the same Eastridge location. Mr. Ristow stated it would.

Vice Chairperson Kishimoto questioned the merit in developing a policy, to prioritize use of revenues from this program for acquisition of other real estate, so that VTA does not lose. Ms. Patel noted the funds from the policy adopted in April 2009 go into the JD fund. What happens to those funds is up to future actions by the board. She noted the revenues would be placed in a separate fund.

Member Herrera reiterated her interest in a multimodal aspect.

M/S/C (Herrera/Kishimoto) to approve the JD Portfolio & Priority Schedule as recommended by staff with the condition that planning, design and policy related to parking be evaluated as part of the update of the Community Design and Transportation (CDT) manual.

6. **Funding Program for County Expressway Pedestrian Projects**

Marcella Rensi, Transportation Planning Manager, reported the County of Santa Clara is the owner-operator of eight expressways including: San Tomas, Lawrence, Foothill, Montague, Almaden, Central, Oregon/Page Mill, Capitol and the future Santa Teresa Corridor. The initial Countywide Expressway Study, prepared in 2003, identified locations for new sidewalks that would close gaps in existing sidewalks, access transit stops and provide access to land uses fronting on the expressway.

In order to promote pedestrian safety and multimodal travel, it is in the interests of VTA, the County of Santa Clara and respective cities to explore ways to advance pedestrian projects along expressways.

VTA’s Community Design and Transportation (CDT) Program provides capital funds to support projects that integrate pedestrian and multimodal transportation design elements along major transit corridors, around stations areas, and in urban core areas such as downtown and local main streets.

Ms. Rensi noted CDT grants are not available to most areas along county expressways, because they are typically outside the cores, corridors and station areas defined by local jurisdictions for the CDT Program.

VTA’s Transportation Development Act (TDA) Article 3 provides relatively flexible capital funding for bicycle and pedestrian projects throughout the county on an annual basis. Currently 70 percent of these funds are distributed to the cities and the county, based on the population. The remaining 30 percent are used to fund the projects identified in VTA’s Bicycle Expenditure Program (BEP).
Ms. Rensi stated when VTA took over the CDT Program it kept the 70/30 split, but made the 30 percent into a competitive program. The county did very well in the competitions, gaining $100K to $200K above and beyond their share of the 70 percent, and was able to use those funds to maintain the expressway sidewalks.

When the BEP was created, VTA attached 30 percent of the TDA Article 3 funds to the BEP as part of the fund estimate for that program. There are projects planned against this 30 percent for the next 25 years.

Ms. Rensi noted by attaching those 30 percent funds to the BEP, it took away the funding for expressway sidewalks. Expressway sidewalks are not BEP projects, they do not qualify for the Community Design and Transportation Grant Program. The amount of money the county receives from TDA Article 3, which in a good year is about $70,000 to $80,000, is not enough to meet sidewalk needs. A recent update to the County Expressway Study provides a full inventory of where sidewalk improvements are needed.

Ms. Rensi stated before the CMPP is a proposal to create a small funding program for county expressway sidewalks. Staff has determined the best idea is to restore part of the original TDA Article 3 fund source and to set aside $150,000 per year for county expressway sidewalks.

In order to receive the funds, the county and the respective city(s) where the project is located would be required to jointly sponsor the project, coordinate planning, and commit equal amounts of matching funds which would be matched by VTA on equal one-third shares. VTA’s one-third share would be derived from the $150,000 in TDA Article 3 funding. The combined funding would provide $450,000 for the expressway sidewalk project(s).

Ms. Rensi noted by diverting $150,000 away from the BEP, it would leave that list of projects underfunded. The second part of the proposal would be to backfill that hole with funds from the CDT Program. The CDT Program does not have a defined project list and this would utilize approximately one percent of the program funds over a 25-year period. The estimate is by doing this one CDT project will not get funded over the 25-year period.

Chairperson Liccardo stated pedestrians are not on expressways and questioned why pedestrian projects on the expressways are such a priority. Mr. Ristow stated, at the request of the cities and VTA’s Bicycle & Pedestrian Advisory Committee, a county study was performed that identified pedestrian access to expressways, through gaps and barriers. There is a need to connect pedestrian ways throughout the county. Mr. Ristow noted from this study the county developed a list of pedestrian projects to address this problem. Mr. Ristow reported this project is being driven as much by the cities, as by the county, due to their desire to get involved. This is a fairly small amount of money, for a fairly small amount of projects.

Michael T. Burns, General Manager, noted many of these pedestrian pathways have been worn down by the people walking alongside the expressways. The county is trying to solve a problem and meet a need.
Member Herrera noted phase one of the Light Rail project will address the Capitol Expressway problem. She pointed out a number of deaths from illegal expressway crossings, with the expressway considered an impediment by pedestrians traveling to Eastridge. Member Herrera noted the cities and county are looking at the areas already accessed by pedestrians.

Vice Chairperson Kishimoto stated she had twice been a member of the Expressway Task Force and noted county staff went through exhaustive steps to identify the gaps.

Mr. Ristow noted when the county begins a design they give it a higher level of aesthetics, and safety for pedestrians, by widening the sidewalks.

**M/S/C (Kishimoto/Herrera)** to adopt New Funding Program for County Expressways Pedestrian Projects.

7. **Ramp Metering - Professional Services Contract Amendment**

David Kobayashi, Senior Transportation Planner, reported in April 2008 the board approved an authorization for the General Manager to execute a funding agreement for $2,051,000 with the Metropolitan Transportation Commission (MTC) that specifies the roles and responsibilities to implement ramp metering on three corridors in the County of Santa Clara: 1) Southbound SR85 between Almaden Expressway and Cottle Road; 2) Northbound and Southbound SR 87 between US 101 and SR 85; and 3) Southbound US 101 between Embarcadero and De La Cruz Boulevard.

MTC approved the use of the remaining funds, not yet assigned to a project activity, to go toward additional ramp metering implementation. This proposal was reviewed with the Systems Operations & Management (SOM) Working Group of VTA’s Technical Advisory Committee (TAC) at its June 2009 meeting. The SOM Working Group supported this proposal.

VTA is recommending the assignment of this work to the Mark Thomas & Company team based upon the following reasons: 1) experience and knowledge of implementing ramp metering on freeway corridors in the County of Santa Clara and other parts of the Bay Area; 2) recommended contractor is familiar with current project efforts in regards to the Caltrans requirements; 3) use of another contractor would require a learning curve for another engineering firm; and 4) VTA staff and local stakeholders are pleased with the work this team has performed to date.

Mr. Ristow praised Mr. Kobayashi’s efforts on this project, noting money is leftover from the original $2,051,000 thanks to the good work Mr. Kobayashi has performed.

Chairperson Liccardo expressed his appreciation for Mr. Kobayashi’s efforts.

**M/S/C (Herrera/Pyle)** to authorize the General Manager to execute a contract amendment with Mark Thomas & Company in an amount not to exceed $303,395, for a new contract amount of $1,244,677 for engineering services to implement ramp metering on I-880 between SR 237 and I-280 in the PM peak period.
8. **American Recovery and Reinvestment Act (ARRA) Local Streets & Roads Project Cost Savings**

Marcella Rensi, Transportation Planning Manager, stated a significant cost savings was achieved, 10 percent to 50 percent of the engineer’s estimate, for 15 of the initial 19 county 2009 American Recovery and Reinvestment Act (ARRA) projects.

The Metropolitan Transportation Commission (MTC) is allowing the Congestion Management Agencies (CMAs) to redirect those costs savings to other projects within their counties. Funds that cannot be redirected to projects within the county must be returned to MTC for programming at their discretion. To prevent forfeiting any cost-savings funds, staff recommends the following redistribution strategy: 1) Project sponsors have the first opportunity to use ARRA cost savings; 2) Those project sponsors who cannot use all of their allocated ARRA funds may give them to a project sponsor who can apply them to an approved ARRA project; and 3) Should “second round” savings become available from these new projects, and neither (1) and/or (2) can be applied, VTA will redirect those savings to a federally-funded, regionally-significant Santa Clara County project.

A list of projects affected will be provided at the November VTA Board of Directors meeting.

**M/S/C (Pyle/Herrera)** to recommend the VTA Board adopt revisions to the distribution strategy of the 2009 American Recovery and Reinvestment Act (ARRA) local streets and roads funds to accommodate cost savings.

9. **1996 Measure B Transportation Improvement Program - Landscaping and Long Term Maintenance Project**

Ven Prasad, Engineering Group Manager - Highways, identified Restoration Resources as the lowest bidder on this project. He noted, as part of the 1996 Measure B Transportation Improvement Program biology mitigation, two developed sites are: 1) Riverside Drive along Coyote Creek in San Jose; and 2) Llagas Creek flood control channel near Route 152 in Gilroy.

Mr. Prasad stated staff proposes to contract out services to maintain the site for the remaining part of the monitoring program. The landscaping and long term maintenance contract will be responsible for replanting the Route 152 site and for the long-term maintenance at both the Riverside site and Route 152 site through April 2013.

Vice Chairperson Kishimoto questioned the existence of landscaping guidelines. John Ristow, Chief CMA Officer and Staff Liaison, reported these mitigation sites have very stringent requirements as to what can and cannot be planted.

Mr. Ristow noted a capital project sustainable landscaping policy should be developed for consideration by the Board of Directors.

Chairperson Liccardo questioned whether there were any priority projects from the 1996 Measure B Program still requiring funding. Mr. Ristow noted VTA is working on cleaning up the loose-ends following the completion of all of the priority projects.
Vice Chairperson Kishimoto praised the staff authored supplemental report, which provides advisory committee comments on items currently before the standing committees.

M/S/C (Pyle/Herrera) to authorize the General Manager to execute a contract with Restoration Resources, the lowest responsible bidder, in the amount of $276,060 for the Landscaping and Long Term Maintenance Project.

10. Milpitas BART Station – Pedestrian Overcrossing Connection to Montague Light Rail Station

Carolyn Gonot, Chief Silicon Valley Rapid Transit (SVRT) Program Officer, noted the discussion before the CMPP will primarily focus on the connection at the Milpitas BART Station.

Ms. Gonot noted station designs have been completed to 65 percent, but the station campus area designs are at roughly 10 percent due to discussions with the cities.

Ms. Gonot noted staff intends to move into a higher design level over the next six months, but noted there are ongoing discussions with the cities about campus layouts. Staff is working closely with the cities on the stations, in hopes of reaching a design level of 35 percent before going into final design.


Vice Chairperson Kishimoto questioned the planned fee for parking. Ms. Hedayat noted the parking fee would be $3.00.

Vice Chairperson Kishimoto questioned if there would be secure bicycle parking facilities. Ms. Hedayat stated secure bicycle parking facilities would be provided. She noted conversations are being held with the cities and staff is looking at BART to determine what BART has implemented and lessons they have learned.

Vice Chairperson Kishimoto questioned if this was going to be included as part of the County Bicycle Plan. Ms. Hedayat stated the list has been prepared in anticipation of meeting with the cities to discuss connections. Vice Chairperson Kishimoto confirmed with Ms. Hedayat that staff would be discussing this with VTA’s Bicycle & Pedestrian Advisory Committee.

Member Herrera confirmed with Ms. Hedayat that a gap analysis study had identified future links. Ms. Hedayat stated graphics show planned linkages and known gaps.
Ms. Hedayat emphasized the importance of the connection between BART and the Light Rail. She noted conflicts will be reduced for those transferring between the Light Rail and BART.

Mr. Ristow reported on the vertical and horizontal differences between the Light Rail Station and the underground BART Station that must be addressed. Ms. Hedayat noted that, although these differences cannot be eliminated, the design will do its best to provide a seamless connection for passengers.

Vice Chairperson Kishimoto questioned how riders would access The Great Mall from the BART or Light Rail Stations. Ms. Hedayat noted the City of Milpitas is also seeking a seamless connection to The Great Mall and staff will be working to address this during the next design phase.

Ms. Hedayat noted the next steps will include working with the city partners to: 1) refine the connections between BART and Light Rail, BART and Bus, and parking and BART; 2) reduce the vertical situation; 3) look at property management; and 4) right-of-way footprint.

Chairperson Liccardo noted his appreciation for staff’s emphasis on a seamless connection between BART and Light Rail. He stated the importance of not requiring passengers to travel outdoors, and across a parking lot, to make the connection.

Chairperson Liccardo and Member Herrera emphasized the City of San Jose’s interest in a seamless connection between BART and Light Rail.

Member Herrera noted the importance of connecting other major South Bay shopping centers to the Light Rail and BART.

Michael T. Burns, General Manager, noted staff is looking into extending the Light Rail station to provide a more seamless connection to the BART station. There are physical constraints with the construction of BART, the construction of Light Rail, and what the city has planned for the Montague/Capital area. Mr. Burns noted there are many infrastructure challenges in that area.

Member Herrera noted the vertical constraints are easy to work with, through the use of escalators as utilized by transfer stations around the world, as long as the stations are within close proximity to one another.

Vice Chairperson Kishimoto expressed concern over the planned parking for 7,000 vehicles and asked if other shuttle or bus options were being considered. Ms. Hedayat stated parking would be built in stages, as needed, with initial parking planned for opening day and a few years into the future.

On order of Chairperson Liccardo and there being no objection, the committee received an update on the Milpitas BART Station pedestrian overcrossing connection to Montague Light Rail Station.

Chairperson Liccardo left the meeting at 11:43 a.m.
11. **Express Lanes Program Update**

Casey Emoto, Deputy Director Project Development, provided an update on the most recent Express Lanes Program activities: 1) Santa Clara County Express Lanes Projects; 2) Bay Area Regional Express Lanes; 3) Other Express Lanes Projects in California; and 4) Summary of future items for board consideration.

Santa Clara County Express Lanes project updates included: 1) I-680 Express Lanes; 2) SR 237/I-880 Express Connectors; 3) SR 85 Express Lanes; and 4) US 101 Express Lanes.

Bay Area Regional Express Lanes project updates included: 1) Regional Transportation Plan; 2) Assembly Bill 744; 3) Regional Express Lanes Concept of Operations; and 4) Marketing.

Other Express Lanes Projects in California updates included: Los Angeles Express Lanes.

Vice Chairperson Kishimoto questioned Express Lane Revenue usage. Michael T. Burns, General Manager, stated as reported in the Valley Transportation Plan (VTP) 2035, excess revenues will go toward Measure A transit projects.

Vice Chairperson Kishimoto questioned whether the revenue decisions were VTA’s to make or that of the Metropolitan Transportation Commission (MTC). John Ristow, Chief CMA Officer and Staff Liaison, stated VTA will make the decision for anything completely within the County of Santa Clara, with joint corridor decisions made jointly by VTA and Alameda County’s CMA.

Vice Chairperson Kishimoto questioned Park and Ride lot fees. Mr. Ristow stated this would be addressed through the Express Lanes Program, with the potential recipient being the Express Lanes. Vice Chairperson Kishimoto questioned the timeline. Mr. Ristow stated this would be addressed during the I-680 discussions.

**On order of Vice Chairperson Kishimoto** and there being no objection, the committee received an update on the Silicon Valley Express Lanes Program.

**OTHER**

12. **Items of Concern and Referral to Administration**

Vice Chairperson Kishimoto directed staff to evaluate parking, bicycle and pedestrian guidelines and to design a policy as part of the update to the Community Design and Transportation (CDT) Program Manual.

Vice Chairperson Kishimoto requested a capital project sustainable landscaping policy be developed for consideration by the Board of Directors.

13. **Committee Work Plan**

**On order of Vice Chairperson Kishimoto** and there being no objection, the committee reviewed the Committee Work Plan.
14. **Committee Staff Report**

John Ristow, Chief CMA Officer and Staff Liaison, provide a handout to the committee which included information on:

Local Events: 1) Groundbreaking for the BART Extension to Warm Springs occurred on September 30, 2009, in Fremont.

High Speed Rail / Caltrain Electrification: 1) policy working group meeting on October 15, 2009, to discuss alternative alignment options and criteria used to evaluate the options; 2) California application for ARRA funds submitted by Governor to Federal Railroad Administration (FRA) on October 2, 2009; 3) California is requesting $4.5 billion from a national funding source of $8 billion, including a total request of $1.8 billion for the peninsula segment and additional funds for professional engineering and environmental clearance for South County segment; 4) Examples of specific elements requested included $150 million for Diridon Station and $885 million for electrification; and 5) The FRA will decide on final awards in early 2010.

Metropolitan Transportation Commission, State and Federal: 1) The Governor has signed SB 83 (Hancock) which will allow each Bay Area County CMA to put a vehicle registration fee of up to $10 per year before the voters. The bill requires an expenditure plan and is subject to a majority vote. The Bill is modeled after the successful San Mateo County program. The bill was supported by VTA; 5) Joint Planning Committee is discussing methodology and policy guidelines for SB 375 implementation, with regional targets for air quality improvements being released in early 2010; 6) MTC and Association of Bay Area Governments staff are beginning implementation and outreach on the Focus Program by developing criteria for the Priority Development Areas; and 7) The Bay Area Air Quality Management District is developing an Indirect Source Rule, which, among other things, may impose a developer fee on certain types of development.

VTA CMA: 1) VTA issued a Call-For-Projects for the Community Design and Transportation Program – Capital Projects on August 20, 2009, with an application deadline of October 9, 2009; 2) Approximately $5,106 million worth of funds are available with a maximum grant size of $1.5 million per project; 3) Typical projects include pedestrian, bicycle and streetscape, transit and Transit Oriented Development related transportation improvements; and 4) VTA will issue a Call-For Projects for federally funded road rehabilitation projects in early 2010.

15. **Chairperson’s Report**

There was no Chairperson’s Report.

16. **Consent Agenda for November 5, 2009, Board of Directors Meeting**

CONSENT:

Agenda Item #6, Adopt New Funding Program for County Expressways Pedestrian Projects.

Agenda Item #7, Authorize the General Manager to execute a contract amendment with Mark Thomas & Company in an amount not to exceed $303,395, for a new contract
amount of $1,244,677 for engineering services to implement ramp metering on I-880 between SR 237 and I-280 in the PM peak period.

Agenda Item #8, Recommend the VTA Board adopt revisions to the distribution strategy of the 2009 American Recovery and Reinvestment Act (ARRA) local streets and roads funds to accommodate cost savings.

Agenda Item #9, Authorize the General Manager to execute a contract with Restoration Resources, the lowest responsible bidder, in the amount of $276,060 for the Landscaping and Long Term Maintenance Project.

Agenda Item #11, Receive an update on the Silicon Valley Express Lanes Program.

REGULAR:

Agenda Item #5, Approve the JD Portfolio & Priority Schedule as recommended by staff.

17. ANNOUNCEMENTS

There were no announcements.

18. ADJOURN

On order of Vice Chairperson Kishimoto and there being no objection, the meeting was adjourned at 11:52 a.m.

Respectfully submitted,

Susan E. Garcia, Board Assistant
Office of the Board Secretary
Transit Planning and Operations Committee

Thursday, October 15, 2009

NOTICE OF CANCELLATION

NOTICE IS HEREBY GIVEN that the Santa Clara Valley Transportation Authority Transit Planning and Operations Committee meeting scheduled for Thursday, October 15, 2009, at 4:30 p.m. has been cancelled.

Menominee L. McCarter, Board Assistant
Office of the Board Secretary
Audit Committee
Thursday, October 1, 2009

MINUTES

CALL TO ORDER

The Regular Meeting of the Audit Committee was called to order at 4:30 p.m. by Chairperson Gage in Room 157, County Government Center, 70 West Hedding Street, San Jose, California.

1. ROLL CALL

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<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
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<tbody>
<tr>
<td>David Casas</td>
<td>Vice Chairperson</td>
<td>Present</td>
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<tr>
<td>Don Gage</td>
<td>Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Nancy Pyle</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Greg Sellers</td>
<td>Member</td>
<td>Present</td>
</tr>
</tbody>
</table>

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. Minutes of March 5, 2009

M/S/C (Casas/Sellers) to approve the Minutes of March 5, 2009.

5. Minutes of May 7, 2009

M/S/C (Casas/Sellers) to approve the Minutes of May 7, 2009.

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

6. Security Guard Qualification and Training Internal Audit

Michael T. Burns, General Manager, reported the Auditor General has completed its first audit as part of the Fiscal Year (FY) 2010 Internal Work Plan approved by the VTA Board of Directors. The audit conducted was on the security guard qualification and training due to VTA’s transition from Securitas Security Services to AlliedBarton Security Services LP. Mr. Burns acknowledged Michael Hursh, Operations Deputy Director, and Captain Robert Schiller were in attendance, noting their availability to address any concerns/questions.

Pat Hagan, Auditor General, Deloitte & Touche, LLP, introduced team members Farah Faruqui, Partner, and Sandra Koning, Manager.

Member Pyle took her seat at 4:34 p.m.

Mr. Hagan provided a summary report on the Auditor General Report No. 2009-01, Security Guard Qualification and Training Internal Audit. He reported the Security Guard Qualification and Training Internal Audit was a compliance audit that related to the transition from Securitas to AlliedBarton. He noted it was a compliance audit of the contractual requirements between VTA and the contractor. The objectives of the internal audit were to: 1) Assess whether AlliedBarton security personnel serving VTA were in compliance with training and certification requirements specified in contract terms; and 2) Assess the effectiveness of VTA processes for monitoring contractor reports of compliance with training and certification requirements.

Mr. Hagan reported out of a total of 81 AlliedBarton security guards assigned to VTA, a sample of 25 armed and unarmed security guards was selected for the testing period of March 13, 2009 through June 30, 2009. Based upon the sample selected, it appeared AlliedBarton complied with the key training and certification requirements.

The Internal Audit determined VTA’s informal monitoring process could be improved through formalization of the process and controls. The Internal Audit observed several lower relative risks and recommended VTA either amend the Agreement to reflect current practice and document exceptions to the Agreement, or comply with the training requirements in accordance with the Agreement.

Mr. Hagan reported on VTA’s management response, noting VTA concurred with the Internal Audit findings. He thanked Mr. Burns and staff for their cooperation and support.

Mr. Hagan reported on the responsibilities of the AlliedBarton security guards. He reported VTA and AlliedBarton indicated the transition from Securitas to AlliedBarton went smoothly, noting a number of Securitas guards were retained by AlliedBarton.
Mr. Hagan reported on the scope of contract requirements assessed and VTA processes assessed. He noted the overall risk rating was “low.”

Chairperson Gage queried if the same number of personnel were involved from the previous contractor up till now. Mr. Hursh noted the scope of the security services were essentially the same level of protection as with the previous contractor. Upon query of Chairperson Gage, Mr. Hursh reported on the level of firearms training of AlliedBarton, noting it exceeded State requirements.

Upon query of Vice Chairperson Casas, Mr. Hursh indicated tasers were not issued to the security guards. Vice Chairperson Casas queried if AlliedBarton was responsible for the operation of surveillance video equipment. Mr. Hursh noted AlliedBarton was not responsible for the maintenance or upkeep of the Closed Circuit Television (CCTV) system. VTA has contracted personnel to maintain the surveillance video equipment.

Vice Chairperson Casas referenced the Auditor General Report No. 2009-01, Page 3 of 12, last bulleted item under the security guards responsibilities: “closed circuit television and other security services as required by VTA.” He indicated it is not specified whether testing is conducted. Vice Chairperson Casas commented in order to solve a crime from a security standpoint, one wants to make sure the assets are functional and also relevant from the image that is produced. Mr. Hagan indicated from an audit perspective, when testing some of the technology areas that could be part of the scope.

Vice Chairperson Casas queried if random checks were conducted for criminal backgrounds, liens, and bankruptcies. Mr. Hursh reported on the criminal background check procedures and Mr. Hagan noted civil record checks were also conducted.

Member Sellers queried if there was an opportunity to independently verify alcohol testing was being conducted on a quarterly basis. Mr. Hagan noted from an audit perspective, VTA has to request the reports and has not done so at this time. Mr. Hursh indicated from an operational perspective, if there are any issues, VTA operational staff is notified, noting there is plenty of data sharing between AlliedBarton and VTA.

Mr. Hagan referenced the Auditor General Report No. 2009-01, Security Guard Qualification and Training Internal Audit, Exhibits A.C.6, A.C.7, A.D.3, and A.H.1.C under Section 1.0 – Contract Compliance with Training and Qualification Requirements. He provided an overview of the internal audit observations, individual area’s risk rating, Auditor General’s recommendation, and management’s response.

In reference to management’s responses, Chairperson Gage requested a checklist be completed identifying areas covered.

Vice Chairperson Casas expressed concern regarding the chart formatting and requested each exhibit header have some type of connectivity.

**On order of Chairperson Gage** and there being no objection, the Committee reviewed the Security Guard Qualification and Training Internal Audit Report.
7. **External Financial Auditor Review FY2009 Audit Plan**

Joseph T. Smith, Chief Financial Officer, reported pursuant to state law and VTA’s Administrative Code, VTA is required to have an annual audit conducted on its financial statements. He introduced Leonard Danna, Partner, Vavrinek, Trine, Day & Co., LLP (VTD), and noted Mr. Danna would be providing an overview of the Audit Plan.

Mr. Danna, VTD, directed attention to the presentation entitled, “Audit Plan for the Year Ended June 30, 2009,” and provided an overview, highlighting: 1) Scope Changes for 2008-09; 2) 2008-09 Fee Analysis; 3) Significant New Accounting Pronouncements; 4) Timetable: Interim, Final and Completion; noting VTD received and was in the process of reviewing the first draft of the financial statements; and the National Transit Database (NTD) audit work was to be completed the week of October 5, 2009; 5) Interim Work Completed to Date; and 6) Final Audit Work Procedures. Mr. Danna noted VTD expects to meet all of its deadlines going forward.

Upon query of Chairperson Gage, Mr. Smith noted VTA staff has been reviewing the Audit reports.

Chairperson Gage queried if a summary of the audits were made available to the public. Mr. Smith indicated VTA provides the Comprehensive Annual Financial Report (CAFR), which is posted on VTA’s Website.

Vice Chairperson Casas referenced the Audit Plan for the Year Ended June 30, 2009 presentation, Page 3, 2008-09 Fee Analysis, fourth bulleted item: “In addition, VTA staff proposed additional scope changes as noted in the previous slide which resulted in a further fee decrease.” Vice Chairperson Casas noted the previous slide, Page 2, Scope Changes for 2008-09, showed there was no separate audit report for Measure A and CMP. He queried it was not that VTD was not conducting the work; VTD was just not sending out a separate report. Mr. Danna indicated that was correct. If a separate report was conducted of those two components, VTD would have the audit to a lower level of materiality, which means VTD would be conducting more work. Vice Chairperson Casas commented from a standpoint, you are talking millions of dollars and a savings of $20,000. He queried if VTD sees any material risk on not going down to that level of detail. Mr. Danna indicated, “no.”

Vice Chairperson Casas referenced Page 6, Interim Work Completed to Date, third bulleted item: “High risk areas noted include investments, capital grant accruals, sales tax, STA and TDA revenues and classification of restricted vs. unrestricted program resources including Measure A restricted funds.” Vice Chairperson Casas focused on sales tax, and indicated Governor Arnold Schwarzenegger is trying to convene a new special session to address sales tax collection. He asked what impact this may have on VTA. Mr. Danna indicated whatever was proposed or to be proposed was not pertinent to the June 30th audit. He noted the reason sales tax is a risk, was because it is a significant revenue source.
On order of Chairperson Gage and there being no objection, the Committee reviewed the Scope of Work for Annual Financial Audit Services.

8. **Internal Audit Work Plan**

Pat Hagan, Auditor General, Deloitte & Touche, LLP, directed attention to the presentation entitled, “Review Status of Internal Audit Activities,” and provided a summary, highlighting: 1) Audit Plan FY 2010 and FY 2011 (presented May 2009); 2) Timeline of Internal Audit Activities (presented May 2009); and 3) Silicon Valley Rapid Transit (SVRT) Project Status. In reference to SVRT, Mr. Hagan noted a report containing the risk ranking would be presented at the next scheduled Audit Committee meeting.

Vice Chairperson Casas queried if the next Audit Committee meeting was scheduled for December 10, 2009 at 1:00 p.m. Michael T. Burns, General Manager, indicated “yes.”

On order of Chairperson Gage and there being no objection, the Committee received a verbal report on the Status of Internal Audit Work Plan.

**OTHER ITEMS**

9. **Items of Concern and Referral to Administration**

There were no Items of Concern and Referral to Administration.

10. **Committee Work Plan**

Michael T. Burns, General Manager, directed attention to the items to be presented at the Thursday, December 10, 2009, Audit Committee Meeting.

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

11. **Committee Staff Report**

There was no Committee Staff Report.

12. **Chairperson’s Report**

There was no Chairperson’s Report.

13. **Determine Consent Agenda for the November 5, 2009 Board Meeting**

**CONSENT:**

Agenda Item #6. Review the Security Guard Qualification and Training Internal Audit Report
REGULAR:

None

M/S/C (Pyle/Sellers) to approve placing Agenda Item #6. Review the Security Guard Qualification and Training Internal Audit Report, on the November 5, 2009 Board of Directors Consent Agenda.

14. **Announcements**

Vice Chairperson Casas referenced Attachment 6.a, Auditor General Report No. 2009-01, Security Guard Qualification and Training Internal Audit, charts summarizing the internal audit observations, individual area’s risk rating, Auditor General’s recommendation, and management’s response. He requested the charts be formatted into an easy to read document prior to the November 5, 2009 Board of Directors Meeting.

Michael T. Burns, General Manager, acknowledged the accomplishments of the Audit Committee, including the appointment of the Auditor General and conclusion of the first Internal Audit Report.

15. **Adjournment**

On order of Chairperson Gage and there being no objection, the meeting was adjourned at 5:13 p.m.

Respectfully submitted,

Tracene Y. Crenshaw, Board Assistant
Office of the Board Secretary
SUMMARY MINUTES

CALLED TO ORDER at 1:05 pm

1. ROLL CALL

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<tr>
<th>Attendee Name</th>
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<tbody>
<tr>
<td>Lori Arnberg</td>
<td>Member</td>
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<tr>
<td>Emma Eljas</td>
<td>Member</td>
<td>Absent</td>
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<tr>
<td>Christina Fernandez</td>
<td>Staff Aide to Ex-Officio Board Liaison Reed</td>
<td>Present</td>
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<tr>
<td>Linda Gallo</td>
<td>Member</td>
<td>Absent</td>
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<tr>
<td>Sandra Gouveia</td>
<td>Second Vice Chairperson</td>
<td>Absent</td>
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<tr>
<td>David Grant</td>
<td>Member</td>
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<tr>
<td>Katie Heatley</td>
<td>Ex-Officio Member</td>
<td>Present</td>
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<td>Troy Hernandez</td>
<td>Member</td>
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<td>Marjorie Jensen</td>
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<td>Connie Langford</td>
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<td>Martin Lasich</td>
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<td>Laura Michels</td>
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<td>Mike Montague</td>
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<tr>
<td>Aaron Morrow</td>
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<tr>
<td>Shawna Nourzaie</td>
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<tr>
<td>Larry Saltman</td>
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<td>Dilip Shah</td>
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<tr>
<td>Thomas Slack</td>
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<tr>
<td>Barbara Stahl</td>
<td>Member</td>
<td>Present</td>
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<tr>
<td>William Zhu</td>
<td>Member</td>
<td>Absent</td>
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A quorum was not present and a Committee of the Whole was declared.

2. INTRODUCTION OF AUDIENCE MEMBERS

The Committee of the Whole received introductions from the audience including: Mark Romoser, Silicon Valley Independent Living Center; Joonie Tolosa, Manager Operations Analysis, Reporting and Systems; Andrew Ittigson, Consultant; Jason Tyree, Transportation Planner; Scott Haywood, Policy and Community Relations Manager;
3. PUBLIC PRESENTATIONS:

Walter Schinke, Interested Citizen, thanked staff for accompanying him to several bus stops and the transit station in Gilroy to assess accessibility. He thanked VTA staff for coordinating with the City of San Jose on plans for a sidewalk and accessible bus stop at Great Oaks and Vineyard in San Jose which services the San Jose Veterans Clinic. Mr. Schinke requested staff continue providing reminders to drivers regarding tie downs issue. He indicated his awareness of the difficulty to fix bus stops because of property lines. He suggested drivers ensure there is room for a person to get on or off the bus when the lift is deployed.

Mark Romoser, Interested Citizen, expressed concern regarding the recent service reductions and the Outreach policy change for certain areas populated outside the new corridors noting the absence of service. He suggested VTA take paratransit corridors into account when creating fixed route service areas.

David Grant, Interested Citizen, indicated several of his students submitted an application for the Adopt-A-Stop program and never received any feedback. Customer Service was contacted and they were told staff would be in contact regarding the application. Mr. Grant noted they had not yet received a response.

Patrick Griffith, Customer Service Supervisor, took a copy of the application from Mr. Grant and he will provide a response.

4. Minutes of September 9, 2009

The Committee of the Whole deferred the Minutes of September 9, 2009.

5. Chief Operating Officer

The Committee of the Whole received an update from the Chief Operating Officer.

Staff provided a brief update on the following: Decline in ridership being experienced by VTA and partner agencies; New Prius vehicles received by Outreach; Between Car Barriers Bollards demonstration at Almaden Light Rail station; and, CTA reappointments.

The Committee of the Whole questioned if it is common for transit properties to report ridership numbers and adapt them later. Staff responded agencies don’t typically change their numbers, but Alameda County Transit indicated they are going through some systematic changes with how they do their ridership reporting.

The Committee of the Whole questioned the amount of money VTA receives for operating the Dumbarton Express. Staff indicated VTA contributes $350,000 annually for the Dumbarton operation.
The Committee of the Whole questioned why there has been no increase in the fare for the Highway 17 Express. Staff responded they are working with Santa Cruz Metro to develop an increase which will go into effect sometime next year.

BUSINESS REFERRED TO COMMITTEE BY THE BOARD OF DIRECTORS/GENERAL MANAGER

6. **Board of Directors Report**

The Committee of the Whole received the Board of Directors Report.

Christina Fernandez, Staff Aide to Ex-Officio Board Liaison Reed, provided a brief report from a visit to Washington, D.C., by Board Member Reed, Board Vice-Chairperson Liccardo, and Michael T. Burns, General Manager, to advance the regional transportation priorities. Ms. Fernandez indicated the U.S. Secretary of Transportation, Ray LaHood, and other administrators were impressed with the progress of the BART project and San Jose was highlighted as a model city for meeting federal requirements and securing funding.

7. **The Committee of the Whole** received the Quarterly Legislative Report.

Staff provided a brief summary of the Federal and State programs, bills, and legislation affecting transportation. Federal changes highlighted were the extension of the current federal transportation bill, Safe Accountable Flexible Efficient Transportation Equity Act - A Legacy for Users (SAFETEA - LU), and the one month extension for transportation appropriations passed by Congress. California legislature wrapped up their session with approximately 700 bills awaiting the Governor’s signature. Ten of the 15 bills VTA took position on are on the Governor’s desk and one has been signed.

The Committee of the Whole questioned what bill was signed. Staff responded AB112 which gives VTA authority to provide funds for local streets and roads.

8. **The Committee of the Whole** received the Pass-Up Complaints from Persons with Disabilities Report.

Staff provided a follow up to an off agenda report which indicated how operators proceed with buses being full and buses whose wheelchair spaces are already occupied. They indicated these are the only times operators are allowed to pass a stop without picking up passengers. Operators are required to stop and make contact with someone in a mobility device if there is no space available for them on the coach and Operations Control Center (OCC) must be contacted.

The Community of the Whole questioned if another bus will be provided. Staff responded the next regularly scheduled bus will pick up passengers but if it’s the last bus, alternative transportation will be provided.

The Committee of the Whole questioned if a driver is required to stop if people are sitting at a bus stop and not standing. Staff responded if a person is making movement, the driver must stop.
The Committee of the Whole expressed concern with comments that have been made about drivers passing up passengers because of the amount of times it takes to operate a lift, and indicated their dissatisfaction with the information staff has presented. They indicated statistics should be higher but believe passengers are not calling in and complaining.

Staff responded they are aware it happens and it is taken seriously and operators are trained and made aware that people need to have enough time to get to the bus. They indicated some of situations may be contributed to passengers trying to board training coaches which are not in service.

The Committee of the Whole questioned how many complaints a driver can receive before something happens. Staff responded a larger view is taken of a driver’s entire record and steps for discipline are handled on an individual basis.

The Committee of the Whole questioned if passenger complaints was the only way of getting data. Staff indicated information can be obtained in cases where a bus is full, but the only way to get information on people being passed up because of a driver’s choosing is through individuals calling in.

The Committee of the Whole questioned if operators are reprimanded for consistently failing to maintain schedules and suggested looking at adjusting timetables so drivers don’t feel so rushed. Staff indicated there are too many constraints to penalize drivers for falling behind schedule but they are penalized for running early.

The Committee of the Whole suggested steps to rectify the issue including providing monitors on buses and sending a memo to the operators letting them know it is an issue that is being taken seriously. They requested the item be brought back to the Committee.

9. The Committee of the Whole received a report on the Guadalupe South Line Elevators and Escalators Retrofit Project.

Staff provided a report and information on the planned service interruptions of elevators and escalators on the light rail platforms of several stations along the Guadalupe South line. Staff indicated the retrofit project is expected to take 8-10 weeks to complete at each station. The closure of the elevators and escalators will prevent access to the station by some persons with disabilities. Staff indicated this would prolong the process and be more expensive.

The Committee of the Whole expressed concern with both the elevator and escalators being shut down at the same time and questioned why one cannot remain operable while the other is being upgraded. Staff indicated this would prolong the process and be more expensive.

The Committee of the Whole requested staff look at restructuring the retrofit project indicating the inability for some trips to be planned ahead of time and the difficulty for passengers to choreograph trips with paratransit. Staff responded VTA has experienced this type of interruption with the retrofit project, and they worked with Outreach to develop a process and make arrangements, but indicated they will share the Committee’s comments with the design team.
10. **The Committee of the Whole** received a report on the Light Rail Systems Analysis.

  *Staff* provided an update and presentation on the Light Rail Systems Analysis, evaluating the infrastructure and operating flexibility of the existing light rail lines and proposed changes to the planned system and BART extension. *Staff* provided the five scenarios which are being developed to address the current and projected constraints to the system including, faster service, better rail connections, Almaden integration into system, and new service.

  The **Committee of the Whole** questioned why Scenario E was the only one to include the light rail extension to Eastridge and questioned if funds set aside for that extension would be used to make other improvements. *Staff* responded the analysis will identify the projects and VTA will move forward with a plan based on available funding.

  The **Committee of the Whole** favored a plan which would include the light rail to the Airport and questioned why that is not being considered. *Staff* responded the scope of the analysis is looking at the existing service to see how it can be improved.

  The **Committee of the Whole** questioned where people with disabilities are travelling and indicated the need for policy makers to listen to people in the community while plans are being created.


  *Staff* provided a report on the bus and light rail ridership, key performance indicators, operating expense and revenue, Outreach paratransit services, and ridership for contracted and inter-agency services. *Staff* indicated there was an overall increase in ridership numbers and revenue, and all performance goals were met.

  The **Committee of the Whole** questioned the increase in ridership when there have been significant decreases during the last few months. *Staff* indicated ridership numbers overall were helped by a strong performance at the beginning of the year.

  The **Committee of the Whole** questioned if gas prices affected ridership numbers. *Staff* indicated when gas reached a certain amount, it spiked ridership, but unemployment rates have had the most impact.

  The **Committee of the Whole** questioned the impact of fare increases on ridership. *Staff* responded light rail is expected to be hit harder and the forecast for revenues is flat.

12. **The Committee of the Whole** reviewed the Committee Workplan.

  The **Committee of the Whole** requested the Pass up Complaints, ACE Committee report, and CTA Nomination of Chair and Vice-Chairs be placed on the Workplan.
The Committee of the Whole questioned if the Farebox item would be brought back to the committee and if an invitation to view possible choices would be given.

REPORTS

13. The Committee of the Whole received the City of San Jose Disability Advisory Commission (DAC) Report.

Chairperson Morrow announced City of San Jose Disability Awareness Day and noted the council’s proclamation of October as Disability Employment Month.

14. The Committee of the Whole received the Committee Staff Report.

Jim Unites, Staff Liaison, announced the retirement of CTA Vice-Chairperson, David Julian and thanked him for his years of service and dedication to the Committee.

15. The Committee of the Whole received the Chairperson’s Report

Chairperson Morrow indicated the need to quiet the fears in the community regarding the redrawing of paratransit lines. Some paratransit users are fearful they will not get rides when needed. He requested those members who work with community service agencies to reassure their clients that they will still get where they need to go.

The Committee of the Whole suggested sending out letters to clients notifying them of the changes and providing solutions for them. Ex-Officio Member Heatley, Director of Outreach, indicated her staff has spent the last 6 months working with individual clients solving problems for those affected by the changes.

The Committee of the Whole questioned what can be done to enlarge area of service or have VTA supply more money for services. Staff responded revenues are declining and there is no money coming in from the State due to the budget so changes have to be made.

The Committee of the Whole requested to see customer feedback on service reductions. Staff indicated that information is available online.

OTHER

16. Announcements

There were no Announcements

19. ADJOURNED at 2:58 p.m.

Respectfully submitted,
CALL TO ORDER

The Regular Meeting of the Citizens Advisory Committee (CAC) was called to order at 4:40 p.m., by Chairperson Tebo, in Conference Room B-104, VTA River Oaks Campus, 3331 North First Street, San Jose, California.

1. ROLL CALL

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<thead>
<tr>
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<tr>
<td>Stephen Blaylock</td>
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<td>Chris Elias</td>
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<td>Ray Hashimoto</td>
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<td>Roberta Hughan</td>
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<td>Erik Larsen</td>
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<td>Gaye Morando</td>
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<td>Charlotte Powers</td>
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<td>Sally Probst</td>
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<td>Connie Rogers</td>
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<td>Martin Schulter</td>
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<td>Peter Skinner</td>
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<tr>
<td>Robert Jacobvitz</td>
<td>CAC Vice Chair</td>
<td>Present</td>
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<tr>
<td>Noel Tebo</td>
<td>CAC Chair</td>
<td>Present</td>
</tr>
</tbody>
</table>

A quorum was present.

2. ORDERS OF THE DAY

Scott Haywood, Policy and Community Relations Manager, reported Michael T. Burns, General Manager, was unable to attend the meeting due to a schedule conflict. Mr. Haywood noted the Quarterly Report from the General Manager will be rescheduled.

Member Skinner arrived at the meeting and took his seat at 4:41 p.m.

On order of Chairperson Tebo and there being no objection, the Committee accepted the Orders of the Day.

3. PUBLIC PRESENTATIONS:

There were no Public Presentations.
4. **Committee Staff Report**

Stephen Flynn, Senior Management Analyst, provided an update on the Advisory Committee Enhancement (ACE) Process status, noting the item was presented at the September 17, 2009 Administration and Finance (A&F) Committee meeting.

Mr. Flynn stated the A&F Committee Members directed staff to return to the ACE Task Force to finalize the ACE recommendations and streamline the resources required.

Mr. Flynn noted the ACE Task Force members have been notified of the ACE Task Force meeting, which is scheduled on Wednesday, October 28, 2009 at 11:30 a.m. at VTA River Oaks Campus in Conference Room B-104.

Mr. Flynn referenced Alternate Board Member and Policy Advisory Committee (PAC) Member Chris Moylan’s comments at the September 17, 2009 A&F Committee meeting. Alternate Board Member Moylan stated the ACE Task Force recommended to utilize the Consolidated Board and Committee Work Plan to define the Advisory Committees reorganization.

Member Powers stated she respectfully disagreed with Alternate Board Member Moylan’s statement regarding the ACE Task Force members recommendation to restructure VTA’s Advisory Committees.

Member Powers stated the goal of the ACE Task Force was to improve communications, to be more effective and efficient, and work collaboratively as a group with VTA’s other Advisory Committees.

Member Powers suggested the ACE Task Force list the final recommendations and vote on the items at the next ACE Task Force scheduled meeting.

Mr. Flynn noted Herman Wadler, Bicycle and Pedestrian (BPAC) Committee Member, has submitted an application for the current vacant Bicyclist Community Interest position on the CAC/CWC Committee.

Mr. Flynn commented at the October 1, 2009, the Board adopted a resolution amending the CAC Bylaws to incorporate the additional duties specified by the 2008 Measure D ballot and amended the VTA Administrative Code.

Mr. Flynn reported the 2000 Measure A Transit Improvement Program Annual Report from the Citizens Watchdog Committee (CWC) for Fiscal Year 2008 was noticed in local newspapers, available on VTA’s website at www.vta.org, and printed copies of the report are at local public libraries as well as at VTA River Oaks Campus in Building B Lobby.

Scott Haywood, Policy and Community Relations Manager, provided a brief report highlighting: 1) VTA’s Governance; 2) VTA’s Service Reduction Plan; 3) Silicon Valley Rapid Transit (SVRT) Corridor contracts; 4) decline in sales tax revenues and the impact to VTA’s FY 2010 and 2011 Budget; 5) VTA Staff directed to develop strategies regarding VTA’s financial issues; and 6) The State appeal was rejected by the California Supreme Court, which upholds the lower court decision regarding the California Transit Association (CTA) lawsuit.

**Report from the General Manager**

There was no Report from the General Manager.
5. **Chairperson’s Report**

Chairperson Tebo provided a brief report, highlighting: 1) The CAC Chairperson’s Report provided at the October 1, 2009 Board of Directors Regular Meeting; 2) The 2000 Measure A Transit Improvement Program Annual Report from the Citizens Watchdog Committee (CWC) for Fiscal Year 2008 noticed in local newspapers, available on VTA’s website, and at local libraries; and 3) The ACE Task Force Process status.

Vice Chairperson Jacobvitz expressed concern the ACE Task Force never called for a vote on the recommendations, noting the importance for the ACE Task Force to finalize a decision.

Stephen Flynn, Senior Management Analyst, responded staff was directed to go back to the ACE Task Force to work through the issues to determine a consensus on the recommendation. If a consensus cannot be established then staff was directed to develop recommendations to present to the A&F Committee then forward the information for consideration to the Board of Directors.

**BUSINESS REFERRED TO COMMITTEE BY THE BOARD OF DIRECTORS/GENERAL MANAGER**

**COMBINED CAC AND 2000 MEASURE A CITIZENS WATCHDOG COMMITTEE CONSENT AGENDAS**

Chairperson Tebo noted a request to move the following Agenda Item from the Consent Agenda to the Regular Agenda: **Agenda Item #8**, Monthly Legislative History Matrix.

6. **Minutes of September 9, 2009**

M/S/C (Powers/Larsen) on a vote of 9 ayes to 1 abstention to approve the Regular Meeting Minutes of September 9, 2009. Member Hashimoto abstained.

7. **CAC Quarterly Attendance Report**

M/S/C (Powers/Larsen) to review the CAC Quarterly Attendance Report.

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

Review the Monthly Legislative History Matrix.

**2000 MEASURE A CITIZENS WATCHDOG COMMITTEE REGULAR AGENDA**

**CITIZENS ADVISORY COMMITTEE REGULAR AGENDA**

8. **Monthly Legislative History Matrix**

Member Probst requested staff provide information to the Committee on State Assembly Bill (AB) 338 (Ma) - Transit Village Developments: Infrastructure Financing and AB 1158 (Hayashi) - Transit Village Plans: Educational Facilities.

Scott Haywood, Policy and Community Relations Manager, responded staff will forward the information to the Committee Members.

**NOTE:** M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.
Member Probst stressed the importance for VTA to keep track of AB 1072 (Eng) Proposition 1B Transit Capital Program.

M/S/C (Probst/Jacobvitz) to review the Monthly Legislative History Matrix.

9. **CAC Election Process for 2010**

Stephen Flynn, Senior Management Analyst, reported the CAC Bylaws specify the Committee will elect from its membership a Chairperson and Vice Chairperson to serve for a one year term and are eligible for election to successive terms.

The duties of the Chairperson are to preside at all meetings of the Committee and represent the Committee before the Board of Directors. The CAC Chairperson provides a verbal report to the Board of Directors at each of the Board of Directors Regular Meetings.

The duty of the Vice Chairperson is to perform the duties of the Chairperson when the Chairperson is absent.

It is the responsibility of VTA’s Advisory Committee Chairpersons and Vice Chairpersons to participate in quarterly coordination meetings with VTA’s Board Chairperson and Vice Chairperson. Also, the CAC Chairperson and Vice Chairperson are required to attend one brief training and orientation session prior to the commencement of their terms.

The election process is comprised of the following three steps: 1) Appoint a nomination subcommittee at the October 7, 2009 meeting; 2) Nomination subcommittee’s report to the Committee at the November 10, 2009 meeting; and 3) Conduct elections to select the Chairperson and Vice Chairperson at the December 9, 2009 meeting.

Chairperson Tebo requested two or three volunteers serve on the nomination subcommittee; however, noted if there are no volunteers then the Chairperson may appoint Committee Members to serve on the nomination subcommittee. The nomination subcommittee identifies Committee Members interested in serving as the Chairperson or Vice Chairperson, noting the nomination subcommittee’s responsibility to determine that members who have been nominated are willing to serve.

Members Hashimoto and Morando agreed to serve as volunteers on the nomination subcommittee.

M/S/C (Powers/Rogers) to appoint Members Hashimoto and Morando to serve as volunteers on the nomination subcommittee to identify Committee Members interested in serving as the Chairperson or Vice Chairperson for 2010.

10. **Express Lanes Program Update**

Murali Ramanujam, Senior Transportation Engineer, reported on the Express Lanes projects, which will implement a roadway pricing system to allow for the use of unused capacity in the carpool lanes to provide congestion relief. The roadway pricing system will allow solo commuters to use the carpool lanes for a fee. The fee would change dynamically in response to existing congestion levels and available capacity in the carpool lanes.

Mr. Ramanujam stated the progress of the Express Lane projects will be forwarded to the
Board of Directors in spring 2010 regarding policy directions on toll rates, hours of operation, and carpool requirements. The Express Lane projects will require Board action to enter into Inter-agency agreements with Caltrans, California Highway Patrol (CHP), and Bay Area Toll Authority (BATA). Staff will solicit direction from the Board on marketing and outreach efforts for the Express Lanes projects.

Mr. Ramanujam commented on Assembly Bill (AB) 744 (Torrico) that would authorize the BATA to develop, administer, operate, and maintain a Bay Area Express Lanes Network. BATA would collect revenues and have authority to issue revenue bonds for the Express Lanes Network. Toll revenues would be used to pay for expenses of the Express Lanes facility including payments to Caltrans for operations and maintenance and the CHP to provide enforcement.

The I-680 Express Lanes project will convert the existing 14 mile southbound carpool lane between State Route (SR) 84 in Alameda County and SR 237 in Santa Clara County to Express Lanes. The I-680 Express Lanes project is expected to open to traffic and tolling operations in the fall of 2010.

The SR 237 and I-880 Express Connectors project will convert the direct carpool lane to carpool lane connectors at the SR 237 and I-880 Interchange for Express Lanes operations. The SR 237 and I-880 Express Connectors project will receive $2.7 million from the American Recovery and Reinvestment Act (ARRA) funds and $3.96 million from Value Pricing Pilot Program funds and is expected to open in the spring of 2011.

The SR 85 Express Lanes project includes a conversion of the entire length of the existing 24 miles of carpool lanes on SR 85 from US 101 in Mountain View to US 101 in south San Jose to Express Lanes operations for both directions of the freeway. The project will receive $3.3 million in ARRA funds, which will be utilized for the preliminary engineering, environmental documentation, and final design efforts. The SR 85 Express Lanes project is expected to open in early 2013.

US 101 Express Lanes project will convert 34 miles of existing carpool lanes on US 101 between Cochrane Road in Morgan Hill and the San Mateo County line. The US 101 Express Lanes project is expected to open in 2015.

Mr. Ramanujam commented on the hours of operation with the long term goal that all Express Lanes will operate 24 hours a day and 7 days a week. Vehicle registration is preferred for all Express Lane users, noting the Los Angeles Metropolitan Transportation Agency (MTA) Board decided to have FasTrak tags in all vehicles using the Express Lanes beginning December 2010.

Mr. Ramanujam commented on the adoption of switchable transponders starting with beta testing conducted on Bay Bridges with the tolling of carpool vehicles, noting Los Angeles MTA will partner with BATA to participate in the beta testing and joint procurement of switchable transponders. Tolling will be based on Vehicle Miles Traveled (VMT) using an electronic communication device.

The CHP will provide enforcement for occupancy violations and moving violations only, noting toll evasions will be enforced separately through License Plate Recognition (LPR) capabilities and other technologies.
Chairperson Tebo expressed his appreciation and thanked staff for the informative presentation.

On order of Chairperson Tebo and there being no objection the Committee reviewed the Express Lanes Program Update.


Joonie Tolosa, Reporting and Systems Operations Analysis Manager, reported on the Fiscal Year 2009 Preliminary Annual Performance Report, which presents key performance information regarding the operation of the Valley Transportation Authority (VTA). Mr. Tolosa stated for FY 2009, bus ridership increased 4.20 percent compared to the previous fiscal year. Light Rail recorded 10.8 million boardings with a 2.90 percent increase in ridership compared to last year. VTA’s overall transit system ridership increased by 3.90 percent for FY 2009.

Mr. Tolosa stated all categories for unscheduled absenteeism has continued to meet established goals. VTA’s daily service reliability performance in FY 2009 was higher compared to last year. VTA’s bus miles between major mechanical schedule losses improved 10.90 percent and light rail improved 34.10 percent compared to last year.

Light rail on time performance was 90.10 percent for FY 2009, which is 3.10 percent increase compared to last year, while bus was 88.60 percent, which is 1.50 percent decrease due to increased ridership and major constructions.

VTA’s Total Transit Operating Expense in FY 2009 was $257.6 million. Fare Revenue collected in FY 2009 was $36.2 million, which is an increase of 1 percent compared to the previous year. VTA’s Farebox Recovery Ratio was 14 percent, which is the same level as last year. Para transit ridership increased by 1.10 percent from 1,055,429 in FY 2008 to 1,067,115 in FY 2009.


12. **Light Rail (LR) Systems Analysis – Alternatives Analysis**

Kevin Connolly, Transportation Planning Manager, reported on the Light Rail (LR) Systems Analysis designed to provide the first comprehensive evaluation of the infrastructure and operational flexibility of VTA’s existing light rail lines as a system, and an evaluation of operational impacts, and user benefits to the system of the planned light rail (LRT) and BART extensions.

The LR System Analysis represents the second phase of VTA’s Comprehensive Operations Analysis (COA) for the transit system. The Comprehensive Evaluation of the existing light rail system focuses on making the system as effective and efficient as possible. The intent of the evaluation of the system is to ensure the ability of LRT to handle projected passenger growth to the year 2035.

Mr. Connolly provided a presentation entitled, “Light Rail System Analysis Alternatives Analysis.” He reviewed the Project Background, Stakeholder Meetings, Project Schedule, VTA’s Light Rail System: Constraints, Peak Travel Times, Improvements to
the LRT system, Components Tested, Components to Move Forward, Scenarios and Technical Assessment, Scenarios A – E, Headlines, and the Next Steps.

Mr. Connolly reported eleven preliminary scenarios were developed to test proposed components. Each scenario was tested using On Track Operations Simulation Model and VTA Travel Demand Model utilizing travel time savings for each scenario, operational constraints, and ridership forecasts. Mr. Connolly noted five new scenarios were developed based on the results of the technical analysis.

Member Larsen left the meeting at 6:02 p.m.

Member Skinner queried if Mr. Connolly could provide a presentation on the Light Rail (LR) Systems Analysis – Alternatives Analysis at the next Leadership Group meeting scheduled on Monday, November 2, 2009. Mr. Connolly agreed to provide a presentation at the Leadership Group meeting.

Member Skinner left the meeting at 6:04 p.m., and the quorum was lost, and a Committee of the Whole was declared.

Mr. Connolly stated the LR System Analysis intent is to provide faster service, provide better rail connections, to integrate Almaden into the LRT system, and create new direct service to San Jose State University as well as direct service from Alum Rock to Mountain View.

The cost and cost benefits analysis will be presented to VTA’s Advisory Committees in November 2009 and the draft investment plan is scheduled to be presented in December 2009.

Chairperson Tebo noted the importance to develop alternatives that do not involve spending a lot of money, noting the benefits to place funding where it is needed and where it will do the most good for the community.

Member Powers noted the importance for staff to have a visionary approach with the Light Rail Systems Analysis and to look for opportunities to address the current Light Rail System constraints.

Member Rogers suggested staff consider what has worked well in other cities and utilize the information to address current issues as well as to provide insightful ideas for VTA’s Light Rail System.

Chairperson Tebo distributed a handout entitled, “Questions for the VTA Light Rail Analysis,” noting the importance for staff to review and consider the information as part of the Light Rail System Analysis.

Scott Haywood, Policy and Community Relations Manager, noted Mr. Connolly will provide additional information on the Light Rail Systems Analysis Technical Analysis at the November 10, 2009 CAC Meeting.

Mr. Connolly reported the next steps include the technical analysis, cost estimating, cost and benefit analysis, preparing investment plan, and forwarding the recommendations for consideration to the December 10, 2009 Board of Directors Regular Meeting.

**On order of Chairperson Tebo** and there being no objection the Committee of the Whole reviewed the Light Rail (LR) Systems Analysis – Alternatives Analysis.
COMBINED CAC AND CITIZENS WATCHDOG COMMITTEE ITEMS

13. Citizens Advisory Committee and Citizens Watchdog Committee Work Plans

Stephen Flynn, Senior Management Analyst, referenced Veterans’ Day Holiday on Wednesday, November 11, 2009, noting the Citizens Advisory Committee and 2000 Measure A Citizens Watchdog (CWC) Committee meeting was scheduled on Tuesday, November 10, 2009.

Mr. Flynn noted VTA Board of Directors Chairperson Dolly Sandoval is scheduled to attend the November 10, 2009 CAC/CWC meeting.

OTHER

14. ANNOUNCEMENTS

There were no Announcements.

15. ADJOURNMENT

On order of Chairperson Tebo and there being no objection, the meeting was adjourned at 6:30 p.m.

Respectfully Submitted,

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

The Regular Meeting of the Valley Transportation Authority (VTA) Bicycle and Pedestrian Advisory Committee (BPAC) was called to order at 6:05 p.m. by Chairperson Walton in Auditorium, Building A, VTA, 3331 North First Street, San Jose, California.

Aaron Faupell, future BPAC member representing the City of Milpitas, introduced himself as a long time recreation and utilities cyclist. He has been a member of the Milpitas BPAC for a year and has been attending the Milpitas BPAC as a member of the public one year before he became a member.

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
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<tbody>
<tr>
<td>Bruce Entin</td>
<td>Town of Los Gatos</td>
<td>Present</td>
</tr>
<tr>
<td>Chris Fernandez</td>
<td>County of Santa Clara</td>
<td>Absent</td>
</tr>
<tr>
<td>Carl Hagenmaier</td>
<td>City of Los Altos</td>
<td>Absent</td>
</tr>
<tr>
<td>Nancy Ginzton</td>
<td>Town of Los Altos Hills</td>
<td>Absent</td>
</tr>
<tr>
<td>Jerri-Ann Meyer</td>
<td>City of Mountain View</td>
<td>Present</td>
</tr>
<tr>
<td>Thomas Muniz</td>
<td>City of Gilroy</td>
<td>Present</td>
</tr>
<tr>
<td>Richard Ruh</td>
<td>City of Monte Sereno</td>
<td>Present</td>
</tr>
<tr>
<td>Marian Sacco</td>
<td>City of Morgan Hill</td>
<td>Absent</td>
</tr>
<tr>
<td>David Simons</td>
<td>City of Sunnyvale</td>
<td>Present</td>
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<tr>
<td>Jim Stallman, Vice Chairperson</td>
<td>City of Saratoga</td>
<td>Present</td>
</tr>
<tr>
<td>John Sullivan</td>
<td>City of Santa Clara</td>
<td>Present</td>
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<tr>
<td>Richard Swent</td>
<td>City of Palo Alto</td>
<td>Present</td>
</tr>
<tr>
<td>Herman Wadler</td>
<td>City of Campbell</td>
<td>Present</td>
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<tr>
<td>Joseph Walton, Chairperson</td>
<td>City of Cupertino</td>
<td>Present</td>
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<tr>
<td>Jana Zavala</td>
<td>City of San Jose</td>
<td>Present</td>
</tr>
<tr>
<td>Corinne Winter</td>
<td>SVBC</td>
<td>NA</td>
</tr>
<tr>
<td>Paul Goldstein</td>
<td>Alt Ex-Officio, SVBC</td>
<td>Present</td>
</tr>
</tbody>
</table>

A quorum was present.

2. ORDERS OF THE DAY

There were no Orders of the Day.
3. **PUBLIC PRESENTATIONS**

Aaron Faupell, Interested Citizen, expressed concern regarding unmaintained bike paths. He used the San Jose/Caltrans bike path parallel to State Route (SR) 237 as an example. Dan Collen, Deputy Director, Santa Clara County Roads and Airports Department, provided the County’s contact information where issues and complaints should be sent.

Mr. Faupell inquired on the policy regarding bicycle lane detectors on expressway intersections. He asked if symbols could be painted to identify the bicycle detectors. Mr. Collen responded it is County standard to have symbols on expressway cross street locations. He requested Mr. Faupell provide details regarding the specific expressway cross street so County staff could check on it.

Member Swent recommended marking symbols to help bicyclists identify bicycle detectors on expressways and its cross streets.

Member Wadler commented bicycle symbols are not being marked on repaved streets in the City of San Jose. Member Zavala stated she will inform City of San Jose staff.

4. **Committee Staff Report**

Ying Smith, Transportation Planning Manager and Staff Liaison, reported on the status of the Advisory Committee Enhancement (ACE) process. She stated the Administration and Finance Committee (A&F) directed staff to go back to the ACE Task Force to finalize recommendations for improving the process and streamlining resources required to support the committees. The next meeting of the ACE Task Force is on October 28, 2009, at 11:30 a.m.

Ms. Smith provided details regarding BPAC Member appointments. She explained appointments go the A&F Committee and to the Board of Directors for approval. Appointment of Aaron Faupell is going to the A&F Committee this month, and to the Board of Directors at its November 5, 2009 meeting. She stated Mr. Faupell would be an official BPAC Member at the November 10, 2009 BPAC meeting. She noted the same process would be applied for Jim Bell, future BPAC Member representing the City of San Jose. Mr. Bell’s appointment would go to November A&F meeting and December Board of Directors meeting.

Ms. Smith reported on the Third Annual River Oaks Bridge count. There were 596 bicyclists and pedestrians. She noted more details about the bridge count would be provided at a future meeting. She expressed appreciation to Chairperson Walton for his participation.

Ms. Smith reported on the memorandum entitled, “Hybrid Bus Procurement.” She stated the memo addresses the following requests by the Committee: 1) wider rear doors; and 2) install three-position bike racks.
Vice Chairperson Stallman expressed appreciation to staff on increasing the rear door requirement. He suggested VTA’s lobbyists should propose legislation to eliminate or change the bus length regulation so VTA would have more options in the future. He expressed concern on the following: 1) recommendation of the RIDES Task Force; and 2) process of selecting new bus equipments. He noted the Advisory Committee’s involvement in the selection of new bus equipments could be improved.

- **Capital Program Update**

  There was no Capital Program Update.

- **County Report**

  Dan Collen, Deputy Director, Santa Clara County Roads and Airports Department, reported on the status of the following projects: 1) Almaden Expressway widening; 2) Oregon Expressway signal improvements; and 3) Central Expressway planned auxiliary lanes.

  Ms. Smith announced that due to the Veterans Day holiday on November 11, 2009, the next BPAC meeting will be on Tuesday, November 10, 2009, at 6:00 p.m.

  Alternate Ex-Officio Member Goldstein commented the new pavement of the bicycle lane under the Loyola Bridge is uneven.

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

5. **Chairperson’s Report**

There was no Chairperson’s Report.

6. **BPAC Subcommittee Reports**

Member Swent reported the subcommittee met with Silvia Gallegos, Deputy County Executive, County of Santa Clara, and was tasked to provide solutions on the following issues: 1) rewording the Special Events Permit Ordinance; 2) acquiring permits for bicycle events; and 3) establish methods to inform the public about bicycle events.

Member Zavala inquired on the jurisdiction of the ordinance and the community’s opinion regarding bicycle events in the City of San Jose. Member Swent responded the ordinance only apply to County Roads and unincorporated districts. He added the community’s reaction to bicycle events was not discussed at the meeting.

**On order of Chairperson Walton** and there being no objection, the BPAC Subcommittee Reports were received.
CONSENT AGENDA

7. Minutes of August 12, 2009

M/S/C (Stallman/Wadler) to approve the Minutes of August 12, 2009.

REGULAR AGENDA

8. Funding Program for County Expressway Pedestrian Projects

Marcella Rensi, Transportation Planning Manager, provided background information on the Community Design and Transportation (CDT) Program, and Transportation Development Act (TDA) Article 3 funds and how they are distributed. She noted staff proposes to use up to $150,000 per year from the Bicycle Expenditure Program’s (BEP) 30 percent of TDA Article 3 funding, and make them available to fund these projects. To receive the funds, the county and the respective cities where the project is located would be required to jointly sponsor the project, coordinate planning, and commit equal amounts of matching funds which would be matched by VTA on equal one third shares.

Dan Collen, Deputy Director, Santa Clara County Roads and Airports Department, expressed appreciation to staff for finding a source of funding for pedestrian projects. He also expressed appreciation to the Committee for their suggestions to resolve the funding issue. He recommended the Committee Members to inform its respective cities about the funding program and identify pedestrian projects that needs funding.

Member Swent inquired if it is permissible to transfer money from the CDT to the BEP. Ms. Rensi responded with this action, the Board of Directors could change the allotted amount going to the different programs.

Member Swent expressed concern on the requirement to have the respective city match the funds provided by the County and VTA. Ms. Rensi responded the reaction from different cities would be determined at the Technical Advisory Committee (TAC) where this funding program would also be presented. She stated the City of Santa Clara is eager to utilize the program for one of their projects.

Mr. Collen provided examples of pedestrian projects that were partially funded by the respective cities. He noted the proposed funding program is an attractive program for the cities because it provides additional funding. He stated the expressway update that identified the planning process for pedestrian routes helped city staff understand and prioritize the need to fund pedestrian projects.

Member Meyer inquired on the County’s source of funding to match funds provided by VTA and the respective city. Mr. Collen responded the County has been budgeting funds for this program from the gasoline tax.

NOTE: M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.
Member Meyer inquired on the process if the County or city is unable to match the required funds. Ms. Rensi responded the funds would be banked while waiting for the remaining funds. The program may come back to the Committees and the Board of Directors for alteration if the remaining funds are not received within two to three years. Staff would determine a different approach to fund the project.

Member Meyer requested an explanation on the proposed movement of funds versus a direct CDT program transfer. Ms. Rensi responded pedestrian projects are not the best candidates for CDT program because of the following: 1) CDT program prefers projects costing $500,000 or more; and 2) some pedestrian projects may have eligibility challenges with the type of federal funds received by the CDT. She noted that for ease of administration, staff proposes to use TDA Article 3 funding.

Member Muniz inquired about the following: 1) process of selecting projects eligible for the new funding program; and 2) is the new funding program limited to pedestrian projects. Ms. Rensi responded the County will be working with the respective Cities to select projects eligible for the new funding program.

Mr. Collen responded the program was developed to address pedestrian use for Expressways, but it is also flexible for bicycle projects.

Ying Smith, Transportation Planning Manager and Staff Liaison, explained the new funding program is going to be cost neutral to the BEP and the proposed movement of funds is for ease of administration. She noted a small portion of the CDT program would be used for the new funding program.

M/S/C (Wadler/Muniz) to adopt New Funding Program for County Expressways Pedestrian Projects.

9. Bay Trail Update – Project List

Ying Smith, Transportation Planning Manager and Staff Liaison, provided a supplemental handout entitled, “Bay Trail Gaps in the South Bay.” The handout contains a list of unfinished projects in Santa Clara, Alameda, and San Mateo Counties. She stated the list was provided by Laura Thompson, staff of the Association of Bay Area Governments.

Vice Chairperson Stallman commented the projects contained in the list should not be neglected and should be incorporated in the next BEP review. He expressed interest in completing the connection from Santa Clara County to the Dumbarton Bridge.

Aaron Faupell, Interested Citizen, commented the trail along east side of Coyote Creek from Dixon Landing to SR 237 is not incorporated in the list of Bay Trails. Ms. Smith responded the comment would be forwarded to Laura Thompson.

On order of Chairperson Walton and there being no objection, the Bay Trail Update – Project List was received.
10. **Appoint a Subcommittee to Nominate New BPAC Chair/Vice**

Ying Smith, Transportation Planning Manager and Staff Liaison, explained the election process for Chairperson and Vice Chairperson: 1) appointing the nominating subcommittee; 2) report from the nominating subcommittee; and 3) election of Chairperson and Vice Chairperson.

Member Swent, Member Sullivan, and Chairperson Walton volunteered to serve for the nominating subcommittee.


M/S/C (Wadler/Meyer) to appoint a nominating subcommittee to identify Committee member interested in serving as the BPAC chairperson or vice chairperson for 2010.

OTHER

11. **Local Jurisdiction Project Review Report**

Ying Smith, Transportation Planning Manager and Staff Liaison, explained this Agenda Item was created for the Committee to share their questions and concerns on projects at their local jurisdictions.

Member Muniz inquired about VTA’s role on the planned High Speed Rail. Ms. Smith responded the High Speed Rail would utilize the Caltrain alignment from the Diridon Station in San Jose to San Francisco, and as a member of the Caltrain Joint Powers Board, VTA has a role to ensure proper work will be done along the corridors and stations.

Member Meyer reported on the status of the Permanente Creek Pedestrian/Bike Bridge overcrossing Highway 101 in the City of Mountain View. She stated the project is mostly funded by North Bayshore and construction is scheduled to begin January 2010.

Member Swent reported the City of Palo Alto has a CDT project in progress, the intersection of Stanford Avenue and El Camino Real.

Chairperson Walton reported the bollards on both ends of the Mary Avenue Bridge were moved and widened to accommodate the Americans with Disabilities Act (ADA) width. He added the pathway would also be widened.

**On order of Chairperson Walton** and there being no objection, the Local Jurisdiction Project Review Report was received.

12. **BPAC Work Plan**

Ying Smith, Transportation Planning Manager and Staff Liaison, provided a handout entitled, “VTA Bike Program Priorities June 2009 – June 2010.” She stated the handout presents staff’s work program schedule. She requested for the Committee’s input to further develop staff’s work program.
Member Muniz commented the staff work program should also include pedestrian projects. Ms. Smith responded staff is in the process of enhancing the pedestrian program. She noted the following needs to be accomplished: 1) determine a funding source; and 2) update the Pedestrian Technical Guidelines.

**On order of Chairperson Walton** and there being no objection, the BPAC Work Plan was reviewed.

### 13. ANNOUNCEMENTS

Vice Chairperson Stallman announced the de Anza Trail will be going out for bid this month. He stated the bridge needs to be extended.

Member Muniz requested to have the Pedestrian Technical Guidelines uploaded on the VTA website. Ms. Smith responded due to VTA’s accessibility requirement, staff is unable to upload the Pedestrian Technical Guidelines on the website. She stated electronic and hard copies would be provided upon request.

Member Sullivan announced part of the San Tomas Aquino Creek Trail was opened this past summer. He expressed concern on the increased cost to open that segment of the trail. He also expressed concern on the cost to build pedestrian projects along Expressways, and noted it may raise safety issues for both bicyclists and pedestrians.

Member Zavala announced the City of San Jose recently voted on their fiscal year priorities. She added the City also has a trail program underway that would harmonize bike trails and improve directional signs.

Member Swent announced the City of Palo Alto’s Bicycle Advisory Committee approved signs to be installed in various locations around the City. The signs would help the public locate bike paths.

Member Meyer announced the appointment of Helen Kim, new staff person for the City of Mountain View. She noted Ms. Kim works well with the City’s BPAC.

Member Meyer inquired on the Google Earth Bike Maps as listed on the VTA Bike Program Priorities. Ms. Smith responded the Google Earth Bike Maps provides detailed information regarding bike trails. She noted the link to Google Earth Bike Maps will be forwarded to the Committee.

Member Entin announced the Town of Los Gatos would be sending three grant applications. He expressed appreciation to Chairperson Walton, VTA staff, and the Silicon Valley Bicycle Coalition for sending a letter of support.

Member Wadler announced the City of Campbell has an opening on the BPAC and is currently looking for a member to fill the position. He expressed appreciation to Mr. Collen regarding the widened bicycle lane at the underpass along Foothill Expressway.
14. **ADJOURNMENT**

*On order of Chairperson Walton* and there being no objection, the meeting was adjourned at 7:32 p.m.

Respectfully submitted,

Michael Diaresco, Board Assistant  
Office of the Board Secretary
TECHNICAL ADVISORY COMMITTEE

Thursday, October 8, 2009

MINUTES

CALL TO ORDER

The Regular Meeting of the Technical Advisory Committee (TAC) was called to order at 1:34 p.m. by Chairperson Witthaus in Conference Room B-104, Valley Transportation Authority (VTA), 3331 North First Street, San Jose, California.

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Representing</th>
<th>Status</th>
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<tbody>
<tr>
<td>Greg Armendariz</td>
<td>City of Milpitas</td>
<td>Present</td>
</tr>
<tr>
<td>Rajeev Batra</td>
<td>City of Santa Clara</td>
<td>Present</td>
</tr>
<tr>
<td>Julie Caporgno</td>
<td>City of Palo Alto</td>
<td>Present</td>
</tr>
<tr>
<td>John Cherbone</td>
<td>City of Saratoga</td>
<td>Present</td>
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<tr>
<td>Richard Chiu</td>
<td>Town of Los Altos Hills</td>
<td>Absent</td>
</tr>
<tr>
<td>Dan Collen, Alternate</td>
<td>County of Santa Clara</td>
<td>Present</td>
</tr>
<tr>
<td>Kevin Connolly, Alt. Ex-Officio</td>
<td>VTA</td>
<td>Present</td>
</tr>
<tr>
<td>Don Dey</td>
<td>City of Gilroy</td>
<td>Present</td>
</tr>
<tr>
<td>Sylvia Fung, Alt. Ex-Officio</td>
<td>Dept. of Transportation (Caltrans)</td>
<td>Absent</td>
</tr>
<tr>
<td>Glenn Goepfert</td>
<td>City of Cupertino</td>
<td>Absent</td>
</tr>
<tr>
<td>Joan Jenkins</td>
<td>City of Mountain View</td>
<td>Present</td>
</tr>
<tr>
<td>Robert Kass</td>
<td>City of Campbell</td>
<td>Present</td>
</tr>
<tr>
<td>Larry Lind</td>
<td>City of Los Altos</td>
<td>Present</td>
</tr>
<tr>
<td>Kathleen Molloy Previsich</td>
<td>City of Morgan Hill</td>
<td>Absent</td>
</tr>
<tr>
<td>Kevin Rohani, Alternate</td>
<td>Town of Los Gatos</td>
<td>Present</td>
</tr>
<tr>
<td>Ed Slintak</td>
<td>City of Monte Sereno</td>
<td>Absent</td>
</tr>
<tr>
<td>Ben Tripousis</td>
<td>City of San Jose</td>
<td>Present</td>
</tr>
<tr>
<td>Jack Witthaus, Chairperson</td>
<td>City of Sunnyvale</td>
<td>Present</td>
</tr>
</tbody>
</table>

A quorum was present.

2. PUBLIC PRESENTATIONS

There were no Public Presentations.

3. ORDERS OF THE DAY

There were no Orders of the Day.
4. **Committee Staff Report**

Member Dey took his seat at 1:36 p.m.

John Ristow, Chief CMA Officer and Staff Liaison, provided a report highlighting:
1) Update on Advisory Committee Enhancement (ACE) Process; 2) Next ACE Task Force Meeting is scheduled on Wednesday, October 28, 2009, at 11:30 a.m.; and 3) California Transportation Commission (CTC) meeting scheduled the week of October 12, 2009, in San Diego, CA, to acknowledge the Highway 101 Corridor Mobility Improvement Account (CMIA) Project funding.

Ms. Fiore distributed the document entitled, “Caltrans District 4 – Office of Local Assistance Project Status, American Recovery and Reinvestment Act (ARRA), Local Streets and Roads System Preservation Projects, Status as of October 1, 2009.” She provided a status report on the Tier 2 and Tier 1 Projects contained in the document.

Vice Chairperson Batra requested a status update be provided on the Governance issue at the November 12, 2009, TAC meeting.

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

5. **Chairperson’s Report**

Chairperson Witthaus provided an update on the meeting held with the VTA Board of Directors Chairperson, Dolly Sandoval, Vice Chairperson, Sam Liccardo, and Advisory Committee Chairpersons. He noted it was anticipated the meetings would be held on a quarterly basis.

6. **Reports from TAC Working Groups**

- **Capital Improvement Program (CIP)**

  Celeste Fiore, Transportation Planner II, reported the Capital Improvement Program (CIP) Working Group held a Special meeting on October 1, 2009. The CIP Working Group discussed the Transportation Fund for Clean Air (TFCA) Project Review Criteria. Ms. Fiore noted the next regular meeting will be held on October 27, 2009.

- **Systems Operations and Management (SOM) Working Group**

  Eugene Maeda, Senior Transportation Planner, reported at the September 23, 2009, Systems Operations and Management (SOM) Working Group meeting a discussion was held on the Transportation Fund for Clean Air (TFCA) Grants.

On order of Chairperson Witthaus and there being no objection, the reports from the TAC Working Groups were received.
5. **Chairperson’s Report** (continued)

Chairperson Witthaus noted the October 9, 2009, deadline date to submit the Transportation System Monitoring Program Self-Assessment Survey.

7. **High Speed Rail/Caltrain Project**

Alternate Ex-Officio Member Connolly took his seat at 1:43 p.m.

Steven Fisher, Senior Transportation Planner, provided a status report on the High Speed Rail Project, highlighting: 1) Level of activity being driven by the American Recovery and Reinvestment Act (ARRA) Process; 2) High Speed Rail Commission accepted all of the Metropolitan Transportation Commission’s (MTC’s) recommendations the week of September 28, 2009; 3) Technical Working Group meeting held the week of September 28, 2009, regarding the Peninsula segment; 4) Open House to be held on October 9, 2009 in the City of Sunnyvale; 5) Peninsula Cities Consortium (PCC) Workshop Meeting held on October 3, 2009; 6) Update on the South segment (San Jose to Merced); 7) Community meeting held regarding the South segment on October 6, 2009, and on October 5, 2009, in the City of Gilroy; and 8) VTA is in the process of developing a work program to obtain assistance in helping VTA to evaluate how High Speed Rail will impact facilities owned/operated by VTA and how Caltrain and High Speed Rail will be operating in the same corridor.

Member Tripousis indicated the City of San Jose was working with the Consultant teams in the Monterey Highway corridor, noting the Union Pacific Railroad (UPRR) issue. He also referenced the PCC conversation reported in the San Jose Mercury News and noted the rumors regarding the City of San Jose was removing the Light Rail line on Highway 87 and replacing it with High Speed Rail was false.

Vice Chairperson Batra commented while VTA is looking at Caltrain from a transit perspective, the cities will also be working on the negotiation efforts. He recommended VTA coordinate with the cities on this effort.

Member Caporgno took her seat at 1:56 p.m.

Chairperson Witthaus recommended having quarterly coordination meetings.

Member Tripousis commented on the possibility of establishing a Policy Advisory Board (PAB) for High Speed Rail similar to the PAB established for the BART Project. Mr. Fisher noted a Policy Group has been established and would be meeting on October 15, 2009. John Ristow, Chief CMA Officer and Staff Liaison, asked the TAC to inform VTA staff of the elected officials attending the meeting.

On order of Chairperson Witthaus and there being no objection, a verbal report on the High Speed Rail/Caltrain Project was received.
BUSINESS REFERRED TO COMMITTEE BY THE BOARD OF DIRECTORS/GENERAL MANAGER

CONSENT AGENDA

8. Minutes of August 13, 2009

M/S/C (Dey/Tripousis) to approve the Minutes of August 13, 2009.


REGULAR AGENDA

10. Funding Program for County Expressway Pedestrian Projects

Marcella Rensi, Transportation Planning Manager, provided an overview of the proposed new funding program for County Expressway Pedestrian Projects. It had been proposed to take $150,000 out of the Transportation Development Act (TDA) Article 3 Program, the 30 percent pool every year, and put it towards County expressway sidewalk projects. This would be a partnership program, where VTA funds would come from the TDA Article 3, and the County and respective city in which the project would be located would each provide equal amounts. Unfortunately, diverting money from the Bicycle Expenditure Program (BEP) would leave the County Expressway Sidewalk Program underfunded. At present, VTA is proposing to backfill the BEP with monies from the Community Design and Transportation (CDT) Program.

Member Kass expressed concern about the viability of requiring three-way VTA, County and City project funding commitments.

Member Dey queried if there was additional money for bicycles and pedestrians, was it possible for the future to explore a program that looks at sidewalk gaps.

M/S/C (Collen/Dey) to recommend the VTA Board of Directors adopt New Funding Program for County Expressways Pedestrian Projects.

NOTE: M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.
11. **Light Rail (LR) Systems Analysis – Alternatives Analysis**

Kevin Connolly, Transportation Planning Manager, provided a PowerPoint Presentation entitled, “Light Rail System Analysis,” highlighting: 1) Project Background; 2) Stakeholder meetings; 3) Project Schedule; 4) Light Rail System: Constraints; 5) LRT vs. Auto – Peak Travel Times; 6) How do we improve the LRT system; 7) Components Tested; 8) Components to Move Forward; 9) Scenarios and Technical Assessment; 10) Scenarios A-E; and 11) Headlines (Faster Service; Better Rail Connections; Almaden Integrated into the LRT system; and New Service).


Member Tripousis referenced the October 7, 2009, meeting held between the City of San Jose and VTA. He commented double tracking through the Transit Mall is very much a non-starter. He commented it would be better to try to develop a bypass route rather than double tracking through the existing Transit Mall.

Member Kass commented unlike the Comprehensive Operations Analysis (COA) for the Bus system, it seemed like everything discussed for the Light Rail system was very Capital costs intensive. He encouraged VTA to look at low cost options.

**On order of Chairperson Witthaus** and there being no objection, the Committee received information on the Light Rail System Analysis.

12. **Dumbarton Bridge Retrofit Project**

Member Kass left the meeting at 2:45 p.m.

Mo Pazooki, Caltrans Project Manager, provided a PowerPoint Presentation, entitled, “Dumbarton Bridge Seismic Retrofit Project,” highlighting: 1) Dumbarton Bridge Multiple Structure types, 2) Project General Plan; 3) East and West Approach; 4) Main Channel Crossing; 5) Main Channel Piers; 6) Aesthetics (East/West Approach, Main Channel Crossing Approach, and Trestle Structure); 7) Westside Proposed Temporary Barrier and Drainage; 8) Current Railing Configuration; and 9) Existing Expansion Joints, noting there is a $4.8 million contract to replace/upgrade all of the joints. Mr. Pazooki noted the total cost of the Project was $400 million.

**On order of Chairperson Witthaus** and there being no objection, the Committee received an overview on the Dumbarton Bridge Retrofit Project.

13. **Express Lanes Program Update**

Murali Ramanujam, Senior Transportation Engineer, reported on the Silicon Valley Express Lanes Program. He provided an update on the projects within the Silicon Valley Express Lanes program approved by VTA Board of Directors in December 2008. He mentioned the I-680 Express Lanes is scheduled for opening in fall 2010 while the State
Route (SR) 237/I-880 Express Connectors would open a few months after in the spring of 2011. The SR 237/I-880 Express Connectors project was delayed by a few months to obtain federal money for the project. SR 85 Express Lanes also received some ARRA funding and staff will be submitting the initial Project Study Report to Caltrans this month. US 101 Express Lanes is scheduled for completion in 2015.

Mr. Ramanujam provided an update on the Bay Area Regional Express Lanes Program, highlighting the status of Assembly Bill (AB) 744, on-going work on Regional Express Lanes Concept of Operations by BATA and joint marketing effort in preparation of the I-680 Express Lanes project. He also reported on other Express Lanes Projects in California, highlighting the Los Angeles Express Lanes that is scheduled to open in December 2010.

Mr. Ramanujam reported staff would be seeking committee input and guidance from VTA Board of Directors on policies related to Express Lanes that would be sought through a workshop in the spring of 2010. He also provided a summary on the potential VTA Board recommendations that could be sought based on the on-going Regional Concept of Operations work.

Alternate Member Collen indicated the Staff Report did not contain any information about revenue coming back to the corridors. He queried about the involvement of the Bay Area Toll Authority (BATA). Mr. Ristow noted currently BATA does not have tolling authority to collect revenues until AB 744 becomes law at which time there would be a joint revenue agreement. In the mean time, VTA has the authority through AB 2032 and will enter into an operating agreement with BATA to collect and process toll collections for VTA.

Member Tripousis recommended reviewing AB744 when the legislative session reconvenes, noting the current language is not favorable based on city staff review.

Member Dey expressed concern about BATA taking over the responsibility of which VTA already has the leadership on.

Chairperson Witthaus commented if VTA is going to be exploring policy issues at the Board level, to also consider public outreach as well. He suggested asking the question, “Does the public prefer to ship the revenue off to BATA or keep it local?”

On order of Chairperson Witthaus and there being no objection, the Committee received an update on the Silicon Valley Express Lanes Program.

14. Ramp Metering – Professional Services Contract Amendment

Member Tripousis left the meeting at 3:10 p.m.

David Kobayashi, Senior Transportation Planner, reported on the funding agreement in the amount of $2,051,000 with the Metropolitan Transportation Commission (MTC), which specified the roles and responsibilities of implementing ramp metering on the following three corridors in Santa Clara County: 1) Southbound SR 85 between Almaden Expressway and Cottle Road; 2) Northbound and Southbound SR 87 between US 101...
and SR 85; and 3) Southbound US 101 between Embarcadero Road and De La Cruz Boulevard. He noted the implementation status for each of the corridors.

Mr. Kobayashi reported MTC approved the use of the unassigned remaining funds to go towards additional ramp metering. It was proposed to use the remaining funds to activate additional ramp meters on Southbound I-880 between SR 237 and I-280. The proposal was reviewed and supported by the Systems Operations & Management (SOM) Working Group of TAC.

Mr. Kobayashi reported VTA staff recommends the award of a contract amendment to the existing contract with Mark Thomas & Company for engineering services to implement ramp metering work on the I-880 corridor in the cities of Milpitas and San Jose. He provided a report on Mark Thomas & Company’s experience and knowledge, and on the scope of work requirements.

Member Dey expressed concern regarding Caltrans’ ability to operate and maintain projects.

Alternate Member Rohani left the meeting at 3:19 p.m.

Chairperson Witthaus requested the final ramp metering plans for I-880 between SR 237 and I-280 be brought to TAC for review prior to implementation.

M/S/C (Collen/Dey) to recommend the VTA Board of Directors authorize the General Manager to execute a contract amendment with the Mark Thomas & Company in an amount not to exceed $303,395, for a new contract amount of $1,244,677 for engineering services to implement ramp metering on I-880 between SR 237 and I-280 in the PM peak period; and, further, with the expectation and condition that TAC receives a report back on the progress of the existing implementation and resolution of issues associated with implementation before proceeding to implementation of any new corridor.

Chairperson Witthaus and Member Jenkins left the meeting at 3:23 p.m., the quorum was lost, and a Committee of the Whole was declared.

Vice Chairperson Batra presided over the remainder of the meeting.

OTHER

15. Metropolitan Transportation Commission (MTC) Activities and Initiatives

Alternate Member Collen left the meeting at 3:25 p.m.

Chris Augenstein, Deputy Director, Planning, and Acting Staff Liaison, provided an update on what was happening with the Metropolitan Transportation Commission (MTC) and Association of Bay Area Governments (ABAG) regarding Senate Bill (SB) 375
implementation. He noted key pieces of information would be provided to TAC via e-mail and a status report would be provided on a monthly basis.

On order of Vice Chairperson Batra and there being no objection, the Committee of the Whole received an update on MTC Activities and Initiatives.

16. Technical Advisory Committee (TAC) Subcommittee Report

Vice Chairperson Batra noted Chairperson Withaus would provide the Technical Advisory Committee (TAC) Subcommittee Report at the November 12, 2009, TAC meeting.

17. Committee Work Plan

Chris Augenstein, Deputy Director, Planning, and Acting Staff Liaison, recommended Committee Members provide him with any comments/changes pertaining to the Work Plan via e-mail.

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

18. Announcements

There were no Announcements.

19. ADJOURNMENT

On order of Vice Chairperson Batra and there being no objection, the meeting was adjourned at 3:30 p.m.

Respectfully submitted,

Tracene Y. Crenshaw, Board Assistant
Office of the Board Secretary
Policy Advisory Committee  
Thursday, October 8, 2009

MINUTES

CALL TO ORDER

The Regular Meeting of the Valley Transportation Authority (VTA) Policy Advisory Committee (PAC) was called to order at 4:03 p.m. by Chairperson Abe-Koga in Conference Room B-104 Valley Transportation Authority (VTA), 3331 North First Street, San Jose, California.

1. ROLL CALL

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<tr>
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<tbody>
<tr>
<td>Chris Moylan</td>
<td>City of Sunnyvale</td>
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<tr>
<td>David Whittum (Alternate)</td>
<td>City of Sunnyvale</td>
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<tr>
<td>Chuck Page</td>
<td>City of Saratoga</td>
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<td>Kathleen King (Alt)</td>
<td>City of Saratoga</td>
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<tr>
<td>Dave Cortese</td>
<td>SCC Board of Supervisors</td>
<td>Absent</td>
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<tr>
<td>Michael F. Kotowski</td>
<td>City of Campbell</td>
<td>Present</td>
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<td>Jason Baker (Alt)</td>
<td>City of Campbell</td>
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<td>Kris Wang</td>
<td>City of Cupertino</td>
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<td>Gilbert Wong (Alt)</td>
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<td>Perry Woodward</td>
<td>City of Gilroy</td>
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<td>Cat Tucker (Alt)</td>
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<td>Megan Satterlee</td>
<td>City of Los Altos</td>
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<tr>
<td>Val Carpenter (Alt)</td>
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<tr>
<td>Joe Pirzynski</td>
<td>Town of Los Gatos</td>
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<tr>
<td>Diane McNutt (Alt)</td>
<td>Town of Los Gatos</td>
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<td>Pete McHugh</td>
<td>City of Milpitas</td>
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<td>Vacant (Alt)</td>
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<tr>
<td>Marshall Anstandig</td>
<td>City of Monte Sereno</td>
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<td>Curtis Wright (Alt)</td>
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<td>Marby Lee</td>
<td>City of Morgan Hill</td>
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<td>Steve Tate (Alt)</td>
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<tr>
<td>Margaret Abe-Koga</td>
<td>City of Mountain View</td>
<td>Present</td>
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<tr>
<td>Laura Macias (Alt)</td>
<td>City of Mountain View</td>
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<tr>
<td>Pat Burt</td>
<td>City of Palo Alto</td>
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<td>Larry Klein (Alt)</td>
<td>City of Palo Alto</td>
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<tr>
<td>Kansen Chu</td>
<td>City of San Jose</td>
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<tr>
<td>Jamie Matthews</td>
<td>City of Santa Clara</td>
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<tr>
<td>Jamie McLeod (Alt)</td>
<td>City of Santa Clara</td>
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</tr>
<tr>
<td>Rich Larsen</td>
<td>Town of Los Altos Hills</td>
<td>Absent</td>
</tr>
</tbody>
</table>

A quorum was present.
2. ORDERS OF THE DAY

There were no Orders of the Day.

3. PUBLIC PRESENTATIONS

There were no Public Presentations.

4. Committee Staff Report

Jim Lawson, Senior Policy Advisor, announced groundbreaking ceremonies were held for the BART Warm Springs Extension (WSX) on September 30, 2009 in Fremont. Ex-Officio Board Member Dean Chu represented VTA at the festivities.

Mr. Lawson provided an overview of the Board of Director’s October 1, 2009 meeting highlighting: 1) Board adopted a support position for HR 2746 (Carnahan) which allows all public transit agencies to use a portion of their federal Section 5307 Urbanized Area (UZA) formula funds for operating purposes; 2) Board reviewed Quarterly Statement of Revenues and Expenses; 3) Received the 2000 Measure A Semi-Annual Report; 4) Fourth quarter sales tax revenue has decreased 27 percent from last year; 5) Approved the Transit Service Reduction Plan which will take effect January 11, 2010; 6) Approved $56 million in contract amendments and new contracts to advance the BART project; and 7) Received update on the Advisory Committee Enhancement Process (ACE).

Stephen Flynn, Senior Management Analyst, provided a status report and update on the ACE process. He stated an update on the Ace process was provided to VTA’s Administration & Finance (A&F) Standing Committee at its September meeting.

Mr. Flynn stated the A&F Committee expressed their appreciation for the Task Force’s diligent work however, they expressed concern the Task Force was unable to reach consensus on recommendations to the Board for streamlining the advisory committee process. They stressed the importance of providing the Board with specific options for consideration. Mr. Flynn reported the A&F Committee directed staff to reconvene the Task Force to try to achieve consensus on recommendations for improving the advisory committee process. It was also stipulated if consensus is not reached with the Task Force, staff would provide recommendations.

5. Chairperson’s Report

There was no Chairperson’s Report.

6. City Grouping Report

There was no City Grouping Report.
BUSINESS REFERRED TO COMMITTEE BY THE BOARD OF DIRECTORS/GENERAL MANAGER

CONSENT AGENDA

7. Minutes of September 10, 2009

M/S/C (Wong/Lee) to approve the Minutes of September 10, 2009. Alternate Member Wright abstained.


On order of Chairperson Abe-Koga and there being no objection, the Committee reviewed the Transit Operations Performance Report: Preliminary Annual Report (Fiscal Year 2009).

REGULAR AGENDA

9. New Funding Program for County Expressways Pedestrian Projects

Marcella Rensi, Transportation Planning Manager, reviewed the New Funding Program for County Expressways Pedestrian Projects. She noted the pedestrian element of the 2003 Countywide Study was updated in 2008 and includes numerous improvements throughout the expressway network. Ms. Rensi stated it is in the interest of VTA, the County, and the respective cities to promote pedestrian projects along expressways. She discussed funding criterion and challenges with the Funding Program.

Ms. Rensi clarified VTA’s Community Design and Transportation (CDT) Program provides capital funds to support projects that integrate pedestrian and multimodal transportation design elements along major transit corridors, around station areas, and in urban core areas. She further clarified CDT grants are not available to most areas along County expressways because they are typically outside of the core areas defined by local jurisdiction for the CDT Program.

Ms. Rensi reported VTA proposes to use up to $150,000 per year from the Bicycle Expenditure Program’s (BEP) 30 percent of TDA Article 3 funding and allocate those funds for these projects. She noted in order to receive the funds, the County and respective cities where the project is located jointly sponsor the project, coordinate the planning and commit equal amounts of matching funds which would also be matched by VTA on equal one third shares. VTA’s share would be derived from the $150,000 in TDA Article 3 funding.

Member Satterlee expressed concern with jurisdictional issues and commitment share requirements.

NOTE: M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY
Member Pirzynski stated respective cities are in control of projects in their jurisdictions.

Alternate Member Wright expressed concern with County involvement and prioritization criterion of the program.

**M/S/C (Pirzynski/McHugh)** to adopt New Funding Program for County Expressways Pedestrian Projects. Member Satterlee and Alternate Member Wright opposed.

10. **Silicon Valley Express Lanes Program**

Murali Ramanujan, Senior Transportation Engineer, reviewed the Silicon Valley Express Lanes Program and highlighted: 1) Board approval of program December 11, 2008; 2) Clarification of process and how express lane fees would change dynamically in response to existing congestion levels and available capacity in the designated lane; 3) Update on Santa Clara County Express Lanes Projects; 4) Update on Regional Express Lane Projects; and 5) Future items for Board recommendation regarding Express Lane Projects.

Mr. Ramanujan stated the Program will provide long-term mobility benefits and also provide another funding stream for transportation improvements. He further noted the program objectives would provide congestion relief through more effective use of existing roadways, provide commuters with new mobility options, and establish a new funding source for transportation improvements and public transit.

Member Kotowski inquired if VTA has modeled the project after established express lane projects in other parts of the US. Mr. Ramanujan stated VTA is very interested in the testing of switchable transponders by the Metropolitan Transportation Commission (MTC) and the Los Angeles Metro. He further stated VTA has studied express lane projects in other areas of the country.

Member Lee expressed concern with the premise of registering carpoolers. Mr. Ramanujan answered information regarding registering carpoolers would be forth coming at a future meeting.

Member Satterlee requested clarification regarding the operation of express lanes twenty four hours a day, seven days a week. Mr. Ramanujan replied the operation of the lanes 24/7 would provide a mobility scenario with one lane always available for flexibility during periods of congestion.

Member McHugh asked if carpool criteria would remain the same. Mr. Ramanujan stated changes to carpool criteria and requirements are under consideration.

**On order of Chairperson Abe-Koga** and there being no objection, the Committee reviewed an update on the Silicon Valley Express Lanes Program.
11. **Joint Development Portfolio & Priority Schedule**

Bijal Patel, Deputy Director Property Development and Management, provided a PowerPoint presentation regarding the Joint Development Portfolio and Priority Schedule highlighting the revised Joint Development policy framework.

Ms. Patel reported the Board of Directors approved a revised Joint Development Policy in April 2009 which establishes specific goals for the program and a Joint Implementation Plan to achieve those goals. The two documents are referred to as the Joint Development Guidance (JD) Documents. These documents specify the asset management tools for the program. The Real Estate Inventory (RE Inventory) comprehensively identifies and assesses VTA’s revenue generating real estate assets, the Joint Development Portfolio identifies the assets within the RE Inventory that are best suited for joint development, and the Joint Development Priority Schedule targets VTA’s limited resources toward the assets best suited to meet the goals of the JD Guidance Documents.

Ms. Patel discussed the research methodology and analysis conducted by VTA staff to reach the recommendations in the staff report. She clarified pursuant to the JD Guidance Documents the VTA Board must approve the JD Portfolio and Priority Schedule.

**M/S/C (Page/Wong)** to approve the Joint Development Portfolio & Priority Schedule.

Member Lee left the meeting at 5:21 p.m.

12. **Light Rail System Analysis**

Andrew Ittigson, Senior Planner, provided a PowerPoint presentation regarding Light Rail System Analysis. Mr. Ittigson stated the Light Rail System Analysis is designed to provide a comprehensive evaluation of the infrastructure and operational flexibility of the existing light rail system as well as an evaluation of operational impacts and user benefits to the system of the planned light rail and BART extensions.

Mr. Ittigson provided the background and overview of the project’s schedule. He discussed components to move the project forward, scenarios and technical assessments of the project, and scenario alternatives for the existing and proposed light rail system routes.

Mr. Ittigson stated the projected goals for the project include: 1) faster service; 2) better rail connections; 3) integrate Almaden into the Light Rail System; and 4) propose new direct services to San Jose State University and direct service from Alum Rock to Mountain View.

Mr. Ittigson reported Next Steps will include: 1) technical analysis; 2) cost estimating; 3) cost/benefit analysis; 4) preparation of an investment plan; and 5) Board approval.
Alternate Member Wright expressed concern with parking at Park and Ride facilities in the West Valley.

On order of Chairperson Abe-Koga and there being no objection, the Committee reviewed the Light Rail System Analysis.

OTHER

13. Committee Work Plan

The Committee reviewed the Work Plan.

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

14. Announcements

There were no Announcements

15. ADJOURNMENT

On order of Chairperson Abe-Koga and there being no objection, the meeting was adjourned at 5:45 p.m.

Respectfully submitted,

Jacqueline Golzio, Board Assistant
Office of the Board Secretary