BOARD OF DIRECTORS MEETING

Thursday, October 7, 2010

5:00 P.M.
The Regular Session will commence immediately following the conclusion of the Closed Session.

Board of Supervisors’ Chambers
County Government Center
70 West Hedding Street
San Jose, CA 95110

PLEASE NOTE CHANGE IN MEETING TIME

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.
Disclosure of Campaign Contributions to Board Members (Government Code Section 84308)

In accordance with Government Code Section 84308, no VTA Board Member shall accept, solicit, or direct a contribution of more than $250 from any party, or his or her agent, or from any participant, or his or her agent, while a proceeding involving a license, permit, or other entitlement for use is pending before the agency. Any Board Member who has received a contribution within the preceding 12 months in an amount of more than $250 from a party or from any agent or participant shall disclose that fact on the record of the proceeding and shall not make, participate in making, or in any way attempt to use his or her official position to influence the decision.

A party to a proceeding before VTA shall disclose on the record of the proceeding any contribution in an amount of more than $250 made within the preceding 12 months by the party, or his or her agent, to any Board Member. No party, or his or her agent, shall make a contribution of more than $250 to any Board Member during the proceeding and for three months following the date a final decision is rendered by the agency in the proceeding. The foregoing statements are limited in their entirety by the provisions of Section 84308 and parties are urged to consult with their own legal counsel regarding the requirements of the law.

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 upon request.

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 (408) 321-2330 (TTY only). VTA’s Home page is on the Web at: www.vta.org or visit us on Facebook www.facebook.org/scvta.

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

1. ROLL CALL

2. RECESS TO CLOSED SESSION

   A. Existing Litigation - Conference with Legal Counsel
      [Government Code Section 54956.9(a)]
      
      Name of Case: Santa Clara Valley Transportation Authority v. BCRP-
      Landmark, LLC
      [Santa Clara County Superior Court Case No. 1-10-CV-182021 -
      Complaint in Eminent Domain]

   B. Conference with Real Property Negotiators
      [Government Code Section 54956.8]
      
      Property: A parcel of land comprised of .74 acres located at the corner of
      Lawrence Expressway and Moorpark Avenue in the City of San
      Jose, CA
      
      Agency negotiator: Bijal Patel, Deputy Director, Property Development &
      Management
      
      Negotiating parties: Dr. Ravinder Atwal
      
      Under Negotiation: Price and terms of payment

RECONVENE TO OPEN SESSION

3. CLOSED SESSION REPORT

4. ORDERS OF THE DAY

5. AWARDS AND COMMENDATIONS

   Employees of the Month for October 2010
   
   INFORMATION ITEM - Recognize Susan Nava, Accountant Assistant, Fiscal
   Resources Division, River Oaks Administration; Corina Wakefield, Transit Radio
   Dispatcher, Guadalupe Operations Division; and Ronald Roberts, Senior Signal
   Maintainer, Guadalupe Maintenance Division, as Employees of the Month for October
   2010.

6. PUBLIC PRESENTATIONS

   This portion of the meeting is reserved for persons desiring to address the Board of
   Directors on any item within the Boards 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.
7. **REPORT FROM THE GENERAL MANAGER. (Verbal Report)**

8. **REPORT FROM THE CHAIRPERSON. (Verbal Report)**


   INFORMATION ITEM - Receive the Ad Hoc Recovery Committee Final Report.


**CONSENT AGENDA**

12. Approve the Board of Directors Regular Meeting Minutes of September 2, 2010.

13. **ACTION ITEM -** Authorize the General Manager to execute a contract with Vavrinek, Trine, Day and Co. to provide financial and compliance audit services to Santa Clara Valley Transportation Authority (VTA) for three years starting July 1, 2011 at a cost of $375,000 and two additional one-year extensions at a cost of $125,000 for each year. The total value of the contract for the five year period ending June 30, 2016 is $625,000.

14. **ACTION ITEM -** Ratify the appointment of Melanie Hanssen, Town of Los Gatos, to the Bicycle & Pedestrian Advisory Committee (BPAC) for term ending June 30, 2012.

15. **ACTION ITEM -** Authorize the General Manager to enter into contracts and task order agreements with identified technology firms for consulting and support services. Each contract shall be for a maximum three-year period, with an option for two additional years with an aggregate value not to exceed $4,750,000 for all contracts.

16. **ACTION ITEM -** Authorize the General Manager to execute contracts with Ricoh Business Solutions for document copy, scanning, and printing equipment; and for equipment support services. The initial term of the contract is for five years with an option to extend the contract on an annual basis for two additional years. The cost of the initial five year term is $1,095,000, plus an optional $271,000 per year for each of the optional one-year periods, for a total of $1,637,000.

17. **ACTION ITEM -** Authorize the General Manager to renew benefit contracts with Kaiser, United Health Care (dba PacifiCare), Valley Health Plan, Delta Dental, Pacific Union Dental, Vision Service Plan, CIGNA, and Custom Benefits Administrators for VTA employees and retirees for calendar year 2011.

18. **ACTION ITEM -** Authorize the General Manager to enter into an agreement with San Mateo City and County Association of Governments (C/CAG) for purchase of the VTA model, maintenance of model and on-call modeling services.

19. **ACTION ITEM -** Authorize the General Manager to execute a contract amendment with Rajappan & Meyer Consulting Engineers, Inc. in an amount not to exceed $100,000 (from $150,000 in funding provided by the City of San Jose), for a new total contract amount of $620,000 for engineering services to finalize preliminary engineering and environmental documentation for the reconfiguration of the US 101/ De La Cruz Boulevard interchange.
20. ACTION ITEM - Adopt administrative procedures for the SB-83 Vehicle Registration Fee (VRF) program.

21. ACTION ITEM - Authorize the General Manager to execute a contract with Henry Brothers Electronics in the amount of $2,950,000 for the procurement and installation of mobile CCTV (Closed Circuit Television) systems in 229 buses. Federal grants will provide 86% of the funding for this contract.

22. ACTION ITEM - Adopt a resolution authorizing the General Manager to execute the Project Baseline Agreement, and any amendments thereto, and any other necessary agreements and documents with the California Department of Transportation and/or the California Transportation Commission relating to the VTA’s role as funding agency and implementing agency for the Highway-Railroad Crossing Safety Account (HRCSA)-funded Kato Road grade separation project.

23. ACTION ITEM - Authorize the General Manager to amend the Transit Shelter Advertising Program Agreement with Clear Channel Outdoor and Implementation Agreement for the Transit Shelter Advertising Program with the participating cities, county and Clear Channel Outdoor. The amendments would extend the agreements two years with modified terms.

24. INFORMATION ITEM - Receive the Auditor General's report on the SAP Governance Risk & Compliance (GRC) Segregation of Duties and Sensitive Access Controls Internal Audit.

25. INFORMATION ITEM - Receive a presentation on the results of implementing ramp metering on northbound and southbound SR 87 and southbound SR 85.

26. INFORMATION ITEM - Receive presentation on I-680 Express Lanes project opening.

27. INFORMATION ITEM - Receive the 2000 Measure A Semi-Annual Report.

REGULAR AGENDA

28. INFORMATION ITEM - Receive the BART Silicon Valley Project Update.

29. ACTION ITEM - Authorize the General Manager to execute a Purchase and Sale Agreement (PSA) with the City of San Jose for 3.5 acres of property located at Lick Avenue near Pepitone Avenue and Goodyear Street, San Jose, California, within the Tamien Station Area, comprised of approximately 3.5 acres.

30. ACTION ITEM - Authorize the General Manager to enter into a two-year contract extension through June 30, 2013, with three one-year options, with Outreach and Escort, Inc.; and, to send a letter to MTC supporting Outreach’s request for designation as a Consolidated Transportation Services Agency.
OTHER ITEMS

31. INFORMATION ITEM - Review Monthly Legislative History Matrix.

32. ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION

33. 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

34. REPORTS (UNAPPROVED MINUTES) FROM ADVISORY COMMITTEES
   A. Committee for Transit Accessibility (CTA) (No Meeting Scheduled)
   B. Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC) (Meeting Cancelled)
   C. Bicycle & Pedestrian Advisory Committee (BPAC) (Meeting Cancelled)
   D. Technical Advisory Committee (TAC)
   E. Policy Advisory Committee (PAC)

35. 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

36. REPORTS FROM VTA POLICY ADVISORY BOARDS (PABs)
   A. Vasona Light Rail PAB (No Meeting Scheduled)
   B. Silicon Valley Rapid Transit Corridor & BART Warm Springs Extension PAB
   C. Downtown East Valley PAB

37. ANNOUNCEMENTS

38. 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 October 2010

FOR INFORMATION ONLY

BACKGROUND:

Susan Nava, Accountant Assistant in the Fiscal Resources Disbursements department at River Oaks, is the Administration Award Winner for October. Susan has 5 years of dedicated service with VTA. In her current role, Susan processes invoices for payment, interacts with vendors, and maintains data on disbursements. Recognized by her management for her initiative, excellent customer service, and accuracy in her work, Susan helps create a positive work environment at VTA and sets a great example for her fellow employees. Congratulations to Susan Nava, Administration Employee of the Month for October!

Corina Wakefield, Guadalupe Division Transit Radio Dispatcher, is October’s Operations Award Winner. In her current position as Transit Radio Dispatcher, Corina receives and transmits information to Operators about road conditions, traffic issues or emergency situations. Throughout her nearly 14 years at VTA, Corina has displayed a positive attitude and is recognized by her supervisors as a team player who is highly respected by the Bus Operators she supports. Corina upholds VTA’s commitment to quality job performance, and is very deserving of this award. Congratulations to Corina Wakefield, Operations Employee of the Month for October!

Ronald Roberts, Senior Signal Maintainer at Guadalupe Maintenance Division, is our Maintenance Employee of the Month for October. An employee of VTA since 2004, Ronald is responsible for installation, repair and maintenance of signaling and rail safety systems, ticket vending controllers, and other related electrical equipment and systems. He resolves technical issues and contributes to the safe operation of the VTA light rail. Appreciated by his supervisors for his great attitude and outstanding work ethic, Ronald has truly earned this special recognition. Congratulations to Ronald Roberts, Maintenance Employee of the Month for October!
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Senior Policy Advisor, Jim Lawson

SUBJECT: Ad Hoc Recovery Committee Final Report

FOR INFORMATION ONLY

BACKGROUND:

In December 2009, the VTA Board of Directors appointed the Ad-hoc Financial Recovery Committee. The Recovery Committee is comprised of Members Gage, Abe-Koga and Herrera. The committee is supported by a representative stakeholder group of business, labor, VTA advisory committees and other communities of interest (Attachment A). The Recovery Committee's directive is to review VTA's financial structure and to develop recommendations for the Board that address VTA’s structural deficit beyond FY 2011 to insure the continued sustainability of transit services in Santa Clara County.

DISCUSSION:

The committee has held meetings since January and spent considerable time reviewing VTA's financial structure and economic projections. After careful consideration and analysis, the committee has adopted the attached report, which contains financial policies and principles to guide VTA in becoming a more financially stable and sustainable organization. Most significantly, the report contains deficit reduction targets in the areas of Internal Efficiencies, Employee Expenses, Service Delivery and New Revenue. The report provides a framework for the creation of the FY2012 and FY2013 Budgets and for addressing the ongoing structural deficit in VTA’s operating budget.

At the meeting of September 1\textsuperscript{st} the committee unanimously approved the \textit{Guidance on Operating Expenditure Priorities, Key Financial Principles and Deficit Reduction Targets}. The Stakeholders present expressed their unanimous agreement with the document based upon amendments recommended by Committee Members and Stakeholders and contained in the attached document.
Staff will present an overview of the report’s findings at the October board meeting. Additionally, staff is scheduling a workshop for October to provide board members with an opportunity to discuss the report in greater detail.

Prepared By: Scott Haywood
Memo No. 2818
AD-HOC FINANCIAL RECOVERY COMMITTEE

REVISED MEMBERSHIP ROSTER

June 2010

Don Gage, Chairperson
Rose Herrera, Vice Chairperson
Jim Lawson, Staff Liaison (408) 321-5516
Michelle M. Garza, Board Assistant (408) 321-5680/Fax: (408) 955-0891

Membership: 3 Quorum: 2 Vacancies: 0

<table>
<thead>
<tr>
<th>Members</th>
<th>Represents</th>
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<tbody>
<tr>
<td>Margaret Abe-Koga</td>
<td>VTA Board of Directors</td>
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<tr>
<td>Don Gage, Chair</td>
<td>VTA Board of Directors</td>
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<tr>
<td>Rose Herrera, Vice Chair</td>
<td>VTA Board of Directors</td>
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<th>Stakeholders</th>
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<tbody>
<tr>
<td>Robert Jacobvitz</td>
<td>Citizens Advisory Committee/Citizens Watchdog Committee (CAC/CWC)</td>
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<tr>
<td>Aaron Morrow</td>
<td>Committee for Transit Accessibility (CTA)</td>
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<tr>
<td>Emma Eljas</td>
<td>CTA Alternate</td>
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<tr>
<td>Joe Pirzynski</td>
<td>Policy Advisory Committee (PAC)</td>
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<tr>
<td>Tom Williams</td>
<td>Santa Clara County City Managers Association</td>
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<tr>
<td>William Hadaya</td>
<td>Santa Clara County Coalition of Chamber of Commerce</td>
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<tr>
<td>Bena Chang</td>
<td>Silicon Valley Leadership Group (SVLG)</td>
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<tr>
<td>Loretta Springer</td>
<td>Amalgamated Transit Union (ATU)</td>
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<tr>
<td>LaVon Hamilton</td>
<td>ATU Alternate</td>
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<tr>
<td>John Carlson</td>
<td>American Federation of State County and Municipal Employees (AFSCME)</td>
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<tr>
<td>Tammy Dhanota</td>
<td>Service Employees International Union (SEIU), Local 521</td>
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<tr>
<td>Steve Barber</td>
<td>SEIU, Local 521 Alternate</td>
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<tr>
<td>Raj Sedhev</td>
<td>Transportation Authority Engineers &amp; Architects Association (TAEA)</td>
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<td>Marc Delong</td>
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<td>Mike Aldea</td>
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<tr>
<td>Cindy Chavez</td>
<td>South Bay AF of L/CIO Labor Council</td>
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<tr>
<td>Brian Darrow</td>
<td>South Bay AF of L/CIO Labor Council Alternate</td>
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Ad-Hoc Financial Recovery Committee meets generally on Wednesday at 3:00 p.m. in the Auditorium, Santa Clara Valley Transportation Authority, 3331 North First Street, San Jose, California. Please refer to the schedule for the revised meeting dates.

Please address all correspondence c/o: Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 North First Street, Building B-1
San Jose, CA 95134-1906

Telephone: (408) 321-5680
Fax: (408) 955-0891
E-mail: board.secretary@vta.org

Ad-Hoc Financial Recovery Committee Revised June 23, 2010
Section I.
Financial Stability Policy
VTA Transit Enterprise Fund

This Policy establishes guidance on expenditure prioritization and the key principles that VTA shall use to prudently align its operating costs with its available resources.

Guidance on Expenditure Prioritization

In developing VTA’s Biennial Operating Budget and associated financial plans, VTA shall prioritize its activities in the following order. This prioritization guidance shall be used both when budget reductions are required in order to keep spending consistent with available revenues, and when increases in operating revenues permit VTA to devote additional resources to its transit-related activities.

1. Preserving the level of fixed route transit service and paratransit service provided to VTA riders to the greatest extent possible. The service plan shall be developed in accordance with VTA’s Transit Sustainability Policy and service design guidelines and in the best interest of the public.

2. Activities that directly support the provision of transit service, i.e., only those core operating, management and administrative functions that are necessary and essential to support the provision of the existing level of transit service, both in terms of the types of functions required and level of resources needed to support service. Measured against industry standards and best practices with consideration of efficiencies achieved by reducing layers of management.

3. Support for Regional Partnerships (e.g. Caltrain, ACE, Dumbarton Express, etc.) provided by VTA in consideration of other partners’ contributions.

4. Activities that clearly contribute to increasing and diversifying VTA’s operating funding (e.g. fare programs, joint development, advertising, and other opportunities for earned income).

5. Activities that provide information to riders, employees, stakeholders and the public.

6. Activities that would prudently and strategically expand VTA transit service, when sustainable revenues are available to support the service growth.
Section II. Key Financial Principles

The following Key Principles establish a framework for policy direction to the Santa Clara Valley Transportation Authority Board of Directors and staff during the creation the biennial budget and when addressing the structural deficit in VTA’s operating budget.

The Key Principles have been numbered, and organized into two groups:

- Principles that are assumed in the development of the annual deficit reduction targets, but are not directly tied to a particular deficit reduction target category; and
- Principles that are directly tied to a particular Deficit Reduction target category.

**Key Principles Assumed in Development of Deficit Reduction Targets**

**Principle Number 1: Operating Reserve at 15%** - VTA shall take the necessary steps to protect its financial liquidity by building and maintaining an Operating Reserve equal to 15 percent of annual operating expenses, which is equal to just under two months of operating cash flow requirements. To the extent that the Operating Reserve level falls below the 15 percent target, during the next biennial budget process, VTA must identify measures necessary to reach the 15 percent threshold within a 3 year period, and begin implementation of some or all of those measures during the next biennial budget process. However, to the extent possible, VTA should avoid the implementation of service reductions as a means of achieving the 15 percent operating reserve target.

**How Principle 1 Affects The Development of Deficit Reduction Target:** This principle is assumed in identifying the baseline $40 Million annual deficit reduction target. This level of annual Deficit Reduction would keep the Operating Reserve level between 15 percent and 20 percent from FY2012 through FY2015. However, even with $40 Million per year in Deficit Reduction, current projections show the Operating Reserve level dropping down to 10 percent – 11 percent in FY2017 through FY2019.
Principle Number 2: Limit Use of Capital Funding - When determining whether to use all or a portion of its eligible capital funding for operating-related purposes, such as preventive maintenance, VTA should attempt to balance the needs of its day to day operations with its longer term needs to preserve, protect and renew its capital assets, and maintain VTA’s vehicles, facilities and infrastructure in a “state of good repair.” 100 percent of eligible capital funding may be used for operating purposes, but should be reviewed on an annual basis.

How Principle 2 Affects The Development of Deficit Reduction Targets: This principle affects the amount of “flexible” FTA grant funds that are expected to be available for operating purposes, and therefore affects the level of annual Deficit Reduction required to keep VTA’s operating expenses in line with its operating revenues.

Principle Number 3: Control Cost Growth - VTA shall take appropriate steps to ensure that its operating costs do not grow faster than its reasonably anticipated operating revenues. Unless required by Federal, state or local law, measures that increase operating expenses should not be implemented until the funding for those increases has been identified with reasonable certainty.

How Principle 3 Relates to Deficit Reduction Target: This principle is assumed in establishing the annual deficit reduction target of $40 Million per year during the SRTP period, in order to balance VTA’s operating expenses with its reasonably anticipated operating revenues.

Principles Directly Tied to Deficit Reduction Targets

Principle Number 4: Achieve Internal Efficiencies – Direct staff to meet the adopted Target Deficit Reduction through a combination of internal efficiencies. Such efficiencies to be achieved through a variety of systemic cost reduction actions, which are not one-time in nature. Such actions may include, but are not limited to, the elimination of unfilled budgeted positions, Deficit Reduction associated with not filling staff positions that become vacant through attrition, other staff reductions, consolidation of services, reductions in ongoing cost commitments, etc. Such reductions shall be achieved to the greatest degree possible in a manner consistent with the preservation of service.

How Principle 4 Relates to Deficit Reduction Target – This principle would be implemented by establishing a deficit reduction target range of $5 Million to $15 Million per year in the “Internal Efficiencies” category.

Principle Number 5: Negotiate Sustainable Bargaining Unit Agreements - In developing cost reduction strategies and plans, and in negotiating labor agreements, VTA shall work collaboratively

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1 Note: 2000 Measure A Program – By Board Policy, and in accordance with a Court ruling based on the text of the ballot initiative, a limited amount of revenue collected from the 2000 Measure A Sales Tax may be used to fund VTA’s operations. Increasing the amount of Measure A funds diverted to operations will seriously compromise the VTA’s ability to deliver the projects promised to the voters under this program.
with its employee bargaining units to identify ways to protect VTA’s financial condition and liquidity, including ways to control the cost to VTA of employee benefit programs for bargaining unit and non-represented employees, while also preserving the jobs of VTA employees to the extent possible and protecting the quality and integrity of VTA services. Consideration shall be given to partnering with Santa Clara County and other cities within the county to provide the greatest leverage in negotiating with benefit providers.

**How Principle 5 Relates to Deficit Reduction Target:** This principle would be implemented by establishing an annual deficit reduction target range of $5 Million to $13 Million per year in the “Employee Expense” category.

**Principle Number 6: Use of Contracted Services** –

A) VTA shall periodically evaluate the use of contracted services for the delivery of service on selected VTA transit routes, and the delivery of other services utilized in the course of operating and supporting VTA transit service. In making decisions regarding the use of contracted services, VTA should compare the expected impacts on cost, safety, reliability and customer service associated with contracted service delivery, and any related long term financial risks, against the performance and cost of utilizing VTA staff in delivering those same services.

B) With input from stakeholders, contracting principles should be developed and designed to consider the risks and rewards of contracting in and out. These principles should consider multiple service delivery options and contain a method for rigorous cost benefit analysis.

C) This principle includes the provision of contracted services with partner agencies such as Caltrain, Altamont Commuter Express, Dumbarton Express, etc. Such contributions to be reduced proportionally to the total of VTA’s annual operating deficit.

D) VTA shall continually work with contracted service providers (OUTREACH, Santa Clara County Sheriff’s Department, Allied Barton, etc.) to maximize efficiency and control costs.

**How Principle 6 Relates to Deficit Reduction Target:** This principle would be implemented by establishing a deficit reduction target range of $5 Million to $15 Million in the “Service Delivery” category.
Section III. Annual Deficit Reduction Targets By Category

The table below summarizes the proposed annual deficit reduction target ranges by category.

Summary of Proposed Annual Deficit Reduction Targets By Category

<table>
<thead>
<tr>
<th>Category</th>
<th>Related Principle</th>
<th>Proposed Deficit Reduction Target Range</th>
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<tbody>
<tr>
<td>Internal Efficiencies</td>
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<td>Employee Expenses</td>
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<td>$5-13 Million</td>
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<td>Service Delivery</td>
<td>Principle 6</td>
<td>$5-12 Million</td>
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<td>New Revenue</td>
<td>Revenue Enhancement Committee</td>
<td>$0-20 Million</td>
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<tr>
<td>Overall Annual Savings Target</td>
<td>Principle 3</td>
<td>$20-40 Million</td>
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Additional Recommendation for the Board’s Consideration:

Revenue Enhancement Committee - VTA’s Board of Directors shall establish a Joint Labor/Management Task Force responsible for advising the Board on possible mechanisms for increasing VTA’s operating revenues, and for developing specific recommendations to the Board regarding revenue measures that could be implemented administratively by VTA, measures that would require legislative action, and measures that would require voter approval. Such measures are to include, but not be limited to, potential fare adjustments (including possible changes to existing fare programs such as the EcoPass that promote transit ridership), parcel tax, sales tax and benefit assessment districts.

Please note that this principle does not relate to Deficit Reduction targets, which are required for the development of the FY2012-2013 biennial budget, because most significant revenue ideas could not be implemented before June 30, 2011. This concept would be considered for long term implementation.
BOARD OF DIRECTORS MEETING
Thursday, September 2, 2010

MINUTES

CALL TO ORDER

The Regular Meeting of the Santa Clara Valley Transportation Authority’s (VTA) Board of Directors was called to order by Vice Chairperson Abe-Koga at 5:33 p.m. in the Board of Supervisors’ Chambers, County Government Center, 70 West Hedding Street, San José, California.

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
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<tbody>
<tr>
<td>Margaret Abe-Koga</td>
<td>Vice Chairperson</td>
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<tr>
<td>Marshall Anstandig</td>
<td>Alternate Board Member</td>
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<tr>
<td>Nora Campos</td>
<td>Alternate Board Member</td>
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<tr>
<td>Dean Chu</td>
<td>Ex-Officio Board Member</td>
<td>Present</td>
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<td>Don Gage</td>
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<tr>
<td>Rose Herrera</td>
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<tr>
<td>Ash Kalra</td>
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<tr>
<td>Liz Kniss</td>
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<tr>
<td>Rich Larsen</td>
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<tr>
<td>Sam Liccardo</td>
<td>Chairperson</td>
<td>Absent</td>
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<tr>
<td>Jamie Matthews</td>
<td>Alternate Board Member</td>
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<td>Pete McHugh</td>
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<td>Chris Moylan</td>
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<tr>
<td>Chuck Page</td>
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<tr>
<td>Nancy Pyle</td>
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<td>Chuck Reed</td>
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<td>George Shirakawa</td>
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<tr>
<td>Perry Woodward</td>
<td>Board Member</td>
<td>Present</td>
</tr>
<tr>
<td>Ken Yeager</td>
<td>Ex-Officio Board Member</td>
<td>Present</td>
</tr>
</tbody>
</table>

* Alternates do not serve unless participating as a Member.

A quorum was present.

2. RECESS TO CLOSED SESSION at 5:34 p.m.

A. Anticipated Litigation-Conference with Legal Counsel

[Government Code Section 54956.9(b)]

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9:
One case involving termination of freight rail service to Clean Harbors Environmental Services, Inc.
B. Anticipated Litigation - Conference with Legal Counsel

Initiation of litigation pursuant to subdivision (c) of Government Code Section 54956.9: Four Potential Cases

**RECONVENED TO OPEN SESSION at 5:54 p.m.**

3. CLOSED SESSION REPORT

A. Anticipated Litigation - Conference with Legal Counsel

[Government Code Section 54956.9(b)]

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9:

One case involving termination of freight rail service to Clean Harbors Environmental Services, Inc.

**There was no reportable action taken during Closed Session.**

B. Anticipated Litigation - Conference with Legal Counsel

Initiation of litigation pursuant to subdivision (c) of Government Code Section 54956.9: Four Potential Cases

**There was no reportable action taken during Closed Session.**

4. ORDERS OF THE DAY

Vice Chairperson Abe-Koga noted the Morgan Hill, Gilroy, and Milpitas City Grouping (MGM) requested to defer the following Item to the October 7, 2010 Board of Directors Regular Meeting: **Agenda Item #20.** Authorize the General Manager to execute a Cooperative Agreement with the City of Morgan Hill to engage in a site planning process to determine the optimal replacement parking solution for the Morgan Hill Caltrain ParkNRIde Lot.

Vice Chairperson Abe-Koga stated that the meeting would adjourn in memory of Tim Loughran, a twenty-five year VTA employee.

Vice Chairperson Abe-Koga noted a request to move **Agenda Item #11.** Report from the Ad-Hoc Financial Recovery Committee to the Regular Agenda.

Vice Chairperson Abe-Koga noted a request to remove from the Consent Agenda to the Regular Agenda; **Agenda Item #19.** Approve the evaluation criteria and procedures for selecting projects and awarding Vehicle Emissions Reductions Based at Schools (VERBS) Program grants.

**M/S/C (Kniss/Page) to accept the Orders of the Day.**

**M/S/C (Kniss/Page) to approve the Consent Agenda.**

**The Agenda was taken out of order.**

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

14. **Board of Directors Regular Meeting Minutes of August 5, 2010**

M/S/C (Kniss/Page) to approve the Board of Directors Regular Meeting Minutes of August 5, 2010.

15. **Amended Conflict of Interest Code, Designated Positions and Disclosure Categories**

M/S/C (Kniss/Page) to adopt the amended Conflict of Interest Code for the Santa Clara Valley Transportation Authority (VTA) and its Appendix of Designated Positions and Disclosure Categories and direct the Board Secretary to submit the revised Conflict of Interest Code and the list of designated positions to the Santa Clara County Board of Supervisors for approval.

16. **Retirement Recognition Program Resolution**

M/S/C (Kniss/Page) to adopt a Resolution No. 2010.09.21 authorizing the General Manager and Chairperson of the Board to issue Commendations on behalf of VTA for the Employee Retirement Recognition Program.

17. **Award of Contracts for VTA Cellular Phone Equipment and Services**

M/S/C (Kniss/Page) to authorize the General Manager to execute contracts with Sprint (Nextel of California, Inc.) and AT&T Mobility for cellular voice and data services. The initial term for each contract will be three years with an option to extend the contract on an annual basis for two additional years. The cost of the initial three year term is $809,750 for both firms, plus an optional $296,000 per year for each of optional one-year periods, for a total of $1,401,750.

18. **Resolution to Accept Regional Measure 2 Safe Routes to Transit (SRTT) Funds for the VTA Pilot Bike Share Program**

M/S/C (Kniss/Page) to adopt a Resolution No. 2010.09.22 and authorize the General Manager to enter into a funding agreement with the Metropolitan Transportation Commission (MTC) to accept $500,000 in RM2 Safe Routes to Transit funds for the purpose of implementing a pilot bike share program in Santa Clara County.

20. **(Deferred to the October 7, 2010 Board of Directors Regular Meeting.)**

Authorize the General Manager to execute a Cooperative Agreement with the City of Morgan Hill to engage in a site planning process to determine the optimal replacement parking solution for the Morgan Hill Caltrain ParkNRIde Lot.

21. **VTA Deficiency Plan Requirements Update**

M/S/C (Kniss/Page) to adopt the updated VTA Deficiency Plan Requirements document.

22. **Grand Boulevard Initiative – Multimodal Transportation Corridor Plan**

M/S/C (Kniss/Page) to receive a report on the Grand Boulevard Initiative Multimodal Transportation Corridor Plan.
23. **Proactive Congestion Management Program (CMP) Quarterly Report for April – June 2010**

M/S/C (Kniss/Page) to receive the Proactive Congestion Management Program (CMP) Quarterly Report for April through June 2010.

24. **Programmed Projects Quarterly Monitoring Report**

M/S/C (Kniss/Page) to receive the Programmed Projects Quarterly Monitoring Report for April 2010 - June 2010.

25. **October 2010 Service Changes**

M/S/C (Kniss/Page) to receive report on Service Changes effective October 4, 2010.

5. **AWARDS AND COMMENDATIONS**

**Employees of the Month for September 2010**

Vice Chairperson Abe-Koga recognized and presented an award to Sue Niemiste, Office Specialist II, External Affairs, River Oaks Administration; and Glen Rands, Coach Operator, Chaboya Operations Division as Employees of the Month for September 2010.

Ernie Avila, Service Worker, Guadalupe Light Rail Maintenance Division was unable to attend.

6. **PUBLIC PRESENTATIONS**

James Wightman, Interested Citizen, queried about VTA’s Light Rail Commuter Express Trains schedule. Michael T. Burns, General Manager, responded that information on the trains would be provided in the Report from the General Manager.

Michael Ludwig, Interested Citizen, referenced the August 5, 2010 Board of Directors Meeting, where he noted concern regarding the frequency of the automatic public announcements played on the bus. He expressed concern that the announcements are excessive and disturb the riders and noted only important announcements should be played.

Vice Chairperson Abe-Koga requested that the following Items be taken as soon as the Board has 10 members present: **Agenda Item #7.** Adopt a resolution electing to hear Resolutions of Necessity for the US 101 Auxiliary Lanes Project; and **Agenda Item #8.** Adopt a resolution electing to hear Resolutions of Necessity for the I-880 High Occupancy Vehicle (HOV) Lane Widening Project.

9. **REPORT FROM THE GENERAL MANAGER**

Mr. Burns provided a brief report on the following:

- VTA’s overall system-wide ridership for July 2010 declined 5.9 percent compared to July 2009. Bus and Light Rail average weekday ridership declined 7.3 percent and 1.5 percent, respectively. Dumbarton Express, Highway 17 Express, Caltrain, Paratransit, and IBM/Hitachi Light Rail shuttle experienced average weekday ridership decreases in July 2010, noting ridership is tied to employment.
- VTA continues to market new service, such as the Eco Pass and Hybrid Bus, and utilizes other marketing opportunities, for example VTA sent out 15,000 notices
regarding VTA’s transit services to new residents throughout the County. VTA continues to participate in event partnerships, such as the San José Jazz Festival, Rock and Roll Marathon, and Dance in Transit event.

- VTA’s Light Rail Commuter Express service will begin on October 4, 2010. Three Trains with limited stops will travel between Santa Teresa and Bay Point Stations on weekday morning and afternoon peak periods. Select commuter express trains will have partial wraps to increase visibility, added safety, and promote new service. Commuter express trains will display distinctive color-coded signage in the front window to emphasize the morning and evening express service. To promote the new service, VTA sent direct mailers, will use on-line ads through the San Jose Mercury news and Yahoo, media releases, weekly interviews, and public outreach.

- Interstate 680 Express Lane between State Route (SR) 84 and Highway 237 is scheduled to open for revenue service on September 20, 2010 at 5:00 a.m., noting a commemorative opening event of the southbound lane is scheduled on Thursday, September 16, 2010 at 10:00 a.m.

- VTA utilized federal funding from the American Recovery and Reinvestment Act (ARRA) stimulus funds to purchase 90 Low-Emission Diesel Electric Hybrid Buses. The Hybrid Buses were available for viewing at the August Standing Committee Meetings and will be available for viewing at the October 7, 2010 Board Meeting. The Hybrid vehicles were well received by the Committee for Transit Accessibility (CTA). VTA’s Hybrid Buses were manufactured locally by Gillig LLC in Hayward, California, noting tours of the manufacturing facility are available on October 8th, 13th, and 28th in the morning.

- Invitation to attend VTA’s Family Day 2010 event held on Saturday, October 2, 2010 at Saratoga Springs.

    Board Member Gage arrived at the meeting and took his seat at 6:16 p.m.

Ray Halsell, Transit Division Supervisor and VTA’s Employee Advisory Committee (EAC) Chairperson, reported that VTA’s EAC have worked hard over the last year and a half to raise funds to organize VTA’s Family Day 2010. Mr. Halsell extended the invitation to the Board Members to participate in VTA’s Family Day 2010 event, noting the Board may contact Michelle M. Garza, Board Assistant, if they are interested in attending the event.

Board Member Larsen noted the importance for VTA to be more aggressive and focus on increasing ridership ideas. Mr. Burns responded that staff is conducting in-house group brain storming sessions to come up with ideas to increase ridership. Mr. Burns stated a significant part of VTA’s ridership base is tied directly to employment.

Board Member Larsen noted the importance for VTA to expand the in-house brain storming group and allow others the opportunity to participate and contribute.

10. REPORT FROM THE CHAIRPERSON

There was no report from the Chairperson.

12. Citizens Advisory Committee (CAC) Chairperson’s Report

There was no Citizens Advisory Committee (CAC) Chairperson’s Report.
13. **Policy Advisory Committee (PAC) Chairperson’s Report**

There was no Policy Advisory Committee (PAC) Chairperson’s Report.

7. **HEARING - NOTICE OF INTENTION TO ADOPT RESOLUTIONS OF NECESSITY**

Vice Chairperson Abe-Koga requested the Board of Directors adopt the following Items to elect to hear the Resolutions of Necessity for the projects then proceed to open the hearing: **Agenda Item #7.** Adopt a resolution electing to hear Resolutions of Necessity for the US 101 Auxiliary Lanes Project; and **Agenda Item #8.** Adopt a resolution electing to hear Resolutions of Necessity for the I-880 HOV Lane Widening Project.

Kevin Allmand, General Counsel, concurred with Vice Chairperson Abe-Koga, noting the first resolutions are to hear the resolutions of necessity for the projects.

**M/S/C (Page/Kniss)** to adopt Resolution No. 2010.09.23 electing to hear Resolutions of Necessity for the US 101 Auxiliary Lanes Project, as required by State law. Motion approved by 4/5 of the Board (10 members).

8. **HEARING - NOTICE OF INTENTION TO ADOPT RESOLUTIONS OF NECESSITY**

**M/S/C (Page/Kniss)** to adopt Resolution No. 2010.09.24 electing to hear Resolutions of Necessity for the I-880 HOV Lane Widening Project, as required by State law. Motion approved by 4/5 of the Board (10 members).

7. **HEARING - NOTICE OF INTENTION TO ADOPT RESOLUTIONS OF NECESSITY** (continued)

Bijal Patel, Congestion Management Agency (CMA) Property Development Deputy Director, reported that the recommendation pertains to property interests to be acquired for construction of the US 101 Auxiliary Lanes Project, which will add auxiliary lanes and extend existing HOV lanes on Highway 101 between Mountain View and Palo Alto.

Ms. Patel continued the public interest and necessity require the acquisition of highway easement and temporary construction easement property interests from five parcels of land for the US 101 Auxiliary Lanes Project.

Ms. Patel stated that staff has made numerous offers for the parcels of land and will continue to negotiate with the land owners. The owners of each of the properties have been notified of the hearing notice of intention to adopt the resolutions of necessity for the project.

Ms. Patel stated that staff has received a request to speak from Broadreach Capital Partners (BRCP) – Landmark, LLC.

**Public Presentation**

Pedro Marques, Representative speaking on behalf of BRCP – Landmark, LLC., stated that BRCP is in favor of the project and not trying to unnecessarily impede the progress of the project; however, BRCP contests the market valuation of the property. The remuneration offered by VTA is inadequate for the permanent loss of the 20 parking spaces.

**M/S/C (Kniss/Herrera)** to close hearing and adopt Resolutions of Necessity determining
that the public interest and necessity require the acquisition of highway easement and temporary construction easement property interests from five parcels of land owned by: BRCP-Landmark, LLC; Google, Inc.; Richard T. Peery & John Arrillaga (two properties); and the Santa Clara Valley Water District, located in Mountain View and Palo Alto, for the US 101 Auxiliary Lanes Project. Motion approved by 2/3 of the Board (8 members).

Resolution No. 2010.09.25
Property ID/Assessor’s Parcel Number/Owner
61917 (APN 116-08-100) owned by BRCP-Landmark, LLC

Resolution No. 2010.09.26
Property ID/Assessor’s Parcel Number/Owner
61918 (APN 116-13-033) owned by Google, Inc.

Resolution No. 2010.09.27
Property ID/Assessor’s Parcel Number/Owner
61922 (APN 116-03-026) owned by Richard T. Peery & John Arrillaga

Resolution No. 2010.09.28
Property ID/Assessor’s Parcel Number/Owner
61927 (APN 116-09-094) owned by Santa Clara Valley Water District

Resolution No. 2010.09.29
Property ID/Assessor’s Parcel Number/Owner
61928 (APN 116-09-140) owned by Richard T. Peery & John Arrillaga

8. HEARING - NOTICE OF INTENTION TO ADOPT RESOLUTIONS OF NECESSITY (continued)

Ms. Patel reported that the recommendation pertains to property interests to be acquired for construction of the I-880 HOV Lane Widening Project, which will add 4.6 miles of high occupancy vehicle lanes in both directions of Interstate 880 between US Highway 101 and State Route 237.

Ms. Patel continued the public interest and necessity require the acquisition of fee, utility easement and temporary construction easement property interests from two parcels of land for the I-880 HOV Lane Widening Project.

Ms. Patel stated that the owners of each of the properties have been notified of the hearing notice of intention to adopt the resolutions of necessity for the project.

Ms. Patel stated that staff has received a request to speak from Ernest Speno on behalf of MVFT, LLC.

Public Presentation

Ernest Speno, Property Owner speaking on behalf of Mission Valley Ford Truck (MVFT), LLC, expressed concern regarding the loss of a 10 feet property strip used for two small billboards, which are owned by the City of San José. Mr. Speno stated that he is unable to attain a permit for the billboards and requested assistance to resolve the issue.

Upon inquiry from Board Member Larsen, Ms. Patel responded that the legal status of the property strip used for the two billboards is in question by the City of San José.
Ms. Patel stated the City of San José has not confirmed that they can authorize the billboard permit since Mr. Speno does not have documentation showing that he has the right to use the 10 feet property strip for the two billboards.

Board Member Gage suggested that a Board Member representing the City of San José work with Mr. Speno to address the billboard permit issue.

Board Member Herrera volunteered to have the City Attorney and City Council staff work with Mr. Speno.

Board Member Woodward expressed his support to move forward with the understanding that legal counsel will work with Mr. Speno regarding the billboard permit issue.

M/S/C (Kniss/Page) to close hearing and adopt Resolutions of Necessity determining that the public interest and necessity require the acquisition of fee, utility easement and temporary construction easement property interests from two parcels of land owned by: Caracol Ltd. and MVFT, LLC, located in San José, for the I-880 HOV Lane Widening Project. Motion approved by 2/3 of the Board (8 members).

Resolution No. 2010.09.30
Property ID/Assessor’s Parcel Number/Owner
61815 (APN 237-08-075) owned by Caracol Ltd.

Resolution No. 2010.09.31
Property ID/Assessor’s Parcel Number/Owner
61816 (APN 237-08-076) owned by MVFT, LLC

Alternate Board Member Matthews left the meeting at 6:37 p.m.

REGULAR AGENDA


Board Member Page left the meeting at 6:38 p.m.

Board Member Gage provided a report on the September 1, 2010 Ad-Hoc Financial Recovery Committee meeting, noting the Committee was responsible to find a way to address VTA’s $40 million a year deficit. The assignment was a long and difficult process; however, the Committee and Stakeholders worked diligently to complete the assigned task.

The Committee and Stakeholders met twice monthly since January 2010 and weekly for the month of August 2010. The Committee was composed of Board Members Abe-Koga, Herrera, and Gage.

The Stakeholder Group consisted of representatives from the Chamber of Commerce, SVLG, the PAC, the CAC, the Committee for Transit Accessibility (CTA), Amalgamated Transit Union (ATU), Service Employees International Union (SEIU), American Federation of State, County, and Municipal Employees (AFSCME), Transportation Authority Engineers & Architects Association (TAEA), and the South Bay Labor Council.

The Committee and Stakeholders reviewed a significant amount of background material and received presentations from Moody's Analytics on the methodology and rationale for
VTA’s sales tax forecasts. The Committee and Stakeholders received reports about other transit agencies experiences with contracted services, reviewed various approaches to forecasting, and performed several different scenarios.

Board Member Gage stated that VTA faces a serious financial challenge beyond the current economic downturn, noting the Committee and Stakeholders recognized the need to address the escalation in costs that caused the problem.

In the past, VTA has moved through difficult economic times with a strategy of belt tightening and using one time revenues; however, this is no longer possible. As a result, the Committee and Stakeholders came to a unanimous recommendation, which consists of three parts. A rank ordering of Priorities for VTA to consider as the budget is developed, a set of principles to follow in the creation of VTA's FY 2012 - 2013 Budget, and targets to achieve in addressing the structural deficit.

The Priorities establish the preservation of VTA’s Transit Service as the first priority, which is followed by activities that directly support the provision of transit services. These priorities serve as a roadmap for replacing activities or services as new, sustainable revenue sources are discovered.

Board Member Gage continued that a series of six Key Financial Principles were developed, noting the first three establish the basis for the budget and the last three directly address the annual structural deficit that tie directly to the Deficit Reduction Targets.

Board Member Gage expressed his appreciation and thanked VTA’s labor groups and the South Bay Labor Council for their willingness to support the important and difficult concept, which will establish reduction targets to achieve in the areas of Internal Efficiencies, Employee Expenses, and Service Delivery that will equate to the $40 million deficit.

The reductions will involve sacrifice and cooperation on the part of management and labor to achieve success, noting there is still a great deal of work to accomplish to ensure VTA is on the road to long-term survival.

Board Member Gage stated the Committee and Stakeholders worked through a difficult process and extended his appreciation to Board Member Herrera and Vice Chairperson Abe-Koga, the Stakeholder Group, Mr. Burns, and staff for their diligent work and effort.

Vice Chairperson Abe-Koga and Board Member Herrera expressed appreciation and thanked Board Member Gage for his leadership and thanked the Stakeholder Group for their diligent work, dedication to reach a consensus, and for working collaboratively to develop several ideas.

Upon query from Board Member Larsen, Board Member Gage responded that the Priorities, Principles, and Reduction Targets as adopted will be distributed to the Board Members within the next two days, noting the item will be an Information Item agendized at the October 7, 2010 Board of Directors Meeting then forwarded for consideration as an Action Item at the November 4, 2010 Board of Directors Meeting.
Board Member Herrera expressed appreciation and thanked Jim Lawson, Executive Policy Advisor and Ad-Hoc Financial Recovery Committee Staff Liaison, for his diligent work and effort.

**Public Presentation**

Eugene Bradley, Silicon Valley Transit Union, distributed a handout related to the Ad-Hoc Financial Recovery Committee recommendations. Mr. Bradley urged the Board to consider the Silicon Valley Transit Union recommendations to address VTA’s financial constraints.

Lavon Hamilton, Ad-Hoc Financial Recovery Committee Stakeholder, expressed appreciation and thanked the Board of Directors for allowing each union representation at VTA to participate in the Ad-Hoc Financial Recovery Committee. Ms. Hamilton noted the importance for VTA’s unions to provide input and assist in developing the recommendations.

Mr. Ludwig concurred with Mr. Bradley’s comments and urged the Board of Directors to consider the Silicon Valley Transit Union recommendations.

19. **Vehicle Emissions Reduction Based at Schools (VERBS) Program**

John Ristow, Chief CMA Officer, reported that the Metropolitan Transportation Commission (MTC) directed each county’s CMA to develop an approach to administer a new funding program that focuses on reducing Greenhouse Gases (GHG) by promoting walking, biking, transit, and carpooling to school.

Mr. Ristow stated the Vehicle Emissions Reduction Based at Schools (VERBS) Program will build on and expand the existing Safe Routes to School Program efforts within the Santa Clara County by providing additional funds and expand coverage to the high schools. The Program will fund infrastructure and non-infrastructure projects, which are necessary to create a County wide program to further reduce GHG emissions.

If the recommendation is approved by the Board Members, VTA will issue a Call for Projects in September then forward the proposed project list for consideration to the December 9, 2010 Board of Directors Meeting.

Upon query from Board Member Kniss, Mr. Ristow responded each project will be screened to ensure that it contains all of the screening criteria then the scoring committee will score the projects based on merit.

Board Member Kniss noted the importance for the project selection to be geographically balanced and equitable, noting some areas do not receive their fair share of project grant funding.

Board Member Larsen concurred with Board Member Kniss’ comments and concerns.

M/S/C (Gage/Herrera) to approve the evaluation criteria and procedures for selecting projects and awarding Vehicle Emissions Reductions Based at Schools (VERBS) Program grants.
26. **Silicon Valley Rapid Transit (SVRT) Program Update**

Mr. Burns noted the SVRT Program Update will be a standing item on the Board of Directors Regular Agenda to provide key significant updates on the project status.

Carolyn M. Gonot, Chief SVRT Officer, reported that the Federal Transit Administration (FTA) approved the BART Silicon Valley Berryessa Extension (SVBX) Project into the preliminary engineering phase of the Federal New Starts Program in December 2009.

VTA is working with the FTA to meet the September 10, 2010 submittal requirements to advance into the next phase of the Federal New Starts Program, noting that VTA anticipates moving into Final Design Phase in December 2010.

Ms. Gonot commented that VTA is working with BART in their vehicle procurement process to include 60 vehicles for the BART SVBX Project, noting the contract award is scheduled for July 2011. The SVBX vehicles will be maintained at the Hayward Facility, which requires an investment to modify the existing facilities.

In May, VTA’s Board authorized the General Manager to pursue Design Build as the delivery method for the BART SVBX Project, noting VTA anticipates the project will be delivered using two separate contract packages.

VTA will host a Design Build Contract Information Forum scheduled on Thursday, September 30, 2010 at the San Jose Convention Center. The Design Build Contract Request for Qualifications (RFQ) is scheduled to be issued on October 8, 2010, noting VTA will issue the Request for Proposals (RFP) in January 2011 then award the contract in September 2011.

Ms. Gonot provided a brief overview of the presentation entitled, “Berryessa Extension Project Update September 2010,” highlighting: 1) Milpitas Campus Plan; 2) Milpitas Station; 3) Berryessa Campus Plan; 4) Berryessa Station; and 5) Corridor Preparation.

On order of Vice Chairperson Abe-Koga and there being no objection, the Silicon Valley Rapid Transit Program Update was received.

27. **Valley Transportation Authority (VTA) – Amalgamated Transit Union (ATU) Pension Plan Actuarial Valuation**

Ali Hudda, Deputy Director of Accounting, reported that EFI Actuaries prepared the actuarial valuation report of the Plan as of January 1, 2010. The VTA/ATU Pension Plan Actuarial Valuation is performed annually to determine the financial condition and contribution requirements of the Plan, to project and analyze trends in plan cost, and to present the items required for disclosure under Statement No. 25 of the Governmental Accounting Standards Board (GASB).

Mr. Hudda stated that EFI Actuaries recommended that the Plan contribution rate decrease from 18.25 percent of covered payroll to approximately 18 percent for Fiscal Year 2011.

The Plan had Actuarial Assets of $354.8 million and Actuarial Accrued Liability (AAL) of $462.9 million, which resulted in a decrease in Unfunded Actuarial Accrued Liability (UAAL) from $117.6 million to $108.1 million compared to the previous year.
VTA’s Board of Pensions reviewed key economic assumptions for the Plan and determined the current 8 percent assumed rate of return was appropriate.

Mr. Hudda introduced Graham Schmidt, EFI Actuaries Representative, who provided a brief overview of the presentation entitled, “VTA/ATU Pension Plan - 2010 Actuarial Valuation,” highlighting: 1) Plan Cost; 2) Funded Status; 3) Peer Group Comparisons; 4) Economic Assumptions; and 5) GASB Preliminary Views.

On order of Vice Chairperson Abe-Koga and there being no objection, a report on the VTA-ATU Pension Plan Actuarial Valuation as of January 1, 2010 was received.

28. **State Route 152 Trade Corridor Project**

Mr. Ristow reported on the improvements to SR 152 between US 101 and SR 99 as an east-west Trade and Mobility Corridor. In December 2008, the California Transportation Commission (CTC) awarded $5 million in Interregional Transportation Improvement Program (ITIP) funds to study SR 152 between US 101 in Santa Clara County and SR 99 in Madera County.

In February 2009, VTA’s Board of Directors approved $5 million in local funds to match the $5 million funds from ITIP and to negotiate an amendment to the contract with HDR Engineering related to the evaluation of a new SR 152 alignment in the unincorporated areas of Santa Clara County and San Benito Counties from the SR 152/156 Interchange to SR 25.

Casey Emoto, Deputy Director of Project Development, provided a brief overview of the presentation entitled, “State Route (SR) 152 Trade Corridor Project Status,” highlighting: 1) Project Goals and Objectives; 2) Corridor Significance; 3) Project Description – Route Characteristics; 4) Truck Data: East–West Crossing Distribution; 5) Need for Corridor Improvements; 6) Highway Improvements Traffic and Revenue Study; 7) Order of Magnitude Costs; 8) Tolling Alternatives; 9) Financing Capacity Assessment; 10) Traffic and Revenue Study Summary; 11) Alternative 3 – A (Shared Corridor); 12) Stakeholder Outreach; 13) Schedule Overview; and 14) Next Steps for SR 152.

The SR 152 Trade Corridor project started in July 2009, where the first phase of work focused on evaluation of existing conditions, outreach to interested stakeholders, high level assessment of improvement alternatives, and an assessment of possible approaches for financing improvements.

Mr. Emoto commented that the specific work elements include evaluating highway improvements to support trade traffic and greater area mobility as well as investigating tolling as a possible source of funding for construction, operation, and maintenance of the proposed improvements.

VTA completed an initial Traffic and Revenue Feasibility Study (T&R), which evaluated ten different tolling alternatives along the corridor including the infrastructure improvements necessary to implement the project.

Mr. Emoto stated that VTA is currently in the process of developing the next phase of work, which is focused on the environmental clearance phase of the project.
Mr. Ristow stated that VTA has worked collaboratively on this project with the CTC; Caltrans Districts 4, 5, 6, and 10; the cities of Gilroy and Los Banos; the counties of Santa Clara, San Benito, Merced, and Madera; and other interested parties.

On order of Vice Chairperson Abe-Koga and there being no objection, a status report on State Route (SR) 152 Trade Corridor Project was received.

OTHER ITEMS

29. ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION

There were no Items of Concern and Referral to Administration.

30. MONTHLY LEGISLATIVE HISTORY MATRIX

On order of Vice Chairperson Abe-Koga and there being no objection, the Monthly Legislative History Matrix was accepted as contained in the Agenda Packet.

31. REPORTS (UNAPPROVED MINUTES) FROM STANDING COMMITTEES

A. Administration and Finance Committee

On order of Vice Chairperson Abe-Koga and there being no objection, the August 19, 2010 Administration and Finance Committee Minutes were accepted as contained in the Agenda Packet.

B. Congestion Management Program and Planning Committee

On order of Vice Chairperson Abe-Koga and there being no objection, the August 20, 2010 Congestion Management Program and Planning Committee Minutes were accepted as contained in the Agenda Packet.

C. Transit Planning and Operations Committee

On order of Vice Chairperson Abe-Koga and there being no objection, the August 19, 2010 Transit Planning and Operations Committee Minutes were accepted as contained in the Agenda Packet.

D. Audit Committee

There was no report from the Audit Committee.

32. REPORTS (UNAPPROVED MINUTES) FROM ADVISORY COMMITTEES

A. Committee for Transit Accessibility (CTA)

There was no report from the Committee for Transit Accessibility (CTA).

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

On order of Vice Chairperson Abe-Koga and there being no objection, the August 11, 2010 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 Vice Chairperson Abe-Koga and there being no objection, the August 11, 2010 Bicycle & Pedestrian Advisory Committee (BPAC) Minutes were accepted as contained in the Agenda Packet.

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

On order of Vice Chairperson Abe-Koga and there being no objection, the August 12, 2010 Technical Advisory Committee (TAC) Minutes were accepted as contained in the Agenda Packet.

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

On order of Vice Chairperson Abe-Koga and there being no objection, the August 12, 2010 Policy Advisory Committee (PAC) Notice of Cancellation was accepted as contained in the Agenda Packet.

33. **REPORTS FROM JOINT POWERS BOARDS (JPBs) & REGIONAL COMMISSIONS**

A. **Peninsula Corridor JPB**

On order of Vice Chairperson Abe-Koga and there being no objection, the Summary Notes from the September 2, 2010 Peninsula Corridor Joint Powers Board were accepted as contained on the dais.

B. **Capitol Corridor JPB**

There was no report from the Capitol Corridor Joint Powers Board.

C. **Dumbarton Rail Corridor Policy Committee**

There was no report from the Dumbarton Rail Corridor Policy Committee.

D. **Metropolitan Transportation Commission (MTC)**

There was no report from the Metropolitan Transportation Committee.

E. **Sunol Smart Carpool Lane Joint Powers Authority**

On order of Vice Chairperson Abe-Koga and there being no objection, the Summary Notes from the August 9, 2010 Sunol Smart Carpool Lane Joint Powers Authority Governing Board were accepted as contained on the dais.

34. **REPORTS FROM VTA POLICY ADVISORY BOARDS (PABs)**

A. **Vasona Light Rail PAB**

There was no report from the Vasona Light Rail PAB.

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

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

C. **Downtown East Valley PAB**

There was no report from the Downtown East Valley PAB.
35. ANNOUNCEMENTS

There were no Announcements.

36. ADJOURNMENT

On order of Vice Chairperson Abe-Koga and there being no objection, the meeting was adjourned in memory of VTA employee Tim Loughran at 7:24 p.m.

Respectfully submitted,

Michelle M. Garza, Board Assistant
VTA Office of the Board Secretary
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: External Audit Services Contract

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a contract with Vavrinek, Trine, Day and Co. to provide financial and compliance audit services to Santa Clara Valley Transportation Authority (VTA) for three years starting July 1, 2011 at a cost of $375,000 and two additional one-year extensions at a cost of $125,000 for each year. The total value of the contract for the five year period ending June 30, 2016 is $625,000.

BACKGROUND:

Section 11-7 of the Administrative Code requires an independent audit of VTA's finances at the close of each fiscal year by a certified public accountant. In addition, VTA's external regulatory agencies such as the Federal Transit Administration (FTA) and the State Controller, as well other entities such as bond counsel require independent audit reports. The following is a list of the reports that are needed to meet these requirements:

- VTA General Purpose Financial Statements
- VTA/ATU Pension Plan Report
- VTA Single Audit Report
- Other Post Employment Benefit Report
- Transportation Development Act Compliance Report
- Federal Transportation Administration Agreed-upon Procedures related to Nation Transit Database
Grant-required audits

Auditing and reporting services have been performed by Vavrinek, Trine, Day and Co. since May 2006. Their current five-year contract concludes with the audit of fiscal year 2010.

DISCUSSION:

On May 20, 2010, a Request for Proposal (RFP) was issued for Financial External Audit Services. The RFP was sent to eight firms and advertised in the San Jose Post Record and VTA Website. A Pre-proposal conference was held on June 3, 2010. Proposals were received from ten firms.

A selection committee comprised of the Chief Financial Officer, Deputy Director of Accounting, Contracts Administrator, Fiscal Resources Manager and Accounting Manager reviewed the proposals. Review criteria were:

- Qualifications of the firm
- Qualifications of the staff
- Understanding of project requirements
- Local firm preference
- Cost and price

After evaluating the proposals, the selection committee interviewed four firms. The interview with the firms resulted in the following ranking, with number one being the selected vendor:

1. Vavrinek, Trine, Day and Co.
2. Mayer Hoffman McCann
3. Caporicci & Larson
4. Brown Armstrong

Given the complexities inherent in VTA’s General Purpose Financial Statements, Vavrinek, Trine, Day and Co.’s professional experience was considered to be a close match to VTA’s requirements. Furthermore, their proposal was the lowest cost of the four firms and did not involve any fee contingencies.

The new contract price with Vavrinek, Trine, Day and Co. will result in cost reduction of $65,000 for the five year period.

ALTERNATIVES:

The Committee could direct staff to issue a new RFP for these services. However, this is not recommended because it is not believed that a new solicitation would result in additional proposers or a lower price.
**FISCAL IMPACT:**

This action will authorize up to $625,000 for external financial audit services over the next five years. Funds for the first two years will be included in the FY 2012 & FY 2013 VTA Transit Enterprise Fund Operating Budget. Appropriation for the remaining years will be included in subsequent budgets.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Audit Committee considered this item at its September 2, 2010 meeting, approved it unanimously without comment and moved it to the Consent Agenda for the October 7, 2010 Board of Directors Meeting.

Reviewed and verified by: Ali Hudda, Deputy Director of Accounting

Prepared by: Grace S. Ragni, Fiscal Resources Manager
Memo No. 2613
### ATTACHMENT A

**Listing of Consultants**  
**External Audit Services**

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BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Board Secretary, Sandra Weymouth

SUBJECT: BPAC Appointment

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

ACTION ITEM

RECOMMENDATION:

Ratify the appointment of Melanie Hanssen, Town of Los Gatos, to the Bicycle & Pedestrian Advisory Committee (BPAC) for term ending June 30, 2012.

BACKGROUND:

The BPAC advises the VTA Board of Directors on planning and funding for bicycle and pedestrian projects and issues. The BPAC also serves as the countywide bicycle and pedestrian advisory committee for the County of Santa Clara. The 16 voting members are appointed by each of VTA’s Member Agencies (15 cities in the County and the County of Santa Clara), and there is also a non-voting ex-officio member and an alternate ex-officio member appointed by the Silicon Valley Bicycle Coalition (SVBC).

The BPAC bylaws specify the appointment term is two years and members may be appointed to successive terms. BPAC members must live or work in Santa Clara County during their term. Voting members must be a representative of the Member Agency’s local bicycle advisory committee. If the Member Agency does not have a local bicycle advisory committee, their representative must be individuals interested in bicycle or pedestrian issues. BPAC members are precluded from representing a Member Agency that is their employer.

To fill vacancies, 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 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:**

The Town of Los Gatos appointed Melanie Hanssen to replace their BPAC current representative, Erik Wilhelmsen. Ms. Hanssen is a member of the Town of Los Gatos’ Transportation and Parking Commission. She was voted by the Commission to represent the Town of Los Gatos to the VTA BPAC. Since Ms. Hanssen’s appointment occurred mid-term, she will complete the term that ends June 30, 2012.

Staff recommends that the Board ratify the appointment.

**ALTERNATIVES:**

The Board could choose not to ratify the appointment.

**FISCAL IMPACT:**

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

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Administration and Finance (A&F) Committee considered this item as part of its September 16, 2010 Consent Agenda and approved it unanimously without comment.

Prepared by: Elaine F. Baltao
Memo No. 2772
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief Administrative Officer, Bill Lopez

SUBJECT: Information Technology Consulting and Support Services

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to enter into contracts and task order agreements with identified technology firms for consulting and support services. Each contract shall be for a maximum three-year period, with an option for two additional years with an aggregate value not to exceed $4,750,000 for all contracts.

BACKGROUND:

VTA's Technology Department procures, installs, operates, and maintains electronic information and communications systems critical to meeting operational needs and business goals. While there are many electronic systems installed at VTA, five essential systems rank highest in priority. These systems are: (1) the Advanced Communication System (ACS), (2) the SAP enterprise resource planning system, (3) the Bidding, Dispatch, and Time keeping system (BDT), (4) the Trapeze FX run cutting system, and (5) the Primavera Expedition contract management system.

VTA most effectively manages and supports technology by establishing the correct balance between in-house skilled staff and contracted consulting services. In-house efficiencies are achieved by focusing employee resources and skill development on the regular support of VTA's core systems and infrastructure. Efficiencies are achieved in contracted services by focusing on technical services that would be far more costly to deliver with in-house staff, such as resolving unique technical problems, supporting major system upgrades, and new system installations. Consequently, VTA needs technology consulting services to supplement staff on an as-needed and expedited basis.
DISCUSSION:

The requested Board authorization would provide VTA with a pre-qualified list of vendors with expertise spanning a broad range of technology services. These contracts would enable VTA to expeditiously request competitive proposals for task orders among the firms on the list that have the qualifications for the work being considered. By having firms compete for the task orders, VTA would secure the best rates available; and by using firms on the pre-authorized list, VTA would avoid lengthy and costly individual RFP processes. Staff also recommends that a series of controls be implemented for the task order bidding process to ensure proper oversight of expenditures.

Task orders would only be issued in cases where the services required exceed the capacity of internal staff, such as providing specialized support for approved projects and providing technical resources in responding to emergencies.

Examples of consulting services that would be provided under these contracts include:

- To support or execute new Technology projects that have been included in VTA’s Capital budget.
- To supplement staff during major system changes and upgrades.
- To augment staff for problem resolution, such as during computer virus attacks.
- To quickly procure qualified services in the event of a major disaster impacting VTA's information technology system pursuant VTA's Technology Disaster Recovery Plan.

VTA staff has planned and scheduled Technology capital and expense projects over the course of the next five years. Projects are budgeted in VTA’s capital budget and form the foundation of VTA's Technology Strategic Plan. The task order contracts would allow VTA to quickly and cost effectively procure the skills required to execute the following projects at the estimated cost ranges listed:

- Radio Narrowband: $250,000 to $600,000 depending on modifications required to meet FCC mandates
- Real Time Information (RTI): $500,000 to $1.2 Million depending on approach to Light rail installation
- Clipper Site Preparation: $50,000 to $375,000 depending on Credit card security requirements
- Ticket Vending Machine install.: $150,000 to $290,000 depending on Clipper hardware and installation complexity
- Network Upgrade: $50,000 to $150,000 driven by PCI Audit and Auditor General findings
- Blue Tower Emergency Phones: $30,000 to $50,000 depending on final scope of work and number of locations
- CCTV on Buses (Closed Circuit Television): $175,000 to 380,000 depending on installation and support costs
- Cell Phone & Payphone: $30,000 to $60,000
- High Occupancy Toll Lanes: TBD depending on network solution selected by firm
Credit Card Compliance $45,000 to $85,000  
FY 2012 and FY 2013 new projects $250,000 to $750,000  
ACS, Telecom, Security support $125,000 to $280,000

Oversight and Controls:

The intent is to provide a swift process for technology work engagements, with a higher degree of competition, but subject to appropriate oversight and controls. Therefore, staff recommends that task orders under $100,000 would be either single-source or competed among multiple qualified firms from the Exhibit A list, depending on the circumstances. Any task order over $100,000 would be competitively quoted by 3 or more of the appropriate firms from the list. Any single task order exceeding $300,000, except in an emergency situation, would be brought to the VTA Board for approval prior to authorizing work. If a task order initially was projected not to exceed $300,000, but due to unforeseen causes later exceeded $300,000, it would be reviewed by the General Manager to determine whether to authorize the work or to bring it the Board of Directors for review and approval.

Request for Proposals Process:

A Request for Proposal (RFP) was issued on February 9, 2010 to solicit proposals from firms specializing in a broad range of technology areas including: SAP support services, fare collection technology, general programming services, distributed user technical support, information technology infrastructure support, web development, technology training services, intelligent transportation systems (ITS) application support services, and communication services. On March 22, 2010 VTA received proposals from 68 different firms which were all evaluated by staff from the Technology, Operations, and Contracts departments. The firms were evaluated based on qualifications and relevant experience in one or more of the specified technology categories and their staff certifications.

The RFP review board was comprised of a Technology Manager, a Communications Systems Manager, two Information Support Supervisors, a Project Management Office Supervisor and a Senior Contract Administrator. Interviews were held from July 7 to July 15, 2010 to acquire additional information about each firm's expertise and experience. Each firm was also requested to identify staff by name for VTA’s engagement, and the methodology and plan for the engagement. This process resulted in the recommended 54 firms listed in Attachment A. Staff recommends approval of the listed firms, with an aggregate spending authorization of $4,750,000, and authorization for the General Manager to enter into contractual agreements with these firms.

ALTERNATIVES:

The Board of Directors could choose to amend the list of pre-qualified contractors or could choose not to authorize the General Manager to execute contracts and task order agreements for technology consulting and support services. This latter option eliminates many opportunities for staffing efficiencies and creates additional risks to vital core systems during emergencies, and is not recommended by staff.
FISCAL IMPACT:

Funds for FY2011 operating and capital projects are included in the corresponding capital and operating budgets. Funds for projects in subsequent years will be requested in the FY2012, FY2013, and FY2014 capital and operating budgets.

STANDING COMMITTEE DISCUSSION / RECOMMENDATION:

The Administration and Finance Committee considered this item at the September 16, 2010 meeting attended by Director and Committee Chairperson Kniss, Director Reed, Director Gage, and Director Woodward. Director Reed recused himself from the discussion pursuant to Government Code Section 84308. Board Member Kniss asked about how VTA management determines whether to use in-house staff or external contractors to perform technology work. In response, Chief Information Officer Gary Miskell discussed how these determinations are based on the current workload and capacity of VTA staff, the technical requirements of the work and whether in-house staff has the necessary expertise, whether it would be practical to train staff to develop the expertise, and the overall affect on cost and schedule of either option or combination of both. He also discussed how utilizing this approach has resulted in moving more work to VTA staff and reducing the use of contractors.

Director Kniss inquired further about how decisions are made for tasks for which it is determined that in-house staff lack the required knowledge or skills. Gary Miskell cited, as an example, the Exchange 2010 upgrade project in which an employee was sent to comprehensive training to gain the knowledge, and other staff members were redirected to the project, rather than issue task orders to contractors. He stated that if no training was available or it was otherwise not practical to train staff for the tasks, staff would complete a task order and engage a consulting firm from the approved list.

Tammy Dhanota, Chief Steward for SEIU Local 521, asked questions regarding how much of the contemplated work was capital funded as opposed to expensed, and what the hourly rate for consultants was. She also stated that the memorandum indicated that Board approval of large task orders was discretionary rather than mandatory. In response, General Manager Michael Burns stated the staff would provide an estimated split between capital and expense for the projects listed in the Board memorandum (provided below). Gary Miskell stated that the hourly cost of contractors was shown in the proposals as a range depending on skill, experience, and knowledge of individual contract employees, and that the level required for a specific task could only be determined when the task order was prepared and contractors responded with both the hourly rate and expected total cost of the task order. Director Gage asked whether staff would compare the cost of using a consultant firm as opposed to in-house staff at the time that bids from consultants were submitted for task orders. Gary Miskell affirmed that the comparisons would be made at this point in the process, and that staff could report on the overall expense of consultants going forward. Gary Miskell also clarified that on page three under the Oversight and Controls section it was stated that Task Orders that exceeded $300,000 must be approved by the Board prior to authorizing work.

With regard to the split between capital and expense funding for the projects listed on pages 2 and 3 of the memorandum: For the aggregate value of $4,750,000 of the listed projects, staff
estimates that capital funding would account for between $3,450,000 and $4,100,000. Expense or non-capital spending is estimated to be between $650,000 and $1,220,000.

The committee unanimously approved the staff recommendation.

Prepared by: Keith Roan
Memo No. 2394
## TECHNOLOGY CONSULTING AND SUPPORT SERVICES

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To perform the primary scope of work in any category may require secondary or supporting tasks from a different category. The RFP and matrix do not limit a service provider from performing secondary tasks in necessary for accomplishing the primary scope of work. Example: The Radio Narrow banding project is primarily a RF project. Only RF providers within the Technology Communication Services group would be selected to do this work. The service provider awarded the narrow banding work would perform Radio Frequency related tasks. The provider would also be allowed or expected to perform secondary tasks such as Program Management services, Software Programming services, Server support services, Application Development, Application Configuration, and application support. It will be the judgment of VTA Technology to issue work to the appropriate service provider within the confines of and consistent with VTA’s procurement policies.
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BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief Administrative Officer, Bill Lopez

SUBJECT: Multifunction Copier Lease

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute contracts with Ricoh Business Solutions for document copy, scanning, and printing equipment; and for equipment support services. The initial term of the contract is for five years with an option to extend the contract on an annual basis for two additional years. The cost of the initial five year term is $1,095,000, plus an optional $271,000 per year for each of the optional one-year periods, for a total of $1,637,000.

BACKGROUND:

VTA currently has an agreement with Toshiba Inc. for leased stand-alone copiers, supplies and service. The agreement includes approximately 68 stand-alone black and white copiers located throughout VTA that range in speed from 15 - 60 pages per minute. Copier management is currently decentralized; service calls are currently initiated through individual departments.

VTA’s strategy is to now centralize equipment and support service and to expand networked units, functionality and logistics to optimize accessibility while minimizing the total number of units (and associated costs). The consolidation of stand alone copiers and stand-alone printers, faxes, and scanners will reduce device count, provide valuable usage information, and ensure maximum efficiencies and cost effectiveness. The goal is to minimize the Copier/Multi-function Printer (MFP) brands and models deployed in VTA in order to operate more efficiently with standardized supplies, and to minimize time to train VTA staff.
DISCUSSION:

The proposed contract with Ricoh Business Systems will allow VTA to move from a copier-only device strategy to a Multi-Function Device (MFD) strategy, including: copier, printing, scanning and faxing in a single networked solution. The goal of this program is to reduce the number of printers, scanners and fax machines by 20% to 35%. The county of Santa Clara and the City of San Jose were able to achieve similar reductions in their consolidation efforts, using Ricoh Business Solutions as their contractor. This Multi-Function Device approach would provide single blanket maintenance plan and contract for associated support and supplies. It would also reduce the total number of devices, support cost and network connections, and be easier for users, with additional equipment capabilities. The new equipment will enable progress towards an increased use of electronic documents, all while monitoring usage and managing cost.

VTA developed a Request for Proposals (RFP) structured to promote this new strategy, with the objectives of maximizing cost savings through lease plans based on the VTA's aggregate usage, simplifying the lease plan structure to better align with the VTA's usage requirements, and improving the processes to facilitate the ongoing management of the program.

The RFP was advertised in local media and on the VTA's website on May 12, 2010. The RFP was downloaded by 59 interested parties. Representatives from fourteen (14) firms attended the pre-proposal conference held on May 24, 2010. There were a total of nine firms responding to the RFP. The same nine firms’ submitted proposals by the June 23, 2010 deadline, and eight (8) participated in oral interviews during the week of July 26, 2010. The nine (9) firms that submitted proposals are:

- Canon Business Solutions
- Konica Minolta Business Solutions
- Oce’ North America
- One Source Printer Service and Supply
- Pacific Office Automation
- Ricoh Business Solutions
- Sharp Business Systems
- Toshiba Business Solutions
- Xerox Corporation

VTA evaluation team consisting of an Engineering and Construction Manager, an Operations Manager, a Senior Management Analyst, a Senior Information System Analyst, an Information Systems Supervisor, and a Contract Administrator conducted an evaluation of the proposals. The proposals were evaluated based on the following criteria outlined in the RFP:

1. Qualifications of the Firm
2. Technical Capability and Approach
3. Cost and Price
4. Local Firm Preference
The Evaluation Team interviewed eight of the nine proposers, who were evaluated based on the additional following criteria:

1. Project Management
2. Product Knowledge
3. Project Deliverables
4. Overall Presentation

**Evaluation Summary:**

The proposers were ranked based on the accumulated evaluator ratings. The Evaluation Team gave the highest ranking to the proposal submitted by Ricoh Business Solutions, concluding that they offered the best value to VTA, most flexibility for the VTA’s business environment and provided very favorable and cost effective lease rates. The City of San Jose and Santa Clara county both use Ricoh Business systems and provided outstanding references as their MFD hardware and service provider. The Ricoh agreement would cover most of the VTA’s copier, scanning, faxing, and printing needs.

**Transition Plan:**

Upon Board approval and contract execution, staff will immediately begin work with Ricoh Business Solutions to develop a detailed transition and implementation plan to minimize any disruption. Staff estimates that approximately 68 Multi function devices from the current service providers will need to be transitioned from Toshiba to Ricoh. Ricoh will work with Toshiba to plan and execute their removal and disposal. Ricoh has included in the transition free training of staff to fully utilize the new equipment.

Staff recommends Board approval of Ricoh Business Solutions as our Multi-Function Device provider, with an aggregated spending authorization of $1,640,000, and authorization for the General Manager to enter into a contract with this firm.

**ALTERNATIVES:**

The Board of Directors could choose to continue to amend and extend the contract of the current copier and equipment provider, Toshiba, while we develop a new RFP and rebid the equipment. However, this option would eliminate or postpone many opportunities for efficiencies, cost savings, and reliability.

**FISCAL IMPACT:**

This action will authorize a 5 year lease for approximately 68 +/- 10% networked copying and printing multi-function devices for a total estimated cost of $14,250 per month, which includes maintenance and all consumable supplies for all units. Appropriation for the first year of the contract expenditure is included in the FY11 Adopted VTA Transit Enterprise Fund Operating Budget. Appropriation for the remainder of the contract period will be included in subsequent
Biennial Operating Budgets. A net savings on printer support, Fax machine operation, and scanners is estimated at $1,500 to 3,000 per month once the total program is implemented.

**STANDING COMMITTEE DISCUSSION / RECOMMENDATION:**

The Administration and Finance Committee considered this item at the September 16, 2010 meeting, attended by Director and Committee Chairperson Kniss, Director Reed, Director Gage, and Director Woodward. Director Reed recused himself from the discussion pursuant Government Code Section 84308.

Board Member Kniss commented that the County of Santa Clara had similarly moved from multiple copy equipment suppliers to a consolidated leasing arrangement, and supported the proposed strategy to consolidate copier function, printing, fax and scanning into a single Multi-Function Device solution. Chief Information Officer Gary Miskell confirmed that VTA was discussing technology strategies and benchmarking with both the City of San Jose and the County of Santa Clara on their processes, equipment usage, and pricing. Director Gage agreed with Director Kniss's assessment of the County's experience and proposed that the committee move this item forward.

The Committee unanimously approved the staff recommendation.

Prepared by: Gary Miskell, Chief Information Officer
Memo No. 1867
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BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief Administrative Officer, Bill Lopez

SUBJECT: Renewal of Employee Health Benefit Contracts

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to renew benefit contracts with Kaiser, United Health Care (dba PacifiCare), Valley Health Plan, Delta Dental, Pacific Union Dental, Vision Service Plan, CIGNA, and Custom Benefits Administrators for VTA employees and retirees for calendar year 2011.

BACKGROUND:

The Patient Protection and Affordable Care Act of 2010 was signed into law on March 23, 2010. This legislation will be implemented in phases and significantly impact the provision of medical coverage by employers in the coming years. The law applies only to medical coverage, not to stand alone vision/dental plans. VTA is currently considered “grandfathered” and therefore several provisions do not yet apply. The primary provisions that do apply at this time are the extension of medical coverage to dependent children to age 26, the removal of pre-existing exclusions for dependents under age 19, the elimination of the lifetime limits on Preferred Provider Organizations (PPO's), and the Early Retiree Reinsurance Program. The Early Retiree Reinsurance Program provides sponsors of retiree medical plans with reimbursement for a portion of the medical expenses for early retirees (those who retire prior to age 65). VTA's application for participation in this program has been approved by the federal government, and staff is working with VTA's health plans to ensure the maximum reimbursement.

The provisions of the Mental Health Parity Act also went into effect this year and are included in the plan designs in the proposed contracts. This law requires that mental disorders be treated in the same manner, and with the same co-payments, as physical disorders. These "parity" provisions have increased VTA's premium by approximately 1%, while the extension of...
dependent coverage to age 26 has increased VTA’s premium by about another 1%.

VTA currently contracts with Kaiser, United Health Care (dba PacifiCare), Valley Health Plan, Delta Dental, Pacific Union Dental and Vision Service Plan (VSP) for health benefits. VTA also contracts with Custom Benefits Administrators for flexible spending account plan administration and CIGNA for life, accidental death/dismemberment, and long-term disability insurance. These contracts will expire December 31, 2010, and the renewal will be effective January 1, 2011. Renewal of these contracts is necessary to continue the benefit plans for employees and retirees.

DISCUSSION:

The Arlen Group, VTA’s employee benefits broker, has marketed VTA as a potential client to benefits providers and analyzed and negotiated the resulting bids. The overall increase for all medical plans will be approximately 7.8%. Medical rates were projected to increase by 10% overall for 2011. The medical rates are estimated since the carriers have not yet finalized their Medicare rates. The CIGNA contract is in the second year of a three year rate guarantee.

The premium increases (historical and current) are as follows:

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<td>Est. Total Cost</td>
<td>$34,900,000</td>
<td>$38,167,000</td>
<td>$40,904,299</td>
<td>$44,069,955</td>
<td>$46,909,479</td>
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The proposed rates are competitive and the increases consistent with regional and national trends. For the coming year, the national average rate increase for Kaiser's entire book of business is 9%, which is higher than the 6.4% increase Kaiser has bid for the VTA renewal. United Health Care PPO/HMO reports that their national average increase is 15.6%, which is also higher than their proposed increases for VTA's renewal: 11.7% increase for their HMO bid and 11.3% for their PPO bid.

Based on the above, it is recommended that Board authorize the General Manager to enter into renewal contracts with the named providers.

**ALTERNATIVES:**

The alternative is to re-bid VTA’s medical benefits with other providers. However, the outcome is not likely to change because the high percentage of employees enrolled in the Kaiser plan violates the participation rules for most carriers and therefore they will not bid on VTA’s account. Additionally, the expense would be significant, and the process could result in missing the calendar year deadline. Any changes to medical providers would require collective bargaining with employee unions.

**FISCAL IMPACT:**

The estimated annual total cost of these benefits is $46,909,479. The employer portion of the cost for these benefits is $43,155,503. The employee/retiree portion is $2,522,258. The ATU Spousal Medical Trust Fund portion is $1,231,717.

This represents an estimated total cost increase of approximately $3,098,230. In comparison with current rates and holding enrollment constant, this includes an employer cost increase of $2,827,859, an employee/retiree cost increase of $168,927, and an ATU Spousal Medical Trust Fund increase of $101,444 over calendar year 2010 costs.

Because these are calendar year contracts, one half of these costs will be incurred during this fiscal year. The approved budget included 10% annual increases for medical plans. As a result, the approved budget is sufficient to cover these costs.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Administration and Finance Committee considered this item at the September 16, 2010 meeting attended by Director and Committee Chairperson Kniss, Director Woodward, Director Gage, and Director Reed. Director Reed recused himself from this item pursuant to Government Code Section 84308.

Director Kniss expressed concern regarding the continuing increase in the cost of health benefits and the need to find ways to reduce these increases. Directors Kniss and Gage discussed the work the County of Santa Clara is doing with Valley Health Plan to address continuing cost increases. Director Kniss noted that Valley Health Plan is the lowest cost provider for active employees, and is actively working to expand its provider network, and recommended that VTA work with Valley Health Plan to seek ways to reduce costs. Shellie Albright, Human Resources Manager, stated that VTA has been working with Valley Health to address cost issues. She also noted that Valley Health Plan is not the lowest cost provider for retirees who are enrolled in Medicare, and that VTA has many retirees who are enrolled in Medicare and who reside out of...
state and would not have access to Valley Health facilities.

The Committee unanimously approved the staff recommendation.

Prepared by: Shellie Albright
Memo No. 2350
<table>
<thead>
<tr>
<th>Vendor</th>
<th>Contact Information</th>
</tr>
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<tr>
<td>Kaiser Permanente Medical Group</td>
<td>United Health Care</td>
</tr>
<tr>
<td>50 Great Oaks Blvd.</td>
<td>2300 Clayton Road #1000</td>
</tr>
<tr>
<td>San Jose, CA 95119</td>
<td>Concord, CA 94520</td>
</tr>
<tr>
<td>408-361-2005</td>
<td>925-246-1351</td>
</tr>
<tr>
<td>Cheryl Fuselier</td>
<td>Barbara Smith</td>
</tr>
<tr>
<td>Valley Health Plan</td>
<td></td>
</tr>
<tr>
<td>2325 Enborg Lane #290</td>
<td></td>
</tr>
<tr>
<td>San Jose, CA 95128</td>
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<tr>
<td>408-885-4763</td>
<td></td>
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<tr>
<td>Susan Bruss</td>
<td></td>
</tr>
<tr>
<td>Custom Benefits Administrators</td>
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<tr>
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<td>Robert Hayes</td>
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<tr>
<td>Delta Dental</td>
<td>Pacific Union Dental</td>
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<tr>
<td>P.O. Box 7736</td>
<td>(United Health Care)</td>
</tr>
<tr>
<td>San Francisco, CA 94120</td>
<td>3110 Lake Center Drive, Bldg 14</td>
</tr>
<tr>
<td>415-972-79671</td>
<td>Santa Ana, CA 92704</td>
</tr>
<tr>
<td>Raymond Lee</td>
<td>714-513-6431</td>
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<tr>
<td></td>
<td>Carla Quintanilla</td>
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<td>Vision Service Plan</td>
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<tr>
<td>1 Embarcadero Center #1540</td>
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<td>San Francisco, CA 94111</td>
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<td>CIGNA</td>
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<td>Latrice Porter</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: Agreement with San Mateo City/County Association of Governments (C/CAG) for Modeling Services

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to enter into an agreement with San Mateo City and County Association of Governments (C/CAG) for purchase of the VTA model, maintenance of model and on-call modeling services.

BACKGROUND:

One of the requirements of the Congestion Management Program is for Counties to develop a travel demand forecasting model to be used for advance planning of transportation facilities. VTA, as the Congestion Management Agency for Santa Clara County, has developed a sophisticated Regional Transportation Model (Model). VTA's Model is centered on Santa Clara County, but accounts for transportation impacts from neighboring counties and regional commute sheds. The Model developed by VTA allows for refined analysis through the inclusion of many small transportation analysis zones resulting in more accurate travel forecasts.

The San Mateo City/County Association of Governments (C/CAG) is the Congestion Management Agency for San Mateo County and has approached VTA about purchasing the VTA Model for use in San Mateo County.

DISCUSSION:

Staffs from VTA and San Mateo C/CAG have reached an agreement on the price and services
related to establishing the VTA Model for use in San Mateo County. The financial terms of the transaction includes the following:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
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<tbody>
<tr>
<td>Purchase 2010 Model including software, data sets, first year maintenance</td>
<td>$200,000</td>
</tr>
<tr>
<td>Two years of annual Model Maintenance ($25,000 /year)</td>
<td>$50,000</td>
</tr>
<tr>
<td>Three years of on-call task order modeling services by VTA staff (estimate)</td>
<td>$150,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$400,000</strong></td>
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The term of the agreement is for three years and includes VTA staff time to set up the new model in San Mateo C/CAG offices, an estimate of three years of on-call VTA modeling staff services if requested by San Mateo C/CAG and annual maintenance fees for VTA to provide updates to the model.

Additionally the agreement would provide for restricted proprietary use by San Mateo C/CAG and other designated use as approved by VTA and San Mateo C/CAG. Upon execution of the purchase agreement C/CAG would assume responsibility for ensuring the model is used per the terms of the agreement and all liability for use per those terms. The agreement would also include a “hold harmless” clause to ensure that VTA is not held responsible for model results that are generated by C/CAG, its agents, or member agencies.

**ALTERNATIVES:**

VTA can choose not to sell the Model to C/CAG.

**FISCAL IMPACT:**

The action will result in a one-time revenue of $200,000 and on-going revenue of up to $75,000 per year to the CMP. Appropriation to cover the labor costs to provide support is included in the FY2011 CMP Budget.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

On September 24, 2010, the Congestion Management Program and Planning Committee met as the committee of the whole and reviewed this item. Staff provided a brief overview of the request by the San Mateo County and City Association of Governments (C/CAG) to purchase VTA’s travel demand model. Committee members asked general questions about travel demand modeling, and expressed support for VTA’s decision to provide its model to C/CAG for the terms described in the memorandum.

Prepared by: Chris Augenstein
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief CMA Officer, John Ristow

SUBJECT: Rajappan & Meyer Engineers, Contract S06002 Amendment

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a contract amendment with Rajappan & Meyer Consulting Engineers, Inc. in an amount not to exceed $100,000 (from $150,000 in funding provided by the City of San Jose), for a new total contract amount of $620,000 for engineering services to finalize preliminary engineering and environmental documentation for the reconfiguration of the US 101/De La Cruz Boulevard interchange.

BACKGROUND:

The project consists of reconstructing the US 101/De La Cruz/Trimble Road interchange in the City of San Jose including replacement and widening of the over-crossing structure from four to six lanes and modifying the southbound on-ramps and off-ramps to US 101 (See Attachment A for location). The Project is located just north of the Mineta San Jose International Airport and directly serves areas in north San Jose and Santa Clara. The project is included in the Highway Program in Valley Transportation Plan (VTP) 2035 as a $34M project based on 2008 dollars, with the current work including updating of this cost estimate.

The City of San Jose first began work on the Project Study Report (PSR) for the project in 2000. A draft PSR was submitted to Caltrans in early 2002 but was never finalized. In 2006, the City of San Jose requested VTA to lead completion of the PSR. On January 10, 2006, Santa Clara Valley Transportation Authority (VTA) executed a contract with Rajappan & Meyer Consulting Engineers, Inc. toward completion of a PSR for a total contract value of $80,000. However, in April 2007 prior to completion of the PSR, the City of San Jose and VTA entered into a cooperative agreement that added additional funding to advance the project into the environmental clearance phase. This resulted in an expanded scope that would lead to the
preparation of a PSR/Project Report (PR) document and an environmental document.

**DISCUSSION:**

The existing cooperative agreement between the City of San Jose and VTA is set to expire in December 2010. Additionally, technical studies not covered in the existing scope have been identified as being needed to complete the PSR/PR and environmental document. As a result, City of San Jose has agreed to provide an additional $150,000 to cover the work associated with the new technical studies and to extend the duration of the cooperative agreement to August 2011. The San Jose City Council is scheduled to approve a cooperative agreement amendment covering these changes with VTA at a council meeting in September 2010.

VTA staff requests granting of authority for the General Manager to execute a contract amendment with Rajappan & Meyer Consulting Engineers, Inc. to complete the PSR/PR and environmental document. The contract amendment would be able to be executed after San Jose City Council approves the cooperative agreement amendment.

The Rajappan & Meyer Consulting Engineers, Inc. contract value will be increased by $100,000 for a total of $620,000, with their cost-plus-fixed-fee contract being extended through August 2011. A list of consultants is included as Attachment B.

**ALTERNATIVES:**

The VTA Board could choose not to approve this recommended amendment to finalize the preliminary engineering and environmental documentation.

As an alternative, the VTA Board could direct staff to select another design firm to fulfill the services needed to complete the scope developed with the City of San Jose. The selection of another firm would delay completion of the project.

**FISCAL IMPACT:**

This action will authorize up to an additional $100,000 for preliminary engineering and environmental documentation for the reconfiguration of the US 101/De La Cruz Boulevard interchange. There is sufficient appropriation for this expenditure in the FY11 Adopted VTP Highway Improvement Program Fund Capital budget.

Funding for this budget amendment is covered through an additional $150,000 being provided by the City of San Jose. The mechanism to transfer these funds to VTA is through a pending fund agreement amendment, which will be approved by the City of San Jose at a September 2010 City Council meeting.

**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.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

On September 24, 2010, the Congestion Management Program and Planning Committee met as
the committee of the whole and recommended approval by Board of Directors.

Prepared by: David Kobayashi
Memo No. 2679
Legend:

Source: Google Maps

Project Limits
## ATTACHMENT B – LIST OF PRIME CONSULTANTS AND SUB-CONSULTANTS

<table>
<thead>
<tr>
<th>Contractor Firm</th>
<th>Contractor Role</th>
<th>Name</th>
<th>Location</th>
</tr>
</thead>
</table>
| Rajappan & Meyer Consulting Engineers, Inc. | Prime-Consultant: Civil Engineering | Keith G. Meyer | 1960 Zanker Road  
San Jose, CA 95112  
408-453-5373       |
| Alliance Engineering Consultants, Inc | Sub-Consultant: Utilities Engineering | John Beebe    | 4701 Patrick Henry Drive Building 10  
Santa Clara, CA 95054  
408-970-9888       |
| Associated Right of Ways Service     | Sub-Consultant: Right-of-Way | Larry Castellanos | 2300 Contra Costa Blvd.  
Suite 525  
Pleasant Hill, CA 94523  
925-691-8500       |
| Fehr and Peers Transportation Consultants | Sub-Consultant: Traffic Engineering | Eddie Barrios | 100 Pringle Avenue, Ste 600  
Walnut Creek, CA 94596  
925-930-7100       |
| HMH Engineers, Inc.                  | Sub-Consultant: Surveys | William Wagner | 1570 Oakland Road  
San Jose, CA 95131  
408-487-2200       |
| LSA Associates                       | Sub-Consultant: Environmental Studies | Bill Meyer    | 2215 Fifth Street  
Berkeley, CA 94710  
510-540-7331       |
| Parikh Consultants                   | Sub-Consultant: Geotechnical Engineering | Gary Parikh   | 2360 Qume Drive, Suite A  
San Jose, CA 95131  
408-452-9000       |
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief CMA Officer, John Ristow

SUBJECT: Senate Bill 83 (SB 83) Administrative Procedures

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

ACTION ITEM

RECOMMENDATION:

Adopt administrative procedures for the SB-83 Vehicle Registration Fee (VRF) program.

BACKGROUND:

Senate Bill 83 (Hancock) was signed into law in 2009. This legislation authorizes a countywide transportation agency, such as VTA, to implement a vehicle registration fee (VRF) of up to $10 on motor vehicles registered within the county for transportation programs and projects. The statute requires that the fee be approved by a simple majority of voters in the county.

The statute also requires that the fees collected be used only to pay for programs and projects bearing a relationship or benefit to the owners of motor vehicles paying the fee. The programs and projects must be consistent with the regional transportation plan and requires the agency’s board to make a specified finding of fact in that regard. Finally, the governing board of the agency must adopt an expenditure plan that details the programs and projects that would result from the VRF.

On June 3, 2010, the VTA Board of Directors adopted a resolution to place a ballot measure before the voters of Santa Clara County in November 2010 to authorize a $10 increase in the fees of motor vehicle registration for transportation-related projects and adopted an expenditure plan allocating the revenue to transportation-related programs and projects that have a relationship or benefit to the persons who pay the fee. The expenditure plan is provided in this memorandum as Attachment A.
DISCUSSION:

Staff recommends that the VTA Board adopt the following administrative procedures for the VRF fund, should the voters of Santa Clara County approve the VRF increase in November 2010.

LOCAL ROAD IMPROVEMENT AND REPAIR (LRIR) PROGRAM

Fund Distribution

*Fund Distribution Formula:* Funds will be distributed to the County of Santa Clara, based on the County’s percentage share of the total roadway lane mileage recorded in the county by the Metropolitan Transportation Commission (MTC). The remaining funds will be distributed to the incorporated cities within Santa Clara County "Cities" based on each city’s percentage share of the total county population (excluding unincorporated areas) as reported by the California Department of Finance. Roadway mileage and population shares will be updated annually.

*Initial Fund Distribution Date:* First working day on or after **July 1, 2012,** following execution of the SB-83 Local Program Funding Agreement and receipt of each agency’s initial Annual Report.

*Initial Fund Distribution Amount:* Funds collected by the California Department of Motor Vehicles (DMV) and received by VTA from the date of initial fund collection to **June 30, 2012,** plus associated interest.

*Subsequent Fund Distribution Dates:* First working day on or after **July 1** of each year, following receipt of each city’s or the County’s annual SB-83 expenditure report.

*Annual Fund Disbursement Amounts:* Funds received by VTA from the DMV between July 1 of the previous year and June 30 of the calendar year of disbursement, plus associated interest generated in VTA’s accounts.

**Good Faith Effort**

The intent of a Good Faith Effort is to assure that the SB-83 funds add to the current funding efforts of communities rather than using these funds to substitute for existing efforts.

Prior to receiving funds, the Cities and the County must notify to VTA in writing that they will make Good Faith Effort (GFE) to maintain a level of expenditures (including non-discretionary formula based state funds) on SB-83 eligible activities equivalent to the expenditures on these activities during the fiscal year 2011 (base year). The base year may be revised every five years, if needed, and SB-83 revenues will be excluded.

The following funds are excluded from the GFE expenditure calculation: State and Federal Discretionary Grants (including but not limited to ARRA, CMAQ, HBRR, HSIP, SR2S, STP, and Proposition 1B etc.), associated local matching funds, and one-time local expenditure.

**Waivers:** GFE requirements are automatically waived in years where the State of California fails to make non-discretionary payments of streets and roads funding to Cities and Counties. VTA may also consider granting waivers based on extraordinary circumstances beyond the control of
a city or town council, County Board of Supervisors, and/or city and County staff.

Annual Reports

Reports of Cities/County expenditures will cover twelve months, consisting of the previous State fiscal year. Reports are due from Cities/County to VTA by October 15 of each fiscal year, as a condition of receiving funds.


Subsequent Reports: Statement of GFE for upcoming fiscal year, description of SB-83 expenditures during prior fiscal year, statement of SB-83 fund expenditures, fund expenditures, SB-83 fund balances (if any) and interest accrued (if any) during prior fiscal year.

Audits and Maintenance of Financial Records

Financial records pertaining to the SB-83 Expenditure Plan LRIR Program must be maintained for five years, and be available to VTA upon request for review and audit purposes. Financial audits will be performed at VTA’s discretion. Cities/County will be contacted in writing, in advance of any audit or other program review.

Program Agreements

VTA will execute a SB-83 LRIR Funding Agreement with each city and the County of Santa Clara prior to transferring SB-83 LRIR funds.

COUNTYWIDE PROGRAM

Fund Distribution

VTA will solicit projects and/or programs for funding on an annual basis, implementing a five-year county wide program that addresses the SB-83 eligible categories. This program will be developed in consultation with VTA’s Technical Advisory Committee (TAC), approved by the VTA Board of Directors and updated as needed. The initial program will be adopted on or before July 1, 2012, and the initial project solicitation will follow adoption by the Board of Directors.

Disbursements and Funding Agreements

VTA will execute SB-83 Countywide Program funding agreements with project sponsors. Sponsors will invoice VTA on a reimbursement basis. Interest earned on funds designated for the Countywide Program will accrue to the Countywide Program, for distribution through the expenditure plan process.

PROGRAM ADMINISTRATION

Fund Distribution

Funds shall be made available to VTA to reimburse expenses directly related to the development of the expenditure plan and initial election ballot. Thereafter, 5% of the funds collected in the
previous year and distributed to VTA by the California Department of Motor Vehicles will be available each year to pay for expenses directly related to ongoing administration, oversight, programming and auditing/accounting of the SB-83 programs. Unused administrative funds and any associated interest will revert to the Countywide Program for programming after the accounting close-out of each State fiscal year.

Reports

Annual Reports: VTA will publish an annual financial report of collections, disbursements, expenditures and interest accrued on its website.

Publication of Projects: VTA will publish an annual listings of all projects funded through the SB-83 LRIR Program and the Countywide Program on its website.

ALTERNATIVES:

The VTA Board of Directors may adopt other administrative procedures.

FISCAL IMPACT:

Adoption of these procedures will authorize the reimbursement to VTA of eligible administrative expenditures.

ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:

This item was discussed at the August 12, 2010 Technical Advisory Committee meeting. Members raised issues about the requirement of providing Maintenance of Effort (MOE) certification. The Committee's concerns included penalizing cities that are spending their own funds, maintaining current efforts during economic down turn, and excessive effort needed to obtain MOE certification. The TAC unanimously voted to exclude the MOE certification requirement from the SB83 Administrative Procedures. Staff reported that comments and input would be received and that the administrative procedures item would be brought back for further review and action at the September TAC meeting.

This item was revised and discussed at the September 9, 2010 Technical Advisory Committee meeting. Members suggested few additional changes which are incorporated in the memo. The TAC unanimously voted to approve the staff report with the changes.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION

The Congestion Management Program and Planning Committee received this as an information item at their August 20, 2010 meeting. VTA staff explained that the VTA staff and the TAC needed additional time to work through outstanding issues, including those reported in the preceding Advisory Committee Discussion/Recommendation. This item will return to CMPP for action at a later date. There was no Committee comment.

This revised item was discussed at the September 24, 2010 Congestion Management Program &
Planning (CMPP) Committee meeting. The committee met as a Committee of the Whole and forwarded this item to the VTA Board for adoption.

Prepared by: Marcella Rensi
Memo No. 2706
Attachment A

“The Local Transportation Investment Fund”
Senate Bill 83 Expenditure Plan
Revised (6.7.10)

1. **80% - Local Road Improvement and Repair Program** (Direct return-to-source based on City population and County of Santa Clara road and expressway lane mileage)
   - Revenue Estimate – $11.2 million (FY 2011)
   - Eligible Project Categories: (includes all expenses for administration, planning, design, construction, procurement and operation of a Complete Streets System)
     - Pavement Rehabilitation/Reconstruction
     - Traffic Control Signals, Traveler Information & Safety Devices
     - Curb & Gutter Rehabilitation/Reconstruction
     - Roadway-Related Facilities to Improve Safety
     - Automobile-Related Environmental Mitigation including Roadway Sweeping & Litter Control

2. **15% - Countywide Program**
   - Revenue Estimate – $2.1 million (FY 2011)
   - Eligible Project Categories: (includes all expenses for administration, planning, design, construction, procurement and operation of a Complete Street System)
     - Intelligent Transportation System Technologies (transportation-related technologies including traffic control signals, safety and traveler information systems)
     - Countywide Environmental Mitigation related to pollution caused by autos and trucks
     - Matching funds for Federal/State/Regional transportation grants applied to any roadway transportation project included in the adopted Valley Transportation Plan

3. **Up to 5% - Program Administration**
   - Revenue Estimate – $0.7 million (FY 2011); (unused funds to be disbursed through Countywide Program)
   - Eligible Expense Categories:
     - Expense directly related to administration, oversight, programming, reporting, surveys, initial election ballot and auditing/accounting of the program.
     - Annual public report of expenditures
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief Administrative Officer, Bill Lopez

SUBJECT: Closed Circuit Television on Buses Contract Award

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a contract with Henry Brothers Electronics in the amount of $2,950,000 for the procurement and installation of mobile CCTV (Closed Circuit Television) systems in 229 buses. Federal grants will provide 86% of the funding for this contract.

BACKGROUND:

This project will procure and install CCTV systems and associated hardware/software on 229 select buses in VTA’s active fleet. This will include all 60’ New Flyer articulated buses and 189 Gillig low-floor buses. The existing systems in these buses were installed starting in 2000; they have become obsolete and are no longer supported by the manufacturer. This contract will enhance and expand the existing mobile CCTV program which includes our Light Rail and Community Bus fleet that already have newer wireless systems.

DISCUSSION:

The obsolete CCTV systems are no longer supported by the manufacturer and VTA is no longer able to obtain spare parts. The new systems will include wireless connectivity for downloading audio, video and maintenance information. VTA staff will no longer need to manually pull video storage hard disk drives from each bus. The new system will also include portable wireless kits that will allow Transit Patrol and Security Staff the ability to wirelessly connect to a bus and view live video in an emergency situation. This contract will allow for the installation of larger video storage hard disk drives which will increase the amount of hours of video storage available for review. The contract is funded from the Department of Homeland Security Transit
Security Grant Program ($2,187,508 FY09-TSGP), from FY09-FTA Section 5307 grant funding ($421,942), from FY08-09 State of CA CTSGP-Prop 1B ($213,070), and from $198,835 of VTA local funds.

The Closed Circuit Television on Bus RFP was advertised on June 4, 2010. The pre-proposal conference had 22 vendors in attendance. Proposals were received by July 23, 2010, with the following firms submitting proposals:

- ADT
- Apollo Video Tech
- Eye3Data
- Fortress Mobile
- Henry Brothers Electronics
- iTech Solutions
- Cyberwatch Security
- Parthex
- REI
- Seon
- Source Inc.
- Strategic Telcom
- Transit IT Solutions
- Vidtek Associates

The proposals were evaluated based on the following criteria, as outlined in the RFP:

1. Qualifications of the Firm
2. Qualifications of the project staff
3. Understanding of the project and approach
4. Proposed equipment and buy American
5. Cost, Price and Best Value to VTA

The proposal review board recommends Henry Brothers Electronics as the responsive bidder that best meets the terms and conditions of this project and offered VTA the best value over the life of the equipment. Henry Brothers' proposal and equipment was measurably easier to use, it leveraged our existing spare part inventory, it included an extended useful life upgrade, and provides superior alarm reporting capabilities. Although the bid was not selected on a low-bid basis, the proposal is 9.3% under the Engineer’s Estimate of $3,130,900. The Henry Brothers' proposed solution will provide for the installation of a uniform CCTV hardware and software platform across both bus and light rail fleets. A uniform CCTV platform is more efficient and effective for VTA; as it provides for lower training costs, operation costs, spare parts stocking and shorter down times.

Firms that were selected as finalists were invited to participate in an oral interview and product demonstration phase. After the interviews and product demonstration, a “Best and Final Offer” was requested from the firms that were selected as finalists. VTA staff has completed a bid analysis, and has determined the Henry Brothers bid to be fair and reasonable while offering VTA the best long term value over the life of the installation. Staff recommends awarding the contract to Henry Brothers Electronics contingent on their successful completion of the following action items:

1. Ability to demonstrate DHCP connectivity using the Portable Access Point Kit.
2. Revised price with a March Networks provided 750GB drive.

3. Successful test of GPS connectivity and compatibility with VTA radio system.

Installation is scheduled to begin in December 2010 with completion in March 2011.

**ALTERNATIVES:**
The Board can direct staff to consider an alternate bid; or continue to operate the obsolete video systems, however with increasing failure rates, an inability to obtain necessary spare parts for repairs and replacements, and potential loss of federal funding.

**DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION:**
VTA is complying with Federal requirements that the advertisement and award of this contract would utilize race-neutral provisions, as this contract will have Federal Financial assistance. There was no DBE contract goal established. DBE participation was not a condition of contract award.

**SMALL BUSINESS ENTERPRISE (SBE) PARTICIPATION:**
There was no SBE contract goal established. SBE participation was not a condition of contract award.

**FISCAL IMPACT:**
This action will authorize $2,950,000 for the procurement and installation of mobile CCTV systems in 229 buses. There is sufficient appropriation for this expenditure in the FY11 Adopted VTA Transit Enterprise Fund Capital Budget. Funded by the Department of Homeland Security Transit Security Grant Program ($2,187,508 FY09-TSGP), FY09-FTA Section 5307 (421,942), FY08-09 CTSGP-Prop 1B ($213,070) and $198,835 VTA local funds.

**STANDING COMMITTEE DISCUSSION / RECOMMENDATION:**
The Transit Planning and Operations Committee considered this item at the September 16, 2010 meeting attended by Director and Committee Chairperson Kalra, Director Liccardo, Director Larsen, and Director Abe-Koga.

Director Larsen asked about the potential to sell the used video equipment. Chief Information Officer Gary Miskell responded that VTA follows an established policy in disposing of any electronic equipment, including re-sale if practical. Staff estimates the 15% to 20% of the removed equipment would be used for spare parts to support the older equipment that has not yet been replaced.

The Committee unanimously approved the staff recommendation.

Prepared by: Richard Bertalan
Memo No. 2712
Attachment to Award Contract for CCTV on Buses

Henry Bros. Electronics Inc.
John Batsch
17-01 Pollitt Drive
Fair Lawn, NJ 07410

Phone 908-268-0211
Fax: 908-879-2322

jbatsch@hbe-inc.com
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief CMA Officer, John Ristow

SUBJECT: Project Baseline Agreement for the Kato Road Grade Separation Project

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

Resolution

ACTION ITEM

RECOMMENDATION:

Adopt a resolution authorizing the General Manager to execute the Project Baseline Agreement, and any amendments thereto, and any other necessary agreements and documents with the California Department of Transportation and/or the California Transportation Commission relating to the VTA’s role as funding agency and implementing agency for the Highway-Railroad Crossing Safety Account (HRCSA)-funded Kato Road grade separation project.

BACKGROUND:

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 was approved by California voters in November 2006 as Proposition 1B. It includes $250M for the Highway-Railroad Crossing Safety Account (HRCSA) Program to fund high-priority grade separation and railroad crossing safety improvements in two parts: Part 1 provides $150 million for grade separation projects on the priority list established by the California Public Utilities Commission (CPUC) through the Streets and Highways Code Section 190 program and Part 2 provides $100 million for railroad crossing improvements including grade separation projects that are not on the priority list.

The California Transportation Commission (Commission) is the agency responsible for programming HRCSA funds. Through Commission action taken in August 2008, the Kato Road grade separation was programmed for $10.0 million of HRCSA Part 2 funds.

In accordance with the HRCSA Guidelines, all funds programmed in the initial HRCSA Program
that were not allocated by June 30, 2010, have been reprogrammed into a 2010 HRCSA Program. The Kato Road grade separation was not able to obtain an allocation prior to June 30, 2010 because project development activities were more complicated and required more time than originally anticipated. Ten million dollars in HRCSA funds were reapplied for under the 2010 HRCSA program. At the September 22-23, 2010 meeting CTC adopted the 2010 HRCSA program of projects. The Kato Rd grade separation project is included in the program for $10 million of Part 2 funds.

The Commission adopted updated Guidelines in May 2010 extending the HRCSA program. All other provisions of the HRCSA Guidelines originally adopted by the Commission on April 9, 2008 remain in effect. The Guidelines include the requirement for a Project Baseline Agreement to be executed by the applicant (referred to as Sponsor Agency in the agreement), all funding agencies, and the implementing agency - for each project for which HRCSA funds are programmed. The Project Baseline Agreement will set forth the project scope, benefits, delivery schedule, and the project budget and funding plan. VTA is the implementing agency for this project and is providing funding for it along with the HRCSA funds. The City of Fremont is applicant/Sponsor Agency.

In November 2008, VTA acted to authorize the General Manager to execute the prior Baseline Agreement for the Kato Road Grade Separation project. Because the Kato Road grade separation has been included on the 2010 HRCSA program of projects, staff recommends that the board authorize the General Manager to execute the 2010 Baseline Agreement for the Kato Road Grade Separation project.

DISCUSSION:

In July 2010, the City of Fremont applied for HRCSA funds to grade separate Kato Road from the Union Pacific Railroad (UPRR). Kato Road is located in the City of Fremont. VTA and Fremont are working together to implement the Kato Road grade separation project. Funding for the Kato Road grade separation will be comprised of HRCSA funds and VTA funds. VTA has agreed to participate financially because there is a value to clearing the right of way and removing traffic from the railroad corridor to be used by the BART Berryessa Extension Project. VTA has agreed to implement the Kato Road grade separation through a Project Implementation Agreement with the City of Fremont. The Project Implementation Agreement outlining funding, administration, project management and other roles and responsibilities will be taken to the VTA Board for action as a separate agenda item.

The Kato Road Grade Separation has been included in the 2010 HRCSA program. Staff has been informed by the state that a new Baseline Agreement will be required. The Baseline Agreement will be provided to VTA/Fremont sometime after the September 22, 2010 Commission adoption of the 2010 HRCSA program. Both VTA and the City of Fremont are required to execute the Baseline Agreement.

The Board is being asked at this time to authorize the General Manager to sign the 2010 Baseline Agreement to accommodate the Kato Road grade separation schedule. The Commission will need to approve the Baseline Agreement (and the prospective HRCSA allocation) prior to advertisement of the Kato Road grade separation construction contract. The General Manager will sign the 2010 Baseline Agreement contingent upon completion of negotiation of other
necessary agreements relating to the Kato Road grade separation project including the Project Implementation Agreement with Fremont.

**ALTERNATIVES:**

The VTA Board may choose not to execute the Project Baseline Agreement; however, this would result in forfeiting the $10 million in HRCSA funds programmed for the Kato Road grade separation project as both the Sponsor Agency, City of Fremont, and the implementing agency and funding contributor, VTA, are required to execute the Project Baseline Agreement.

**FISCAL IMPACT:**

There is no fiscal impact resulting from the recommended action; however, a separate agenda item on a future VTA Board meeting agenda will recommend that the Board authorize the construction of the Kato Road grade separation project and commit Measure A funds to it. Approval of that separate agenda item commits VTA funding to the Kato Road grade separation project and will be reflected in the fund plan of the Project Baseline Agreement which is the subject of this agenda item.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Transit Planning & Operations Committee considered this item on September 16, 2010 and unanimously recommended that the Board approve this item.

Prepared by: Liz French
Memo No. 2714
RESOLUTION NO. ___
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)
AUTHORIZING THE GENERAL MANAGER
TO EXECUTE THE HIGHWAY-RAILROAD CROSSING SAFETY ACCOUNT
PROJECT BASELINE AGREEMENT
(2010 HRCSA PROGRAM)
FOR THE KATO ROAD GRADE SEPARATION PROJECT

WHEREAS, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (the Bond Act) was approved by California voters as Proposition 1B on November 7, 2006, and includes $250 million for the Highway-Railroad Crossing Safety Account (HRCSA) Program to fund the completion of high-priority grade separation and railroad crossing safety improvements, and

WHEREAS, the California Transportation Commission (Commission) approved a list of projects as the Adopted Highway-Railroad Crossing Safety Account (2010 HRCSA) Program at its September 22-23, 2010 meeting, and

WHEREAS, the Kato Road Grade Separation Project is included on the aforementioned list of adopted projects, and the Kato Road Grade Separation Project has been programmed for $10M of HRCSA funds, and

WHEREAS, VTA is the implementing agency for the Kato Road Grade Separation Project and the City of Fremont is the applicant (Sponsor Agency) for the HRCSA funds, and

WHEREAS, VTA, through a separate action commits to funding the Kato Road Grade Separation Project, and

WHEREAS, VTA agrees to secure funds for any additional costs of the project, and if any of the funding sources being applied for are denied, to add funding from other sources to replace the denied funding. Changes to the funding commitments outlined in the Project Baseline Agreement require an amendment, and

WHEREAS, in accordance with the HRCSA Program Guidelines as adopted by the Commission; VTA will execute a project baseline agreement setting forth the project scope, benefits, delivery schedule, and project budget and funding plan;

NOW, THEREFORE, BE IT RESOLVED that VTA, the implementing agency, agrees to comply with all conditions and requirements set forth in the baseline and applicable statutes, regulations and guidelines for the Proposition 1B Highway-Railroad Crossing Safety Account Bond-funded projects.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the General Manager is hereby authorized on behalf of VTA to execute the Project Baseline Agreement, and any amendments thereto, and any other necessary agreements and documents with the California Department of Transportation and/or the California Transportation Commission relating to the VTA’s role as
implementing agency and funding agency for the HRCSA-funded Kato Road grade separation project.

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors on October 7, 2010 by the following vote:

AYES:

NOES:

ABSENT:

SAM LICCARDO, Chairperson
Board of Directors

ATTEST:

SANDRA WEYMOUTH, Secretary
Board of Directors

APPROVED AS TO FORM:

KEVIN D. ALLMAND
General Counsel
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief Operating Officer, Donald A. Smith Jr.

SUBJECT: Transit Shelter Advertising Program - Extension of Agreement with Clear Channel Outdoor

Policy-Related Action: No

Government Code Section 84308 Applies: Yes

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to amend the Transit Shelter Advertising Program Agreement with Clear Channel Outdoor and Implementation Agreement for the Transit Shelter Advertising Program with the participating cities, county and Clear Channel Outdoor. The amendments would extend the agreements two years with modified terms.

BACKGROUND:

A request for proposals (RFP) was issued February 12, 2010 for a new Transit Shelter Advertising Program to provide new shelters, maintenance, and revenue sharing starting November 1, 2010. Primarily due to advertising market conditions, restricted credit availability for capital investment, and the overall economic climate, VTA only received two proposals and both were non-responsive.

The current agreement with Clear Channel Outdoor ends October 31, 2010. Clear Channel Outdoor did not submit a proposal during the RFP process. To provide for ongoing shelter maintenance and advertising sales and allow time for the market and economy to recover sufficiently to obtain reasonable proposals, VTA entered discussions with the current vendor to determine if there was interest in extending the agreement.

Clear Channel Outdoor expressed an interest in a short-term (2 years) extension with some changes to the current agreement to address that Clear Channel Outdoor is only able to sell approximately 50% of the available ad space and the cost of garbage collection and disposal has soared since the initial agreement in 1994.
DISCUSSION:

In 1994, through a competitive procurement, VTA entered into an agreement with Clear Channel Outdoor (then Patrick Media Group, Inc.) to implement the Transit Shelter Advertising Program throughout Santa Clara County. Clear Channel is responsible for installing, maintaining, cleaning, and repairing bus shelters in exchange for the right to sell and post advertising on 75% of the 564 shelters. VTA receives an annual administrative fee (currently $72,000) and a share of the advertising revenue (currently about $250,000/year), half of which is shared with participating jurisdictions.

Jurisdictions participate through an Implementation Agreement that defines VTA, Clear Channel and participant roles and responsibilities. Current participating jurisdictions are: Campbell, County of Santa Clara, Cupertino, Gilroy, Los Altos, Los Gatos, Milpitas, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, and Sunnyvale. Attachment A summarizes the current number of bus shelters by jurisdiction. The Implementation Agreement expires upon the termination of the Clear Channel Program Agreement.

In December 2009, VTA sent a letter to all City Managers and the County Executive to advise them of the upcoming solicitation for the Transit Shelter Advertising Program and request comments that could be considered for inclusion in the RFP.

The current agreement expires on October 31, 2010. On February 12, 2010, VTA issued a Request for Proposals (RFP) to continue and expand the Transit Shelter Advertising Program for a term of 15 years with two five-year options to extend the agreement. Only two firms submitted proposals, neither of which were non-responsive to the RFP.

VTA staff then opened discussions and negotiations with Clear Channel on a short-term two-year agreement extension. This hopefully provides ample time for the advertising market to improve, so that acceptable proposals will be received once an RFP is issued again.

Our discussions with Clear Channel and other firms, and a review of other recent shelter program solicitations indicate that a change in this type of program is occurring. The firms, who are interested in selling advertising and providing a revenue share, now have very limited interest or ability to fund large capital expenditures necessary to construct a large number of shelters. Also, maintenance costs, particularly trash collection and disposal, have risen significantly over the years. The firms would rather focus their energy on advertising sales and have the transit agency be responsible for handling shelter construction and maintenance. Staff will be further investigating the most appropriate and cost-effective approach for VTA as part of revising the RFP.

Clear Channel agrees to extend the agreement through October 31, 2012 with some changes, including reducing advertising space by fifty percent (50%) with an according reduction in the guaranteed revenue share. Clear Channel would designate which shelters will continue to have commercial advertising. The actual advertising panels will not be removed from the shelters that will no longer carry commercial advertising; rather VTA and the participating cities/county will
be able to use this ad space for public service announcements. Clear Channel will post the materials at no cost, but VTA or the cities would need to produce the material. VTA will continue to share half of the proposed revenue with participating agencies based on the current percentage of advertising shelters in their jurisdiction, per the terms of the Implementation Agreement. Clear Channel will continue to pay VTA an annual administrative fee of about $72,000, which increases based on the CPI (Consumer Price Index) annually.

Collection and disposal of trash from the shelters would also be reduced by approximately two-thirds, from 1,034 to 375 pickups per week. VTA, in consultation with the cities/county, will determine which shelters will retain trash containers and the frequency of service each week. Currently, most shelters get weekly servicing, while others are on a two or three times per week schedule. The cost of this activity has become prohibitive, while the amount of garbage has increased. During the last 10 years, both VTA and Clear Channel trash receptacles have been increasingly filled with illegal dumping and household garbage. It is not the normal trash expected from VTA passengers, but large quantities dumped by neighbors or people passing by.

VTA staff believes the proposed amount of trash collection can sufficiently work. Some low-ridership locations will not have a trash can and other locations are adjacent to existing city trash receptacles. All VTA buses have trash containers at the front entrance. Clear Channel will still be responsible for picking up litter within a 15-foot radius of the shelter. They will also still maintain, clean, remove litter and graffiti, and make necessary repairs to the shelters in accordance with the agreement.

VTA does not have the financial capability or staff resources to take over maintenance and trash collection at 564 shelters. Negotiating an agreement extension with Clear Channel Outdoor for the near future is the best option available at this time. Less revenue will be received (about $125,000 annually), but the amount is relatively small. Trash collection servicing will be reduced, but VTA staff believes it can be implemented without many issues. When the economy recovers there will be better opportunities to improve the Transit Shelter Advertising Program through a new Request for Proposals.

ALTERNATIVES:

The VTA Board could decide to not extend the agreements. VTA would need to either provide maintenance and trash collection at the shelters or request that Clear Channel Outdoor remove the shelters as provided for in the agreement. Staff believes that neither of these options is cost effective or serves our passenger needs.

FISCAL IMPACT:

The amendment would reduce the guaranteed annual revenue by 50% from about $250,000 to about $125,000.

ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:

The Technical Advisory Committee (TAC) heard this as an information item at their September 9, 2010 meeting. The Committee inquired about trash collection schedule and noted that revenues might need to be balanced to allow trash collection at least once a week. The Town of
Los Gatos representative indicated the Town’s interest in participating in the program.

**STANDING COMMITTEE RECOMMENDATION:**

The Transit Planning and Operations Committee approved the staff recommendation to extend the agreement with Clear Channel Outdoor and the Implementation Agreement for two years with modified terms.

The Committee had comments on trash collection -- that keeping the shelter locations clean and trash free was important and that staff should closely monitor this part of the program. There was also discussion about advertising sales in Santa Clara County -- why it wasn’t stronger and what can be done to improve it? Clear Channel Outdoor representatives also attended the meeting and indicated they will add production/printing of public service advertising at their cost to the terms of the extension.

Prepared by: Jim Unites
Memo No. 2763
## Transit Shelters by Jurisdiction:

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<th>Non-Ad</th>
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<tr>
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<td>75%</td>
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<td><strong>TOTAL</strong></td>
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<td><strong>564</strong></td>
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<td>Clear Channel Outdoor</td>
<td>President, San Francisco Division</td>
<td>Tod Hansen</td>
<td>Oakland, CA</td>
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BOARD MEMORANDUM

TO:    Santa Clara Valley Transportation Authority
       Board of Directors

THROUGH:  General Manager, Michael T. Burns

FROM:   Auditor General, Greg Thomas

SUBJECT:  SAP GRC Segregation of Duties and Sensitive Access Controls Internal Audit

FOR INFORMATION ONLY

BACKGROUND:

The VTA Board of Directors in January 2009 approved the contract with Deloitte & Touche, LLP (D&T) to provide Auditor General and internal audit services to VTA.

In June 2009, the Board approved the FY10 Internal Audit Work Plan recommended by the Auditor General. In May 2010, Deloitte & Touche, LLP, in its capacity as VTA’s Internal Audit, initiated the fourth item identified in this plan: SAP Access Control (SAP is VTA’s enterprise resource planning software). The audit was performed in accordance with the Standards for Consulting Services issued by the American Institute for Certified Public Accountants.

DISCUSSION:

Segregation of duties is an internal control mechanism used in financial and other operations that, via checks and balances, prevents one person from having overall control from initiation to settlement of a transaction or process, in order to reduce the potential for error, misuse or fraud.

The purpose of this internal audit was to conduct a design review of VTA’s SAP access controls related to segregation of duties and sensitive or critical access controls. It included assessing the design and configuration of the SAP’s Governance Risk & Compliance (GRC) tool recently installed by VTA that reports on segregation of duties conflicts.

Internal Audit completed its review and the results of this audit are presented in Auditor General Report No. 2010-01 (see Attachment A). This report describes the objectives established for this audit, its scope, and the approach used by the internal audit team. The report presents the internal audit team’s observations, the risk rating associated with each observation, and the Auditor General’s recommendation for addressing each observation. The report also includes
VTA management’s response to each observation, and steps that have been or will be taken to address the Auditor General's recommendations.

Overall, the assessment did not identify any significant risk issues. Observations or recommendations were issued on several low-risk items. VTA agreed with these findings, and all recommendations will be implemented by September 15, 2010 except for one, which will be done by November 2011.

Recommendations for improvement contained in this report are presented for the consideration of VTA management, which is solely responsible for the effective implementation of any corrective action plans.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

The Audit Committee considered this item on September 2, 2010.

Chairperson Gage questioned if the tool had to be modified for use by VTA. Auditor General Greg Thomas indicated customizations were not necessary to implement the tool, but that VTA had implemented some specific customizations following installation. Chairperson Gage also asked whether the GRC tool issues alerts on sensitive access conflicts, and Mr. Thomas responded that it does.

Member Page questioned if there are experts in the utilization of the GRC tool, and Mr. Thomas responded that the Deloitte & Touche LLP manager that conducted the audit field work has expertise in configuration and set up of the tool. Member Page also asked if recommendations are made as to who should be analyzing the reports. Auditor General staff stated that higher-level managerial staff should analyze the reports, since they are best situated to evaluate whether the users and conflicts are appropriate. Mr. Thomas added that they will verify who is reviewing reports and confirm they are appropriate.

Member Herrera commented that she is impressed with the process rules and access controls of the GRC tool, and is pleased that VTA is ahead of the game and focused on prevention. She also stated that it was important that select individuals have emergency access, and requested that the system be optimized for use following natural disasters such as a major earthquake.

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

Prepared By: Greg Thomas, Auditor General
Memo No. 2378
AUDITOR GENERAL REPORT No. 2010-01

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

THROUGH: General Manager, Michael T. Burns

FROM: Greg Thomas, Principal, Deloitte & Touche LLP
       Auditor General’s Office

DATE: July 27, 2010

SUBJECT: SAP GRC Segregation of Duties and Sensitive Access Controls
         Internal Audit

Enclosed is our report for the SAP GRC Segregation of Duties and Sensitive Access Controls Design Assessment Audit.

Our internal audit was performed in accordance with the terms of our engagement letter between Santa Clara Valley Transportation Authority (VTA) 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 VTA’s Audit Committee and Management 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 Greg Thomas in the VTA Auditor General’s office if you have any questions.
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I. EXECUTIVE SUMMARY

The Santa Clara Valley Transportation Authority (“VTA”) implemented SAP ERP Central Component (ECC) 6.0 and Governance Risk and Compliance (GRC) Access Control 5.3 Suite in July 2009. SAP is an enterprise resource planning (ERP) application designed to coordinate all the resources, information, and activities needed to complete each business processes. GRC Access Control suite within SAP is a tool to control SAP access and authorizations across the enterprise as well as to ensure segregation of duties (SOD) compliance.

Modules being used in the GRC Access Control Suite are as follows:
- Risk Analysis and Remediation (RAR) – utilized for capturing and monitoring SOD conflicts as well as critical access
- Superuser Privilege Management (SPM – was previously known as Firefighter) – utilized for elevated/emergency access

Internal Audit (IA) performed a design review of VTA’s SAP access controls related to SOD and sensitive/critical access. Our scope included assessing the design and configuration of the GRC RAR tool being used for reporting on SOD conflicts. The process included conducting interviews with key VTA personnel; evaluating policies, procedures, and project documents related to SODs and critical transactions; and conducting follow-up interviews and discussing observations with VTA Management prior to issuing a draft report.

Overall, the assessment did not identify any significant risk issues. Observations/recommendations were issued on several low-risk items. VTA agreed with these findings, and all recommendations will be implemented by September 15, 2010 with the exception of one, which will be implemented by November 2011.

Detailed observations and recommendations are provided in the main body of the report in the sections entitled “Risk Rulesets,” “Segregation of Duties within the GRC RAR tool Administration”, and “Policies and Procedures”. To assist the reader, an appendix of abbreviations used throughout the report has been included as the last page. Provided below is a summary of the observations and recommendations in these three areas:

A. Risk Rulesets: The overall risk rulesets pertaining to the Funds Management (FM) and custom transaction codes (Z transaction codes) have not been included in the GRC RAR tool; therefore, SOD conflicts are not currently being reported completely for the VTA’s SAP environment. Management needs to analyze the risks for FM and Z transaction codes, update the GRC SOD risk ruleset, and maintain critical FM and Z transaction codes via the critical transactions table in GRC.

A mitigating factor to the risk was noted; management has considered the FM and Z transaction codes for the built of SAP ECC roles. The built was following SAP best
practices with the approval of the business owners (BPO). Therefore, although the risk rulesets do not currently include FM or Z transaction codes, these transaction codes were built and assigned into the appropriate SAP ECC roles.

B. **Segregation of Duties within the GRC RAR tool Administration**: SOD amongst the owners and approvers of the rulesets within the RAR tool have not been considered. Management should implement SOD of the administration access within the GRC RAR tool.

A mitigating factor to the risk was noted; the Technology team monitors SOD rules and implements changes per approval received from the Division Chief. A report of changes made to GRC-RAR is published and distributed to the BPO for review on a periodic basis, thus mitigating the risk that the Technology team can make changes without approval.

C. **Policies and Procedures**: The VTA Security and GRC policies and procedures were reviewed and appeared to be deficient in describing GRC system change management procedures for risks, rulesets, mitigations and configuration settings. A lack of documented procedures and policies was also found around the SOD process. Management should consider the recommendations to develop a formal set of policies and procedures for the GRC tool as well as for the SOD process (e.g., running jobs, sending SOD reports, reviewing reports, and assessing if actions have been performed). Existing policies and procedures should be reviewed and amended as appropriate.

II. **BACKGROUND**

The Santa Clara Valley Transportation Authority (‘‘VTA’’) implemented SAP ECC 6.0 and GRC Access Control 5.3 Suite in July 2009.

Business processes being used in the SAP ECC system for Finance (FI) and Controlling (CO) areas are as follows:

- Controlling
- Asset Accounting
- Accounts Payable
- Accounts Receivables
- Cash Management
- General Ledger
- Funds Management

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.
Business processes being used in the SAP ECC system for Human Resources (HR) areas are as follows:
- Benefits
- Organizational Management
- Personnel Administration
- Training and Events
- Time Management
- Payroll

The GRC Access Control suite is an integrated set of modules that work across the enterprise. Modules within the suite provide information to document and manage risks and controls in real time. They can help automate controls and thereby minimize the likelihood and impact of risks. The real time overview can give management a point in time snapshot of their SAP security access environment.

Out of the four available modules within the GRC suite – only Risk Analysis and Remediation (RAR) and Superuser Privilege Management (SPM) have been installed and configured at VTA. RAR is used for capturing risks and mitigations as well as for SOD monitoring; SPM is used for elevated or emergency access with proper audit trails.

Segregation of Duties: The SAP ECC system has a total of 984 dialog users spread across several business processes. The RAR tool is being used for maintaining the risk ruleset and for reporting SOD conflicts of these users. The RAR ruleset for business process areas Finance (FI00) and Human Resources (HR00) were in scope for this audit.

The focus of the internal audit was a design assessment of the SOD risk rulesets and the configuration of the RAR tool. The audit procedures included analyzing the SAP RAR tool configurations, assessing how the risks are managed and monitored as well as identifying areas for improvement in the ruleset design and overall SOD process.

III. OBJECTIVE, SCOPE & APPROACH

A. Objective
The objectives of this internal audit of SAP GRC Segregation of Duties and Sensitive Access Controls were to:
- Gain an understanding of VTA’s Finance and HR business processes by reviewing VTA’s FI and HR business blueprints and related documentation
- Evaluate SAP GRC Access Control RAR configuration settings for risk analysis, connectors and master user source per design and per industry leading practice
- Assess high risk categories of SODs and sensitive access controls design through the review of SAP GRC Access Control implementation documents
Evaluate high risk SOD and sensitive access rules configuration against industry leading practices

B. Scope

The scope included a control design assessment in the following areas:

- RAR tool and risk rulesets between May 26, 2010 to June 11, 2010
- Design and configuration settings of the GRC RAR tool for SOD and sensitive access
- In-scope modules:
  - Finance (FI) & Controlling (CO)
  - Funds Management
  - HR-Organization Management
  - HR-Payroll
- Rules with high risk categorization in the SAP GRC RAR tool
- Rules at the SAP transaction code level only

The following activities were considered out of scope:

- Evaluate the effectiveness of SOD and sensitive access controls
- Review rule sets in the Material Management and Project System modules
- Assist with remediation activities
- Assess SOD and Sensitive Access rules that are categorized as medium or low risk

In performing our evaluation, our team reviewed and evaluated the following:

- VTA Security Setup Documentation
- VTA Security Administrator Handbook
- VTA GRC Administrator Handbook
- VTA Business Blueprints for Finance and HR Business Processes
- VTA Critical Business Process Matrix (includes critical transaction codes)
- VTA Customized transactions and reports file

C. Approach

Our team conducted interviews with key VTA personnel during the fieldwork between May 2010 and June 2010. Personnel interviewed were as follows:

- Security and Controls Team: Arun Ramanathan, Brian Fong and Igor Taratutin
- Finance and Controlling Team: Rinky Chopra
- Human Resources Team: Kenneth Mireles and Liusan Yip

Once these interviews were completed, our team evaluated policies and procedures and other project documents related to SODs and critical transactions in the GRC tool.
For the review of the RAR tool configuration settings, our team obtained information on the RAR tool’s configuration setting and focused on benchmarking the settings against a set of leading practices.

For the review of the SOD risk rulesets assessment, our team obtained VTA’s risk rulesets and focused on benchmarking the rulesets against leading practices to identify risk rulesets or critical transaction codes recommended for regular monitoring.

The team conducted follow-up interviews, as needed, to discuss and confirm observations with VTA Management prior to issuing the draft report.

IV. RATINGS:

Risk ratings have been assigned to each observation to provide VTA Management with a better understanding of the risk and potential impact of each observation. VTA’s risk rating definitions are:

- High – Significant control weakness presents a high likelihood of the event occurring, potentially exposing VTA to significant financial loss, unauthorized access to key data, business or service interruption, and/or an impact to the VTA brand or public perception. This control weakness should be addressed immediately.

- Medium – Significant control weakness presents a possibility the event will occur potentially exposing VTA to moderate levels of financial loss, short term disruption to operations, short term impact to VTA brand or public perception and/or not making optimal use of human or system resources. This control weakness should be addressed in the near term.

- Low – Control weakness, if corrected or mitigated, will further strengthen the system of internal control. Likelihood of occurrence and impact if the event did occur are rated as low.

- Other Opportunities (No Rating) – Opportunity to improve efficiency or profitability of operations, but does not indicate an internal control weakness.

The risk ratings resulting from the work performed are provided in the following as an estimate to help Management understand the overall risk and impacts of all of the observations combined.

An Overall Risk Rating has been provided to help Management understand the overall risk and impacts of all of the observations combined:

*Overall Risk Rating:* Low
V. RESULTS:

The following sections summarize the internal audit observations, each individual area’s risk rating, recommendations from the Auditor General’s office, and Management’s Response. The results of our field work are delineated below in the sections entitled Risk Rulesets, Segregation of Duties within the GRC tool Administration, and Policies and Procedures.

A. Risk Rulesets

Funds Management (FM)

The FM module within the Finance and Controlling (FI and CO) business process is being used by the budget department at VTA to create master data for funds, cost centers and grants, for uploading, transferring and maintaining approved budgets as well as for performing year-end carry forward budget activities. The budget at VTA is approved by Board of Directors before it is uploaded in SAP in the CO module and then transferred to FM. The Budget Manager is responsible for review and coordination of the upload and transfer of the budget.

Custom (Z) Transaction codes

Transaction codes are command codes utilized by users to perform a task in SAP. There is a standard set of transaction codes derived from SAP; however the need to create custom transaction codes may arise due to the following reasons:

- The standard SAP transaction codes do not support a necessary task or function
- A transaction code needs to be customized to suit the business requirements

Custom transaction codes are typically assigned a naming convention which starts with the letter “Z”. An analysis of the total number of custom (Z) transaction codes at VTA showed a total of 231 custom transaction codes which are a combination the following:

- Reports
- Interfaces
- Create/Change/Display type transaction codes

Observation

Based on an evaluation of the existing risk rulesets, we have noted FM and Z transaction codes have not been included in the GRC RAR rulesets as well as in the sensitive transaction code matrix; therefore, potential segregation of duties conflicts and sensitive access issues are not being considered.
A mitigating factor to the risk was noted; management has considered the FM and Z transaction codes for the built of SAP ECC roles. The built was following SAP best practices with the approval of the business owners (BPO). Therefore, although the risk rulesets do not currently include FM or Z transaction codes, these transaction codes were built and assigned into the appropriate SAP ECC roles.

Comments/Recommendations

Based upon our assessment of the risk rulesets, management should consider the following recommendations:

- Management should identify FM and Z transaction codes for the SOD risk rulesets and Sensitive Transaction Matrix.
- Owners, approvers and monitors should be indentified for the risks as well as risk mitigations, if any.
- Management should develop procedures for mitigating identified risk exposures for these transaction codes.
- Management should develop a review program that results in meaningful periodic reviews of custom transaction codes going forward.
- Management should develop procedures for the appropriate provisioning and maintenance of on-going FM or Z transaction codes in SAP.
- Management should develop procedures for mitigating identified risk exposures for the new transaction codes.

Risk Rating:  Low

Management Response:

VTA concurs and will implement all of the above recommendations by September 15, 2010.

B. Segregation of Duties within the GRC RAR Tool Administration

The SAP GRC RAR tool provides two risk mitigations:

- It makes deliberate fraud more difficult because it requires the collusion of two or more persons
- It is intended to decrease unintentional errors as no single individual should have end-to-end access rights

Business process and access related SODs are maintained in the SAP system at VTA and the GRC RAR tool is being utilized for monitoring the SOD conflicts. The administration
associated with the SOD risk rulesets should be clearly segregated to help ensure the integrity and accurate maintenance of the RAR tool.

**Observation**

The design and configuration of the GRC RAR tool was analyzed and it was noted that the administration within the RAR tool was not setup to segregate owners and approvers of the rulesets.

A mitigating factor to the risk was noted; the Technology team monitors SOD rules and implements changes per approval received from the Division Chief. A report of changes made to GRC-RAR is published and distributed to the BPO for review on a periodic basis, thus mitigating the risk that the Technology team can make changes without approval.

**Comments/ Recommendations**

Management should consider these recommendations:

- Implement SOD rules for risks and mitigation owners, approvers and monitors
- Adopt an established approval process for continuous maintenance of the GRC rulesets.

**Risk Rating:** Low

**Management Response:**

VTA concurs and will implement all of the above recommendations by September 15, 2010.

C. **Policies and Procedures**

Policies and procedures should be established to document the preferred and authorized practice within the organization. Documented policies and procedures help ensure standardization in the business areas.

**Observation**

Although an informal process is in place, a formalized procedure of managing SAP GRC is lacking. The RAR system change management procedures for risks, rulesets, mitigations and configuration settings have not been formally developed. Also, the overall SOD process has not been formally developed which should include the protocols of identifying responsible parties to: (1) run reports for management on a periodic basis; (2) review SOD reports for appropriateness; (3) ensure mitigating controls are identified for conflicts; (4) provision accounts upon authorized SOD mitigations; and (4) provide continuous monitoring of the SOD conflicts status.
Comments/Recommendations

As a result, management should consider these recommendations:

- Formalize policies related to the GRC process (i.e., identify potential SOD risks and sensitive transaction codes, assign duties, identify change management process, evaluate SOD analysis procedures, etc.)
- Develop formal policies to monitor and manage changes to the SOD process (i.e., monitor and detect changes with SOD functions, actions, permissions, and overall continuous monitoring of SOD analysis). Currently, there is an informal monitoring process in place, but if one person in the process fails to perform a review or approve an activity, then the SOD violations would not be reviewed or corrected in a timely manner.

Risk Rating: Low

Management Response:
VTA concurs and will implement all of the above recommendations by September 15, 2010.

VI. GENERAL RECOMMENDATIONS:

- Utilize the critical transaction code table within the GRC RAR tool for more efficient monitoring of sensitive access. Currently the critical transaction code matrix is a manual process dependent on the business process owners and it is not being periodically reviewed for accuracy.
- Migrate the emergency/additional access from Firecall IDs to the GRC SPM tool; (was previously known as GRC Firefighter). This will help ensure an automated process with relevant audit trails.
- Adopt a formalized process to utilize Form G (user creation/modification form) to capture relevant approvals for requesting and granting SAP access.

Management Response:
VTA concurs and will implement the first two recommendations by September 15, 2010. The formalized electronic Form G approval and archiving will be completed by November 2011.
### VII. APPENDIX

**Listing of Abbreviations Used**

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>BPO</td>
<td>Business process owner</td>
</tr>
<tr>
<td>CO</td>
<td>SAP Controlling business process area</td>
</tr>
<tr>
<td>ECC</td>
<td>ERP central component</td>
</tr>
<tr>
<td>ERP</td>
<td>Enterprise resource planning</td>
</tr>
<tr>
<td>FI</td>
<td>SAP Finance business process area</td>
</tr>
<tr>
<td>FM</td>
<td>SAP Funds Management business process area</td>
</tr>
<tr>
<td>GRC</td>
<td>Governance risk and compliance</td>
</tr>
<tr>
<td>HR</td>
<td>SAP Human Resources business process area</td>
</tr>
<tr>
<td>IA</td>
<td>Internal Audit</td>
</tr>
<tr>
<td>RAR</td>
<td>Risk Analysis and Remediation</td>
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<td>SOD</td>
<td>Segregation of duties</td>
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<tr>
<td>SPM</td>
<td>Superuser Privilege Management</td>
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</table>
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 Program “After” Studies Southbound SR85 & SR87

FOR INFORMATION ONLY

BACKGROUND:

In April, 2008, VTA entered into a funding agreement to implement ramp metering on four
corridors in Santa Clara County. The funding for this work is from Congestion Mitigation and
Air Quality (CMAQ) funds provided through the Metropolitan Transportation Commission
(MTC). The four corridors are shown in Table 1.

<table>
<thead>
<tr>
<th>Rte.</th>
<th>Dir.</th>
<th>From</th>
<th>To</th>
<th>Hours of Operation</th>
<th>Implementation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>87</td>
<td>NB</td>
<td>SR 85</td>
<td>US 101</td>
<td>3 PM to 7 PM</td>
<td>January 12, 2009</td>
</tr>
<tr>
<td>85</td>
<td>SB</td>
<td>Almaden Expressway</td>
<td>Cottle Road</td>
<td>6 AM to 10 AM</td>
<td>January 27, 2009</td>
</tr>
<tr>
<td>87</td>
<td>SB</td>
<td>US 101</td>
<td>SR 85</td>
<td>3 PM to 7 PM</td>
<td>April 6, 2009</td>
</tr>
<tr>
<td>101</td>
<td>SB</td>
<td>Embarcadero Road</td>
<td>De La Cruz Boulevard</td>
<td>3 PM to 7 PM</td>
<td>November 12, 2009</td>
</tr>
</tbody>
</table>

Legend:
Rte.: Route
Dir.: Direction
NB: Northbound
SB: Southbound

Since April 2008, staffs from VTA and Caltrans have worked closely with local agency staff,
through the VTA Technical Advisory Committee's Systems Operations and Management (SOM)
Working Group, to develop and review ramp metering plans for the above corridors. New
metering plans for these four corridors have been in operation since the dates shown in Table 1.

The first three systems listed in Table 1 were fine tuned (by making adjustments to metering parameters) to address operational issues such as backups from on-ramps onto local streets and to reduce wait times at certain metering locations. The southbound US 101 corridor is still being fine tuned, with the “after” study targeted for completion in late 2010.

As part of these ramp metering implementation efforts, a Memorandum of Understanding (MOU) was developed that defines the roles and responsibilities for VTA and Caltrans to manage, maintain, and operate freeway metering systems in Santa Clara County. This MOU was approved at the VTA Board meeting on February 5, 2009, with ramp metering implementation efforts since this approval adhering to the principles in the MOU.

**DISCUSSION:**

This memorandum provides a review of the performance of the northbound SR 87, southbound SR 87, and the southbound SR 85 freeway corridors with the newly implemented ramp metering plans. The goal of the data collection efforts is to provide a means to measure performance improvements on the four freeway corridors as a result of the ramp metering.

Traffic data collection efforts were conducted to gage traffic conditions “before” and “after” implementation of metering. The data collection effort included collection of travel times on the freeway mainline (including delays), on-ramp queues, and on-ramp delays. The “before” data collection efforts for all corridors were conducted in May 2008, with the “after” data collection efforts typically being collected three months after initial implementation of metering.

When comparing the “before” and “after” conditions for the northbound SR 87, southbound SR 87, and southbound SR 85 freeway corridors, the implemented ramp metering plans have resulted in the freeway delay reductions shown in Table 2.

**Table 2 - Measured Freeway Delay Reductions**

<table>
<thead>
<tr>
<th>Route</th>
<th>Direction</th>
<th>Peak Period</th>
<th>Vehicle Hours Delay Reduction</th>
<th>Average Travel Time Reduction (minutes)</th>
<th>Percent Travel Time Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>87</td>
<td>NB</td>
<td>PM</td>
<td>295</td>
<td>Over 3</td>
<td>27%</td>
</tr>
<tr>
<td>87</td>
<td>SB</td>
<td>AM</td>
<td>735</td>
<td>Over 8 ½</td>
<td>39%</td>
</tr>
<tr>
<td>85</td>
<td>SB</td>
<td>PM</td>
<td>170</td>
<td>Over 2 ½</td>
<td>41%</td>
</tr>
</tbody>
</table>

Furthermore, the SR 85 ramp metering implementation resulted in the complete elimination of a major freeway mainline bottleneck. The bottleneck that was eliminated on SR 85 was one that occurred during the PM peak period between on-ramp from southbound SR 87 and the Blossom Hill Road off-ramp.

Measurement of delays and queues were collected every 15 minutes for the three freeway
Delays on most of the freeway ramps ranged from just over one minute to two or three minutes and queues were typically maintained on the on-ramp without hindering local street operations. Backups beyond available storage or delays of over 5 minutes were observed at the following hot spot locations:

- Northbound SR 87 on-ramp from Capitol Expressway in the AM Peak Period
- Northbound SR 87 on-ramp from southbound SR 85 in the AM Peak Period
- Northbound SR 87 on-ramp from Almaden Expressway in the AM Peak Period
- Southbound SR 87 on-ramp from Charcot Avenue in the PM Peak Period

Two of four hot spot locations had occasional backups and delays that Caltrans staff is continuing to monitor following procedures outlined in the Ramp Metering Program MOU. More frequent backups, potentially hindering the movement of traffic on local arterials for longer durations were observed on two SR 87 on-ramps at Almaden and Capitol Expressways. In order to remedy this situation, work is underway to install queue loop detectors on these two on-ramps. These queue loops are intended to trigger the ramp meter controller to implement a faster rate with the goal of addressing instances when the on-ramp traffic backs up onto the local roadway. It is anticipated that these loops would be installed by the end of summer 2010 and be operational in fall 2010.

Measurements of traffic volumes on nearby local arterials were also conducted to measure the shift of traffic entering the freeway from one on-ramp to another on-ramp. Traffic volume measurements for the “before” and “after” conditions were conducted along Almaden Expressway south of the SR 87/Almaden Expressway interchange. Almaden Expressway was chosen because of its on-ramp being a likely location for traffic diversion for traffic from more southerly locations such as Santa Teresa Boulevard in the AM peak period. A comparison of the “before” and “after” conditions shows a traffic diversion of just over 90 vehicles in the three-hour AM peak period. During the initial implementation of northbound SR 87 ramp metering, County of Santa Clara Roads and Airports Department (County) staff observed this change in AM peak period volume, and in response, County staff adjusted traffic signal timing along Almaden Expressway to accommodate this additional traffic demand.

**ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:**
There was no discussion of the item at the Technical Advisory Committee meeting on July 8, 2010.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**
The Congestion Management Program & Planning Committee heard this item at their September 24, 2010 meeting and recommended on-ramp delay information should be included on future ramp metering "After" studies.

Prepared By: David Kobayashi
Memo No. 2086
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief CMA Officer, John Ristow

SUBJECT: I-680 Express Lanes Update

FOR INFORMATION ONLY

The southbound I-680 Express Lane is the first express lane in operation in the Bay Area. This express lane facility opened for service on September 20, 2010, with the hours of operation set for 5AM to 8PM, Monday through Friday.

An express lane is a carpool lane where solo drivers are allowed to use available capacity for a toll. The toll rate is designed to react dynamically based on the number of solo drivers that use the express lane and increase automatically as demand increase and decrease automatically as demand decreases. Sensors in the roadway detect the numbers of vehicles present in all lanes and the tolling system then reacts to that data to adjust toll rates.

The 14-mile I-680 Express Lane as shown in Attachment 1 extends from State Route 84 in the City of Pleasanton in Alameda County to State Route 237 in the City of Milpitas (about 20 percent of the facility is in Santa Clara County). This express lane is made possible by converting the existing southbound carpool lane to express lane operations.

This facility is authorized through State legislation, AB 2032 and the follow up bill AB 574, that granted the Alameda County Congestion Management Agency the ability to develop, operate and maintain express lanes. A joint powers board, the Sunol Smart Carpool Lane Joint Powers Authority (JPA), made up of four Board members from Alameda County and Vice Mayor Pete McHugh of the City of Milpitas representing Santa Clara Valley Transportation Authority, governs the facility.

At its August 9, 2010 meeting, the JPA approved the attached budget and initial expenditure plan for the first year of operation for the I-680 Express Lane. The attached memorandum includes itemization of the approximately $1.75 million in capitalized first year expenditures and a second listing of the operating expenses that would be funded by the expected operating revenues for the
first fiscal year of operation.

ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:

This item was presented at the September 9, 2010 Technical Advisory Committee (TAC) and Policy Advisory Committee (PAC) meetings. TAC members asked why the facility is being open only on weekdays, asked about the mechanics of how the tolling would work, and asked if an expenditure plan had been developed for distribution of revenues. PAC members asked if decisions about hours of operations and other operational parameters for the express lanes under study in Santa Clara County have been made and to make sure that if hours of operations are expanded as with the I-680 Express Lane that this does not cause additional congestion. Staff was requested to report back to PAC with information on what Board actions have been taken to move the express lanes program forward. At both meetings, it was shared that the ribbon cutting marking the opening of the I-680 Express Lane is scheduled for September 16, 2010 at 10am near the Sheridan Road interchange.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

This item was presented at the September 24, 2010 Congestion Management Program and Planning Committee meeting. There was discussion about the opening of the I-680 Express Lane on September 20, 2010 and a question on the status of opening a similar facility in the northbound direction of I-680.

Prepared By: Casey Emoto
Memo No. 2735
Attachment 1
Memorandum

August 9, 2010
Agenda Item 5.3

Date: August 2, 2010

To: Sunol SMART Carpool Lane JPA

From: Frank Furger, Chief Deputy Director

Subject: Express Lane – First Year Operating Budget and Expenditure Plan

Action
It is recommended the JPA Board approve the budget and initial expenditure plan for the first year operations of the I-680 Express Lane. The facility is scheduled to open for operations in September of this year. The budget will include revenues and expenditures for the first fiscal year operations of approximately 9.5 months from late September 2010 through June 2011.

Discussion
In June, the JPA reviewed the draft budget for the first year of operations of the I-680 Express Lane. At the July meeting, the JPA adopted certain tolling policy parameters including minimum and maximum tolls.

Staff has re-run the revenue projections based on the JPA adopted tolling parameters. Based on the revised modeling and allowing for a two year revenue ramp up that is typical of new facilities, the anticipated revenue for the first 9 months of operations is $630,000.

Key Budget Assumptions
- The first year budget includes a $150,000 reserve for replacement of toll system equipment, software and hardware. The reserve will insure adequate funding is available for replacement of these components as needed based on a useful life that ranges from 5-10 years depending on the component. The reserve will also serve as an emergency contingency to address costs associated with unanticipated equipment failure or damage.

- The first year budget includes a $100,000 reserve for future roadway rehabilitation. The reserve will insure adequate funding is available for the Express Lanes share for rehabilitation of the roadway based on a 20 year lifecycle. The reserve will also serve as a contingency to address costs associated with unanticipated emergency roadway repairs that may be required. The Express Lane share of roadway rehabilitation is calculated taking into account the number of toll paying vehicles using the facility as a percentage of overall corridor traffic.

- Approximately $1.75 million in first year expenditures will be capitalized and funded with existing state/federal/local grant funds:
<table>
<thead>
<tr>
<th>Expense</th>
<th>FY 10/11 Budget Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>BATA Transaction Fees</td>
<td>$267,000</td>
</tr>
<tr>
<td>CHP Enforcement</td>
<td>$312,500</td>
</tr>
<tr>
<td>System Integrator Toll</td>
<td>$667,000</td>
</tr>
<tr>
<td>Maintenance &amp; Operations</td>
<td></td>
</tr>
<tr>
<td>Staff Charges</td>
<td>$500,000</td>
</tr>
<tr>
<td>Total</td>
<td>$1,746,500</td>
</tr>
</tbody>
</table>

The first year budget projects a year end operating fund balance of approximately $92,000 in addition to the $250,000 reserved for roadway maintenance and toll system replacement.
Express Lane Operating Budget
September 2010 - June 2011

<table>
<thead>
<tr>
<th>OPERATING REVENUES</th>
<th>Proposed BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toll Charges</td>
<td>$ 630,000</td>
</tr>
<tr>
<td>Interest Income</td>
<td>$ 1,400</td>
</tr>
<tr>
<td><strong>Total Operating Revenues:</strong></td>
<td><strong>$ 631,400</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPERATING EXPENSES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Express Lane Maintenance (Caltrans)</td>
<td>$ 135,200</td>
</tr>
<tr>
<td>Utilities (PG &amp; E)</td>
<td>$ 1,200</td>
</tr>
<tr>
<td>Data Communication (AT &amp; T)</td>
<td>30,000</td>
</tr>
<tr>
<td>Data Server Maintenance</td>
<td>22,800</td>
</tr>
<tr>
<td>Project Controls</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Total Operating Expenses:</strong></td>
<td><strong>$ 289,200</strong></td>
</tr>
</tbody>
</table>

| Operating Surplus (Deficit) | $ 342,200 |

Less Reserve:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Toll System/Software/Hardware Replacement</td>
<td>$ 150,000</td>
</tr>
<tr>
<td>Roadway Rehab.</td>
<td>$ 100,000</td>
</tr>
<tr>
<td><strong>Total Reserve required:</strong></td>
<td><strong>$ 250,000</strong></td>
</tr>
</tbody>
</table>

| Fund Balance net of Reserve: | $ 92,200 |
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BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief Engineering & Construction Officer, Robinson, Chief CMA Officer, Ristow

SUBJECT: 2000 Measure A Transit Improvement Program Semi-Annual Report - June 2010

FOR INFORMATION ONLY

DISCUSSION:


Prepared By: John Rowe
Memo No. 2275
Semi-Annual Report
June 2010
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<th>Title</th>
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<td>C. Commuter Rail Program</td>
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<td>2. Caltrain South County</td>
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<td>3. Caltrain Electrification / High Speed Rail</td>
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<td>4. Dumbarton Rail Corridor</td>
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<td>5. Palo Alto Intermodal Transit Center</td>
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<td>6. ACE Upgrades</td>
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SECTION 1.0

EXECUTIVE SUMMARY AND PROJECT COSTS
SECTION 1.0

EXECUTIVE SUMMARY AND PROJECT COSTS

A. EXECUTIVE SUMMARY

The Semi-Annual Report is a periodic update of the 2000 Measure A Transit Improvement Program prepared by VTA staff and provided to the 2000 Measure A Watchdog Committee and the VTA Board of Directors. The report is based on the Program’s budgeted, forecast, and incurred costs as of June 30, 2010. Additionally, key activities that occurred in the six months leading up to that date are described.

By way of a brief progress report, during the six-month period covered by this report:

- While some glimmers of economic hope have begun to appear, Measure A project development continues amid a continuing backdrop of economic distress and lower than originally anticipated Sales Tax Revenues.

- In February 2010, the Federal Transit Administration (FTA) gave the Silicon Valley Rapid Transit (SVRT) project an overall project rating of “medium”. VTA is requesting $900 million in federal New Starts funding, and a medium rating positively positions the project to qualify and compete for the funding.

- In June 2010, VTA received notification that the FTA issued a Record of Decision (ROD) for the first 10-mile phase of the SVRT project. This milestone signifies that VTA satisfied the requirements of the National Environmental Policy Act (NEPA), thereby issuing environmental impact approval for the $2.1 billion Berryessa Extension.

- The SVRT project was allocated $40 million of Traffic Congestion Relief Program (TCRP) funds by the California Transportation Commission (CTC) at its June 30, 2010 meeting. This $40 million allocation is the second installment of an anticipated six, totaling almost $240 million under the State of California TCRP Allocation Plan.

- Utility relocation and construction are moving forward on the Freight Railroad Relocation (FRR) project. The Verizon/MCI fiber optic relocation has been completed and construction of the Wrigley Creek Improvements is underway. FRR activities in the freight rail corridor in Fremont and Milpitas fulfill VTA’s obligations under the Purchase and Sale Agreement with Union Pacific Railroad (UPRR) and eliminate ongoing freight operations on VTA property. FRR activities are compatible with the eventual use of the property as a transportation corridor.
In July 2010, VTA began to improve eight Caltrain crossings located in Sunnyvale, Mountain View, and Palo Alto as part of the Caltrain Safety Enhancements project. The improvements will make crossings safer for pedestrians, bicycles and automobiles and will include the following safety features: modified railroad crossing gates, newly installed guardrails, fences, pedestrian and emergency swing gates, sidewalks, crossing panels and warning tactile panels to assist the visually impaired.

The Light Rail Systems Analysis is complete and was adopted by the VTA Board in May 2010. The Light Rail Improvement Plan will now serve as an action plan for future implementation and an investment program which identifies capital and operating improvements for the system over the next 20 years. The study recommends making improvements in two phases. Phase I is designed for near-term implementation (within the next several years), while Phase II is designed to complement the introduction of BART service to East San Jose in 2018.

Conceptual Engineering for Bus Rapid Transit improvements has begun on the El Camino Real Transit Improvement project.

On the Santa Clara-Alum Rock Bus Rapid Transit project, a Project Agreement was reached between the City of San Jose and VTA establishing a project description and vision statement for the project.

In the same manner VTA was committed to and completed all projects in the 1996 Measure B Program, VTA is committed to completing all the projects in the 2000 Measure A Program. Over the balance of FY2011, VTA will advance projects to a ready state and advocate for outside fund sources and matched funds to advance projects including potential public-private partnerships.

This report shows a snapshot of the 2000 Measure A Program at the time of writing. However, it is important to understand that the timing and prioritization of projects in the program remains fluid.
B. PROJECT APPROPRIATIONS

Figure 1.1, on page 1-7, shows the prior and current project appropriations for each project in the 2000 Measure A Program. Changes in appropriations during the report period are discussed below.

Programwide costs are incurred when activities that provide indirect benefit to the projects are performed. There are three programwide cost components to the 2000 Measure A Program:

- Bond costs (capitalized interest and bond charges)
- 2000 Measure A programwide
- SVRT programwide

VTA’s external auditor recommended the allocation of programwide costs to individual projects. The allocation is necessary to associate the costs to the related projects that were benefited by the incurrence of the programwide costs. It also promotes the appropriate treatment of the costs in a timely manner. VTA allocates programwide costs on a quarterly basis.

VTA started allocating Bond costs and 2000 Measure A programwide costs in Fiscal Year 2010. The allocation of the SVRT programwide costs has been deferred due to the ongoing reevaluation of the SVRT project structure.

Bond Costs

Bond costs represent interest and other bond charges (net of interest earned on bond proceeds) related to 2000 Measure A Sales Tax Revenue Bonds. Other bond charges include periodic fees related to variable rate bonds, including liquidity, remarketing, trustee and rating fees. Bonds were initially issued beginning in 2003, prior to the start of the 2000 Measure A Sales Tax, in order to advance the SVRT, Commuter Rail, and Light Rail programs prior to sales tax revenue collections. Currently there are approximately $356 million in 2000 Measure A Sales Tax Revenue Bonds outstanding.

Capitalized interest/bond charges need to be associated with the assets that were funded by the bond proceeds. In accordance with Financial Accounting Standards Board (FASB) 62, capitalized interest related to restricted assets should be net of the interest income earned by the reinvested bond proceeds. Costs are allocated directly to specific projects based on the prorata share of bond proceeds used to fund expenditures. These costs will continue to be allocated directly to project expenditures until the bonds are repaid in full or until such projects are completed, whichever comes first.
2000 Measure A Programwide Allocation Costs

2000 Measure A programwide activities include preparation of progress and cost reports, financial forecasting, publication of annual financial audits and public hearings conducted by the 2000 Measure A Citizen’s Watchdog Committee, and other general tasks that are not attributable to individual projects.

In allocating the 2000 Measure A programwide cost, the basis used is the incremental cost of the projects during the quarter. For the capitalized interest/bond charges, the basis used was the amount of bond proceeds that were used to fund the projects.

18.46% of the Measure A Sales Tax revenue is used in support of VTA operations. Through December 31, 2009, a cumulative total of $116.3 million has been expended for this purpose.

Changes in Appropriations

1. Programwide Costs (incl. VTA Operating Assistance)
   The appropriation decreased by a total of $24.9 million to a new value of $249.8 million due to the following:
   a. $9.9 million of Capitalized Interest and Bond Costs were allocated to various ongoing projects, as described below.
   b. $13.6 million of Capitalized Interest and Bond Costs related to Low Floor Vehicle Procurement were expensed, as the vehicles have been placed into revenue service and the project has been closed.
   c. $1.4 million of Measure A Programwide costs were allocated to various projects, as described below.

2. Silicon Valley Rapid Transit and Freight Railroad Relocation
   The project appropriation increased by $9.8 million to a new total of $1.070 billion due to the following:
   a. $8.6 million of Bond Interest was allocated to the SVRT project.
   b. $1.2 million of Measure A Programwide costs were allocated to the SVRT project.
3. **Light Rail Program**
   The project appropriation increased by a net $1.3 million to a new value of $345.1 million as follows:
   
   a. $1.0 million of Bond Interest was allocated to Light Rail projects (mainly the CELR to Eastridge project).
   b. $0.1 million of Measure A programwide costs were allocated to Light Rail projects.
   c. CELR to Eastridge costs increased by $0.8 million as work associated with the Federal Environmental Impact Study (EIS) was included in this project rather than a separate EIS project.
   d. LRT Extension to Vasona Junction increased by $0.8 million as work associated with the Federal EIS was included in this project rather than a separate EIS project.
   e. Other Light Rail Efforts costs decreased by $1.4 million due to:
      i. The stand-alone EIS Project was closed and its $1.0 million budget was moved to CELR to Eastridge and the LRT Extension to Vasona Junction projects, which now include this scope of work.
      ii. New Rail Corridor project savings in the amount of $0.4 million was transferred to cover additional scope in the EIS efforts mentioned above.

4. **Commuter Rail Program**
   The project appropriation increased by $0.4 million to a new value of $127.2 million as follows:
   
   a. $0.3 million of Bond Interest was allocated to Commuter Rail projects (mainly the Caltrain Service Upgrades project).
   b. $0.1 million of Measure A programwide costs were allocated to Commuter Rail projects.

5. **Bus Program**
   The project appropriation was reduced by $0.2 million to a new total of $166.5 million as BRT Strategic Study project savings in the amount of $0.2 million were transferred to cover overruns in EIS efforts related to Light Rail Projects.

6. **San Jose Mineta Airport People Mover**
   The project appropriation is unchanged at $4.0 million.
### Figure 1.1

#### Measure A Project Appropriations

<table>
<thead>
<tr>
<th>Project/Category</th>
<th>a Previous Appropriation Through FY11</th>
<th>b Current Appropriation Through FY11</th>
<th>c=(b - a) Changes This Period</th>
<th>d Text Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2000 Measure A Programwide</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capitalized Interest and Bond Costs</td>
<td>$30.0</td>
<td>$6.5</td>
<td>($23.5)</td>
<td>1.a, 1.b</td>
</tr>
<tr>
<td>Programwide Expenses</td>
<td>$5.0</td>
<td>$3.7</td>
<td>($1.4)</td>
<td>1.c</td>
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<tr>
<td>VTA Operating Assistance</td>
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<td>$178.0</td>
<td>$0.0</td>
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</tr>
<tr>
<td>Swap Payments</td>
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<td>$61.7</td>
<td>$0.0</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$274.7</td>
<td>$249.8</td>
<td>($24.9)</td>
<td></td>
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<tr>
<td><strong>SVRT (incl. FRR and Warm Springs Ext.)</strong></td>
<td>$1,060.4</td>
<td>$1,070.2</td>
<td>$9.8</td>
<td>2.a, 2.b</td>
</tr>
<tr>
<td><strong>Light Rail Program</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CELR to Eastridge</td>
<td>$126.3</td>
<td>$128.1</td>
<td>$1.9</td>
<td>3.c</td>
</tr>
<tr>
<td>Other Light Rail Efforts</td>
<td>$9.6</td>
<td>$8.3</td>
<td>($1.4)</td>
<td>3.e</td>
</tr>
<tr>
<td>Extension to Vasona Junction</td>
<td>$7.4</td>
<td>$8.2</td>
<td>$0.8</td>
<td>3.d</td>
</tr>
<tr>
<td>Low Floor Light Rail Vehicles</td>
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<td>$200.6</td>
<td>$0.0</td>
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<tr>
<td><strong>Total</strong></td>
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<td>$345.1</td>
<td>$1.3</td>
<td>3.a, 3.b</td>
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<td><strong>Commuter Rail Program</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Caltrain Service Upgrades</td>
<td>$61.8</td>
<td>$62.2</td>
<td>$0.4</td>
<td>4.a, 4.b</td>
</tr>
<tr>
<td>Caltrain South County</td>
<td>$61.7</td>
<td>$61.7</td>
<td>$0.0</td>
<td></td>
</tr>
<tr>
<td>Caltrain Electrification / High Speed Rail</td>
<td>$0.8</td>
<td>$0.8</td>
<td>$0.0</td>
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</tr>
<tr>
<td>Dumbarton Rail Corridor</td>
<td>$2.1</td>
<td>$2.1</td>
<td>$0.0</td>
<td></td>
</tr>
<tr>
<td>Palo Alto Intermodal Transit Center</td>
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<td>$0.4</td>
<td>$0.0</td>
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<tr>
<td>ACE Upgrades</td>
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<td>$0.0</td>
<td>$0.0</td>
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<tr>
<td><strong>Total</strong></td>
<td>$126.7</td>
<td>$127.2</td>
<td>$0.4</td>
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<td><strong>Bus Program</strong></td>
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<td></td>
</tr>
<tr>
<td>Santa Clara/Alum Rock Transit Improvement</td>
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<td>$114.0</td>
<td>$0.0</td>
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<tr>
<td>El Camino Real BRT</td>
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<td>$8.7</td>
<td>$0.0</td>
<td></td>
</tr>
<tr>
<td>Other BRT (incl Bus Procurement)</td>
<td>$21.9</td>
<td>$21.7</td>
<td>($0.2)</td>
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<td>Hwy 17 Bus Service Improvements</td>
<td>$2.5</td>
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<td>$0.0</td>
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<tr>
<td>ZEB Demonstration and Improvements</td>
<td>$19.5</td>
<td>$19.6</td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>$166.6</td>
<td>$166.5</td>
<td>($0.2)</td>
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<tr>
<td><strong>San Jose Mineta Airport People Mover</strong></td>
<td>$4.0</td>
<td>$4.0</td>
<td>$0.0</td>
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</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td>$1,976.3</td>
<td>$1,962.8</td>
<td>($13.5)</td>
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</table>

1 Adjusted to reflect current accounting method for presentation purposes.

2 $10.0 million in appropriation for Caltrain Santa Clara Station improvements that benefit the ACE Upgrades project is included in the Caltrain Service Upgrades project.
C. INCURRED COSTS

Figure 1.2 below shows incurred costs for Measure A Projects at the beginning and end of the period as well as the percent of the project appropriation (through FY11) incurred as of June 30, 2010. The bulk of the period’s $69.2 million in incurred costs is attributable to Silicon Valley Rapid Transit, VTA Operating Assistance, and Swap Payments.

![Figure 1.2](image)

### Measure A Project Incurred Costs

<table>
<thead>
<tr>
<th>Project/Category</th>
<th>Incurred Costs Through Dec-09</th>
<th>Incurred Costs Through Jun-10</th>
<th>Incurred Costs This Period</th>
<th>Percent of Appropriation Through Jun-10</th>
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<tr>
<td><strong>2000 Measure A Programwide</strong></td>
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<td></td>
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<tr>
<td>Capitalized Interest and Bond Costs</td>
<td>$29.4</td>
<td>$3.9</td>
<td>($25.5)</td>
<td>59.8%</td>
</tr>
<tr>
<td>Programwide Expenses</td>
<td>$0.7</td>
<td>$0.7</td>
<td>($0.1)</td>
<td>17.8%</td>
</tr>
<tr>
<td>VTA Operating Assistance</td>
<td>$110.1</td>
<td>$116.3</td>
<td>$6.2</td>
<td>65.3%</td>
</tr>
<tr>
<td>Swap Payments</td>
<td>$30.8</td>
<td>$42.1</td>
<td>$11.3</td>
<td>68.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$171.0</td>
<td>$163.0</td>
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<td>65.2%</td>
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<td><strong>SVRT (incl. FRR and Warm Springs Ext.)</strong></td>
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<td></td>
</tr>
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<td></td>
<td>$677.1</td>
<td>$741.8</td>
<td>$64.8</td>
<td>69.3%</td>
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<tr>
<td><strong>Light Rail Program</strong></td>
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<td></td>
</tr>
<tr>
<td>CELR to Eastridge</td>
<td>$55.2</td>
<td>$57.6</td>
<td>$2.4</td>
<td>45.0%</td>
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<td>Other Light Rail Efforts</td>
<td>$2.0</td>
<td>$2.4</td>
<td>$0.2</td>
<td>28.1%</td>
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<tr>
<td>Extension to Vasona Junction</td>
<td>$0.0</td>
<td>$0.3</td>
<td>$0.3</td>
<td>3.1%</td>
</tr>
<tr>
<td>Low Floor Light Rail Vehicles</td>
<td>$200.6</td>
<td>$200.6</td>
<td>$0.0</td>
<td>100.0%</td>
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<tr>
<td><strong>Total</strong></td>
<td>$257.8</td>
<td>$260.9</td>
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<td>75.6%</td>
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<tr>
<td><strong>Commuter Rail Program</strong></td>
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<td></td>
</tr>
<tr>
<td>Caltrain Service Upgrades</td>
<td>$21.1</td>
<td>$24.3</td>
<td>$3.2</td>
<td>39.0%</td>
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<tr>
<td>Caltrain South County</td>
<td>$7.5</td>
<td>$12.7</td>
<td>$5.2</td>
<td>59.2%</td>
</tr>
<tr>
<td>Caltrain Electrification / High Speed Rail</td>
<td>$0.1</td>
<td>$0.2</td>
<td>$0.2</td>
<td>30.6%</td>
</tr>
<tr>
<td>Dumbarton Rail Corridor</td>
<td>$1.7</td>
<td>$1.8</td>
<td>$0.1</td>
<td>85.3%</td>
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<td>Palo Alto Intermodal Transit Center</td>
<td>$0.2</td>
<td>$0.2</td>
<td>$0.0</td>
<td>59.2%</td>
</tr>
<tr>
<td>ACE Upgrades</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
<td>X</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$30.6</td>
<td>$39.2</td>
<td>$8.7</td>
<td>30.9%</td>
</tr>
<tr>
<td><strong>Bus Program</strong></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Santa Clara/Alum Rock Transit Improvement</td>
<td>$1.0</td>
<td>$1.4</td>
<td>$0.4</td>
<td>1.2%</td>
</tr>
<tr>
<td>El Camino Real BRT</td>
<td>$0.0</td>
<td>$0.2</td>
<td>$0.2</td>
<td>2.0%</td>
</tr>
<tr>
<td>Other BRT (incl Bus Procurement)</td>
<td>$1.4</td>
<td>$1.7</td>
<td>$0.3</td>
<td>8.0%</td>
</tr>
<tr>
<td>Hwy 17 Bus Service Improvements</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td>ZEB Demonstration and Improvements</td>
<td>$19.5</td>
<td>$19.5</td>
<td>$0.0</td>
<td>99.4%</td>
</tr>
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<td><strong>Total</strong></td>
<td>$21.9</td>
<td>$22.8</td>
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<td>13.7%</td>
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<td><strong>San Jose Mineta Airport People Mover</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$0.1</td>
<td>$0.1</td>
<td>$0.0</td>
<td>3.1%</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td>$1,158.5</td>
<td>$1,227.8</td>
<td>$69.2</td>
<td>62.6%</td>
</tr>
</tbody>
</table>

*June 30, 2010 incurred cost figures are unaudited and are subject to change.*
D. MEASURE A FUND EXCHANGE

State law guarantees Santa Clara County a formula share of the State Transportation Improvement Program (STIP) over a six-year period. State law and regional policy make the VTA Board of Directors responsible for determining which eligible transportation projects will receive those funds.

The VTA Board of Directors, at its June 7, 2007, and December 13, 2007 meetings approved the exchange of STIP grant funds for Measure A funds and programmed STIP funds to Measure A projects in exchange for an equivalent amount of 2000 Measure A Sales Tax funds. The exchange of funds creates the Local Program Reserve (LPR) which allows the Board of Directors to use those funds to program to other transportation projects. The Board approved the fund exchange because it:

- **Accelerates Project Delivery and Reduces Administrative Costs** - STIP funds come with substantial state requirements that impact schedule and cost of project delivery. The exchange of funds allows the Board to free the projects from costly administrative burdens.

- **Enables the VTA Board to Manage Valley Transportation Plan (VTP) Expenditures** - By exchanging STIP funds, the VTA Board eliminates the need for Metropolitan Transportation Commission (MTC) and the California Transportation Commission (CTC) to approve all STIP programming decisions after they are approved by the VTA Board. Further, it eliminates the CTC’s approval of all subsequent STIP fund allocations for all STIP funded projects.

A portion of the exchange funds will be used to pay interest to the Measure A Program for fund advances. The initial amount is paid back when the CTC allocates STIP funds to the Measure A projects and VTA draws the cash from the State. The interest will be calculated, and paid from the LPR account when (1) all STIP funds are drawn by the project and (2) all associated LPR funds are actually paid to projects. Interest will be calculated at that time as well, based on VTA's rates of return on its pooled investment accounts at the time the advances occurred.

Of note, the first three projects in the "Local Program Reserve Projects" table qualified for CMIA funds only because we were able to use exchange funds to advance these projects. CMIA funds allocated to each project were:

- $71.6 million for I-880 HOV Widening: SR-237 to US-101
- $30.0 million for US 101 Improvements (280/680 to Tully)
- $84.9 million for US 101 Improvements (SR-85 to Embarcadero)
At its March 2010 meeting, the VTA Board acted to reallocate $4,356,050 of LPR funds from US 101 Improvements (280/680 to Tully) to US 101/Capitol Expressway and Yerba Buena. This was made possible due to VTA securing a like amount of American Recovery and Reinvestment Act (ARRA) funding on US 101 Improvements (280/680 to Tully).

Of the three projects sponsored by the County of Santa Clara, the Alum Rock School District Area Traffic Calming project is completed, the ITS Enhancements project has completed the design phase, and the Santa Teresa/Fitzgerald Intersection project has awarded a contract. Each project received exchange funds for the Plans, Specifications and Estimates (PS&E) and Construction project phases.

The City of Gilroy’s Arroyo Camino project is already constructed and in service, and the City of Milpitas has begun the Tasman East LRT landscaping project.

As of June 30, 2010, $42.1 million has been spent on various phases of the projects listed. The projects involved in the exchange are described in Figures 1.3 and 1.4, on the next page.
Figure 1.3
Funds Outgoing From Measure A:
Local Program Reserve Projects Receiving Measure A Funds

<table>
<thead>
<tr>
<th>Sponsor</th>
<th>LPR Funds Allocated By Board (000s)</th>
<th>Expended to Date (000s)</th>
<th>Project</th>
<th>Status Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>VTA</td>
<td>$23,400</td>
<td>$8,790</td>
<td>I-880 HOV Widening: SR-237 to US-101</td>
<td>Design/ROW</td>
</tr>
<tr>
<td>VTA</td>
<td>$7,644</td>
<td>$4,592</td>
<td>US 101 Improvements (280/680 to Tully)</td>
<td>Advertised for Bids</td>
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<tr>
<td>VTA</td>
<td>$17,070</td>
<td>$9,811</td>
<td>US 101 Improvements (85 to Embarcadero)</td>
<td>Design/ROW</td>
</tr>
<tr>
<td>VTA</td>
<td>$500</td>
<td>$13</td>
<td>I-880/I-280/Stevens Creek Interchange</td>
<td>Prelim Engineering</td>
</tr>
<tr>
<td>VTA</td>
<td>$4,500</td>
<td>$4,156</td>
<td>US 101/SR-25 Interchange</td>
<td>Env./PA&amp;ED</td>
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<tr>
<td>VTA/ACCMA</td>
<td>$8,000</td>
<td>$76</td>
<td>I-680 Sunol Grade HOV/HOT Lane</td>
<td>Construction</td>
</tr>
<tr>
<td>VTA</td>
<td>$2,500</td>
<td>$2,497</td>
<td>SR-87 HOV North &amp; South - Cost Increase</td>
<td>Completed</td>
</tr>
<tr>
<td>VTA</td>
<td>$1,000</td>
<td>$125</td>
<td>SR-152/SR-156 Interchange - Cost Increase</td>
<td>Construction</td>
</tr>
<tr>
<td>Gilroy</td>
<td>$6,725</td>
<td>$6,725</td>
<td>Gilroy/Arroyo Circle/Arroyo Camino Improvements</td>
<td>Completed</td>
</tr>
<tr>
<td>Sunnyvale</td>
<td>$524</td>
<td>$65</td>
<td>Mathilda Ave Caltrain Bridge Reconstruction</td>
<td>Design</td>
</tr>
<tr>
<td>SC County</td>
<td>$450</td>
<td>$299</td>
<td>ITS Enhancements on Bascom Ave</td>
<td>Design</td>
</tr>
<tr>
<td>Morgan Hill</td>
<td>$2,510</td>
<td>$1,638</td>
<td>Butterfield Blvd Extension Project</td>
<td>Design</td>
</tr>
<tr>
<td>SC County</td>
<td>$275</td>
<td>$255</td>
<td>Santa Teresa/Fitzgerald Ave Intersection Signals</td>
<td>Construction</td>
</tr>
<tr>
<td>Saratoga</td>
<td>$400</td>
<td>$0</td>
<td>Citywide Signal Upgrade Project Phase 2</td>
<td>Not initiated yet</td>
</tr>
<tr>
<td>SC County</td>
<td>$315</td>
<td>$321</td>
<td>Alum Rock School District Area Traffic Calming</td>
<td>Completed</td>
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<tr>
<td>Sunnyvale</td>
<td>$3,725</td>
<td>$0</td>
<td>Mary Ave Extension PS&amp;E</td>
<td>Environmental</td>
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<tr>
<td>San Jose</td>
<td>$5,076</td>
<td>$1,565</td>
<td>Julian/St. James Downtown Couplet Conversion</td>
<td>Construction</td>
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<tr>
<td>VTA</td>
<td>$3,940</td>
<td>$0</td>
<td>I-280 Soundwalls: Bird Ave to Los Gatos Crk</td>
<td>Not initiated yet</td>
</tr>
<tr>
<td>VTA</td>
<td>$3,860</td>
<td>$0</td>
<td>I-680 Soundwalls: Capitol Xwy to Mueller Ave</td>
<td>Not initiated yet</td>
</tr>
<tr>
<td>VTA/SBCOG</td>
<td>$5,000</td>
<td>$789</td>
<td>SR-152 New Alignment</td>
<td>Pre-PA &amp; ED</td>
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<tr>
<td>Mipitas</td>
<td>$1,800</td>
<td>$0</td>
<td>Tasman East LRT Landscaping</td>
<td>Construction</td>
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<tr>
<td>VTA</td>
<td>$4,356</td>
<td>$555</td>
<td>US 101/Capitol Expressway and Yerba Buena</td>
<td>Design</td>
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<tr>
<td>N/A</td>
<td>$4,410</td>
<td>$0</td>
<td>Unprogrammed LPR - TBD</td>
<td>Unprogrammed</td>
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<tr>
<td>TOTALS</td>
<td>$107,980</td>
<td>$42,072</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 1.4
Funds Incoming To Measure A:
Projects Receiving STIP Funds

<table>
<thead>
<tr>
<th>Project No.</th>
<th>Sponsor</th>
<th>STIP Funds*</th>
<th>Fiscal Year</th>
<th>Project</th>
<th>Status Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>P-0476</td>
<td>VTA</td>
<td>$57,540</td>
<td>2010/11</td>
<td>Capitol Expressway LRT Extension - Construction</td>
<td>Prelim Engineering</td>
</tr>
<tr>
<td>P-0588</td>
<td>VTA</td>
<td>$50,440</td>
<td>2012/13</td>
<td>Airport People Mover - Construction</td>
<td>Conceptual</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$107,980</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Of the $108 million of Measure A Fund Exchange funds approved by the VTA Board, $61.3 million was appropriated for FY10/11
E. FUNDING

Funding is a key issue for many of the 2000 Measure A projects. As a consequence, in this report we refer to several terms associated with a project’s funding level. These terms, arranged in order of increasing certainty of funding availability, are as follows:

1. **Estimated Cost** – An estimate of the total cost of a project given the currently known scope and configuration of the project. In the case of projects where there is little or no scope definition, “TBD” (To be Determined) is shown. As the project is better defined, estimated cost figures will be included for these projects. In the individual project information sheets, we have included the “Estimate Class” in order to give an idea of the level of uncertainty associated with the estimated cost. A more detailed discussion of this topic is included in the appendix.

2. **Appropriation Through FY11** - The most recent Adopted Budget includes appropriations, based on an estimate of expenditures during FY10 and FY11, for various 2000 Measure A projects. Since these projects can run beyond FY11, the appropriation amount is only a time-constrained slice of total estimated expenditures.

3. **Secured Funding** – Funding that has been committed by funding agencies and is now available to VTA for project expenditures. In many cases, secured funding is at a lower level than the appropriation in the Adopted Budget. For these projects, it is anticipated that additional funding may be secured during the FY11 period. It is important to note that, regardless of the level of appropriation, actual expenditures will not exceed secured funding at any time.
SECTION 2

PROJECT SUMMARY REPORTS
MEASURE A PROJECT SUMMARY REPORTS

A. SILICON VALLEY RAPID TRANSIT
   1. Silicon Valley Rapid Transit
   2. Freight Railroad Relocation

B. LIGHT RAIL PROGRAM
   1. Capitol Expressway Light Rail to Eastridge
   2. Other Light Rail Efforts
   3. Extension to Vasona Junction

C. COMMUTER RAIL PROGRAM
   1. Caltrain Service Upgrades
   2. Caltrain South County
   3. Caltrain Electrification / High Speed Rail
   4. Dumbarton Rail Corridor
   5. Palo Alto Intermodal Transit Center
   6. ACE Upgrades

D. BUS PROGRAM
   1. Santa Clara / Alum Rock Transit Improvement
   2. El Camino Real Transit Improvement
   3. Bus Rapid Transit
   4. Highway 17 Bus Service Improvements
   5. ZEB Demonstration and Facility Improvements

E. SAN JOSE MINETA AIRPORT PEOPLE MOVER

F. CLOSED PROJECTS
   1. Low Floor Light Rail Vehicles
BART to Milpitas, San Jose, Santa Clara

**Estimated Cost:** $5.716 billion*
  
  Estimate Class 3 (see appendix)

**Appropriation Through FY11:** $791.0 million*
  
  *Includes $16 million for Warm Springs BART Extension

**Secured Funding:** $760.8 million

**Year of Completion:** 2018

**Project Manager:**
VTA – Carolyn Gonot

**Designers:**
HNTB, HMM/Bechtel, STV, Wong/PB,
AECOM, Booz Allen Hamilton

**Project Description:**
The Silicon Valley Rapid Transit (SVRT) Project extends BART from Warm Springs, through Milpitas and downtown San Jose to Santa Clara, a distance of 16.1 miles. The project includes construction of a heavy rail rapid transit system, all ancillary requirements and the upgrading of the existing BART system to be fully integrated with the enhanced service of SVRT. Six stations and a maintenance and vehicle storage yard are proposed along the alignment.

**Project Status:**

**Environmental:** The VTA Board certified the Final Environmental Impact Report (EIR) in December 2004 and a Final Supplemental EIR in June 2007 ratifying design changes made after the certification of the Final EIR. On June 24, 2010, FTA issued the Record of Decision (ROD) for the Berryessa Extension to VTA. Work on a second Supplemental EIR was initiated in the first quarter of 2010 with VTA Board certification planned for March 2011. In February 2010, FTA gave an overall favorable rating in the New Starts Annual Report to the Berryessa Extension.

**Design:** In December 2009, FTA approved VTA’s request for entry of the BART Berryessa Extension Project into the Preliminary Engineering phase of the Federal New Starts program. The New Starts Preliminary Engineering phase started on January 4, 2010 and work during this phase will include the environmental clearance process and preparation and submission of an application for entry into the New Starts Final Design phase. Agreements with utility companies for transverse utility relocation design are being developed and executed. Longitudinal utilities along the railroad right-of-way (ROW) are largely designed and relocated as part of the original purchase agreement. ROW engineering is in progress for additional support facilities and remaining utility and construction easements.

Additionally, as part of the FY10/11 Budget, VTA will make a $16 million contribution to the Warm Springs BART Extension. These 2000 Measure A / State-Local Partnership funds will be used for Warm Springs project elements that have a shared benefit with the SVRT project, including tail tracks that allow for construction, testing, and start-up of the SVRT extension.

**Project Schedule:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Start</th>
<th>End</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental</td>
<td>Early 2004</td>
<td>Late 2010</td>
</tr>
<tr>
<td>Design</td>
<td>Early 2004</td>
<td>Mid 2012</td>
</tr>
<tr>
<td>Right-of-Way</td>
<td>Mid 2007</td>
<td>Late 2012</td>
</tr>
<tr>
<td>Construction</td>
<td>Early 2013</td>
<td>Late 2018</td>
</tr>
<tr>
<td>Testing and Commissioning</td>
<td>Mid 2015</td>
<td>Late 2018</td>
</tr>
<tr>
<td>Revenue Service</td>
<td>Late 2018</td>
<td>N/A</td>
</tr>
<tr>
<td>Closeout</td>
<td>Early 2019</td>
<td>Mid 2019</td>
</tr>
</tbody>
</table>
Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance d = (a-c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>20,231</td>
<td>4,666</td>
<td>4,534</td>
<td>15,697</td>
</tr>
<tr>
<td>Real Estate</td>
<td>86,109</td>
<td>78,128</td>
<td>77,888</td>
<td>8,221</td>
</tr>
<tr>
<td>Labor, Services and Support</td>
<td>540,991</td>
<td>477,400</td>
<td>436,122</td>
<td>104,869</td>
</tr>
<tr>
<td>Contingency</td>
<td>51,685</td>
<td>-</td>
<td>-</td>
<td>51,685</td>
</tr>
<tr>
<td>Financing Costs</td>
<td>61,828</td>
<td>61,828</td>
<td>61,828</td>
<td>-</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>760,844</strong></td>
<td><strong>622,021</strong></td>
<td><strong>580,372</strong></td>
<td><strong>180,472</strong></td>
</tr>
</tbody>
</table>

Secured Funding Incurred 76%
Secured Funding Committed 82%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

Anticipated Funding:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State (TCRP)</td>
<td>$624 million</td>
</tr>
<tr>
<td>State (HRCSA)</td>
<td>10 million</td>
</tr>
<tr>
<td>State (SLPP)</td>
<td>8 million</td>
</tr>
<tr>
<td>Federal (New Starts)</td>
<td>900 million</td>
</tr>
<tr>
<td>Local (Measure A)</td>
<td>4,174 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$5,716 million</strong></td>
</tr>
</tbody>
</table>

State 11%
Federal 16%
Local (Meas A) 73%
Freight Railroad Relocation

**Estimated Cost:** $352.0 million*

*Includes a net $61.6 million for UPRR right-of-way

**Appropriation Through FY11:** $279.1 million*

*Includes a net $61.6 million for UPRR right-of-way

**Secured Funding:** $243.7 million

**Year of Completion:** 2014

**Project Manager:** VTA – Jim Costantini

**Designer:** HNTB Corporation

**Project Description:**

- Relocate freight railroad from VTA-purchased right-of-way to existing UPRR right-of-way, between Warm Springs Yard and Calaveras Blvd.
- Build new railroad overpass at Mission Boulevard.
- Build roadway underpass at Warren Avenue.
- Sever shipper freight service south of Montague Expressway.
- Construct flood control improvements at Berryessa Creek, Wrigley Creek, Scott Creek and Line B.
- Construct creek improvements and environmental mitigation at Wrigley Creek.

**Project Status:**

- The Chevron petroleum pipelines relocation, SFPP/Kinder-Morgan petroleum pipeline relocation, and Verizon/MCI fiber optic relocation have been completed.
- Agreements were executed with City of Fremont and ACTA for utility relocation and right-of-way.
- The Berryessa Creek crossing, Abel Street Seismic Retrofit, and Railroad Relocation contract was awarded in January 2009 and construction began in February 2009. Completion is forecast in December 2010.
- 100% Design and right-of-way acquisition for the Mission/Warren Railroad Relocation is underway.
- Construction of the Wrigley Creek Improvements is underway.

**Project Schedule:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Start</th>
<th>End</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
<td>Early 2008</td>
<td>Mid 2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utility Relocations</td>
<td>Mid 2008</td>
<td>Mid 2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Construction</td>
<td>Early 2009</td>
<td>Early 2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</table>

P-3100, P-3121 through P-3123, P-3127 through P-3129, P-0508
**Cost Information:**

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance d = (a-c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>50,552</td>
<td>60,738</td>
<td>50,234</td>
<td>318</td>
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<tr>
<td>Real Estate</td>
<td>80,988</td>
<td>69,481</td>
<td>69,361</td>
<td>11,627</td>
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<tr>
<td>Labor, Services and Support</td>
<td>62,610</td>
<td>45,226</td>
<td>41,968</td>
<td>20,643</td>
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<tr>
<td>Contingency</td>
<td>49,522</td>
<td>-</td>
<td>-</td>
<td>49,522</td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>243,672</strong></td>
<td><strong>175,445</strong></td>
<td><strong>161,562</strong></td>
<td><strong>82,110</strong></td>
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</table>

Secured Funding Incurred 66%
Secured Funding Committed 72%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

**Anticipated Funding:**

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
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<td>Local (Measure A)</td>
<td>$225.1 million</td>
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<tr>
<td>Local (ACTA)</td>
<td>60.7 million</td>
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<td>Local (Fremont)</td>
<td>24.6 million</td>
</tr>
<tr>
<td>Local (SCVWD)</td>
<td>16.6 million</td>
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<tr>
<td>State (TCRP)</td>
<td>25.0 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$352.0 million</strong></td>
</tr>
</tbody>
</table>

Local (Meas A) 64%
Local (Other) 29%
State 7%

Current condition of Wrigley Creek
Rendering of Wrigley Creek Improvements when complete
Capitol Expressway Light Rail to Eastridge

Estimated Cost: $340.6 million

Estimate Class 2 (see appendix)

Appropriation Through FY11:

$128.1 million

Secured Funding: $83.1 million

Year of Completion: TBD

Project Manager: VTA – Ken Ronse

Designer: Rajappan & Meyer Consulting Engineers, Inc.

Project Description:

2.6 miles of double-track light rail along Capitol Expressway from the existing Capitol LRT to Eastridge Mall with two stations plus one optional station and one Transit Center / Park-and-Ride.

Project Status:

A Federal Environmental Impact Statement is being prepared for the light rail extension to Eastridge. A draft for circulation is anticipated in early 2011, with final approval in late 2011. Pedestrian Improvements (sidewalk and landscaping) and the Eastridge Transit Center are being advanced as the initial stage of the light rail project.

Design work is underway, right-of-way acquisition is expected to begin in late 2010, and construction is planned to commence in mid 2011 for the pedestrian improvements and Eastridge Transit Center. $57 million in STIP (State) funding is being pursued for this work.

Project Schedule:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Start</th>
<th>End</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Env. Impact Stmt.</td>
<td>Mid 2009</td>
<td>Late 2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sidewalk and Landscaping</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design</td>
<td>Early 2010</td>
<td>Early 2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>Early 2011</td>
<td>Early 2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closeout</td>
<td>Early 2012</td>
<td>Mid 2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eastridge Transit Center</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design</td>
<td>Mid 2010</td>
<td>Late 2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Right-of-Way</td>
<td>Mid 2010</td>
<td>Late 2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>Mid 2011</td>
<td>Late 2013</td>
<td></td>
<td></td>
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<tr>
<td>Closeout</td>
<td>Early 2014</td>
<td>Mid 2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Cost Information:

| Project Cost Element                  | Secured Funding | Jun-10 Committed Costs | Jun-10 Incurred Costs | Balance  
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>6,613</td>
<td>1,004</td>
<td>844</td>
<td>5,769</td>
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<tr>
<td>Real Estate</td>
<td>8,665</td>
<td>1,801</td>
<td>1,440</td>
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<tr>
<td>Labor, Services and Support</td>
<td>57,525</td>
<td>48,670</td>
<td>48,065</td>
<td>9,460</td>
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<tr>
<td>Contingency</td>
<td>3,069</td>
<td>-</td>
<td>-</td>
<td>3,069</td>
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<tr>
<td>Financing Costs</td>
<td>7,240</td>
<td>7,240</td>
<td>7,240</td>
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</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>83,111</strong></td>
<td><strong>58,715</strong></td>
<td><strong>57,588</strong></td>
<td><strong>25,523</strong></td>
</tr>
</tbody>
</table>

Secured Funding Incurred: 69%
Secured Funding Committed: 71%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

### Anticipated Funding:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$75.4 million</td>
</tr>
<tr>
<td>Local (Other)</td>
<td>5.7 million</td>
</tr>
<tr>
<td>State (STIP)</td>
<td>57.5 million</td>
</tr>
<tr>
<td>State (Other)</td>
<td>0.2 million</td>
</tr>
<tr>
<td>Federal (TBD)</td>
<td>25.0 million</td>
</tr>
<tr>
<td>TBD</td>
<td>176.8 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$340.6 million</strong></td>
</tr>
</tbody>
</table>

State 17%
Federal 7%
Local (Meas A) 22%
Local (Other) 2%
Other (TBD) 52%

### Images:
- Artist’s Rendering of Eastridge Mall Station
- Photo Simulation of Capital Expressway at Story Road
Other Light Rail Efforts

**Estimated Cost:** $8.3 million

**Appropriation Through FY11:**
$8.3 million

**Secured Funding:** $8.3 million

**Year of Completion:** Varies

**Project Manager:**
Chris Augenstein

**Designers:**
- Ove Arup & Partners (New Rail Corridors)
- URS Corporation (Light Rail Sys. Analysis)
- Jones & Stokes, David J Powers (Environmental Impact Studies/Preliminary Project Work)

**Description Of Efforts:**
VTA has recently completed a **Light Rail Systems Analysis** which provides an evaluation of infrastructure and operational deficiencies of the existing light rail system. The study recommends a three-phase improvement plan for immediate action.

The FY10/11 budget allocated $5 million for **Projects from Light Rail Systems Analysis**.

Phase 1 of the **New Rail Corridors Study** consisted of developing a Transit Sustainability Policy (TSP) and mode-specific Service Design Guidelines (SDG). Phase 2 involves the study of potential new transit corridors using the newly developed TSP.

**Status:**
The **Light Rail Systems Analysis** was adopted by the VTA Board in May 2010. The Light Rail Improvement Plan will now serve as an action plan for future implementation and an investment program which identifies capital and operating improvements for the system over the next 20 years. The study recommends making improvements in two phases. Phase I is designed for near-term implementation (within the next several years), while Phase II is designed to complement the introduction of BART service to East San Jose in 2018.

Specific recommended improvements will be implemented via the **Projects from Light Rail Systems Analysis** effort.

Phase 1 of the **New Rail Corridors Study** is complete, and was adopted by the VTA Board of Directors in February 2007. Phase 2 studies will be conducted through 2011.

**Project Schedule:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Start</th>
<th>End</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Light Rail Corridors</td>
<td>Early</td>
<td>Mid 2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Light Rail Systems Analysis</td>
<td>Late</td>
<td>Mid 2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Projects from Light Rail Systems Analysis</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance ( d = (a-c) )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>3,205</td>
<td>-</td>
<td>-</td>
<td>3,205</td>
</tr>
<tr>
<td>Real Estate</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Labor, Services and Support</td>
<td>4,391</td>
<td>2,542</td>
<td>2,218</td>
<td>2,173</td>
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<tr>
<td>Contingency</td>
<td>558</td>
<td>-</td>
<td>-</td>
<td>558</td>
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<tr>
<td>Financing Costs</td>
<td>101</td>
<td>101</td>
<td>101</td>
<td>-</td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>8,256</strong></td>
<td><strong>2,644</strong></td>
<td><strong>2,319</strong></td>
<td><strong>5,937</strong></td>
</tr>
</tbody>
</table>

Secured Funding Incurred: 28%
Secured Funding Committed: 32%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

## Anticipated Funding:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
<th>Local (Meas A) 100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$8.3 million</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$8.3 million</strong></td>
<td></td>
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</table>
Light Rail Program

Extension to Vasona Junction

**Estimated Cost:** $120 – 160 million

**Appropriation Through FY11:**
$8.2 million

**Secured Funding:** $0.8 million

**Year of Completion:** TBD

**Project Manager:** VTA - Ken Ronsse

**Designer:** N/A

**Project Description:**
The 5.3-mile Vasona Light Rail line between Downtown San Jose and Campbell was opened in October 2005.

An extension from the end of the line at Winchester Station in Campbell to Vasona Junction (Winchester Boulevard at Route 85) in Los Gatos will add another 1.5 miles, two stations, and a transit center with parking at Vasona Junction.

**Project Status:**
Conceptual engineering and both State and Federal clearances were completed in 2000. Since 2000, environmental and design conditions have changed and the project needs to be re-evaluated and undergo additional environmental review. Accordingly, the remaining appropriation of $7.4 million has been reallocated from Measure A funding to Federal.

Additional environmental studies are underway in order to make this project eligible for federal funding. The draft environmental document will be available for public review in mid 2011, with final approval from FTA scheduled in late 2011.

**Project Schedule:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Start</th>
<th>End</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Design</td>
<td>Early 2009</td>
<td>Late 2011</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Right-of-Way Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Service Closeout</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

*Schedule for future activities will be established when funding is secured.*
## Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding $a$</th>
<th>Jun-10 Committed Costs $b$</th>
<th>Jun-10 Incurred Costs $c$</th>
<th>Balance $d = (a-c)$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Real Estate</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Labor, Services and Support</td>
<td>778</td>
<td>511</td>
<td>256</td>
<td>523</td>
</tr>
<tr>
<td>Contingency</td>
<td>27</td>
<td>-</td>
<td>-</td>
<td>27</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>806</strong></td>
<td><strong>511</strong></td>
<td><strong>256</strong></td>
<td><strong>550</strong></td>
</tr>
</tbody>
</table>

Secured Funding Incurred 32%
Secured Funding Committed 63%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

## Anticipated Funding:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$0.8 million</td>
</tr>
<tr>
<td>Other (TBD)</td>
<td>$120-160 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$120 - 160 million</strong></td>
</tr>
</tbody>
</table>

Local (Meas A) 1%
Other (TBD) 99%

View of Proposed Alignment Looking North from the Route 85 Terminus
Commuter Rail Program

Caltrain Service Upgrades

Estimated Cost: TBD
Appropriation Through FY11: $62.2 million
Secured Funding: $58.2 million
Year of Completion: TBD
Project Managers: VTA – Ken Ronsse
Designer: Various

Project Description:
Capital improvement projects to the Caltrain system with the goals of improving service, ridership and passenger accessibility

Project Status:
In late-2004, VTA paid $10 million to UPRR as a Capital Access Fee for a 15-year period, for the future addition of train pairs No. 6 and 7. Capital improvements to accommodate these additional train pairs are being performed under the Caltrain South County project. On January 8, 2009 the VTA Board approved a $0.6 million Measure A contribution for Caltrain capital planning efforts and work on this effort is ongoing.

- **Mountain View Parking** – Project is on hold pending the availability of right-of-way for the structure. This will be determined when the proposed alignment of Caltrain/High Speed Rail is designed. Funds from the City of Mountain View could be used for preliminary engineering and environmental clearance.

- **Blossom Hill Pedestrian Grade Separation** – The design is finalized, with advertisement for bids expected in late 2010, and construction completion scheduled for late 2011.

- **Safety Enhancements** – The current phase of the project includes engineering and construction for at-grade crossings, with improvements such as pedestrian gates, swing gates, sidewalks, signing and striping, warning bands, and channelization for pedestrians. Construction along the JPB segment started in July 2010 and is scheduled to be completed in June 2011.

- **Santa Clara Station Pedestrian Underpass Extension** - This project would provide an extended pedestrian tunnel under the UPRR tracks at the Santa Clara Station. Preliminary engineering work is underway.

- **Santa Clara and Diridon Station Upgrades** – In January 2009 the VTA Board approved an $11.6 million Measure A contribution to these two station upgrades, which are being implemented by Caltrain. Work has been consolidated into a single contract, with construction completion scheduled for late 2011.
  - The $26 million Santa Clara Station project includes the design and construction of a new center boarding platform and pedestrian underpass to improve operational efficiency and pedestrian access. In addition, ACE and Capitol Corridor riders will be able to use the Santa Clara Station, which currently does not accommodate those trains. VTA will contribute $10 million of Measure A funds associated with ACE Upgrades to this effort.
  - The $52 million Diridon Station platform expansion project will increase station capacity from three to five platforms to give trains more operational flexibility and also facilitate future plans for expansion of Caltrain, ACE, and Capitol services. VTA will contribute $1.6 million of Measure A funds to this effort.

Project Schedule:

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Programming</td>
<td>Early 2006</td>
<td>Early 2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental</td>
<td>Mid 2007</td>
<td>Early 2009</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Design</td>
<td>Mid 2007</td>
<td>Late 2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Right-of-Way</td>
<td>Early 2009</td>
<td>Mid 2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>Late 2008</td>
<td>Late 2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Schedule only includes projects with approved budgets.
## Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance d = (a-c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>26,531</td>
<td>16,825</td>
<td>2,412</td>
<td>24,119</td>
</tr>
<tr>
<td>Trackage Rights</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>-</td>
</tr>
<tr>
<td>Real Estate</td>
<td>27</td>
<td>16</td>
<td>16</td>
<td>11</td>
</tr>
<tr>
<td>Labor, Services and Support</td>
<td>17,474</td>
<td>11,474</td>
<td>9,718</td>
<td>7,756</td>
</tr>
<tr>
<td>Contingency</td>
<td>2,064</td>
<td>-</td>
<td>-</td>
<td>2,064</td>
</tr>
<tr>
<td>Financing Costs</td>
<td>2,119</td>
<td>2,119</td>
<td>2,119</td>
<td>-</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>58,215</strong></td>
<td><strong>40,435</strong></td>
<td><strong>24,266</strong></td>
<td><strong>33,950</strong></td>
</tr>
</tbody>
</table>

- Secured Funding Incurred: 42%
- Secured Funding Committed: 69%

**NOTE:** All amounts are Year Of Expenditure dollars in $1,000's

## Anticipated Funding (reflects only appropriated budget):

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
<th>Local (Measure A) 81.5%</th>
<th>Local (Other) 1.1%</th>
<th>State 11.0%</th>
<th>Federal 6.4%</th>
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</thead>
<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$50.8 million</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local (Mt. View)</td>
<td>0.4 million</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local (San Jose)</td>
<td>0.3 million</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State (Prop 1B)</td>
<td>6.8 million</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal (FHWA)</td>
<td>2.5 million</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal (CMAQ)</td>
<td>1.5 million</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$62.2 million</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Concrete placement at Diridon Station

Santa Clara Station Pedestrian Underpass work underway
Caltrain South County

**Estimated Cost:** $61.7 million

Estimate Class 1 (see appendix)

**Ammortization Through FY11:**
$61.7 million

**Secured Funding:** $61.7 million

**Year of Completion:** Phase 1 - 2011

**Project Manager:** VTA – Ken Ronsse

**Designer:** AECOM

**Project Description:**
16.5 miles of double track on the Union Pacific Railroad (UPRR) corridor between San Jose in the Coyote area and Gilroy. Capacity improvements for storage of additional train sets at Gilroy. A capital access fee of $10 million was paid to UPRR in late 2004 under the Caltrain Improvement Project.

**Project Status:**

**Environmental Document:** A Statutory Exemption (SE) has been filed on the basis that construction will be restricted to the UPRR corridor.

**Construction:** Contract award for the grading contract for Phase 1 (8.3 miles) was made in December 2009. Construction is expected to commence after completion of the fiber optic cable relocation in the northerly 5-mile segment, and UPRR approval of the project.

Phase 2 (8.2 miles) Preliminary Engineering was completed in December 2008. The project budget identified for Phase 2 has been de-obligated pending analysis of future ridership forecasts and service demands.

**Project Schedule:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Start</th>
<th>End</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental</td>
<td>Mid 2005</td>
<td>Mid 2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design Phase 1</td>
<td>Mid 2005</td>
<td>Early 2009</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Phase 1</td>
<td>Early 2010</td>
<td>Late 2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

LEGEND

- Existing UPRR Track
- Phase 1
- Phase 2
- Main Area Roads
- Caltrain Station

P-0550, P-0553
Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance (d = (a-c))</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>50,506</td>
<td>24,270</td>
<td>4,660</td>
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<tr>
<td>Real Estate</td>
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<td>-</td>
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<tr>
<td>Labor, Services and Support</td>
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<td>8,066</td>
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<td><strong>Totals</strong></td>
<td><strong>61,733</strong></td>
<td><strong>32,941</strong></td>
<td><strong>12,727</strong></td>
<td><strong>49,007</strong></td>
</tr>
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</table>

Secured Funding Incurred: 21%
Secured Funding Committed: 53%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

Anticipated Funding:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State (TCRP)</td>
<td>$33.0 million</td>
</tr>
<tr>
<td>Local (Measure A)</td>
<td>28.7 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$61.7 million</strong></td>
</tr>
</tbody>
</table>

Local (Meas A) 46%
State 54%

Typical South County Crossing

Llagas Creek Bridge
Caltrain Electrification / High Speed Rail

Estimated Cost: TBD

Appropriation Through FY11: $0.8 million

Secured Funding: $0.8 million

Year of Completion: TBD

Project Manager: Caltrain – PCJPB Staff
VTA – Steven Fisher

Designer: Parsons Brinckerhoff

Project Description:
Caltrain from San Jose to San Francisco will be upgraded to an electric, fully grade separated system in conjunction with the California High Speed Rail Project. The High Speed Rail Project will also serve south Santa Clara County through Gilroy and Pacheco Pass. In cooperation with Caltrain and the High Speed Rail Authority, VTA will participate in planning and engineering activities through FY 2011 that will ultimately lead to a fully electric and upgraded Caltrain system through Santa Clara County.

Project Status:
California Proposition 1A, a $9.95 billion bond measure for High Speed Rail (HSR), passed in November 2008. This provides funding for the initial segments of an HSR line from San Francisco to Los Angeles/Anaheim.

The California High Speed Rail Authority (HSRA) has selected the segment from San Jose Diridon Station to San Francisco as one of the initial segments for implementation. When complete, the Caltrain Corridor will contain four tracks – two for Caltrain and two for HSR – be fully grade-separated, and use electric power for both modes.

The passage of Proposition 1A has opened the opportunity for a joint engineering and environmental effort that will cover both modes in the corridor. The HSRA has entered into a Memorandum of Understanding that will construct HSR and an upgraded electrified Caltrain system as one project. HSRA and the JPB have begun an engineering effort that will result in 30% design and an Environmental Record of Decision by the end of 2011, with operations beginning in 2018.

Electrifying the Caltrain segment from Tamien to Gilroy must be revisited given (1) that HSRA will be constructing an electrified system connecting Gilroy to San Jose and the rest of the state system on a parallel alignment, and (2) the desire to run diesel service to Salinas.

In conjunction with Caltrain, which is administering the Caltrain Electrification project, the budget for this project will partially fund planning and engineering activities through FY 2011 and coordination work with Caltrain staff.

Project Schedule:

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</thead>
<tbody>
<tr>
<td>Environmental</td>
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<tr>
<td>Design</td>
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</tr>
<tr>
<td>Construction</td>
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<tr>
<td>Testing &amp; Commissioning</td>
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<td>Revenue Service</td>
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</tr>
</tbody>
</table>

A project schedule will be developed based on how Caltrain electrification and the High Speed Rail Project will be integrated within the corridor.
## Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding (a)</th>
<th>Jun-10 Committed Costs (b)</th>
<th>Jun-10 Incurred Costs (c)</th>
<th>Balance (d = (a-c))</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Real Estate</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Labor, Services and Support</td>
<td>719</td>
<td>594</td>
<td>246</td>
<td>473</td>
</tr>
<tr>
<td>Contingency</td>
<td>85</td>
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<td>85</td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>804</strong></td>
<td><strong>594</strong></td>
<td><strong>246</strong></td>
<td><strong>558</strong></td>
</tr>
</tbody>
</table>

- Secured Funding Incurred: 31%
- Secured Funding Committed: 74%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

## Anticipated Funding (reflects only appropriated budget):

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
<th>Local (Meas A) 100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$0.8 million</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$0.8 million</strong></td>
<td></td>
</tr>
</tbody>
</table>

High Speed Rail Simulation - Diridon Station
Estimated Cost: $0.7 - 1 billion
   Estimate Class 3 (see appendix)

Appropriation Through FY11:
$2.1 million

Secured Funding: $2.1 million

Year of Completion: TBD

Project Manager:
Caltrain – Marian Lee
VTA – Kevin Connolly

Designer: TBD

Project Description:
This project represents VTA’s share of matching funds for a partnership with Alameda and San Mateo counties for the rebuilding of the Dumbarton Rail Corridor.

The project will rehabilitate rail bridges and tracks that span the bay between Redwood City and Newark and make improvements to existing tracks in Union City and Fremont. The project will involve the construction of two new rail stations at Menlo Park and Newark, as well as upgrades to the Fremont Centerville Station and a new intermodal station at the Union City BART station.

Project Status:
Environmental/Design: Based on the detailed cost estimate prepared by the Peninsula Corridor Joint Powers Board (JPB), the project is now projected to cost between $700 million and $1 billion – more than three times the original cost estimate. In response, JPB is now exploring various strategies to close the funding shortfall or redefine the project.

MTC has also reprioritized $91 million in Regional Measure 2 funding from the Dumbarton project to the Warm Springs BART extension, with those funds being paid back by the Alameda County Congestion Management Agency. VTA is participating in a partnership of regional transit providers to analyze the cost and benefits of providing Express Bus service in the Dumbarton corridor.

Project Schedule:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Start</th>
<th>End</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental</td>
<td>Late 2006</td>
<td>Late 2010</td>
<td></td>
<td></td>
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<td>Design</td>
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<tr>
<td>Construction</td>
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</tr>
</tbody>
</table>

Project development will proceed on a schedule consistent with available funding.
## Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance $d = (a-c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Real Estate</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Labor, Services and Support</td>
<td>2,015</td>
<td>1,709</td>
<td>1,708</td>
<td>307</td>
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<tr>
<td>Contingency</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Financing Costs</td>
<td>78</td>
<td>78</td>
<td>78</td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>2,092</strong></td>
<td><strong>1,786</strong></td>
<td><strong>1,785</strong></td>
<td><strong>307</strong></td>
</tr>
</tbody>
</table>

Secured Funding Incurred 85%
Secured Funding Committed 85%

NOTE: All amounts are Year Of Expenditure dollars in $1,000’s

### Anticipated Funding (reflects only appropriated budget):

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
<th>Local (Meas A) 100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$2.1 million</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2.1 million</strong></td>
<td></td>
</tr>
</tbody>
</table>

View of Dumbarton Rail Bridge from the West

Aerial view of the existing alignment
Palo Alto Intermodal Transit Center

Estimated Cost:  TBD

Appropriation Through FY11:  
$0.4 million

Secured Funding:  $0.4 million

Year of Completion:  TBD

Project Manager:
VTA – Kevin Connolly

Designer:  TBD

Project Description:
This project will create an intermodal facility for trains, buses, bicycles, autos and pedestrians, and act as a gateway to both Downtown Palo Alto and Stanford University. The project will expand rail and bus passenger service capacity, realign existing roadways, construct pedestrian and bicycle grade-separated crossings, create an urban park and civic space, install public art and incorporate urban design elements.

Project Status:
Environmental:  VTA entered into a cooperative agreement with the City of Palo Alto in March 2006 to use federal grant funds and matching City funds to prepare environmental impact studies and documents for the project. The study was completed in Fall 2006.

California Proposition 1A, a $9.95 billion bond measure for High Speed Rail (HSR), passed in November 2008. Significant issues related to the HSR project will need to be resolved before further planning work can proceed for this project.

Project Schedule:

<table>
<thead>
<tr>
<th>Activity</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
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<tbody>
<tr>
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</tr>
<tr>
<td>Right-of-Way</td>
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</tr>
<tr>
<td>Construction</td>
<td></td>
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</tr>
</tbody>
</table>

A project schedule will be developed when a determination is made whether there will be a High Speed Rail stop in Palo Alto.
Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance (d = (a-c))</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>-</td>
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<td>-</td>
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<tr>
<td>Real Estate</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Labor, Services and Support</td>
<td>361</td>
<td>215</td>
<td>214</td>
<td>147</td>
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<td>Contingency</td>
<td>-</td>
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</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>361</strong></td>
<td><strong>215</strong></td>
<td><strong>214</strong></td>
<td><strong>147</strong></td>
</tr>
</tbody>
</table>

Secured Funding Incurred 59%
Secured Funding Committed 60%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

Anticipated Funding (reflects only appropriated budget):

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$0.05 million</td>
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<tr>
<td>Local (Palo Alto)</td>
<td>0.06 million</td>
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<tr>
<td>Federal</td>
<td>0.25 million</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$0.36 million</strong></td>
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</table>

Local (Meas A) 14.2%
Local (Other) 16.7%
Federal 69.1%

Architectural Model of One Proposed Scheme for the 4-Track Crossing of University Avenue
Architectural Model of One Proposed Scheme for a Public Park and El Camino Real Undercrossing
Commuter Rail Program

ACE Upgrades

Estimated Cost: TBD
Appropriation Through FY11: $0
Secured Funding: $0
Year of Completion: TBD

Project Manager:
San Joaquin Regional Rail Commission
VTA – Steve Fisher
ACE – Brian Schmidt

Designer: TBD

Project Description:
The current ACE service provides weekday commute service with four trains in each direction between Stockton and San Jose. ACE serves three stations in Santa Clara County: Great America, Santa Clara and Downtown San Jose.

This program will upgrade service by providing funds for rolling stock and track improvements.

Project Status:
VTA staff will work with San Joaquin Regional Rail Commission staff to implement this program.

In January 2009 the VTA Board approved a $10 million Measure A contribution to the $26 million Santa Clara Station project, and this appropriation is included in the Caltrain Service Upgrades project.

The improvements to the Santa Clara Station that will allow ACE trains to stop at the station are described in the Caltrain Service Upgrades project.

ACE, in joint sponsorship with the California High Speed Rail Authority, has begun an Environmental Impact Statement/Environmental Impact Report looking at alternatives to upgrade the ACE rail corridor.

Project Schedule:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Start</th>
<th>End</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rolling Stock Procurement</td>
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<tr>
<td>Track Improvements</td>
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</tbody>
</table>

Schedule and Scope for Rolling Stock Procurement, Track Improvements, and other upgrades will be developed when funding is secured.
### Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance $d = (a-c)$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>-</td>
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<td>-</td>
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<tr>
<td>Real Estate</td>
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<td>-</td>
</tr>
<tr>
<td>Labor, Services and Support</td>
<td>-</td>
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<tr>
<td>Contingency</td>
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<tr>
<td><strong>Totals</strong></td>
<td>-</td>
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</tr>
</tbody>
</table>

Secured Funding Incurred X
Secured Funding Committed X

**NOTE:** All amounts are Year Of Expenditure dollars in $1,000's

### Anticipated Funding:

No funding has been identified.
Santa Clara / Alum Rock Transit Improvement

**Estimated Cost:** $128.0 million

  Estimate Class 4 (see appendix)

**Appropriation Through FY11:**

  $114.0 million

  (PE included in Eastridge Ext.)

**Secured Funding:**

  $36.2 million

**Year of Completion:**

  2013

**Project Manager:**

  VTA – Kevin Connolly

**Designer:** CH2M Hill (PE)

**Project Description:**

This project foresees a transit enhancement in the county’s highest ridership transit corridor.

The first phase will introduce Bus Rapid Transit (BRT) in the corridor with dedicated lanes on the eastern half of the corridor and mixed flow operations in the western segment. This BRT project is being designed to light rail standards, enabling a conversion to light rail in the future if desired.

**Project Status:**

Project environmental review was completed in December 2008. A Project Agreement between VTA and the City of San Jose was adopted by both parties in early 2010.

Preliminary Engineering began in April 2010, and construction is scheduled to take place starting in 2012. Revenue service is scheduled to begin in late 2013.

**Project Schedule:**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Start</th>
<th>End</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental</td>
<td>Late 2007</td>
<td>Late 2008</td>
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<tr>
<td>Design</td>
<td>Early 2010</td>
<td>Late 2012</td>
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<tr>
<td>Right-of-Way</td>
<td>Late 2010</td>
<td>Mid 2012</td>
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<tr>
<td>Revenue Service</td>
<td>Late 2013</td>
<td>N/A</td>
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<tr>
<td>Closeout</td>
<td>Late 2013</td>
<td>Mid 2014</td>
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</tr>
</tbody>
</table>
## Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding (a)</th>
<th>Jun-10 Committed Costs (b)</th>
<th>Jun-10 Incurred Costs (c)</th>
<th>Balance (d = a - c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Real Estate</td>
<td>7,410</td>
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<tr>
<td>Labor, Services and Support</td>
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<td>6,515</td>
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<td>26,147</td>
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<tr>
<td>Contingency</td>
<td>1,219</td>
<td>-</td>
<td>-</td>
<td>1,219</td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>36,171</strong></td>
<td><strong>6,535</strong></td>
<td><strong>1,396</strong></td>
<td><strong>34,775</strong></td>
</tr>
</tbody>
</table>

- Secured Funding Incurred: 4%
- Secured Funding Committed: 18%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

## Anticipated Funding:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$38.0 million</td>
</tr>
<tr>
<td>State (Prop 1B)</td>
<td>90.0 million</td>
</tr>
</tbody>
</table>

**Total** $128.0 million

[Local (Meas A) 30%]
[State 70%]
El Camino Real Transit Improvement

**Estimated Cost:** $260 million

*Estimate Class 5 (see appendix)*

**Appropriation Through FY11:**

$8.7 million

**Secured Funding:** $8.7 million

**Year of Completion:** 2016

**Project Manager:**

VTA – Kevin Connolly

**Designer:**

Parsons Transportation Group

**Project Description:**

The proposed alignment extends 16.6 miles from HP Pavilion in downtown San Jose to the Palo Alto Transit Center. Bus Rapid Transit (BRT) improvements will consist of new exclusive bus lanes, bulb outs, distinct shelters, specialized hybrid vehicles, off-board fare collection and other bus transit improvements along the corridor. The project is envisioned to include 17 new BRT stations.

**Project Status:**

Conceptual Engineering began in May 2010 with a project environmental review planned to commence in 2011.

**Project Schedule:**

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Conceptual</td>
<td>Early 2010</td>
<td>Late 2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental</td>
<td>Late 2011</td>
<td>Late 2012</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Design</td>
<td>Early 2012</td>
<td>Late 2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Construction</td>
<td>Early 2014</td>
<td>Late 2015</td>
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<tr>
<td>Revenue Service</td>
<td>Early 2016</td>
<td>Mid 2016</td>
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<td>Closeout</td>
<td>Early 2016</td>
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</tbody>
</table>
### Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding $a$</th>
<th>Jun-10 Committed Costs $b$</th>
<th>Jun-10 Incurred Costs $c$</th>
<th>Balance $d = (a-c)$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Real Estate</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Labor, Services and Support</td>
<td>8,695</td>
<td>4,638</td>
<td>174</td>
<td>8,521</td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>8,695</td>
<td>4,638</td>
<td>174</td>
<td>8,521</td>
</tr>
</tbody>
</table>

Secured Funding Incurred 2%
Secured Funding Committed 53%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

### Anticipated Funding (reflects only appropriated budget):

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$8.7 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$8.7 million</strong></td>
</tr>
</tbody>
</table>

BRT Photo Simulation

BRT Photo Simulation
**Bus Program**

**June 2010**

**Bus Rapid Transit**

**Estimated Cost:** TBD

**Appropriation Through FY11:** $21.7 million

**Secured Funding:** $21.7 million

**Year of Completion:** TBD

**Project Manager:** VTA - Kevin Connolly

**Designer:** TBD

**Project Description:**

Bus Rapid Transit (BRT) is an enhanced bus service that offers many of the same service attributes as rail transit, such as specialized vehicles, large stations, real-time information, and more frequent and reliable operations. VTA intends to develop an integrated BRT network throughout the County, providing high quality service to areas not served by light rail transit (LRT).

**Project Status:**

The VTA Board of Directors adopted the **Bus Rapid Transit** (BRT) Strategic Plan in May 2009. Based on the criteria established in the Transit Sustainability Policy, the BRT strategic plan recommends moving forward with BRT deployment in the **Santa Clara/Alum Rock** corridor (see page 2-25), and continuing conceptual engineering, environmental and other work for the El Camino Real and Stevens Creek/West San Carlos corridors. Work has recently begun on the **El Camino Real Transit Improvements** (see page 2-27).

The broad BRT corridors project was de-obligated and funding was re-assigned to specific projects, a portion of which was redistributed to the El Camino Real and Stevens Creek/West San Carlos projects.

- The **Stevens Creek Blvd/West San Carlos** corridor stations and vehicles will feature passenger amenities such as real-time information, high quality waiting environments and off-board fare collection. Planning work will continue in 2010.

- The Sunnyvale-Cupertino, Monterey Highway and King Road corridors were identified for future consideration.

$25 million of the $43 million of Measure A funds allocated in the FY10/11 Adopted Budget for the **Procurement of 40 Articulated Hybrid Diesel Electric Buses** for use on the existing 522 BRT line and the future 523 BRT line has been re-allocated to support VTA operations.

**Project Schedule:**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Programming</td>
<td>Early 2007</td>
<td>Late 2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Design</td>
<td>Late 2007</td>
<td>Late 2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Right-of-Way Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Closeout</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Scope and schedule will be finalized as projects are better defined.

P-0551, P-0715, P-0719, P-0725
**Cost Information:**

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding (a)</th>
<th>Jun-10 Committed Costs (b)</th>
<th>Jun-10 Incurred Costs (c)</th>
<th>Balance (d = (a-c))</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>15,000</td>
<td>-</td>
<td>-</td>
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<td>Labor, Services and Support</td>
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<tr>
<td>Contingency</td>
<td>3,028</td>
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<td>3,028</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>21,694</strong></td>
<td><strong>2,083</strong></td>
<td><strong>1,737</strong></td>
<td><strong>19,958</strong></td>
</tr>
</tbody>
</table>

Secured Funding Incurred 8%
Secured Funding Committed 10%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

**Anticipated Funding (reflects only appropriated budget):**

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$21.0 million</td>
</tr>
<tr>
<td>Federal (Other)</td>
<td>$0.7 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$21.7 million</strong></td>
</tr>
</tbody>
</table>

Specialized BRT Vehicle

Federal (Other) 2.4%
Local (Meas A) 97.6%
Bus Program

Highway 17 Bus Service Improvements

Estimated Cost: $2.5 million

Estimate Class 2 (see appendix)

Appropriation Through FY11:

$2.5 million

Secured Funding: $2.5 million

Year of Completion: 2011

Project Manager: VTA - Jim Unites

Designer: Santa Cruz Metro

Project Description:

The current Highway 17 Express Bus Service provides service between downtown Santa Cruz, Scotts Valley, and Downtown San Jose, including San Jose State University. Service is offered 7 days a week. Almost 1,000 passengers use the service each weekday, with about 600 passengers riding Saturday and Sunday.

This project will improve the service by providing funds for the partnership with Santa Cruz Metropolitan Transit District for additional buses and service upgrades.

Project Status:

Santa Cruz Metro will procure five buses necessary to operate service between Santa Cruz, Scotts Valley, and Downtown San Jose. These buses would replace existing buses that are 20 years old, with an average of 950,000 miles each.

The project budget was modified in VTA’s FY10/11 Adopted Budget to add $2,075,000 to the original $425,000 allocation.

A cooperative agreement between VTA and Santa Cruz Metro is currently being developed.

Project Schedule:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Start</th>
<th>End</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
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<td>Programming</td>
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<td>Late 2009</td>
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<td></td>
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<td></td>
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<td>Design</td>
<td>Mid 2009</td>
<td>Mid 2010</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Construction / Procurement</td>
<td>Mid 2010</td>
<td>Early 2011</td>
<td></td>
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<tr>
<td>Closeout</td>
<td>Early 2011</td>
<td>Late 2011</td>
<td></td>
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</tr>
</tbody>
</table>
## Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance d = (a-c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>2,500</td>
<td>-</td>
<td>-</td>
<td>2,500</td>
</tr>
<tr>
<td>Real Estate</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Labor, Services and Support</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>2,500</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
<td><strong>2,500</strong></td>
</tr>
</tbody>
</table>

Secured Funding Incurred: 0%
Secured Funding Committed: 0%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

## Anticipated Funding:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$2.5 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2.5 million</strong></td>
</tr>
</tbody>
</table>

Local (Meas A) 100%
ZEB Demonstration and Facility Improvements

Estimated Cost: TBD

Appropriation Through FY11: $19.6 million

Secured Funding: $19.6 million

Year of Completion: 2019

Project Manager: VTA – Art Douwes

Manufacturer: Gillig / Ballard

Project Description:
In December 2000, the VTA Board adopted the low-emission diesel path in complying with California Air Resources Board’s (CARB) regulation to reduce nitrogen oxide and particulate matter emitted by public transit buses. In accordance with these regulations, VTA, in a joint program with SamTrans, implemented a demonstration program to test the viability of zero-emission fuel-cell bus (ZEB) technology.

VTA procured three 40-foot low-floor ZEBs, modified facilities, installed a hydrogen fueling station, and provided training for staff, emergency responders and others. The three ZEBs started revenue service in February 2005.

VTA intends to comply with the new CARB regulation for transit agencies which requires that 15% of all new transit buses purchased by VTA after 2011 be ZEBs. The program will also include facilities construction and training to support the increased ZEB fleet.

Project Status:
The VTA Board has adopted a strategy of partnering with other Bay Area transit properties and designating AC Transit as the lead agency for procuring and deploying the Advanced ZEB Demonstration vehicles. VTA’s participation will be primarily financial.

$6.248 million in VTA Enterprise funds were allocated to this effort. (Note that as this work is funded entirely with VTA Enterprise funds, not Measure A funds, this amount is not reflected in the budget or funding amounts shown in this report.)
Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance d = (a-c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>14,512</td>
<td>14,406</td>
<td>14,405</td>
<td>107</td>
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<td>Real Estate</td>
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<td>-</td>
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</tr>
<tr>
<td>Labor, Services and Support</td>
<td>5,056</td>
<td>5,042</td>
<td>5,042</td>
<td>14</td>
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<tr>
<td>Contingency</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>19,568</strong></td>
<td><strong>19,448</strong></td>
<td><strong>19,447</strong></td>
<td><strong>121</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Secured Funding Incurred</th>
<th>Secured Funding Committed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>99%</td>
<td>99%</td>
</tr>
</tbody>
</table>

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

Anticipated Funding (reflects only appropriated budget):

<table>
<thead>
<tr>
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<th>Amount</th>
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<tbody>
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<td>Local (SAMTRANS)</td>
<td>4.72 million</td>
</tr>
<tr>
<td>Federal</td>
<td>7.70 million</td>
</tr>
<tr>
<td>State</td>
<td>1.30 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$19.57 million</strong></td>
</tr>
</tbody>
</table>

Local (Meas A) 29.9%
State 6.6%
Federal 39.3%
Local (Other) 24.1%

ZEB in New Maintenance Facility
ZEB Hydrogen Fuel Cell
San Jose Mineta Airport

San Jose Mineta Airport People Mover

**Estimated Cost:** TBD

**Appropriation Through FY11:** $4.0 million

**Secured Funding:** $4.0 million

**Year of Completion:** TBD

**Project Manager:**
City of San Jose – Henry Servin / Laura Stuchinsky
VTA – Kevin Connolly

**Designer:** TBD

**Project Description:**
The Airport People Mover Project will provide a rail connection from the San Jose International Airport to the Caltrain and future BART stations at the Santa Clara Transit Center, and the VTA Light Rail on North First Street.

The City of San Jose currently leads this effort. They envision an automated transit network - similar to a Personal Rapid Transit system - of lightweight, computer-controlled vehicles operated on or suspended below an elevated guideway, similar to a horizontal elevator.

However, VTA funds are specific to the Airport Transit Connection and not any pre-determined technology.

**Project Status:** The City of San Jose released a pair of Requests for Proposals seeking a transportation consultant and a federal research facility to study the feasibility of the automated transit network concept. Scope negotiations are currently underway. This followed a Request for Expressions of Interest process completed in 2009.

**Project Schedule:**
The Requests for Proposal process and subsequent studies are expected to take up to two years to complete.
Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance $d = (a-c)$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Real Estate</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Labor, Services and Support</td>
<td>4,001</td>
<td>2,323</td>
<td>124</td>
<td>3,877</td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>4,001</strong></td>
<td><strong>2,323</strong></td>
<td><strong>124</strong></td>
<td><strong>3,877</strong></td>
</tr>
</tbody>
</table>

Secured Funding Incurred 3%
Secured Funding Committed 58%

NOTE: All amounts are Year Of Expenditure dollars in $1,000's

Anticipated Funding (reflects only appropriated budget):

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local (Measure A)</td>
<td>$4.0 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$4.0 million</strong></td>
</tr>
</tbody>
</table>
Low Floor Light Rail Vehicles

**Estimated Cost:** $200.6 million

Estimated Class 1 (see appendix)

**Appropriation Through FY11:**
$200.6 million

**Secured Funding:** $200.6 million

**Year of Completion:** 2004

**Project Manager:** VTA - Art Douwes

**Contractor:**
Kinkisharyo International, LLC

**Project Description:**
Purchase of 70 low floor light rail vehicles to serve the entire VTA Light Rail system. Low floor vehicles provide enhanced ADA accessibility and improved service by minimizing boarding and exit times for all riders. Low floor light rail vehicles eliminate the need for wheelchair lifts and enhance access for all VTA riders, as well as providing additional space for bicycles.

**Project Status:**
- The Contractor, Kinkisharyo International, LLC has completed the static and dynamic tests and handed over all 70 low floor light rail vehicles.
- All 70 vehicles are now past the base warranty of 2.5 years.
- The Reliability Demonstration Test has been concluded successfully.
- All training has been completed.
- All special tools have been delivered.
- All spare parts have been delivered.
- The project has been closed.

**Project Schedule:**

<table>
<thead>
<tr>
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<tr>
<td>Manufacture</td>
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<td>Late 2003</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delivery</td>
<td>Mid 2002</td>
<td>Late 2004</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Warranty</td>
<td>Early 2005</td>
<td>Late 2006</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
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</tr>
</tbody>
</table>
## Cost Information:

<table>
<thead>
<tr>
<th>Project Cost Element</th>
<th>Secured Funding</th>
<th>Jun-10 Committed Costs</th>
<th>Jun-10 Incurred Costs</th>
<th>Balance d = (a-c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Major Procurement</td>
<td>193,814</td>
<td>193,814</td>
<td>193,814</td>
<td>-</td>
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<td>Real Estate</td>
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<td>Labor, Services and Support</td>
<td>6,788</td>
<td>6,788</td>
<td>6,788</td>
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<tr>
<td>Contingency</td>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>200,602</strong></td>
<td><strong>200,602</strong></td>
<td><strong>200,602</strong></td>
<td><strong>-</strong></td>
</tr>
</tbody>
</table>

- Secured Funding Incurred: 100%
- Secured Funding Committed: 100%

**NOTE:** All amounts are Year Of Expenditure dollars in $1,000's

## Anticipated Funding:

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<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Local (VTA)</td>
<td>$2.3 million</td>
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<tr>
<td>Local (Measure B Swap)</td>
<td>198.3 million</td>
</tr>
</tbody>
</table>

**Total** $200.6 million

- Local (Other) 100%
APPENDIX A – COST ESTIMATE CLASSES

Figure 1 – Cost Estimate Classification Matrix
(Adapted from AACE Skills & Knowledge of Cost Engineering, 4th ed., Chapter 1)

<table>
<thead>
<tr>
<th>Estimate Class</th>
<th>Level of Project Definition</th>
<th>Expected Accuracy Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 5</td>
<td>0% to 5%</td>
<td>-50% to +100%</td>
</tr>
<tr>
<td>Class 4</td>
<td>5% to 25%</td>
<td>-30% to +50%</td>
</tr>
<tr>
<td>Class 3</td>
<td>35%</td>
<td>-20% to +30%</td>
</tr>
<tr>
<td>Class 2</td>
<td>65%</td>
<td>-15% to +20%</td>
</tr>
<tr>
<td>Class 1</td>
<td>90% to 100%</td>
<td>-10% to +15%</td>
</tr>
</tbody>
</table>

Figure 1 shows a mapping of Estimate Class to Level of Project Definition. Intuitively, estimates become more accurate and have less uncertainty as project definition increases. This table provides a rough framework to describe the accuracy of project estimated costs in this report. A discussion of cost estimate classes, in order of increasing accuracy, is presented below:

- **Class 5 (Order-of-Magnitude Estimates)** – Order-of-magnitude estimates are sometimes referred to as “conceptual” or “ballpark” estimates. These estimates are made without detailed engineering data using only basic criteria such as area or distance. An estimate of this type would normally be expected to be accurate within +100 percent to -50 percent. Order-of-magnitude estimates are used to quickly screen several types of alternative designs.

- **Classes 4 and 3 (Preliminary Estimates)** – Preliminary estimates are prepared once enough preliminary engineering has taken place to further define the project scope. An estimate of this type is normally expected to be accurate within +50 percent to -30 percent. Since the preliminary estimate is more definitive than the order-of-magnitude estimate, it is better suited for determining project feasibility.

- **Classes 2 and 1 (Final Estimates)** – Final estimates are prepared from very defined engineering data. This data includes, as a minimum, fairly complete plans and specifications. An estimate of this type is usually expected to be accurate within +15 percent to -15 percent. The final estimate has a level of accuracy that is appropriate for setting project budgets.
A ½ CENT TRANSIT SALES TAX

To:
- Connect BART to Milpitas, San Jose, Santa Clara;
- Build rail connection from San Jose International Airport to BART, Caltrain, light rail;
- Purchase vehicles for disabled access, senior safety, clean air buses;
- Provide light rail throughout Santa Clara County;
- Expand, electrify Caltrain;
- Increase rail, bus service.

Shall Santa Clara Valley Transportation Authority enact a ½ cent sales tax for 30 years beginning 4/1/06 when current tax expires, with annual audits published in local newspapers and an independent citizens watchdog committee?

COMPLETE TEXT OF MEASURE A

Shall the Board of Directors of the Santa Clara Valley Transportation Authority (VTA) be authorized to enact a retail transactions and use tax ordinance imposing (a) a tax for the privilege of selling tangible personal property at retail upon every retailer in Santa Clara County, the territory of VTA; such tax to be at the rate of one-half of one percent of the gross receipts of the retailer from the sale of all tangible personal property sold by him at retail in the territory of VTA, and (b) a complimentary tax upon the storage, use, or other consumption in Santa Clara County, the territory of VTA; such tax to be at the rate of one-half of one percent of the sales price of the property whose storage, use, or other consumption is subject to the tax, such taxes to be imposed for a period not to exceed 30 years, and to take effect only upon the expiration of the current County of Santa Clara 1996 Measure B ½ cent sales tax in April, 2006, and to be used only to:

- Extend BART from Fremont through Milpitas to Downtown San Jose and the Santa Clara Caltrain Station, specifically,
  To build a BART Extension from Fremont to Milpitas, San Jose and Santa Clara with a major connection to the Tasman Light Rail line at the Milpitas BART Station. In San Jose to include a BART subway section with stations at San Jose State University, the new San Jose City Hall, Downtown San Jose at Market Street, San Jose Arena and the Diridon Multimodal Station connecting to Caltrain, ACE, Amtrak, the Vasona Light Rail line and VTA bus service. In Santa Clara, to serve Santa Clara University, and the Caltrain Station with a
people mover connection to San Jose International Airport.

- **Provide Connections from San Jose International Airport to BART, Caltrain and the VTA Light Rail, specifically,**
  To build a people mover rail line connecting the airport passenger terminals directly with BART, Caltrain and the VTA Light Rail line.

- **Extend Light Rail from Downtown San Jose to the East Valley by**
  Building a Downtown/East Valley Light Rail line from downtown San Jose serving the new San Jose City Hall and San Jose State University, out Santa Clara Street to Capitol Avenue to join the Capitol Light Rail line then south to Eastridge Shopping Center.

- **Purchase Low Floor Light Rail Vehicles, specifically**
  To better serve disabled, seniors and others; purchase an additional 20 low floor light rail vehicles to join the 30 low floor vehicles now being constructed for the new Tasman, Capitol and Vasona Light Rail lines and 50 new low floor vehicles to replace VTA's existing 50 light rail vehicles.

- **Improve Caltrain: Double Track to Gilroy and Electrify from Palo Alto to Gilroy**
  Extend the Caltrain double track from the San Jose Tamien Station through Morgan Hill to Gilroy. Provide VTA's funds for the partnership with San Francisco and San Mateo counties to electrify Caltrain from San Francisco to Gilroy.

- **Increase Caltrain Service, specifically**
  Purchase new locomotive train sets for increased Caltrain service in Santa Clara County from Gilroy to Palo Alto and provide additional facilities to support the increased service.

- **Construct a New Palo Alto Intermodal Transit Center**
  In partnership with the City of Palo Alto and Stanford University, design and construct a new parkway and underpass for University Avenue from the campus to downtown Palo Alto to improve bicycle, pedestrian and transit access to the campus, Palo Alto Caltrain station and downtown Palo Alto. Upgrade passenger facilities at the historic Palo Alto Caltrain station, upgrade transit facilities for VTA, SAMTRANS, Dumbarton Express and the Stanford Marguerita and Palo Alto shuttle services.

- **Improve Bus Service in Major Bus Corridors**
  For VTA Line 22 (Palo Alto to Eastridge Center) and the Stevens Creek Boulevard Corridor, purchase new low floor articulated buses. Improve bus stops and major passenger transfer points and provide bus queue jumping lanes at intersections to permit buses quick access along the corridors.

- **Upgrade Altamont Commuter Express (ACE)**
  Provide VTA's matching funds for additional train sets, passenger facilities and service upgrades for the ACE Commuter Service from San Joaquin and Alameda Counties.
• **Improve Highway 17 Express Bus Service**
  Provide VTA's share of funds for the partnership with the Santa Cruz County Transit District for additional buses and service upgrades for the Highway 17 Express Bus Service.

• **Connect Caltrain with Dumbarton Rail Corridor**
  Provide VTA's share of matching funds for a partnership with Alameda and San Mateo counties for the rebuilding of the Dumbarton Rail Corridor to connect to Caltrain and train sets for this new service conditioned on Alameda and San Mateo County's funding.

• **Purchase Zero Emission Buses and Construct Service Facilities**
  Provide funds to supplement federal funds to expand and replace existing VTA diesel bus fleet from current size of just over 500 vehicles to 750 vehicles with the new zero emission buses and to provide maintenance facilities for this new, clean vehicle propulsion system. All new buses to be low floor for easier boarding by seniors and the disabled.

• **Develop New Light Rail Corridors**
  Provide capital funds for at least two new future light rail corridors to be determined by Major Investment Studies (MIS). Potential corridors include: Sunnyvale/Cupertino; Santa Teresa/Coyote Valley; Downtown/East Valley Connection to Guadalupe Line; Stevens Creek Boulevard; North County/Palo Alto; Winchester/Vasona Junction; and, initial study of BART connection from Santa Clara through Palo Alto to San Mateo County.

• **Fund Operating and Maintenance Costs for Increased Bus, Rail and Paratransit Service**
  Provide revenue to ensure funding, to at least 2014, and possibly longer, of the following: the new Tasman East, Capitol and Vasona Light Rail lines, the commuter rail connection to BART, expanded paratransit services, expanded bus fleet of 750 vehicles, the Downtown/East Valley Light Rail line operations, which can commence in 2008, and the BART extension to San Jose which can commence operations by 2010;

All subject to the following mandatory requirements:

• **The Tax Must Expire 30 Years After Implementation.**
  If approved by the voters, this half-cent sales tax must expire 30 years after implementation. The tax will be imposed for the period commencing April 1, 2006 when current tax expires and terminate on March 31, 2036. The length of this tax cannot be extended without a vote – and the approval – of the residents of Santa Clara County.

• **An Independent Citizen's Watchdog Committee Must Review all Expenditures.**
  The Independent Citizen’s Watchdog Committee will consist of private citizens, not elected officials, who comprise the VTA’s Citizen’s Advisory Committee. Responsibilities of the Citizen’s Watchdog Committee are:
  • Public Hearings and Reports: The Committee will hold public hearings and issue reports on at least an annual basis to inform Santa Clara County residents how the
funds are being spent. The hearings will be held in full compliance with the Brown Act, California’s open meeting law with information announcing the hearings well-publicized and posted in advance.

- Annual Independent Audits: An annual audit conducted by an independent Auditor will be done each fiscal year to ensure tax dollars are being spent in accordance with the intent of this measure.

- Publish results of Audits and Annual Reports: The Committee must publish the results of the Independent Auditor and the Annual Report in local newspapers. In addition, copies of these documents must be made available to the public at large.

such authorization being pursuant to the provisions of Sections 100250 et seq. of the public Utilities Code and Sections 7251 et seq. of the Revenue and Taxation Code.
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief SVRT Program Officer, Carolyn M. Gonot

SUBJECT: SVRT Program Update

FOR INFORMATION ONLY

BACKGROUND:

The Santa Clara Valley Transportation Authority (VTA) Board of Directors has designated BART Silicon Valley as the priority project in the 2000 Measure A Program. The 16-mile extension of Bay Area Rapid Transit (BART) into Santa Clara County is being implemented under agreement with BART, by VTA’s Silicon Valley Rapid Transit Program. The project will be delivered in phases, and progress on the first phase is moving towards full funding and construction award.

The first phase, identified as the Silicon Valley Berryessa Extension (SVBX) Project, is a $2.1 billion, 10-mile, and two-station (Milpitas and Berryessa) project. The SVBX project runs in the rail corridor that VTA purchased and extends the regional BART system from the future BART Warm Springs Station in Fremont to the Berryessa area of north San Jose.

Achievement of recent milestones include advancement into the Federal New Starts Program, authority to pursue design build as the project delivery method and receipt of federal environmental clearance. These accomplishments have resulted in an increase of project activities. To ensure the VTA Board of Directors is informed of key project activities, BART Silicon Valley staff will provide monthly program updates.

DISCUSSION:

Significant BART Silicon Valley Project activities and progress during August and September 2010 include:
Silicon Valley Berryessa Extension (SVBX)

Dixon Landing Road Alignment

VTA’s designers are currently proceeding with the Design-Build procurement package based on the Board’s direction to use the “retained cut” option, which places Dixon Landing Road and the Union Pacific Railroad (UPRR) tracks permanently at grade at the crossing location. This is also the option supported by the City of Milpitas. VTA recently received a letter from the California Public Utilities Commission (CPUC) indicating their strong opposition to the retained cut, and stating that the CPUC prefers to see Dixon Landing Road grade-separated as part of the project. VTA staff is continuing to pursue the direction indicated by the Board, by preparing and filing a formal grade crossing application for the retained cut option with the CPUC.

Union Pacific Railroad (UPRR) Meetings

VTA staff recently met with senior UPRR management to provide the status of project, to discuss our continued working relationship based on the current momentum behind the project delivery, and to address the most significant issues affecting the progress of the project: Mission-Warren Truck Rail Facility and the Milpitas Wye. A workable solution has been identified for Mission-Warren Truck Rail and staff is currently working to clarify relocation details for reconfiguration of the existing facility with the tenant and the railroad. UPRR has previously accepted a proposed wye configuration on the north side of Montague Expressway near the Milpitas BART Station site. This option has very significant cost and real estate impacts, and is inconsistent with the City of Milpitas’ redevelopment plans. Recently, UPRR has indicated a willingness to discuss alternatives to the Milpitas Wye, and VTA will be having follow up conversations to discuss with UPRR.

Preparation for Entry into New Starts Final Design

In December 2009, the BART Silicon Valley Berryessa Extension Project was accepted into the preliminary engineering phase of the Federal New Starts Program. VTA recently met an Federal Transit Administration (FTA) deadline of September 10, 2010 to submit 50 technical documents required to advance into the next phase of the Federal New Starts Program. VTA anticipates notification of acceptance into the Final Design phase of the New Starts program in December. This step positions the SVBX project for a recommendation by FTA for a full funding grant agreement.

Design Build Contract

In May, the VTA Board of Directors gave the General Manager the authority to pursue Design Build as the delivery method for the BART Silicon Valley Berryessa Extension Project. VTA anticipates that the SVBX project will be delivered using two separate contract packages. The first contract package includes line, track, stations and systems.
An informational forum on the schedule and details of the upcoming contract was held on September 30, 2010, attracting more than over 100 firms, including prime, lead, disadvantage and small business enterprise, and sub-consultants. A Request for Qualifications will be issued in October 2010. Issuance of the draft Request for Proposals for industry review is scheduled for late November. VTA will issue the Request for Proposals in early 2011 and is tentatively scheduled to award the contract in fall of 2011.

Draft Relocation Plan Circulation

VTA staff presented the Draft Relocation Plan at the August 5, 2010 Board of Directors meeting. Circulation of the Draft Plan for review and comment began on August 6, 2010 and continued through September 10, 2010. The plan was available for review on VTA’s website, Fremont Main, Martin Luther King, Milpitas and Berryessa Libraries, and at VTA Headquarters Lobby. Overall, there were two requests for copies of the draft plan, four written public comments, plus a verbal comment from the Project Management Oversight Consultant. The Draft Relocation Plan is being updated to respond to these comments. The responses and Draft Plan will become the Final Relocation Plan that will be submitted to the Board for review and consideration on November 4, 2010.

Other Program Activities

BART Vehicle Procurement

VTA is coordinating with BART in their vehicle procurement to include 60 vehicles that will serve the Berryessa Extension Project. BART expects their initial procurement to be 200 vehicles for vehicle replacement of a portion of their existing fleet, plus 60 vehicles for the BART Silicon Valley extension. BART has received five proposals for their review, with award of contract scheduled for July 2011. The Board will receive regular updates on the vehicle procurement.

Currently, VTA and BART management are working on principles of agreement for the funding of the vehicles needed for the Berryessa Extension. The VTA Board will consider a request to authorize the General Manager to execute an agreement regarding the BART vehicles in December 2010 or January 2011.

Diridon Station Area Planning Coordination

VTA continues to coordinate with the City of San Jose, San Jose Redevelopment Agency and Caltrain on planning efforts in the Diridon Station area. Recognizing the area as a critical hub for regional transportation, VTA is participating in the Diridon Station Area Plan and the Diridon Station Joint Policy Advisory Board. These address the inter-modal connectivity of transit, land use development, and area access and circulation.

SVRT staff is also engaged in efforts to ensure that SVRT tunnel and station design are coordinated as part of the environmental planning and engineering of California High
Speed Rail alignment.

Prepared By: Kevin Kurimoto
Memo No. 2767
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief CMA Officer, John Ristow

SUBJECT: Tamien Station Area Property Sale

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a Purchase and Sale Agreement (PSA) with the City of San Jose for 3.5 acres of property located at Lick Avenue near Pepitone Avenue and Goodyear Street, San Jose, California, within the Tamien Station Area, comprised of approximately 3.5 acres.

BACKGROUND:

The VTA Tamien Light Rail and Caltrain Stations are located approximately 1 mile south of Downtown San Jose, adjacent to State Route (SR) 87. The station area encompasses approximately 17 acres of property owned by VTA straddling both sides of SR 87. As reflected on Exhibit A, property uses include 5.1 acres of VTA Light Rail parking and transit center, 3.7 acres of Caltrain parking, a privately operated day care center, and 6.05 acres of vacant land.

In 2006, Green Valley Corporation (Swenson Corporation) sought entitlements from the City of San Jose for the development of 12 townhomes and twin mid-rise buildings of for sale residential units on private property located south of the Tamien Station area east of SR 87. As a part of the entitlement process for this private development project unaffiliated with VTA, the VTA Board of Directors authorized the General Manager to enter into a three party agreement with the City of San Jose and Green Valley Corporation for the dedication of VTA property for a public park in return for development rights on the 6.05 acres of vacant property, located on the east side of the freeway. The agreement also provided partial funding to VTA from the developer in the amount of $1.4 Million for the construction of a parking garage replacing displaced parking due to the location of the future park. The park property was described as 3.5 acres, split into a 2.2
acre piece on the east side of the freeway on the existing Caltrain parking lot and a 1.3 acre irregular lot on the west side of the freeway.

Since that time, the first phase of the private development has occurred, and the second phase has been deferred due to market conditions. VTA does not have any development plans at this time nor plans for construction of the parking garage due to lack of funding.

The City of San Jose has requested that VTA sell property to the City for development of the park consolidating all 3.5 acres into one parcel, located at the northern end of the vacant 6.05 acres on the east side of the freeway. This 6.05 has been declared surplus property by the VTA Board of Directors and was previously under contract for joint development.

The City of San Jose has also been approached by Rocketship Charter School to build and operate an elementary school on a portion of the park property proposed to be purchased by the City of San Jose.

**DISCUSSION:**

VTA and City of San Jose staff have been negotiating the terms for the sale of 3.5 acres of the 6.05 acres of surplus property on the east side of SR 87. The staff of the two agencies have reached tentative agreement and VTA staff requests that the Board of Directors authorize the General Manager to execute a Purchase and Sale Agreement (PSA) reflecting these terms. The 6.05 acre parcel was appraised in 2006 for $75/square foot. A current appraisal of the land valued it at $45/square foot. To reflect the upside potential of selling in the current depressed market conditions, the City agreed to pay a purchase price for one portion of the site at a price in between the two appraisal benchmarks and a right to reappraise the other portion of the site within the next five years.

Principal terms of the proposed transaction are outlined below. (See Exhibit B)

A. Park property purchase and sale:

1. Area 1: City to pay VTA $4.5 Million in cash (2.04 acres, 58.3% of property) and provide 38 units of future Park Development Ordinance (PDO) credit;
2. Area 2: 213 units of future PDO credit for remainder of property (1.46 acres, 41.7%);
3. VTA will transfer the entire 3.5 acres to City immediately upon execution;
4. City will not develop Area 2 until completion of Part C below;
5. Rocketship School (if applicable) will acquire directly from the City (through lease or purchase) approximately 20,000 sq. ft. of Area 1.
6. The $1.4 million dollars which was allocated for construction of the garage is going to be used by the City as a part of the purchase price. VTA will have sole responsibility of funding a parking garage at the Tamien Station Area.
B. Property reappraisal option:

1. VTA may call for one joint reappraisal of Area 2 at any time within 5 years of execution, or prior to completion of Part C, whichever comes first;
2. Area 1 will not be reappraised and the 38 units of PDO credit for this area will not be compensated with cash or other means by the city regardless of VTA’s future development of the adjacent properties;
3. The 2010 appraisal of the 6.05 acre parcel is at $45/square foot. If Area 2 appraises at greater than $45/square foot:
   1. City will provide additional PDO credits for the difference; or,
   2. If these additional PDO credits exceed the amount required by Part C site development, City will have the option of paying cash for the difference or returning a portion of the property to VTA.

C. Tamien Station area development:

1. VTA will pursue approval of development entitlements for the Tamien Station area. City will support this as part of the Envision 2040 General Plan process.
2. If development approval is for less than 213 additional dwelling units or entitlements are not secured within 5 years of execution, the City will have the option of either exchanging PDO credits with cash or returning the proportionate portion of Area 2 to VTA.

Should the Board of Directors approve this transaction next steps include:

- Termination of the existing three-party contract between VTA, City and Green Valley Corporation;
- Preparation of legal descriptions and property plats for two new park parcels;
- Preparation and execution of a PSA consistent with the terms outlined above;
- Procurement by VTA of development entitlements for the remaining VTA property at the Tamien Station Area, including an amendment to the Tamien Area Specific Plan and Planned Development Zoning.

ALTERNATIVES:

The Board may choose not to approve the sale of the property at this time or according to these terms.

FISCAL IMPACT:

Execution of the proposed PSA would result in additional revenue to VTA and is not currently reflected in the FY 2011 Budget. Current Board policy established with the adoption of the Joint
Development Policy establishes that revenue received from property sales and long term property leases is to be placed in a special account in order to provide funds to continue development of VTA property for the long term fiscal benefit to VTA operating budgets.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION**

The Congestion Management Program and Planning Committee heard this item at their September 24, 2010 meeting. The committee met as a Committee of the Whole since there was no quorum and forwarded this item to the VTA Board for consideration. VTA staff provided a summary description of the recommended property sale transaction as described in the memorandum. Committee Members asked questions regarding the current value of the property, how value of PDO credits would be actualized and confirmation that this transaction and park credit satisfied future VTA development requirements for park dedication. Additional clarification was also received from Matt Cano, San Jose Parks Department as to confirmation that property would actually be used as a park and source of funding for the transaction. Committee also wanted to ensure that the general public in the area understand that this park satisfies VTA park requirements and not just the existing and future private residential tower developments in the immediate area.

Prepared by: John Ristow
Memo No. 2770
PLAT TO ACCOMPANY DESCRIPTION OF REAL PROPERTY

PREPARED BY CITY OF SAN JOSE SURVEY SECTION FEBRUARY 2, 2010
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Michael T. Burns

FROM: Chief Operating Officer, Donald A. Smith Jr.

SUBJECT: Paratransit Contract Options

Policy-Related Action: Yes  Government Code Section 84308 Applies: Yes

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to enter into a two-year contract extension through June 30, 2013, with three one-year options, with Outreach and Escort, Inc.; and to send a letter to MTC supporting Outreach’s request for designation as a Consolidated Transportation Services Agency.

BACKGROUND:

At VTA Board Standing Committee meetings earlier this year, staff presented details about VTA’s paratransit brokerage contract with Outreach, Inc. (Outreach) as both an informational item for new Board members and as a briefing paper in advance of the June 30, 2011 expiration of the contract. As intended, staff’s memorandum to the Standing Committees spurred conversations within VTA and the community about the nature of future paratransit service provision in Santa Clara County. This memorandum is presented to provide information and recommendations on the future nature of VTA paratransit service by offering program delivery options; and service, funding, and community information.

Paratransit service is required by the federal Americans with Disabilities Act (ADA) to complement a fixed route system by offering an equivalent level of transportation service for persons who are unable to use fixed route services due to their disabilities. In accordance with federal regulations, implementing the ADA, Title 49, Code of Federal Regulations Part 37, 49 CFR sec 37.131 (a - f) requires paratransit to meet the following criteria to complement fixed route service:

a. Service is available between origins and destinations within ¼ of a mile of VTA’s fixed route system;
b. ADA paratransit eligible customers are able to schedule trips for service the next day;
c. The fare for a paratransit trip is twice the fare that would be charged for a trip of similar length, at a similar time of day, on VTA’s fixed route system;
d. There are no trip purpose restrictions or priorities;
e. Service is available during the same hours and days as the entity's fixed route service; and,
f. The availability of complementary paratransit service to ADA paratransit eligible customers is not limited.

VTA has contracted with Outreach to provide ADA Paratransit brokerage services since 1993, based on a competitive procurement. The contract has been amended 14 times during the 17-year contractual relationship. While the broker portion of the paratransit system has not been rebid during the last 17 years, the service provider portion, 82% of current costs, has been rebid on a regular (typically 5-year) schedule by the broker.

The primary functions of Outreach as the paratransit broker include: determining the eligibility of customers to use the service, managing customer fare payment accounts, scheduling customer reservations for service, dispatching paratransit trips, monitoring and resolving customer service issues, and establishing contracts with service providers. The service providers (taxi and accessible van companies) provide the actual paratransit service to customers who have scheduled trips through Outreach.

DISCUSSION:
VTA staff proposes to extend the current contract with Outreach by two (2) years, with three (3) one-year options, to provide time to emerge from the current economic downturn with a reasonably known cost structure, highly effective service delivery method, and broad customer and community acceptance. During this two-year extension, staff would continue to work with Outreach to reduce costs, modify contractual terms, as needed, and realign service levels. The following information is provided to support the proposed recommendation.

Community Involvement and Support
Outreach is a local, San Jose-based, non-profit social services agency that provides case management and transportation services to seniors, persons with disabilities, and low-income individuals throughout Santa Clara County. With a Board of Directors representing a wide range of businesses and local agencies, Outreach is highly integrated in and responsive to the multiple communities of Santa Clara County. As VTA’s paratransit broker, Outreach is able to use its relationships with community, social and medical agencies to advocate on behalf of VTA’s paratransit program and transit service changes. As an involved participant in the Silicon Valley business and non-profit communities, Outreach is able to advance its fundraising for program goals and gain allied support for the various services available to those it serves.

VTA’s Committee for Transit Accessibility and the City of San Jose Senior Commission have adopted motions in support of VTA’s continuing our current relationship with Outreach. The San Andreas Regional Center has written VTA to express its support in maintaining Outreach as the paratransit broker. We understand additional support letters from the community will be
Community and VTA Board support for Outreach was also shown in 2006, when the VTA Board approved returning the eligibility certification process to Outreach after a three-year contract with a private firm. Prior to FY 2004, VTA’s paratransit eligibility program was administered by Outreach using a procedure adopted by the Bay Area transit/paratransit providers. Eligibility denial appeals were conducted by either a committee of social service agency representatives, client representatives, and VTA staff; or were considered, heard, and decided administratively by VTA staff.

Between fiscal years 2004 and 2006, the eligibility program was contracted out by VTA to Orthopedic Hospital of Los Angeles, and the appeals were conducted by NovaCare. This was done as part of the Paratransit Improvement Program, approved by the VTA Board to reduce paratransit operating expenses. The stricter eligibility process required applicants to participate in a mandatory in-person interview and obtain medical confirmation of their disability. This new program was not well received by the disabled community. VTA held working sessions, public hearings, and review meetings with the Committee for Transit Accessibility to obtain comments on revising the program. Ultimately, in May 2006, following significant public comment in 2005, the VTA Board reassigned the paratransit eligibility program back to Outreach effective July 2006. The Eligibility and Appeals Program is now well received by the community. One major reason is that applicants are provided other transportation options that Outreach can provide through non-VTA resources. For example, a senior who is denied for paratransit eligibility may be eligible to enroll in Outreach’s STAR (Senior Transportation and Resource) program. During the past three years, STAR has served over 5,000 seniors at no cost to VTA.

**Customer Service**

Outreach has provided exemplary customer service over the course of its contract term. Outreach regularly surveys customers regarding their use and experiences with the paratransit system and its broker, service providers, eligibility processing, and community access components. A third party vendor is used to conduct the surveys. During the fourth quarter of FY 2010, 360 active clients were surveyed. Of these clients, 96.2% had either a Good, Very Good, or Excellent opinion of the paratransit system’s ability to improve their access to transportation services in Santa Clara County. Almost all questions showed similar positive results.

Outreach, as a non-profit provider of numerous transportation options, has a unique ability to address individual travel needs. Outreach has been increasing options for seniors over the last few years. Persons with disabilities who may also be low-income or CalWORKS participants also have options outside of VTA paratransit, given that Outreach coordinates all of these programs. Health and human services agencies are also provided access to other methods to manage their transportation needs through Outreach’s newly established Mobility Management Center and web portal, which enables online trip reservations. This has slowed the growth in demand for VTA’s services, while providing passengers a better range of options.

Outreach has also been very supportive in implementing policy changes VTA has approved regarding service area and hours, premium services, and trip scheduling. Outreach has attended public meetings to assist staff in explaining these changes and answered numerous telephone calls from paratransit clients. These efforts have smoothed the implementation through proactive
information sharing and client intervention. These policy changes had significant impacts on some customers, as hours were curtailed and service areas decreased, however VTA had only a very small number of complaints and there were few issues during implementation.

**System Investment**
Outreach is able to pursue federal, state, county, city, and non-profit grant funding for capital and operating purposes. As a non-profit, Outreach is eligible to pursue about $700,000 of FTA Section 5310 funding to purchase 10 to 12 vehicles each year. Of the current 263 vehicles in the paratransit fleet, 69 are owned and have been funded by Outreach at a cost of about $3.6 million. If another contractor was used, these vehicles would need to be replaced and funded by VTA.

Outreach has grant awards for future procurement of 10 ramped accessible vans for taxi companies to support the paratransit program, approximately 60 hybrid gas-electric or all-electric sedans with charging systems, and a fleet-wide emergency backup communication system. These future Outreach capital resources sum to over $4 million. Other previous grants and funds obtained by Outreach have provided over $3 million worth of computer and telephone equipment, scheduling and operations software, vehicle security, and emergency operations equipment. Additional software used daily by Outreach for client faring, client account management, and fleet tracking have been developed by community partners and volunteers. Replacement costs are unknown, but expected to be significant if secured from third-party vendors. These grants and the value of contributed services essentially replace future funding that VTA would need to provide.

Outreach has received funding to support its transportation programs from the Federal Transit Administration's New Freedom Program, Community Development Block Grants, Caltrans, Office on Aging grants, and other sources. A Car Donation Program that is co-sponsored by Goodwill Industries allows Outreach to fund the local match for the Section 5310 grants and other grants. Through a Caltrans grant in 2009; and in association with the State Office of Emergency Services, the Metropolitan Transportation Commission, the County of Santa Clara, and VTA, advances were made in the area of emergency preparedness planning that benefit paratransit directly through the creation of a highly detailed web-based fleet inventory system, GIS mapping for taking clients to accessible shelters and for evacuation routing, and locating at-risk populations including paratransit riders.

**Financial Performance**
For FY 2010, the VTA Board of Directors approved a budget of $28,112,075 for paratransit services, based on providing 1,090,000 trips. At the December 2009 meeting, as part of the agenda item on VTA’s budget, the Board of Directors reduced the paratransit budget by $2.5 million to $25,611,244. With FY10 expenses now in, staff can report a $5 million reduction from the 2010 paratransit budget; or $2.5 million under the mid-year reduced 2010 budget. The Outreach broker cost accounts for approximately $4.7 million or 19% of the annual program expenses. The chart below shows the difference between the adopted budget for paratransit services and the actual expenses. Over the last four fiscal years, over $15.3 million has been saved when comparing the adopted budget to the actual expenses. The actual expenses for FY2011 are projected.

**BUDGET compared to ACTUAL EXPENSES (in Millions)**
Adopted VTA Budget | Actual Expenses | Savings
---|---|---
FY08 | $28.00 | $27.25 | $0.75
FY09 | $29.40 | $26.84 | $2.56
FY10 | $28.11 | $23.08 | $5.03
FY11 | $29.98 | $23.00 | $6.98
**TOTAL** | **$115.49** | **$100.50** | **$15.32**

Some of the expense reduction has been due to a 12.8% paratransit ridership decline attributable to fewer premium-service trips taken, the alignment of paratransit service with VTA’s bus and rail network, and the overall economy, which limits trip taking in general. However, numerous cost-containment strategies implemented by Outreach are proving to have positive benefits on VTA’s paratransit budget. These include:

**Ability to Provide Other Transportation Services:** In addition to paratransit, Outreach offers a Senior Transportation and Resources program that provides taxi rides, subsidies for paratransit fares, free monthly bus passes, trip planning, etc. to seniors in need of transportation service or advice. For persons in need of job training and employment services, Outreach works with Santa Clara County to provide the following programs: Job Access and Reverse Commute for low-income CalWorks participants; Give Kids a Lift After-School Transportation for low-income kids and children of CalWorks participants; and a Lifeline car repair program. VTA is able to reduce its expenditure of funds for paratransit as Outreach’s other programs provide alternatives to many individuals who might have otherwise used the ADA paratransit program. Outreach provided over $1 million in alternative rides to seniors in FY10; over $4 million in rides have been provided since 2006. The ability to provide these services is unique to Outreach as a non-profit community agency. These programs have been very valuable as VTA has realigned its service area/hours and Outreach has been able to place most impacted clients on its other transportation services.

**Vehicle Sharing:** In the last year, vehicle sharing strategies with other non-profit organizations have resulted in providing some paratransit trips at a reduced cost per trip of more than 50%. Outreach, with VTA’s approval, has entered into agreements to use underutilized capacity on other agency fleets (San Andreas Regional Center; Avenidas Senior Center/La Comida Nutrition). For FY 2010, the average net cost of a passenger trip on a shared vehicle was $10.98 compared to the system-wide average net cost of a paratransit trip of $24.50.

**Vendor Contracts:** Broker-initiated efficiencies and savings from vendor negotiations earlier in the year are paying off in terms of reduced expenses. The vendor contracts are the largest part of the paratransit budget, accounting for over 80% of the expenses, or about $20 million annually. Outreach follows FTA requirements to procure service providers for paratransit services. Typically, five-year contracts are negotiated with service providers, with the most recent in FY 2009. Private transportation companies are responsible for hiring qualified personnel to operate the vehicles and provide oversight, training, and compliance on criminal background checks, alcohol and drug abuse testing, safety, and related matters. Currently, MV Transportation provides this service and provided 81% of the paratransit trips in FY 2010. MV operators are covered under a Collective Bargaining Agreement (Teamsters Local 287). Their new contract with Outreach started in July 2009 and included a 3% rate reduction. The remaining 19% of
paratransit trips were provided using taxi firms -- Yellow Checker Cab, Yellow Peninsula, and United Cab. All three of these companies are Small Business Enterprises or SBEs.

Other Measures: A variety of other cost-containment measures have been implemented. These include a 5% Outreach staff reduction in FY 2010, which followed reductions in previous years. Deploying a fleet with a significant number of fuel-efficient vehicles will save about $300,000 in fuel costs for FY 2010. Purchasing fuel through the County of Santa Clara is saving about $0.243 per gallon, as the County has competitive rates due to bulk purchasing volume. This has also allowed VTA to take advantage of exemptions from the federal excise tax on fuel ($0.183 per gallon) and part of the state excise tax ($0.06 per gallon). The overall tax savings was approximately $130,000 in FY 2009. Efforts, including the July 2010 reduction of the advanced scheduled trip window from 7 days down to 3 days, continue to be taken to reduce costs while providing high quality service.

The chart below shows the recent budget performance. The cost per trip is well under VTA’s established goal of $27. Farebox recovery of about 10% compares favorably to other paratransit service providers based on FY08 National Transit Database (NTD) information (Santa Cruz 7.5%, Sacramento 8.7%, East Bay 7.5%, and SamTrans 3.2%).

### Budget Performance

<table>
<thead>
<tr>
<th>Measure</th>
<th>FY 10</th>
<th>FY 09</th>
<th>FY 08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost / Trip</td>
<td>$24.50</td>
<td>$24.84</td>
<td>$25.31</td>
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<tr>
<td>Cost / Revenue Hour</td>
<td>$61.29</td>
<td>$59.45</td>
<td>$59.62</td>
</tr>
<tr>
<td>Farebox Recovery</td>
<td>10.7%</td>
<td>9.8%</td>
<td>9.6%</td>
</tr>
</tbody>
</table>

### Operating Performance

VTA’s Outreach-brokered paratransit service measures strongly against its California peers based on an assessment of the most current 2008 NTD data. As shown, Outreach has the highest passenger-trips-per-revenue-hour when compared with its four peers and the second-lowest NTD Cost per Trip.

<table>
<thead>
<tr>
<th>Measure</th>
<th>Outreach</th>
<th>SamTrans</th>
<th>East Bay</th>
<th>Sacramento</th>
<th>Los Angeles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unlinked Trips</td>
<td>1,055,426</td>
<td>323,975</td>
<td>662,063</td>
<td>330,616</td>
<td>2,561,346</td>
</tr>
<tr>
<td>Revenue Miles</td>
<td>6,746,404</td>
<td>2,940,463</td>
<td>5,830,271</td>
<td>3,102,585</td>
<td>26,129,930</td>
</tr>
<tr>
<td>Trips per Rev Hour</td>
<td>2.36</td>
<td>1.58</td>
<td>1.76</td>
<td>1.73</td>
<td>1.77</td>
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<tr>
<td>NTD Cost per Trip</td>
<td>$31.26</td>
<td>$41.34</td>
<td>$39.48</td>
<td>$38.57</td>
<td>$30.54</td>
</tr>
</tbody>
</table>

*Cost per trip includes VTA overhead allocation.*

### Consolidated Transportation Service Agency Designation

Consolidated Transportation Services Agencies (CTSAs) are responsible for identifying and consolidating transportation funding sources and maximizing the services of all public and private transportation providers. As mandated by the Social Service Transportation Improvement Act of 1979, CTSAs work to coordinate social service transportation within counties and reduce the amount spent on such services.

Cost reduction can be obtained by CTSAs because they are able to network with allied agencies.
to enhance the efficient use of vehicles, purchase insurance at reduced premiums, coordinate grant applications, purchase equipment at reduced costs jointly, and register their vehicles at discounted prices. Further, Caltrans has recently received a recommendation to encourage the transportation coordination benefits provided by CTSAs by awarding them higher point scores on federal Section 5310, Job Access Reverse Commute and New Freedom grant application award criteria. Outreach uses Section 5310 grants to fund annual vehicle procurements. CTSAs are also able to claim State Transportation Development Act (TDA) funds for operating paratransit services, which VTA currently uses to support its paratransit service. Outreach has agreed not to claim these funds and we expect this would be part of any CTSA approval provided by the Metropolitan Transportation Commission (MTC).

No social service agencies have been designated as CTSAs in the San Francisco Bay Area since the mid-1990s. In this region, MTC is responsible under the state law authorizing CTSAs for such designations. Outreach functioned as a CTSA in Santa Clara County from 1982 to 1995.

Given the potential for additional cost savings and Outreach's de facto status as Santa Clara County’s social service transportation coordinator and mobility management center, staff is aware of the benefits to VTA that could be achieved if Outreach received renewed CTSA designation from MTC. A letter of support from VTA would be appropriate with the adoption of the proposed recommendation.

**ALTERNATIVES:**
The VTA Board of Directors could direct staff to implement other available options or combinations thereof. The main alternatives available for consideration include:

1. VTA issues a Request for Proposal (RFP) to solicit responses from paratransit service management/provider companies. If this option is selected, staff would release an RFP, returning to the VTA Board for a contract award in Spring 2011. Depending on the selected firm, Outreach’s current contract may need to be extended to provide a sufficient transition period.

2. Staff would prepare policy recommendations and agreements for VTA Board approval to formalize a long-term, ongoing VTA/Outreach relationship. This option would include staff negotiating contractual changes with Outreach on improving financial, operational, and administrative areas. Examples of this alternative are in place in Sacramento and Los Angeles.

**FISCAL IMPACT:**
Funds are currently included in VTA’s adopted budget for the paratransit service. VTA would develop paratransit budgets for VTA Board approval as part of the next biannual FY12/FY13 budget process.

**SMALL BUSINESS ENTERPRISE (SBE) PARTICIPATION:**
The SBE goal for the VTA brokerage contract with Outreach is set at 10%. As of December 2009, Outreach has attained a SBE participation rate of 20.68%.
STANDING COMMITTEE RECOMMENDATIONS:
The Transit Planning and Operations Committee discussion centered mainly on the term for the contract extension. The staff recommendation was for a two-year extension to align with the next two-year budget cycle. Katie Heatley, CEO, Outreach explained that pending grants for vehicles and other equipment would require a longer term to put these improvements in place. The Committee also heard public comment and received numerous emails and letters supporting a longer extension period with Outreach.

The Committee recommended extending the Outreach agreement for two years with three one-year options and moved this recommendation to the October 7th Board of Directors’ Regular Agenda.

Prepared by: Jim Unites
Memo No. 2721
<table>
<thead>
<tr>
<th>Contractor Firm</th>
<th>Contractor Role</th>
<th>Name</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>OUTREACH, Inc.</td>
<td>CEO/President</td>
<td>Kathryn B. Heatley</td>
<td>San Jose</td>
</tr>
</tbody>
</table>
To Whom It May Concern:

After several years of working with Outreach, that helped the senior and disabled communities extremely convenient in transportation. We are strongly support VTA’s recommendation to extend Outreach & Escort’s contract.

We hope that the longer VTA contracts with Outreach the longer helps the senior and disabled communities.

We are very appreciated VTA’s recommendation.
Sincerely yours,
Anna Pham
Service Coordinator
Jeanne D'Arc Manor

---

From: Sophie Horiuchi  
Sent: Wednesday, September 22, 2010 3:23 PM  
To: Board.Secretary  
Subject: RE: OUTREACH SERVICES FOR SENIORS - Extention of Contract

We applaud VTA’s recommendation to extend Outreach & Escort’s contract. However, we feel strongly that 24 months is too short and will cause stress and uncertainty in the senior and disabled communities.

We urge VTA to extend OUTREACH’s agreement for a reasonably longer term (e.g., 5 years) to take into account the impact on senior nutrition, adult day care, dialysis centers, cancer treatment, blind & sight impaired community and other vulnerable populations.

In addition, we urge the VTA Board to direct the General Manager to begin to work with OUTREACH to establish a long-term working agreement.

Outreach's service to our Center and our clients is essential for attendance at our Senior Day Services Program (for our most frail seniors) nutrition program (hot meals) and for many of the activities and social services provided at the Center. Access to services and to the company of others is essential for our seniors to stay healthy and engaged, and we must do all that we can to preserve this service.

Sophie C. Horiuchi-Forrester

Executive Director
Yu-Ai Kai Senior Center of Japantown
588 N. 4th Street
San Jose, CA 95112
www.yuaikai.org
To Chairperson Ash Kalra

Please find the attached PDF, I would like to have a dialogue with you to see if we can simplify the motion put forth from the Transportation Planning and Operations Committee to the VTA Board for the board's consideration on October 7, 2010.

Thank for this Consideration

Aaron Morrow

Monday September 20, 2010

Dear Director Kalra:

I thank you for your e-mail. I was honored that you would take the time to reach out to me as the Chair of CTA.

I wanted to follow up on your e-mail after I have some time to think about the actual TP&O motion. CTA Vice-Chair Ms. Emma Eljas was present and we both thank you for your leadership and she appreciated being heard.

From what I understand, it appears to me that the Board Directors on TP&O were very positive about the extension item and tried to pull together a 5-year solution starting with the 2-year recommendation that was in the packet. They added three 1-year options to create the 5 year framework, and I thank you for that.

As you know, CTA, the senior and disability communities, the health and human service agencies, and even the business community (SVLG) recommended 5 years for many legitimate reasons. I thank you for reading my letter and listening to the perspective of the community:

Could we discuss a simplified 5 year extension understanding that the existing contract allows VTA the right to give a 1-year termination notice to OUTREACH at any time.)? It would remove barriers to all of the capital projects needing to be implemented and allow for a better time period for seeking CTSA designation from MTC.

I apologize once again for not attending TP&O due to my health. I am trying to attend the Oct. VTA Board meeting as I feel strongly about this topic.

All the best,

Aaron Morrow, CTA Chair
From: Joan Cornbleet  
Sent: Monday, September 20, 2010 1:13 PM  
To: Board.Secretary  
Subject: Outreach for seniors and disabled

We urge VTA to extend OUTREACH’s agreement for a reasonably longer term (e.g., 5 years) to take into account the impact on senior nutrition, adult day care, dialysis centers, cancer treatment, blind & sight impaired community and other vulnerable populations.

In addition, we urge the VTA Board to direct the General Manager to begin to work with OUTREACH to establish a long-term working agreement.

Joan Cornbleet  
Service Coordinator  
Town Park Towers

From: Lori Arnberg  
Sent: Monday, September 20, 2010 7:40 AM  
To: Board.Secretary  
Subject: Support for Outreach

I would like to support the letter submitted by Aaron Morrow, Chair Person for the CTA in support of the extension of the Outreach contract

Lori Arnberg  
Director, Central District

September 20, 2010

Dear VTA Professionals:

I am writing to support the extension of the Outreach contract. HOPE Services has many people who receive our services who rely on Outreach for transportation. The population we serve is reliant on public transportation and Outreach to get to programs, work, medical appointments, shopping and to generally access the community.
The staff members at Outreach provide a valuable service and are very knowledgeable about the needs of our clients. The drivers have been professional and demonstrate concern for the safety of their passengers.

Outreach representatives participate in a variety of vendor fairs and similar functions throughout the year to assure that people are aware of the services available and to assist them in accessing those services.

In addition, Outreach participates in meetings with Service Providers for people with disabilities to develop emergency preparedness plans.

The partnership between VTA and Outreach is extremely valuable for people with disabilities and the continuation of that relationship will be of great benefit.

Thank you for your consideration.

Sincerely,

Lori Arnberg
Director, Central District
HOPE Services
From: Gabriel Valencia  
Sent: Friday, September 17, 2010 8:25 PM  
To: Board.Secretary  
Subject: Extending contract for Outreach

Hello  
I am writing in regards to the extension of Outreach's contract. I have been a regular user of Outreach since 2001 when I started going to college at San Jose State University. Outreach's services were so helpful to me during those school years. Being wheelchair bound due to a condition that brittles my bones, public transportation is not an option for me.

After graduating from SJSU, I was blessed to get a job right away at IBM. That was 3 years ago and I have been using Outreach to get to work in the mornings to this day.

This is all in addition to medical appointments and other trips during times that no one else could take me.

Beyond my own need of Outreach services, I have ridden with many other clients heading to work, school, doctor's appointments, stores, etc. that I can see were even more in need of paratransit than I am. In fact, I know a co-worker who could simply not get to work without Outreach. He is more physically impaired than I am and makes use of Outreach in the afternoon to get home in addition to getting to work.

I am glad that Outreach's contract will be extended, but I ask that you please take all this into consideration and extend it for longer than 24 months. The kind of service that Outreach offers, though it has its problems, is something that will always be needed by so many people like myself. I think this will send the message to all of us that Outreach is not an afterthought but that VTA recognizes the need for paratransit and that this need will continue to be met.

Thank you for reading this.
Gabriel Valencia

From: Steven Phan  
Sent: Friday, September 17, 2010 10:08 AM  
To: Board.Secretary  
Subject: Extend Outreach & Escort’s contract

We applaud VTA’s recommendation to extend Outreach & Escort’s contract.

However, we feel strongly that 24 months is too short and will cause stress and uncertainty in the senior and disabled communities.

We urge VTA to extend OUTREACH’s agreement for a reasonably longer term (e.g., 5 years) to take into account the impact on senior nutrition, adult day care, dialysis centers, cancer treatment, blind & sight impaired community and other vulnerable populations.

In addition, we urge the VTA Board to direct the General Manager to begin to work with OUTREACH to establish a long-term working agreement.

-Steven
From: Timothy Sherwood  
Sent: Thursday, September 16, 2010 4:39 PM  
To: Board.Secretary  
Subject: Contract Extension

Dear Board Secretary,
I applaud VTA’s recommendation to extend Outreach & Escort’s contract. The services they have provided the residents I work with has been invaluable. Their efforts have greatly improved the quality of life of many.
I strongly encourage you to extend their contract for as long as possible in order to continue these needed services for seniors and the disabled. Without a long term contract this population will live in uncertainty and anxiety that these resources will not be available to them.
Thank you,
Timothy Sherwood  
Interim Regional Services Manager

From: Connolly, Amy  
Sent: Thursday, September 16, 2010 10:50 AM  
To: Board.Secretary  
Cc:  
Subject: Support of Outreach

To Whom This May Concern:

As a Registered Nurse I want to express my appreciation and support of the Outreach Program. I have personally cared for patients that have greatly benefitted from this service. The patients that benefit from this service may not have a strong voice to offer their support as many have limited resources and medical challenges. Outreach helps these patients attend to medical appointments that they may not have been able to attend without the assistance of Outreach. The Outreach program offers a service to a very needy population that often has no other resource for transportation. In my years as Registered Nurse I have seen multiple pediatric transplant patients as well as the medically fragile elderly benefit from this community transportation resource.

Without the assistance of Outreach, many patients’ medical conditions may be jeopardized as they might not be able to keep medical appointments. A greater financial burden could face the community if we are not helping people in our community get to necessary medical appointments.

Thank you for taking this time to carefully review the importance of the Outreach program. Please feel free to contact me if you have further questions.

Sincerely,
Amy Connolly RN  
Clinical Manager  
Los Altos Center
Dear Members of the VTA’s Committee on Transportation Planning and Operations:

Extending the VTA contract is definitely the way to go. There are precious few transportation options to transport seniors who are unable to drive. However, two years is not enough time and I, therefore, respectfully request that the new contract extend at least five years. As it is, in the current economic situation, everyone is already stressed out and worried about their futures. It would be helpful for our seniors to know that for at least the next five years, they will able to count on the services such as adult day care, senior nutrition, cancer treatment, dialysis and services for the blind and sight impaired. These are life-saving services.

It is in your power to assist these seniors by providing them with continuity of such necessary services. Please consider how you would decide if the recipient of your vote were your parents or other relatives. I am sure you would want the best for them.

Sincerely,

Lenny Park
September 16, 2010

Ash Kalra, Chairperson
VTA - Transit Planning and Operations Committee
3331 North First Street
San Jose, CA 95134

Dear Chairperson Kalra and Committee Members,

I am writing this support letter for OUTREACH from three unique and different perspectives.

I have been on the VTA’s Citizen’s Advisory Committee and CWC for about 10 years and have witnessed the value of OUTREACH and their work through this committee. I have also been in the alternative transportation business for over 20 years and have worked with Katie Heatley and OUTREACH for the last 13 years; with my main office located inside the walls of OUTREACH during the last four of those years.

During this time, I have personally witnessed the wonderful, compassionate and committed work that Katie and her team provides. I tell her often that I believe that there is no organization that I believe that could do a better job at providing the caring work for the thousands of client interactions they have each day – then them.

I understand that VTA is offering OUTREACH a two-year extension to their current contract. Even though this may be a good start, especially in our uncertain economy we are still facing, I don’t think that this provides enough continuity for her overall operations. I believe that the precious time that they have to directly provide the current services at hand, could be reduced or interfered with, if they need to immediately plan for such a short-term extension.

I suggest that your committee recommends a much longer extension and commitment to mirror their needs – or take the time now to open a formal RFP for a normal five year contract agreement/award process.
Thank you for your time and consideration regarding this very important junction. Please do not hesitate to contact me if you have any questions or comments regarding this letter of support for a long(er) term relationship between OUTREACH and VTA.

Sincerely,

Stephen C. Blaylock
From: chuc tran  
Sent: Wednesday, September 15, 2010 9:39 PM  
To: Board.Secretary  

Dear Sirs,

We applaud VTA’s recommendation to extend Outreach & Escort’s contract.  
However, we feel strongly that 24 months is too short and will cause stress and uncertainty in   
the senior and disabled communities.  
We urge VTA to extend OUTREACH’s agreement for a reasonably longer term (e.g., 5 years) to   
take into account the impact on senior nutrition, adult day care, dialysis centers, cancer   
treatment, blind & sight impaired community and other vulnerable populations.  
In addition, we urge the VTA Board to direct the General Manager to begin to work with OUTREACH to establish a long-term working agreement.

Chuc Tran

From: Sandra Hietala  
Sent: Wednesday, September 15, 2010 8:07 PM  
To: Board.Secretary  
Subject: Outreach and Escort  

I highly recommend "Authorize the General Manager to enter into a five-year contract extension with Outreach and Escort, Inc. through June 30, 2016 and to send a letter to MTC supporting OUTREACH's request for designation as a Consolidated Transportation Agency, and to direct the GM to prepare policy recommendations and agreements for VTA Board approval to formalize a long term ongoing VTA OUTREACH relationship within the term of the extension."

In addition I recommend the contract be expanded to include transporting individuals from the shelter transitional medical unit to VMC for medical appointments to avoid the county paying for taxi service.

Thank you  
Sandra Hietala

From: Nacu, Mary  
Sent: Wednesday, September 15, 2010 5:02 PM  
To: Board.Secretary  
Subject: VTA contract with Outreach paratransit  

We applaud VTA’s recommendation to extend Outreach & Escort’s contract. This service is utilized by many members of the community who would otherwise be unable to reach the Libraries in our community.  
We urge VTA to extend OUTREACH’s agreement.  
Thank you for your attention to this issue.

Mary Z Nacu  
Assistant Library Director  
San Jose Public Library
From: Amy Aken
Sent: Wednesday, September 15, 2010 4:43 PM
To: Board Secretary
Cc: Amy Aken
Subject: ASC Support for OUTREACH Contract Extension
Attachments: ASC Support Letter_OUTREACH_9.15.10.pdf

Dear VTA Board Secretary,

Attached you will find a Letter of Support from the Aging Services Collaborative of Santa Clara County (ASC) recommending an extension to the OUTREACH contract.

Please feel free to contact me if you have any questions or comments about this Letter of Support.

Sincerely,

Amy L. Aken, MPH
Staff Support
Aging Services Collaborative
www.sccagingcollaborative.org
September 15, 2010

E-Mail: board.secretary@vta.org
Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 N. First St.
San Jose, CA 95134-1906

Re: Support for OUTREACH Contract Extension

To the VTA Board Secretary,

The Aging Services Collaborative of Santa Clara County is a consortium of organizations and individuals working together to provide leadership and build community-wide capacity to support, maintain, and promote the well-being of older adults and their caregivers in Santa Clara County.

The Aging Services Collaborative applauds VTA’s recommendation to extend Outreach & Escort’s contract.

However, we feel strongly that 24 months is too short and will cause stress and uncertainty in the senior and disabled communities.

We urge VTA to extend OUTREACH’s agreement for a reasonably longer term (e.g., 5 years) to take into account the impact on senior nutrition, adult day care, dialysis centers, cancer treatment, blind & sight impaired community and other vulnerable populations. The services provided by OUTREACH to the community represent a key indicator of a livable community for older adults.

In addition, we urge the VTA Board to direct the General Manager to begin to work with OUTREACH to establish a long-term working agreement.

Sincerely,

Steve Schmall
ASC Executive Committee Co-Chair
From: John Bennett  
Sent: Wednesday, September 15, 2010 12:20 PM  
To: 'board.secretary@vta.com'  
Subject: Outreach

For your consideration:

At age 76, unable to walk or stand, I am increasingly dependent on Outreach. I am still able to drive my 2001 Ramp Wheelchair Access Van, but it is wearing out, and a replacement is very expensive.

With a continuing decrease in my health, I must trust the board will do whatever is necessary to continue the service. Otherwise I will not be able to get out of the house as the need arises.

Regards,

John

John L. Bennett

From: E. Pruitt  
Sent: Wednesday, September 15, 2010 4:29 PM  
To: Board.Secretary  
Subject: Contract extension for Outreach

I was pleased to hear of VTA's recommendation to extend Outreach & Escort's contract. However, I feel that 24 months is too short and will cause stress and uncertainty in the senior and disabled community.

I would urge VTA to extend Outreach's agreement for a reasonably longer term, such as 5 years, to take into account the impact on senior nutrition, adult day care, dialysis centers, cancer treatment, the blind & sight-impaired community, and other vulnerable populations.

Many members of the senior community that I know would agree with me in urging the VTA Board to direct the General Manager to begin to work with Outreach to establish a long-term working agreement.

Sincerely,

Freda E. Pruitt
From: Sabuhi Siddique
Sent: Wednesday, September 15, 2010 4:16 PM
To: Board.Secretary
Subject: Support the OutReach service

Dear Board Member, I want to support the Out Reach service. Please consider it for the next year and coming years. I have an old parents and sometimes they use the Out Reach Service, it is a great help for me.

sincerely,

Sabuhi

From: Dawn Wilcox
Sent: Wednesday, September 15, 2010 4:04 PM
To: Board.Secretary
Subject: Outreach Agreement

Office of the Board Secretary
Santa Clara Valley Transportation Authority
To the VTA Board of Directors
September 15, 2010

I am a visually impaired RN and was Director of Medical Services for 10 years at Senior Day Health -now Avenidas Rose Kleiner Senior Day Health Center. I am also a past president of Silicon Valley Council of the Blind and an Outreach client.
I am writing to support the Chair of CTA, Mr. Aaron Morrow in urging VTA to extend Outreach’s agreement for a period longer than 24months - such as 5 years. A 5 year agreement would give all the groups utilizing Outreach’s services a more stable situation for planning.
Below is the body of his letter:
Dawn Wilcox RN BSN

From: Aaron Morrow
On Thursday, September 16th, VTA’s Committee on Transportation Planning and Operations is scheduled to meet to discuss the extension of OUTREACH’s paratransit service contract. The staff recommendation is to extend Outreach & Escort's contract by only 24 months. As the Chair of VTA's Citizens for Transit Accessibility (CTA) committee, I am asking for you to join me in supporting a longer extension of OUTREACH's paratransit contract.

We applaud VTA’s recommendation to extend Outreach & Escort’s contract. However, we feel strongly that 24 months is too short and will cause stress and uncertainty in the senior and disabled communities. We urge VTA to extend OUTREACH’s agreement for a reasonably longer term (e.g., 5 years) to take into account the impact on senior nutrition, adult day care, dialysis centers, cancer treatment, blind & sight impaired community and other vulnerable populations.
In addition, we urge the Board to direct the General Manager to begin to work with OUTREACH to establish a long-term working agreement.
From: Margaret Palmer  
Sent: Wednesday, September 15, 2010 3:19 PM  
To: Board.Secretary  
Subject: Outreach

To Whom It May Concern:

We applaud VTA’s recommendation to extend Outreach & Escort’s contract.

However, we feel strongly that 24 months is too short and will cause stress and uncertainty in the senior and disabled communities.

We urge VTA to extend OUTREACH’s agreement for a reasonably longer term (e.g., 5 years) to take into account the impact on senior nutrition, adult day care, dialysis centers, cancer treatment, blind & sight impaired community and other vulnerable populations.

In addition, we urge the VTA Board to direct the General Manager to begin to work with OUTREACH to establish a long-term working agreement.

Margaret Palmer, OTR/L  
Services for Brain Injury

From: Mila Kelman  
Sent: Wednesday, September 15, 2010 2:39 PM  
To: Board.Secretary  
Subject: Please consider longer contract

Dear VTA Board Secretary,

I am writing to support Outreach's bid to extend their contract with VTA. They provide a valuable service to our community for many years and continue to do so in spite of recent budget cuts.

I serve dialysis services patients who rely on Outreach to get to life sustaining ongoing treatment. They need reassurance that the service will continue in foreseeing future.

I urge VTA to extend OUTREACH’s agreement for a reasonably longer term (e.g., 5 years) to take into account the impact on senior nutrition, adult day care, dialysis centers, cancer treatment, blind & sight impaired community and other vulnerable populations.

In addition, we urge the VTA Board to direct the General Manager to begin to work with OUTREACH to establish a long-term working agreement.

Mila Kelman, MSW/LCSW  
Social Worker  
El Camino Dialysis Services
From: Lisa Hendrickson  
Sent: Wednesday, September 15, 2010 2:23 PM  
To: Board.Secretary  
Cc: Ginger Johnson  
Subject: Please Extend the OUTREACH Contract

Good day,

As the CEO of a senior services organization that serves over 6,500 older adults in northern Santa Clara County, I know all too well that many, many frail and disabled individuals depend on OUTREACH to get to medical appointments, join friends for a low-cost lunch, and to attend adult day health care programs, to mention but three examples. There is simply no affordable alternative mode of transportation and, without it, many many frail seniors who become even more isolated and ill. Please extend VTA’s contract with OUTREACH for more than 2 years to give time to thoroughly evaluate the impact that the loss of this service would have on a most vulnerable, and growing, population.

Lisa Hendrickson, CEO  
Avenidas

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From: Eva Monastersky  
Sent: Wednesday, September 15, 2010 2:10 PM  
To: Board.Secretary  
Subject: Outreach contract

i am writing to support Outreach's bid to extend their contract with VTA. They provide a valuable service to our community.

We applaud VTA’s recommendation to extend Outreach & Escort’s contract.

However, we feel strongly that 24 months is too short and will cause stress and uncertainty in the senior and disabled communities.

We urge VTA to extend OUTREACH’s agreement for a reasonably longer term (e.g., 5 years) to take into account the impact on senior nutrition, adult day care, dialysis centers, cancer treatment, blind & sight impaired community and other vulnerable populations.

In addition, we urge the VTA Board to direct the General Manager to begin to work with OUTREACH to establish a long-term working agreement.

Eva Monastersky, LCSW  
El Camino Dialysis Services

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To the VTA Board of Directors:

We applaud VTA’s recommendation to extend Outreach & Escort’s contract.

However, we feel strongly that 24 months is too short and will cause stress and uncertainty in the senior and disabled communities.

We urge VTA to extend OUTREACH’s agreement for a reasonably longer term (e.g., 5 years) to take into account the impact on senior nutrition, adult day care, dialysis centers, cancer treatment, blind & sight impaired community and other vulnerable populations.

In addition, we urge the VTA Board to direct the General Manager to begin to work with OUTREACH to establish a long-term working agreement.

Outreach has provided a vital service to the Santa Clara County community for a long time. It is a model for how such service should be provided. Outreach needs a long term commitment from VTA.

Thank you.

Michael Carbaugh
Business Services Manager
San Andreas Regional Center
September 15, 2010

Transit Planning and Operations Committee
Valley Transportation Authority
3331 North First Street
San Jose, CA 95134

Dear Chairperson Kalra:

I write on behalf of the Silicon Valley Leadership Group to support extending OUTREACH’s paratransit contract to 5 years, rather than 2 years, with an emphasis on working out a longer term contract during years 1 and 2.

By way of background, the Silicon Valley Leadership Group, founded in 1978 by David Packard of Hewlett-Packard, represents more than 300 of Silicon Valley’s most respected employers on issues, programs and campaigns that affect the economic health and quality of life in Silicon Valley, including energy, transportation, education, housing, health care, tax policies, economic vitality and the environment. Leadership Group members collectively provide nearly one of every three private sector jobs in Silicon Valley.

From our perspective, the lack of a long-term contract makes it very difficult for businesses to plan and invest in the future. OUTREACH is a national model for delivering world-class service to its clients in a cost-effective way through maximizing the latest innovations in technology and mobility management strategies. OUTREACH has also proactively come to the table with cost-savings measures for VTA. A level of stability and certainty in OUTREACH’s contract would help it continue to invest in infrastructure and find efficiencies in service delivery that don’t negatively impact rider-experience.

For these reasons, we encourage the Transit Planning and Operations Committee to recommend a 5 year contract extension with a commitment to working out a longer term contract with OUTREACH.

Thank you for your consideration of our remarks.

Sincerely,

Carl Guardino
President & CEO
To: VTA TP&O  
From: Aaron Morrow, Chair, CTA  
Date: 9/11/01  
Subject: TP&O 9/16/10 Agenda Item # 9 Paratransit Contract Extension

I am not able to attend the TP&O due to my acute health condition but respectfully request that you take my input via this correspondence.

CTA, at their April 7, 2010 meeting, unanimous voted to recommend extension of OUTREACH. While CTA did not specify the time horizon of the extension, CTA was clearly thinking long-term as we value the history of the partnership of VTA with OUTREACH since the early 1990s. CTA desires a long-term arrangement between VTA and OUTREACH in place sooner rather than later. CTA would not likely support staff recommendation of only 2 years due to the uncertainty it places on persons with disabilities and seniors.

I do applaud VTA for their willingness to extend Outreach’s contract another two years. This action is a statement that Outreach has demonstrated their ability to manage the paratransit program and work within the framework of VTA expectation as a contractor.

Given the severity of the California economy and the extension of the VTA budget situation I feel the contract should be extended beyond 2013. My own personal rationale Outreach has many tools in their toolbox that could help continue with cost control and ride sharing for paratransit service in Santa Clara County. The two year contract extension is not enough time to evaluate efficient benchmarks for the program.

Extending the current contract could allow Outreach to continue to leverage for 5310 grant money in the future,

I would encourage The VTA Board to do the following steps.

Step 1 - Authorize the General Manager to enter into a two-year to five-year contract extension with Outreach and Escort, Inc. through June 30, 2013 – 2016.

Step 2 - Direct the General Manager to prepare policy recommendations and agreements for VTA Board approval to formalize a long term ongoing VTA-OUTREACH relationship to be finalized within the term of the extension.

Step 3 - Send an immediate letter to MTC supporting Outreach’s request for CTSA designation and consideration of this request before the end of calendar year 2010.

As a Member of the Committee for Transit Accessibility I represent thousands of people with disabilities. VTA must continue to be a good partner in the community and find a middle ground so there is enough time for the disabled community to see the benefits of a VTA/Outreach partnership for the long term future of the paratransit program.

Thank you for your consideration of the content of this transmittal
Hi Jim: Attached are additional Letters Of Support that Outreach has received. I have also copied the VTA Board Secretary for distribution to the VTA Board.
March 17, 2010

Dear VTA Board Members, VTA Staff, and Honorable Mayor:

I am writing this letter to express my deepest appreciation for the services Outreach provides and to communicate how Outreach's Paratransit Service, in particular, has benefitted me in my life.

I suffered a spinal cord injury (SCI; C-6 complete) in 1988. I won't take your time in telling "my story". But I will share with you that in the effort to re-build my life and my continued effort to live as independent a lifestyle that I may, Outreach Paratransit has been a cornerstone. I have involved myself in many activities since my injury: I returned to school to begin a college education; I frequent the VA in Palo Alto (PAVA) where I receive my Primary Health Care and adapted equipment needs including my manual wheelchair; I am a lifetime member of the Paralyzed Veterans of America (PVA) and have twice been a sitting Board Member of the local chapter; I trained at the PAVA for PVA sponsored wheelchair sporting events; and I returned to full-time employment as an Alcohol and Other Drugs Counselor (AODC), all while raising my daughter as a single parent. I cite my accomplishments solely to impress upon you that without the services provided by Outreach, my accomplishments would be significantly less.

As an AODC, Outreach and the Guaranteed Ride Program is a resource, I believe, enables clients' success in their recovery efforts. I've had clients who suffered from disabilities and who depended on the Guaranteed Ride Program in their efforts to become part of the labor force. Right or wrong, people who struggle with recovery will easily relapse from the challenges before them. Outreach gets clients to treatment programs, support groups and ancillary services. Clients are better able to meet their legal issues as well. And I've had clients with little and no literacy/job skills find hope for gainful employment through the Guaranteed Ride Program.

I've shared rides with seniors and fellow veterans who depend on Outreach to get them to their destinations, whether it is a medical appointment, a food program at a local senior center or to spiritual services. I've rode with clients coming out of dialysis treatment and I've doubled up with clients coming out of the mall, grocery store and even the movies. Essentially, I, as well as many use Outreach to live as complete a life as possible, and often times, just so that they may live.

Outreach staff is expertly knowledgeable of the hardships of those in the disabled community and the need for resources and services. I'm sure my experiences are nothing new to Outreach and shared by any of their clientele. But the reason I am writing you is because I strongly believe that without Outreach my quality of life, and the quality of life for all those who benefit from Outreach would be dramatically harmed. I've been wheelchair bound for 22 years. During my rehab I saw numerous patients commonly return for injuries secondary to SCI. I have never
returned as an inpatient since my initial rehabilitation, and I attribute that to being able to living a productive, balanced and independent quality of life.

On the few times that I have visited Outreach, I felt I was treated as a valued client. I was even invited to participate in what I describe as a “pilot program” to better facilitate scheduling rides.

I cannot say enough how much I appreciate the services Outreach provides, nor how I have benefitted from being an Outreach client. I and the community are so very thankful for all that Outreach does and we look forward to a long ongoing future with Outreach thus we strongly implore the Board members to keep Outreach and all there services. Thanks for taking the time to read my thoughts.

Sincerely,

Phillip D. Reyes CADCA
(Certified Alcohol & Drug Counselor Associate)
March 18, 2010

Kimberly A. Gayle, Office Chief
Federal Transit Grants Programs
California Department of Transportation
Division of Mass Transportation – MS 39
P.O. Box 92874
Sacramento, CA  94274-001

Dear Ms. Gayle:

As the Senior Nutrition Manager, it is my pleasure to offer my support of Outreach & Escort Inc.'s (OUTREACH) New Freedom project proposal to continue their work to increase transportation options for the vulnerable residents of South County (i.e., Morgan Hill, San Martin and Gilroy).

In light of the recent public transit service reductions in our community, the work of OUTREACH to better coordinate existing transportation resources and efforts to expand transportation options has become increasingly important to our most vulnerable residents.

As a Senior Nutrition Manager, I am very aware of the importance that the lack of transportation plays in the health and wellbeing of our program’s participants. OUTREACH’s efforts to improve transportation options for these individuals will improve their access to services and benefits that will have a major effect on their ability to live healthy lives.

Additionally, I am very supportive of OUTREACH’s efforts to improve emergency preparedness planning for the transportation of our vulnerable residents in the event of a disaster.

Please feel free to contact me at [redacted] if you have any questions or concerns regarding this letter of support.

Sincerely,

[Signature]
Maria Delgado
Senior Nutrition Manager
Gilroy Senior Center
Santa Clara Family Health Plan

The Spirit of Care

Supervisor Don Gage
Chair of VTA Ad Hoc Financial Recovery Committee
VTA
3331 North First Street
San Jose, Ca. 95134-1927

March 12, 2010

Santa Clara Family Health Plan (SCFHP) is a community-based, not-for-profit Health Maintenance Organization (HMO) fully licensed in the State of California under the Knox–Keene Act. SCFHP provides coverage to nearly 120,000 members in Santa Clara County.

We understand that VTA is facing a financial shortfall. We are very concerned that absorbing OUTREACH under VTA will affect the quality of service. We are writing to express our support for OUTREACH. We are asking VTA to:

1. Pursue cost-containment in a positive manner and puts the well-being of the riders first.

2. Extend OUTREACH's stewardship of the Paratransit program. OUTREACH is a trusted program we have worked with for several years. Approximately 100 of our members use OUTREACH services each month and they rely on OUTREACH for transportation assistance. It is a cost-effective service and the agency is very experienced at what they do.

3. Maintain the continued coordination of OUTREACH Paratransit services as it provides options for seniors, low-income persons, among other groups.

4. Maintain the continued emergency planning coordination with OUTREACH for the transportation needs of groups like our members.

OUTREACH has created a custom software solution called TRIPNET and has made the product available to SCFHP. Access to this web based tool has allowed SCFHP to more effectively manage our transportation benefits and increase program efficiency and cost effectiveness.
March 25, 2010

Dear VTA Board of Directors,

My name is Lori Williamson and I manage a work activity program for Hope Services. The program that I manage provides services to 130 adults with developmental disabilities and approximately 40% of those individuals travel by way of Outreach Para-Transit.

I am writing this letter to you on behalf of many of these individuals and several of my colleagues here at Hope Services. Please see attached list of signatures.

We would like to express our appreciation for the services that Outreach provides, in hopes to dissuade discussion of any further cuts to these services. Over the past several years we have endured many changes to the Para-transit services and these cuts greatly affect individuals with disabilities and their ability to access their community.

Many of the individuals with developmental disabilities that I work with have been assessed for their ability to safely use the VTA bus services independently and are unable to do so. Further cuts to the services could impede their ability to enjoy the freedoms that non-disabled adults enjoy on a daily basis.

Please consider this as you approach your responsibilities this fiscal budgetary cycle. Individuals with disabilities rely on Outreach services daily and to reduce those services even further would significantly impact their lives.

Thank you very much for your consideration,

Lori Williamson, Hope Services
April 27, 2010

VTA Board

RE: OUTREACH Services

This is a letter of support for OUTREACH Services. I understand that our current economic state continues to be unyielding and that further budget cuts are necessary and imminent. With that in mind I would plead that none of those budget cuts affect current OUTREACH or Paratransit services.

We work with consumers who have suffered traumatic brain injuries and many are unable to drive. We run several day programs more than half of our clients come by use of OUTREACH and Paratransit services. If these services were to be cut in any form it would adversely affect each and every client we serve. Several clients come directly here to attend program and others we have successfully placed in employment within our community. OUTREACH and Paratransit services have assisted in helping many individuals claim their lives back!

You provide an invaluable service and it is my heartfelt desire that you keep it this way!

Should you have any questions or concerns please do not hesitate to call or email me.

Sincerely,

Angela Lucero
Programs Director
April 15, 2010

VTA Board of Directors
VTA
3331 N. First Street
San Jose, Ca. 95134-1927

To the Board:

Avenidas Senior Center would like you to know how much we appreciate the service and attention Outreach has given us. I myself have been associated with Outreach ever since 1995, when I was transportation manager for the Palo Alto Area Red Cross. We had to abandon our transportation service because of cancelled funding from United Way. Katie Heatley ably and quickly took up the slack, enrolling our riders in Outreach and providing them with the vital rides they needed. More recently, here at Avenidas, Outreach made it possible for us to continue rides to our daily nutrition program – La Comida – thus allowing our most vulnerable population to come to lunch very day. Some who don’t use the bus come in Outreach cars.

I urge you to continue your present arrangement with Outreach, which provides such an important service to the community in an efficient and humane manner.

Sincerely yours,

Ginger Johnson
Ginger Johnson
Director of Transportation
Avenidas
May 24, 2010

To: Board of Directors
Santa Clara Valley Transportation Authority
3331 North First Street
San Jose, Ca. 95134-1927

From: Marsha Hovey, President
California Emergency Services Association
Cupertino Office of Emergency Services

I recently visited the OUTREACH facility on Rock Avenue in San Jose. The OUTREACH management team provided a wonderful tour and explanation of all aspects of the organization.

I have seen OUTREACH vehicles throughout Santa Clara County for many years. I knew they provided rides, but I had no idea of the volume or logistics required to serve our community.

The OUTREACH facility actually functions as a model emergency operations center. The advance planning, operational decisions and logistics support are amazing! Their innovative, technology based approach to service enables coordination with other transportation entities, minimizes cost and maximizes efficiency.

I knew that Outreach is an active partner in the Santa Clara County Emergency Managers Association (EMA) and Collaborating Agencies Disaster Relief Effort (CADRE), but was very impressed at how much had been done, internally, to prepare. From redundant communications, generator power, emergency supplies and staff training, their program is a true example of commitment to providing community service – every day.

Thank you for your continued support to this very valuable organization!

Sincerely,

Marsha Hovey
Kanakam Rangan, [redacted]
Customer Service, Outreach, 926, Rock Avenue,
Suite No.10, San Jose, CA.95131.(FAX.No.408-435-0605-Ext. 352 - 0470)

May 05, 2010

Madam/Sir,

Outreach Services -- Immense and invaluable help for Seniors' mobility:

I have been using Outreach for some years now. I have found this extremely useful and necessary for me and my husband (76 and 83 yrs. Of age), to be able to lead a healthy and active life in San Jose.

My husband accompanies me as a P.C.A. His I.D. No. is 194028.

Mainly because of the great help of Outreach, at my and my husband's present age, I can reasonably say that it affords positive, energetic and independent mobility for me to visit my Health Care Provider, viz. The Kaiser Permanente Hospital and Medical Center in Santa Teresa and Santa Clara.

This has largely enhanced in my/our keeping generally good health and active and independent for our personal needs.

I also take Outreach to go to the Almaden Community Center, The India Community Centers at Milpitas and Cupertino and the Libraries at Almaden and Santa Teresa.

This outreach facility gives me/us a lot of physical and mental tonic.

I and my husband commend the courteous and helpful services of all the staff of Outreach and thank them profusely and request you to continue this invaluable Life Support.

Yours very truly,

(Kanakam Rangan)
To Whom It May Concern,

I offer this letter of support to OUTREACH, an agency that strives to give our consumers quality services daily. The technology based innovations that OUTREACH provides serves to improve the efficiency of our consumer's transportations needs and their safety in transit. OUTREACH is helpful and responsive to our facility, agency and community input. They constantly strive to develop measures addressing key issues in areas like cost containment coordinating vehicle sharing and transit operation with fellow vendors. They hold a key role in emergency preparedness for our community continually bringing all their organization has to provide in our response coordination efforts.

I am pleased to continue working together with OUTREACH as we strive to meet our community's needs.

Dennis J. Kempe
Manager Whittier Work Activity Program
Hope Services
1555 Parkmoor Avenue
San Jose, CA 95128
408-282-0423
www.hopeservices.org
March 15, 2010

To Whom It May Concern:

Jake Atteberry is my grandson. He is 18 years old. Jake has cerebral palsy, a condition that affects his mobility (necessitating a wheelchair for transport), speech (unintelligible), and vision (legally blind).

Jake has been living with me for almost a decade and has been a client of Outreach for many years. Jake has used Outreach for a variety of services, including transport for:

- Doctor and therapy appointments.
- Weekly teen group meetings.
- Special school field trips.
- Shopping expeditions.
- Trips to movie theaters and restaurants.

Jake is profoundly physically disabled. He needs help getting from the bus to his destination. Outreach makes sure that Jake is delivered safely, not left helpless on the curb. Sometimes, Jake needs to bring a car seat for a companion as when his after-school caretaker goes with him to a doctor’s appointment and needs to bring her young daughter. Outreach accommodates this arrangement. Sometimes, Jake needs alternate seating as when he needed to travel in a special reclining wheelchair for weeks after leg surgery. Outreach also accommodates this arrangement.

I need to be able to work with an organization that understands the needs of the disabled. Outreach has proven to me over numerous trips to be that organization. I believe that Outreach is a valuable asset to the community. I trust the program and the people who work for the program. They have always been able to meet Jake’s needs.

Please make sure that the disabled come first before financial concerns. Please know that many disabled people are frail and vulnerable. They need established, experienced organizations to service their needs.

Thank you,

[Signature]

Donna Atteberry
March 18, 2010

To Whom It May Concern:

This letter is in support of the fantastic OUTREACH Program. OUTREACH currently serves families at our school by providing the much needed transportation to and from home and school. This program enables parents to meet the demands of their jobs and yet make sure that their children are properly and safely transported to and from school.

I know that OUTREACH provides a variety of other important services to the community. I have lived in communities where this kind of service is not available and I am tremendously impressed and grateful that our community can count on these vital services.

Sincerely,

Alicia Saballa-Santana
Principal
Rachell Corsbie

March 15, 2010

Dear VTA Board Members

Hello my name is Rachell Corsbie and I am writing in support of the OUTREACH Program. Although I have not personally used OUTREACH I have encountered this program both professionally and personally during the last 3 years. I work for the Palo Alto Veterans Administration and hear from our clients how much the Program means to them and the sense of independence it provides them and their families. I also have a Grandmother who moved to the Santa Clara County area to receive “In-Home” support care from us her family and although she was only able to utilize the OUTREACH program for a short period of time due to Medical Transportation needs that far surpassed what a Public Paratransit system could provide Outreach staff took the time to explain this and other options to us in a dignified and very educational manner.

I believe it would be a disservice to numerous Elderly and Disabled County residents to change or harm in any way a Non-Profit program that has served our Community in a professional and responsible demeanor.

I ask that you please support the Outreach program and the Santa Clara County residents who depend on their knowledgeable staff and extremely valuable service.

With warm regards,

Rachell Corsbie
April 30, 2010

Dear VTA Board Members and Board of Directors,

I would like to inform you of the extremely informative visit and tour I experienced at the Outreach Mobility Management Center facilities. It was a sincere pleasure meeting their knowledgeable staff and having the opportunity to review all the numerous programs and services they offer.

I was very impressed by the organization. The ADA Paratransit and Senior services that Outreach provides, to the City of San Jose and surrounding areas, play a vital role to some of the most at risk members of our community.

As a member of the City of San Jose Senior Commission I am acutely aware of the issues facing San Jose's senior community. Without Outreach's uniquely coordinated services many seniors, disabled individuals, and low-income families would not be able to lead independent and self-sufficient lives. The Outreach organization plays a key part in sustaining the vitality San Jose's disable and senior population.

I understand that we are in a dire economic environment and funding is not as abundant as in past years. However I feel it is imperative that the Outreach program be supported by the VTA Board. I personally offered to Outreach my support of their Organization in anything I can do to help continue their coordinated efforts and to move their message forward.

Thank you again,

Vulnerable

Rene Lovato
Senior Commissioner

CC: VTA Board Secretary
February 25, 2010

Santa Clara County
VTA Board of Directors
VTA General Manager

Dear Honorable Representatives of both Santa Clara County and the VTA Board of Directors:

I am a long-term resident of the County of Santa Clara, and I am writing to express my concern about recent discussions to remove Paratransit services out from Outreach Transportation. I understand that the decision is being considered due to budgetary concerns and constraints.

However, I do believe that the benefits of keeping Outreach Transportation far out way any perceived short term financial gains. Outreach Transportation is more than just our local Paratransit they are a “go to” for question and answers for all Transportation needs. Their unique and inspiring team and position as a Non-Profit has always had a Customer first attitude and with this status additionally have a way of bringing in a myriad of options and solutions to all Santa Clara residents.

It would seem that removing an Organization that is helping decrease the need for Paratransit thus lowering the VTA overall costs by offering additional choices seems counterproductive. I have also been to enough public meetings and presentations to know that Outreach is heavily involved in Emergency preparation and innovation with other county entities, I believe VTA included, that will serve and benefit not only Paratransit and Outreach’s other transportation options such as their Senior, Cal-works and low income participants but potentially other residents of our County and neighboring counties.

In closing I would like to ask everyone to consider whose hands would you want your Mom, disabled Vet, visually impaired neighbor or cognitive child in? For me it is Outreach who for over 30 years has been effectively servicing the County of Santa Clara. I am looking forward to the outcome of your decision and I pray it is a positive one for all the disabled residents of Santa Clara.

Sincerely,

[Signature]
APRIL 26, 2010

AS A CLIENT OF OUTREACH SERVICES, I AM WRITING THIS LETTER IN SUPPORT OF THE OUTREACH PROGRAM. BECAUSE OF MY DISABILITIES, BEING ABLE TO DEPEND ON THE SERVICES THAT OUTREACH PROVIDES, KEEPS ME A CONTRIBUTING MEMBER OF THE COMMUNITY. THUS I WOULD NOT WELCOME ANY CHANGES TO THIS OUTREACH PROGRAM.

SINCERELY,

Mariel J

MARIEL CASHION, CLIENT
From: [Redacted]  
Sent: Wed 5/12/2010 5:34 PM  
Subject: OUTREACH

I'm writing to ask you to keep OUTREACH. So many seniors depend on your service to get to their medical appointments, shopping and to senior centers. You have done a wonderful job of providing a very important service to the seniors of Santa Clara County. Please continue to provide this much needed service.

Julie Ikerd
Keep Outreach!
I'm getting old and don't know when I may not be able to drive!

The New Busy is not the too busy. Combine all your e-mail accounts with Hotmail. Get busy.
Hi,

This email is to request keeping outreach for Senior Citizens like us. Without the outreach facility some of the citizens have no chance of getting out of the home for medical appointments, etc. Please keep the "Outreach" for our senior citizens. Thanks.

Best Regards,

Vilas and Anita Munshi
From: [redacted]
Sent: Mon 5/10/2010 2:02 PM
Subject: Outreach

I'm writing because of the possibility of cancelling Outreach. I have an uncle that is wheelchair bound and cannot help get himself out of his chair. If it wasn't for Outreach he would not have been able to go to the doctor for his checkups as I couldn't lift him into my car. An Outreach wheelchair accessible van helped him to be able to see his doctors.

Thank you
Please do all you can to save the Outreach Program. It is essential to those unable to drive.

PLEASE DO NOT ELIMINATE THE OUTREACH PROGRAM

A senior living in Almaden Valley

Freda Findlay
From: Ed Cronin
Sent: Mon 5/10/2010 11:32 AM
Subject: Possible cancellation of Outreach Services

Outreach Senior Paratransit is a vital service to those who are unable to drive or have others drive them to Medical appointments, Grocery stores, Church, etc. I am concerned to hear that the VTA is considering dropping this program. I know of many who benefit and who would be left in near isolation should it be dropped. I urge you to not drop this vital program, but to think-out-of-the-box for solutions to retain this program.

Thank You,

Ed Cronin
To whom it may concern,

I am writing this letter to express my concern about losing our program which is a paratransit service, namely Outreach. I use this service quite often as do many, many other of us who are handicapped and the elderly. We had the opportunity to ride in your sedans, mini-vans, and the large vans, all of them accommodating myself and others perfectly. Also, I have met several drivers, all of them very polite, understanding and are excellent when it comes to our safety. There has already been budget cuts causing our ride fare to increase which has affected me greatly. However, with me having a large power chair, they are the only ones who could accommodate me. I know I am only one voice, but I speak for many. We only ask that you revisit the situation and please opt to do the right thing by allowing Outreach to continue serving our community.

Thank you,

a grateful Outreach rider,

Tina L. Lozano
I am speaking to the possibility of dismantling thirty years of Outreach programs for budget reasons.

Outreach is a nonprofit corporation. I know a lot of nonprofit corporations in the field of transportation through my decades of association with TRANSFORM which serves seven Bay Area counties.

Many nonprofits are outstanding. But the premiere nonprofit in my decades of studying the nonprofit community in general is Outreach. It is an organization whose entire staff is in serviced flawlessly.

Fact is, when thirty years ago VTA turned over the care of profoundly incapacitated clients, VTA did it right.

They chose Outreach. And Outreach has been heroic in serving with an excellence that could be a case study in Stanford Professor Tom Peter's book, "In Search of Excellence".

Economist Milton Friedman quipped that "if you put the government in charge of the Sahara Desert, in five years there'd be a shortage of sand". If Outreach folds, VTA will not be out of sand, it will be out of hope for those who need transit most.

Outreach has worked well for thirty years. Please leave it alone.

Alice Frayne
Board of Directors
Santa Clara Valley Transportation Authority
3331 North First Street
San Jose, CA 95134-1927

Re: VTA Proposal to re-bid paratransit contract

Dear VTA Board Members,

The Disability Advisory Commission of the City of San Jose (DAC) supports the Committee for Transit Accessibility’s (CTA’s) position not to re-bid the current paratransit contract held by OUTREACH, Inc. or to bring operations in-house.

The current paratransit provider, OUTREACH, is a non-profit that has been providing services to the Santa Clara County for over 30 years. They have become an integral part of the daily lives of many people with disabilities in the City of San Jose. OUTREACH has done an outstanding job of providing superior service to their riders. They are a highly technology-driven operation. They have the largest fleet of wheelchair vans in the area. They provide approximately 3,000 rides a day, which equates to over a million rides a year. They work closely with the County and City Emergency Services to ensure their riders are accommodated during an emergency.

The current financial situation has created hardships for many people throughout the entire Bay Area. However, for people with disabilities, this has been an especially difficult time. Many rely on paratransit services to help them live independent lives. They have seen their services reduced, or in some areas completely eliminated. They live with the insecurity of not knowing the impact of future reductions. They have come to rely on the folks and services at OUTREACH to provide the support and resources to enjoy living in the mainstream of society. Putting this contract out for re-bid would create even more uncertainty and stress on our most vulnerable citizens.

The City of San Jose Disability Advisory Commission would like you to know that it strongly supports the CTA’s motion to reject VTA’s proposal to rebid the paratransit contract. We encourage you to continue your support of OUTREACH in providing this invaluable service to the citizens of San Jose who have disabilities.
Thank you.

Sincerely,

/s/

Disability Advisory Commission, City of San Jose
Otila Salazar-Torres, Chair

cc: San Jose Mayor Chuck Reed
    San Jose City Council Members
    Committee for Transit Accessibility (CTA), VTA
May 13, 2010
Santa Clara Valley Transportation Authority (VTA)
Board of Directors:
VTA Board Chair Sam Liccardo
VTA Board of Directors
VTA
3331 North First Street
San Jose CA 95134-1927
Copy:
VTA Board
Michael Burns, General Manager, VTA
Dear Board of Directors,

In my role as a United We Ride Ambassador for the Federal Transit Administration Region IX, I am constantly searching for examples of best practices in the operation of human service transportation coordination so I can share positive developments with other transport agencies and arrange for peer transfers that would allow for similar best practices to be replicated. During my attendance at the CalACT Conference 2010 in San Francisco April 19-22, I was made aware of the Caltrans Mobility Management Planning Study that was released at that Conference. As I scan the nation searching for best practices, two projects rank very high on the list for they represent the only two remaining of the eight projects that were initially selected in the US DOT Mobility Services for All Americans (MSAA). Paducah Kentucky expanded their existing call center to cover a larger geographic area and provide around-the-clock access to traveler support. The strengthen call center added customer-oriented features, such as automated telephone and internet-based trip reservation and management. In Lower Savannah, Aiken South Carolina, their planning and design of an expanded human service transportation network included more human service transportation providers and vehicle tracking abilities (e.g., GPS), and enabled customers to receive information and manage their own trips through a toll-free number and web-based applications. Through their implementation both of these agencies are meeting the goal of this USDOT initiative. That goal is to improve transportation services and simplify access to employment, healthcare, education and other community activities by means of the advanced technologies of Intelligent Transportation Systems (ITS) and through extending transportation service partnerships with consumers and human service providers.
at the federal, state and local levels. Phase I of this US DOT initiative costs about $3.7 million dollars.

The third ranking system on my national list is Outreach and Escort, Inc. They are to be considered a best practice because they certainly do more with less. They were able to accomplish similar goals as the MSAA projects and than some but with a lot less federal assistance. Their accomplishments were done the old fashioned way, largely by leadership, initiative, cost effective decision-making and an extremely high level of caring for those community members that need special help.

Some of the criteria that are used to evaluate a best practice include:

1. The building of service partnerships;
2. Coordination partnerships;
3. Populations served;
4. Sharing the load;
5. Applied ITS technologies; and
6. Cost saving measures

In labeling Outreach as a best practice and using a scale of from 1 to 10, let us examine how well their operation has scored.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
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<tbody>
<tr>
<td>1. Service partnerships (32 organizations)</td>
<td>10</td>
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<td>2. Coordination partnerships (70 entities)</td>
<td>10</td>
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<tr>
<td>3. Population served (15 groups)</td>
<td>10</td>
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<td>4. Sharing the load(Shared vision, mission, planning, funding, resources, marketing, responsibilities, cooperation, communication, customers, billing, technology, maintenance, rides, training, information, service provision, liability, dispatch/scheduling, vehicles).</td>
<td>10</td>
</tr>
<tr>
<td>5. Applied Technologies – The operation of a Mobility Management Center with over 150 work stations and servers, 50 software applications, GIS, IVR, MDT, automated routing, scheduling, dispatching, real time AVL, and integrated daily data transfer between business applications and operational software system for scheduling/dispatching, enrollment, client accounting, Web Port Trip Net, etc., with open architecture software that Outreach is willing to share with other non-profit agencies.</td>
<td>10</td>
</tr>
</tbody>
</table>
6. Cost Saving Measures – Coordination, mobility management with Web Portal, brokerages (Medicaid/general public), shared rides, shared costs, shared resources, and the operation of 100 Prius vehicles, etc.

My scoring bias is influenced by my knowledge of what other agencies are doing. Most are doing much less than what Outreach has accomplished.

Even though it took over 30 years to develop, Outreach is among the best in the nation when it comes to human service transportation coordination. They are not very good at “tooting their own horn”. I will attempt to do that for them, for they deserve that national recognition. This agency needs to be encouraged not discouraged while serving the community especially in this age of increasing demand for specialized transportation.

Sincerely,

David J. Cyra

David J. Cyra
UWR Ambassador FTA Region IX
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: Monthly Legislative History Matrix

FOR INFORMATION ONLY

BACKGROUND:

For your information, I am attaching our Monthly Legislative History Matrix, which describes the key transportation-related bills that were considered by the California State Legislature during the 2009-2010 session. It indicates the status of these measures and any adopted VTA positions with regard to them.

DISCUSSION:

The 2009-2010 regular session came to a close at midnight on August 31, meaning the Legislature can no longer consider any majority-vote bills that were introduced during the two-year period. However, lawmakers can continue to work on items requiring a two-thirds vote, such as urgency measures and the state budget, until as late as November 30. For majority-vote bills that were approved by the Legislature and shipped to Gov. Arnold Schwarzenegger, he has 30 days to act on them. He can sign, veto or let them become law without his signature. Some of the key measures that survived the legislative process and have been sent to the Governor are as follows:

AB 194 (Torrico): One of three bills to reach Gov. Schwarzenegger that were introduced in response to the controversy surrounding the city of Bell in Southern California, AB 194 specifies that for purposes of determining a retirement benefit payment for a person who first becomes a member of a public retirement system on or after January 1, 2011, the maximum salary or pay rate upon which retirement benefits may be based cannot exceed 125 percent of the salary recommended by the California Citizens Compensation Committee for the Governor. VTA Position: None.

AB 289 (Galgiani): Subject to appropriation by the Legislature, AB 289 makes available to the
High-Speed Rail Authority $2.25 billion in American Recovery and Reinvestment Act (ARRA) high-speed rail funding, and requires these dollars to be used for planning, engineering and constructing the first phase of the state’s high-speed train system running between Anaheim/Los Angeles and the Bay Area. It also requires any funds received by California in FY 2011 from the federal Passenger Rail Investment and Improvement Act of 2008 to be used for planning and engineering work related any of the following corridors: (1) Merced to Sacramento; (2) Los Angeles to San Diego; and (3) the Altamont Corridor. VTA Position: None.

AB 619 (Blumenfield): Another high-speed rail bill that survived the legislative process, AB 619 requires any entity applying for a contract with the High-Speed Rail Authority to affirmatively certify in advance of submitting a formal bid whether it had any direct involvement in the deportation of any individuals to concentration or prisoner-of-war camps during World War II. VTA Position: None.

AB 827 (De La Torre): Also motivated by the city of Bell situation, AB 827 prohibits so-called “evergreen” clauses, such as automatic renewals and automatic pay increases exceeding the cost of living, in the contracts of individual employees who report directly to the governing body of a local agency. This bill also requires a performance review for these employees before a local agency governing body can provide an increase in compensation above a cost-of-living adjustment. VTA Position: None.

AB 987 (Ma): This measure amends the Transit Village Development Planning Act, which was enacted in 1994 to encourage mixed-use development at relatively higher densities around public transit stations, to allow a city or county to include a larger area in a transit village development district. VTA Position: Support.

AB 1670 (Beall): Sponsored by the city of San Jose, AB 1670 allows the California Transportation Commission (CTC) to relinquish the following state highway facilities to the city: (a) the portion of State Route 82 from U.S. 101 to I-880, which is commonly known as The Alameda/Monterey Highway; and (b) the portion of State Route 130 within the city limits, which is Alum Rock Avenue. VTA Position: Support.

AB 1784 (Fong): This bill allows VTA to manage the construction of improvement projects on local roadways under the jurisdiction of the 15 cities within Santa Clara County or the county, if requested by a city or the county to do so. Status: Signed into law. VTA Position: Sponsor.

AB 1830 (Jones): This measure requires the High-Speed Rail Authority to make every effort to purchase high-speed train rolling stock and related equipment manufactured in the state. VTA Position: None.

AB 2324 (J. Perez): Intended to strengthen the safety and security of public transit systems in California, AB 2324 prohibits the following: (a) a person from knowingly possessing specified weapons within a restricted area of a public transit facility; (b) an unauthorized person from knowingly entering a restricted area of a public transit facility; and (c) a person from intentionally avoiding submission to screening and inspection when entering or re-entering a restricted area of a public transit facility. In addition, this measure increases the penalties for
repeat fare evasion offenders and for certain acts of public transit passenger misconduct. VTA Position: Support.

SB 964 (Alquist): This bill requires the High-Speed Rail Authority to contract with the Employment Development Department to put together a strategy to facilitate the availability of a skilled, in-state workforce to participate in the construction of the state’s high-speed train system. VTA Position: Support.

SB 965 (DeSaulnier): Subject to appropriation by the Legislature, SB 965 provides statutory authorization for the High-Speed Rail Authority to expend the federal ARRA funds awarded to California for the state’s high-speed train project. It also requires the High-Speed Rail Authority to take those actions necessary to ensure that ARRA high-speed rail funds are obligated and expended in a manner that: (a) meets all applicable federal deadlines; (b) maximizes job creation in California at the earliest feasible time; (c) expedites the completion of vital high-speed rail infrastructure projects that improve rail-highway safety, mobility and performance; and (d) makes the most efficient use of available Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Proposition 1A) funds. VTA Position: None.

SB 1205 (Corbett): Sponsored by the Association of Bay Area Governments (ABAG), SB 1205 establishes the Bay Area Disaster Recovery Planning Council to create a long-term regional disaster recovery plan for the San Francisco Bay Area. VTA Position: None.

SB 1268 (Simitian): Introduced to address privacy issues, SB 1268 prohibits a transportation agency from selling or providing personally identifiable information of a subscriber obtained through his or her participation in an electronic toll collection system. VTA Position: None.

SB 1320 (Hancock): This bill allows VTA, the Alameda-Contra Costa Transit District (AC Transit) and several other transit agencies to impose and enforce civil administrative penalties for fare evasion and passenger misconduct violations in lieu of criminal penalties. VTA Position: Co-Sponsor.

SB 1371 (Correa): This legislation authorizes the lead agency for an intercity, commuter or urban rail transit capital improvement project funded through Proposition 1A to apply to the CTC 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. VTA Position: Support.

Meanwhile, Gov. Schwarzenegger and legislative leaders appear to have reached an agreement on all but about $4 billion in solutions to solve the state’s $19 billion General Fund gap. However, those few billion dollars boil down to deep cuts in welfare-to-work, in-home services for low-income disabled residents and Medi-Cal patients versus higher taxes on corporations, oil production and possibly middle-class taxpayers. Disagreements also remain over how much money to provide to public schools and issues related to state employee compensation.

For the most part, transportation was addressed in March, when Gov. Schwarzenegger and the Legislature reached an agreement on a complex swap that involved replacing the sales tax on
gasoline with a 17.3-cent-per-gallon increase in the gasoline excise tax. This swap is expected to achieve roughly $1 billion in annual budget savings by relieving the General Fund of having to pay for debt service on transportation bonds. While the Governor’s May Revision did include a number of transportation-related proposals, none generated any controversy and they were quickly embraced by the Legislature. The most significant of these proposals calls for borrowing $650 million from the Highway Users Tax Account (HUTA) for the General Fund to be repaid by June 30, 2013. This $650 million is excess, uncommitted money resulting from the swap. It is available on a one-time basis. When repaid, it would be used to fund rehabilitation projects on the state highway system under the State Highway Operation and Protection Program (SHOPP).

Prepared By: Kurt Evans
Memo No. 2351
<table>
<thead>
<tr>
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<td>AB 194 (Torrico)</td>
<td>For purposes of determining a retirement benefit payment paid to a person who first becomes a member of a public retirement system on or after January 1, 2011, provides that the maximum salary or pay rate upon which retirement benefits may be based cannot exceed 125 percent of the salary recommended by the California Citizens Compensation Committee to be paid to the Governor. Requires this amount to be adjusted annually based on changes in the All Urban California Consumer Price Index.</td>
<td>8/27/10</td>
<td>Governor’s Office</td>
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<td>AB 231 (Huber)</td>
<td>For purposes of complying with the California Environmental Quality Act (CEQA), authorizes a lead agency, until January 1, 2016, to incorporate by reference a finding of overriding consideration made in a prior environmental impact report (EIR) for a later project if certain conditions are met, including that the lead agency determines that the later project’s significant impacts on the environment are no greater than those identified in the prior EIR from which the project is tiered.</td>
<td>8/20/10</td>
<td>Governor’s Office</td>
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<td>AB 266 (Carter)</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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<td>AB 289 (Galgiani)</td>
<td>Upon appropriation by the Legislature, makes available $2.25 billion in American Recovery and Reinvestment Act (ARRA) high-speed rail funding to the California High-Speed Rail Authority to be used for: (a) planning and engineering for the high-speed train system; and (b) capital costs, consistent with federal guidelines, rules and regulations, and consistent with Proposition 1A. Upon appropriation by the Legislature, requires any funds received by California in FY 2011 from the federal Passenger Rail Investment and Improvement Act of 2008 to be used for planning and engineering work for any of the following corridors: (1) Merced to Sacramento; (2) Los Angeles to San Diego; and (3) the Altamont Corridor. Exempts the executive director of the High-Speed Rail Authority from civil service. For purposes of managing and administering the ongoing work of the High-Speed Rail Authority in implementing the high-speed train project, allows the Governor, upon the recommendation of the authority’s executive director and subject to an appropriation, to appoint up to six additional employees, who would: (a) be exempt from civil service; and (b) serve at the pleasure of the authority’s executive director. States the intent of the Legislature to approve additional positions at the High-Speed Rail Authority for purposes of creating an Office for Project Controls and Risk Management within the authority</td>
<td>8/27/10</td>
<td>Governor’s Office</td>
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<td>AB 497</td>
<td>HOV Lanes: Physicians</td>
<td>5/14/09</td>
<td>Senate Transportation and Housing Committee</td>
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<td>AB 569</td>
<td>Meal Periods: Construction and Transportation Industries</td>
<td>8/20/10</td>
<td>Governor's Office</td>
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<td>AB 619</td>
<td>High-Speed Rail: Contracts</td>
<td>7/15/10</td>
<td>Governor's Office</td>
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<td>AB 726</td>
<td>Local Roadway Rehabilitation Projects</td>
<td>As Introduced</td>
<td>Senate Transportation and Housing Committee</td>
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<tr>
<td>AB 732</td>
<td>Design-Sequencing Contracts</td>
<td>6/16/09</td>
<td>Senate Appropriations Committee</td>
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**AB 497 (Block)**

HOV Lanes: Physicians

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.

**AB 569 (Emmerson)**

Meal Periods: Construction and Transportation Industries

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; a commercial driver; an employee in the security services industry; an employee of an electrical or gas corporation; or an employee of a local publicly owned electric utility 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.

**AB 619 (Blumenfield)**

High-Speed Rail: Contracts

Requires any entity applying for a contract with the High-Speed Rail Authority related to the high-speed train network to affirmatively certify in advance of submitting a formal bid whether it had any direct involvement in the deportation of any individuals to extermination camps, work camps, concentration camps, prisoner of war camps, or any similar camps during the period from January 1, 1942, through December 31, 1944.

**AB 726 (Nielsen)**

Local Roadway Rehabilitation Projects

States that local roadway rehabilitation projects are eligible for funding under the State Transportation Improvement Program (STIP).

**AB 732 (Jeffries)**

Design-Sequencing Contracts

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.
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<tr>
<th>State Assembly Bills</th>
<th>Subject</th>
<th>Last Amended</th>
<th>Status</th>
<th>VTA Position</th>
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</thead>
<tbody>
<tr>
<td>AB 744 (Torrico)</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><strong>AB 827</strong></td>
<td>On or after January 1, 2011, prohibits any contract executed or renewed between a local agency and an excluded employee from including any of the following: (1) an automatic renewal of the contract; (2) an automatic increase in compensation that exceeds a cost-of-living adjustment; (3) an automatic increase in compensation that is linked to another contract; or (4) a maximum cash settlement that exceeds the amounts established in existing law. Requires a performance review to occur prior to increasing the salary of an excluded employee. Defines “excluded employee” as any person who is or will be employed by, and report directly to, the legislative body of a local agency, and is not subject to the Meyers-Milias-Brown Act or the Education Code’s employee relations provisions.</td>
<td>8/27/10</td>
<td>Governor’s Office</td>
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<td><strong>AB 987</strong></td>
<td>Recasts the area included in a transit village development district to include all land within not more than a half mile of the main entrance of a public transit station.</td>
<td>8/18/10</td>
<td>Governor’s Office</td>
<td>Support</td>
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<td><strong>AB 1030</strong></td>
<td>In consultation with Caltrans, authorizes the Institute of the Environment at the University of California-Los Angeles (UCLA) to undertake a project for mapping the renewable energy development potential of state-owned real property under the direction and control of Caltrans. Requires Caltrans to respond within 90 days to any proposal to develop a renewable energy project as to whether: (a) the property is available for sale, lease or encroachment permit; and (b) the project would be compatible with the current and projected use of that property.</td>
<td>7/13/09</td>
<td>Senate Appropriations Committee</td>
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<td><strong>AB 1375</strong></td>
<td>Exempts the executive director of the California High-Speed Rail Authority from civil service. For purposes of managing and administering the ongoing work of the High-Speed Rail Authority in implementing the high-speed train project, allows the Governor, upon the recommendation of the authority’s executive director, to appoint up to six additional employees, who would: (a) be exempt from civil service; and (b) serve at the pleasure of the authority’s executive director.</td>
<td>6/22/10</td>
<td>Senate Transportation and Housing Committee</td>
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<td><strong>AB 1405</strong> (De Leon) 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, other than revenues collected for administrative purposes, 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 air pollution; (b) increase water and energy efficiency and conservation through retrofitting, replacing or weatherizing activities; (c) install clean distributed generation systems that utilize locally available renewable energy sources, such as solar, wind and geothermal energy; (d) initiate or enhance public mass transit, including fare subsidies to commuters; (e) incentive low-income, public mass transit-oriented housing development; (f) minimize the direct health impacts of climate change and prepare for emergencies from extreme weather events by taking actions such as the operation of air-conditioned cooling centers that are open to the public; or (g) provide community based greening, forestry or water-related projects, such as stormwater capture, tree planting, and water conservation and efficiency measures that have been recognized to reduce greenhouse gas emissions and produce co-benefits. Requires CARB to adopt a methodology to identify the most impacted and disadvantaged communities by June 30, 2010.</td>
<td>8/20/10</td>
<td>Governor’s Office</td>
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<td><strong>AB 1500</strong> (Lieu) 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, 2015.</td>
<td>5/26/10</td>
<td>Signed into Law: Chapter #37</td>
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<tr>
<td><strong>AB 1670</strong> (Beall) Relinquishment of State Routes 82 and 130</td>
<td>Authorizes the California Transportation Commission (CTC) to relinquish the following to the city of San Jose: (a) the portion of State Route 82 from U.S. 101 to I-880; and (b) the portion of State Route 130 within the city limits.</td>
<td>7/15/10</td>
<td>Governor’s Office</td>
<td>Support</td>
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<td><strong>AB 1760</strong> (Blumenfield) Design-Sequencing Contracts</td>
<td>Authorizes Caltrans to award design-sequencing contracts for the design and construction of not more than five transportation projects until January 1, 2014. Defines “design-sequencing” as a method of contracting that enables the sequencing of design activities to permit each construction phase to commence when design for that phase is complete, instead of requiring design for the entire project to be completed before commencing construction. Provides that under a design-sequencing contract, Caltrans would serve as the responsible agency for the performance of design work. In selecting projects for design-sequencing, requires Caltrans to attempt to: (a) balance geographical areas among projects; (b) pursue diversity in the types of projects undertaken; and (c) consider selecting projects that improve interregional and intercounty routes. Allows Caltrans to use employees or consultants for design-sequencing contracts, consistent with the provisions in the state Constitution.</td>
<td>7/15/10</td>
<td>Governor’s Office</td>
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<td>AB 1784 (Fong) VTA: Local Roadway Projects</td>
<td>Authorizes the Santa Clara Valley Transportation Authority (VTA) to manage the construction of improvement projects on local roadways under the jurisdiction of the 15 cities within Santa Clara County or the county, if requested by a city or the county to do so.</td>
<td>4/12/10</td>
<td>Signed into Law: Chapter #57</td>
<td>Sponsor</td>
</tr>
<tr>
<td>AB 1805 (Calderon) CEQA Litigation Protection Pilot Program of 2010</td>
<td>Establishes the California Environmental Quality Act (CEQA) Litigation Protection Pilot Program. Requires the Business, Transportation &amp; Housing Agency to select 25 projects for each calendar year between 2010 and 2014 to participate in the program. For a project to qualify for the program, requires the lead agency to certify that the environmental impact report (EIR) for the project will be certified within 12 months. In selecting projects for the program, requires the Business, Transportation &amp; Housing Agency to consider the following: (1) the number and quality of jobs that would be created by the project; (2) the amount of capital investment made by the project; and (3) a balance between projects sponsored by public and private entities. Provides that a lead agency’s decision to certify an EIR or to adopt a mitigated negative declaration based on an initial study for a project selected to participate in the pilot program is not subject to judicial review.</td>
<td>As Introduced</td>
<td>Assembly Natural Resources Committee</td>
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<td>AB 1830 (Jones) High-Speed Rail: Rolling Stock and Equipment Purchases</td>
<td>Requires the California High-Speed Rail Authority to make every effort to purchase high-speed train rolling stock and related equipment manufactured in the state, consistent with federal and state laws.</td>
<td>8/20/10</td>
<td>Governor’s Office</td>
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<td>AB 1871 (Jones) Personal Vehicle Sharing</td>
<td>Authorizes private passenger vehicle owners to make their cars available for use by a vehicle sharing program without impacting their private passenger automobile insurance policy.</td>
<td>8/20/10</td>
<td>Governor’s Office</td>
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<td>AB 1955 (De La Torre) Local Government: Compensation</td>
<td>Based on a review of public records or reported salary information, requires the Controller’s Office to determine whether a city is an “excess compensation city,” as defined. Once a redevelopment agency has received written notice from the Controller’s Office that its city is an excess compensation city, prohibits the redevelopment agency from: (a) adopting a redevelopment plan for a new project area; (b) amending an existing plan for existing project areas; (c) issuing new bonds, notes, interim certificates, debentures, or other obligations; and (d) encumbering any funds or expending any money from any source except as specified. Requires any individual contract of employment or amendment to a contract of employment with an individual who is employed by, and reports directly to, the legislative body of a local agency to be ratified in an open session of the legislative body after prescribed information regarding the contract or amendment is made available in a conspicuous location on the local agency’s Internet Web site, if it maintains one, and in a location that is freely accessible to the public no later than five days prior to the meeting to ratify or amend the contract.</td>
<td>8/30/10</td>
<td>Senate Floor</td>
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<td>State Assembly Bills</td>
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<td><strong>AB 1958</strong>&lt;br&gt;(Caballero)&lt;br&gt;State Departments: Budget Cuts</td>
<td>States the intent of the Legislature to enact a bill to require each state department to make recommendations on reducing its costs by 5 percent, and to use those cost savings to fund pre-approved infrastructure projects not funded by existing bond proceeds.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td><strong>AB 2064</strong>&lt;br&gt;(Huber)&lt;br&gt;Public Employees: Compensation Disclosure</td>
<td>Requires a county, city, school district, special district, or joint powers agency to post on its official Internet Web site, if it maintains one, annual salary information pertaining to each elected or appointed official, superintendent, deputy superintendent, assistant superintendent, associate superintendent, general manager, city manager, county administrator, and other similar chief administrative officer or executive officer.</td>
<td>8/31/10</td>
<td>Senate Governmental Organization Committee</td>
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<tr>
<td><strong>AB 2097</strong>&lt;br&gt;(Miller)&lt;br&gt;Vehicles: Confidential Home Addresses</td>
<td>Requires a person who requests the confidentiality of his or her home address to provide the Department of Motor Vehicles (DMV) with a current employment address for purposes of processing the service and collection of a traffic, parking or toll road violation.</td>
<td>5/28/10</td>
<td>Senate Appropriations Committee</td>
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<tr>
<td><strong>AB 2098</strong>&lt;br&gt;(Miller)&lt;br&gt;RCTC: Design-Build Contracting</td>
<td>Authorizes the Riverside County Transportation Commission (RCTC), subject to California Transportation Commission (CTC) approval, to utilize design-build contracting for the State Route 91 Corridor Improvements Project on the state highway system. Makes Caltrans responsible for the performance of construction inspection services for the project.</td>
<td>8/20/10</td>
<td>Governor’s Office</td>
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<tr>
<td><strong>AB 2113</strong>&lt;br&gt;(Evans)&lt;br&gt;Local Taxation</td>
<td>Authorizes a county board of supervisors to place on the ballot either or both of the following for consideration by the voters in accordance with all constitutional and statutory requirements: (1) a local personal income tax; or (2) a local vehicle license fee.</td>
<td>As Introduced</td>
<td>Assembly Local Government Committee</td>
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<td><strong>AB 2121</strong>&lt;br&gt;(Harkey)&lt;br&gt;High-Speed Rail: Six-Year Program and Annual Report</td>
<td>Requires the California High-Speed Rail Authority to annually adopt a six-year high-speed train program for submission to the Legislature. Requires the program to include a listing of all capital improvement projects that are expected to need an appropriation in the annual Budget Act during the next six fiscal years. Requires the High-Speed Rail Authority to prepare and submit to the Legislature an annual report. Requires the report to include all of the following: (1) a description of the progress made for each project within each high-speed train segment; (2) the baseline budget for support and capital outlay construction costs for each segment; (3) the current or projected program budget for support or capital outlay construction costs for each segment; (4) expenditures to date for support and capital outlay construction costs for each segment; (5) a comparison of the current or projected schedule and the baseline schedule; (6) a summary of the milestones achieved for each segment during the annual period, and any issues identified and actions taken to address those issues; and (7) a detailed financial plan, including any necessary taxes, fees, bonds, or other indebtedness to pay for the construction of the high-speed train network.</td>
<td>5/28/10</td>
<td>Senate Rules Committee</td>
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<tr>
<td><strong>AB 2124</strong>&lt;br&gt;(Villines)&lt;br&gt;Caltrans: Damage to Local Roadways</td>
<td>Specifies that Caltrans shall be responsible for damage inflicted on any roadway under the jurisdiction of a local agency resulting from activities performed by the department’s own employees or its contractors during maintenance or construction work on a state highway.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td>AB 2127 (Nestande)</td>
<td>Requires the Department of Health Care Services to establish a two-year pilot program in at least three counties to evaluate a non-emergency medical transportation model in which the state would contract with a broker to manage the provision of non-emergency medical transportation services to Medi-Cal beneficiaries. Requires the department to monitor the pilot program, evaluate the outcomes and savings, and provide the fiscal committees of the Legislature with a report on its findings and recommendations. If it determines that the pilot program is cost effective, authorizes the department to implement the program statewide at any time and to continue the operation of the program indefinitely.</td>
<td>As Introduced</td>
<td>Assembly Health Committee</td>
<td></td>
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<td>AB 2147 (V. Perez)</td>
<td>In awarding grants to local governmental agencies, including to a school district, under the Safe Routes to School Program, requires Caltrans, as part of the rating process, to consider: (a) the benefit of a particular project to a low-income school; and (b) the degree to which a project reflects the participation, input and priorities of community stakeholders.</td>
<td>8/20/10</td>
<td>Governor’s Office</td>
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<td>AB 2311 (Mendoza)</td>
<td>Requires the executive officer of the California Air Resources Board (CARB) to conduct three reviews on the implementation of the low-carbon fuel standard regulations adopted by CARB to regulate greenhouse gas emissions from transportation fuels. Requires the CARB executive officer to establish a Low-Carbon Fuel Standard Advisory Panel for purposes of participating in the reviews.</td>
<td>4/19/10</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 2313 (Buchanan)</td>
<td>Prior to the adoption of a regional transportation plan (RTP) for a region in which a residential or mixed-use residential project is located, provides that a lead agency, for purposes of complying with the California Environmental Quality Act (CEQA), may use a threshold of significance for greenhouse gas emissions adopted for the project by the air quality management district within which the project is located to determine whether the project may have a significant effect on the environment due to the emission of greenhouse gases.</td>
<td>6/21/10</td>
<td>Senate Environmental Quality Committee</td>
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<td>AB 2324 (J. Perez)</td>
<td>Prohibits the following: (a) a person from knowingly possessing specified weapons within a sterile area of a public transit facility; (b) an unauthorized person from knowingly entering a restricted area of a public transit facility if the area has been posted with notices restricting access to authorized personnel only; and (c) a person from intentionally avoiding submission to screening and inspection when entering or re-entering a sterile area of a public transit facility. Defines “sterile area” to mean any portion of a public transit facility that is generally controlled in a manner consistent with a public transit agency’s security plan. Increases the penalties for repeat fare evasion offenders and for certain acts of public transit passenger misconduct.</td>
<td>8/20/10</td>
<td>Governor’s Office</td>
<td>Support</td>
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<td><strong>AB 2329</strong></td>
<td>Creates the Climate Action Team consisting of the following representation: (a) secretary of the California Environmental Protection Agency (CalEPA); (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; (i) secretary of the Health and Human Services Agency; (j) director of the Office of Planning and Research; and (k) secretary of the Labor and Workforce Development Agency. Consistent with the Global Warming Solutions Act of 2006, requires the Climate Action Team to coordinate the state’s overall climate change policy. To meet the goals of the Global Warming Solutions Act, requires the Climate Action Team to do all of the following: (1) identify and review activities, funding programs and revenues of state agencies that may need to be coordinated; (2) recommend policies, investment strategies and priorities; and (3) provide information to local governments that will assist them with their own climate change efforts. Requires the Natural Resources Agency, by June 1, 2012, to prepare and submit to the Climate Action Team the California Climate Vulnerability and Adaptation Plan, which would provide for the protection of the state’s natural resources, public health, infrastructure, and economic vitality from the ongoing and expected impacts of climate change. Requires the Natural Resources Agency to update the plan every three years in order to incorporate new information regarding the impacts of climate change, as well as new strategies to address adaptation.</td>
<td>8/2/10</td>
<td>Senate Appropriations Committee</td>
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<td><strong>AB 2509</strong></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>4/8/10</td>
<td>Senate Rules Committee</td>
<td>Support</td>
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<td><strong>AB 2516</strong></td>
<td>Requires the Department of Housing and Community Development to establish the Accessible Housing Task Force to develop strategies to increase the amount of housing that is both accessible to the elderly and disabled, and located near public transit. Requires the task force to submit a report to the Governor and Legislature no later than June 30, 2012, that does all of the following: (1) recommends strategies to improve the identification and marketing of multifamily dwelling units that comply with the state’s disabled accessibility building standards for multifamily dwelling units; (2) recommends policies that cities, counties and the state could adopt that would encourage the voluntary construction of new units or the retrofit of existing units within a half mile of public transit stations and bus hubs in a manner that provides for live-in occupancy of one or more individuals with severe mobility impairments; and (3) recommends voluntary design options, possible revisions to building code regulations, local incentive options, and any suggested statutory changes that are needed to improve the accessibility of new and existing dwelling units that are located within a half mile of public transit stations or bus hubs.</td>
<td>4/27/10</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 2518 (V. Perez) California Infrastructure and Economic Development Bank: Local Assistance Program</td>
<td>Requires the California Infrastructure and Economic Development Bank to establish a local assistance program to provide technical support to the state’s small and rural communities in obtaining financing for local infrastructure projects.</td>
<td>As Introduced</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 2520 (Solorio) Proposition 116 Projects</td>
<td>Authorizes the lead agency for a project funded through Proposition 116, the Clean Air and Transportation Improvement Act of 1990, 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.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td>AB 2534 (Fuentes) Global Warming Solutions Act: Impacted Communities</td>
<td>Allows the California Air Resources Board (CARB) to use a portion of the revenues generated from a market-based compliance mechanism established pursuant to the Global Warming Solutions Act of 2006 for expenditure on communities experiencing increased exposure to air pollutants to the extent that CARB determines that this increased exposure is caused by the implementation of the market-based compliance mechanism regulation.</td>
<td>As Introduced</td>
<td>Assembly Natural Resources Committee</td>
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<td>AB 2579 (Evans) Master Plan for Infrastructure Financing and Development Commission</td>
<td>Creates the Master Plan for Infrastructure Financing and Development Commission. Specifies that the mission of the commission is to develop and recommend a plan to be presented to the Governor and Legislature that provides for financing, building and maintaining the infrastructure necessary to meet the needs of Californians from the present to the year 2050. States the intent of the Legislature that the commission provide long-term guidelines for California’s infrastructure needs and a prioritized plan that meets those needs by doing all of the following: (1) project population, social and economic trends through 2050; (2) utilize the projects to assess the state’s capital needs for transportation, education, housing, and water through 2050, including the need for private capital to augment or complement public financing; (3) assess the availability of private and public funds to support jointly sponsored projects throughout the period from the present to 2050; (4) assess the status and fiscal value of dedicating future revenues to specific infrastructure construction and maintenance, including transportation and schools; (5) recommend a financing plan for the state’s capital needs through 2050, with a priority plan for each five-year interval, including evaluation and recommendations of various financing methods that are feasible and may be of benefit to the state and local governments; and (6) incorporate the findings of ongoing state infrastructure planning and reporting requirements. Requires the commission to submit its final report to the Governor and Legislature by December 1, 2012. Requires the commission to be dissolved 30 days after issuance of its final report.</td>
<td>4/19/10</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 2620 (Eng) Caltrans: Indirect Overhead Costs</td>
<td>Precludes Caltrans from charging indirect overhead costs for reimbursable work performed by the department on behalf of local agencies for locally funded state highway projects.</td>
<td>6/22/10</td>
<td>Senate Appropriations Committee</td>
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<td>AB 2640 (Arambula)</td>
<td>Until January 1, 2016, subjects free or subsidized parking to income taxes by removing its exclusion from the calculation of gross income.</td>
<td>5/18/10</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 2663 (Lowenthal)</td>
<td>Provides that if the Legislature transfers, borrows or suspends allocated revenues from the Highway Users Tax Account (HUTA), the respective transaction would be suspended during the months of July, August and September to alleviate the impact on cities that follow the federal fiscal year.</td>
<td>8/17/10</td>
<td>Governor’s Office</td>
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<td>AB 2691 (Hall)</td>
<td>Prohibits a state or local agency from imposing a greenhouse gas emissions fee on a source of greenhouse gas emissions that is subject to either of the following: (a) a market-based compliance mechanism; or (b) a fee regulation adopted by the California Air Resources Board (CARB).</td>
<td>4/6/10</td>
<td>Assembly Natural Resources Committee</td>
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<td>AB 2703 (J. Perez)</td>
<td>Authorizes the lead agency for an intercity, commuter or urban rail transit capital improvement project funded through the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Proposition 1A) to apply to the California Transportation Commission (CTC) 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.</td>
<td>8/3/10</td>
<td>Senate Rules Committee</td>
<td>Support</td>
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<td>AB 2704 (Gaines)</td>
<td>Requires Highway Users Tax Account funding to cities and counties for local snow removal to be maintained, as in effect on January 1, 2010.</td>
<td>4/8/10</td>
<td>Signed into Law: Chapter #101</td>
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<td>AB 2754 (J. Perez)</td>
<td>Establishes the Planning and State Clearinghouse Unit within the Office of Planning and Research to annually evaluate the functional plans of each state department and agency to assure that they are consistent with the state’s planning goals.</td>
<td>7/15/10</td>
<td>Governor’s Office</td>
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<td>ACA 3 (Blakeslee)</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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| ACA 4  
(Feuer)  
State and Local Government Reform | Calls for placing before the voters an amendment to the California Constitution that makes a series of changes to various state budget and legislative processes. Specifically, does all of the following: (1) implements a “pay-as-you-go” system for the Governor’s budget, and the majority of legislation and initiatives; (2) limits how one-time state revenues could be expended; (3) requires the Legislature to review state programs once every 10 years; (4) allows the Budget Act to be approved by a simple majority vote of the Legislature; (5) requires a two-thirds majority vote to approve fees when they are being used to fund a program, service or activity that was previously funded by revenues from a tax; (6) forfeits legislator pay, after June 25th, if the Assembly and Senate have not passed the Budget Act; and (7) provides the Governor with mid-year authority to cut the budget if the Legislature does not act prior to the 45th day of a fiscal emergency. | 5/10/10 | Assembly Budget Committee |
| ACA 5  
(Calderon)  
State General Obligation Bonds | 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. | 7/14/09 | Assembly Floor |
| ACA 9  
(Huffman)  
Local Governments: Special Taxes | 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. | 6/26/09 | Assembly Floor | Support |
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<td><strong>ACA 13</strong>&lt;br&gt;(Hernandez) 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 immediately transmit an initiative measure to the Legislature. Allows the Legislature to amend an initiative measure that proposes to change the Constitution and adopt it as a legislative constitutional amendment by concurrent resolution. If the proponents of the initiative measure accept the legislative constitutional amendment in lieu of the initiative measure, the n the legislative constitutional amendment would be submitted to the voters instead of the initiative measure. 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. If the Legislature returns an 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 on the ballot. If the Legislature does not return an 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 if it is certified to have been signed by the requisite number of voters.</td>
<td>6/1/10</td>
<td>Assembly Floor</td>
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<td><strong>ACA 15</strong>&lt;br&gt;(Arambula) Local Governments: Transportation 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 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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<td><strong>ACA 16</strong>&lt;br&gt;(Nestande) State General Obligation Bonds</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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## State Senate Bills

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<tr>
<td><strong>SB 8</strong>&lt;br&gt;(Huff)&lt;br&gt;Performance-Based Budgeting</td>
<td>Requires the Department of Finance to develop performance budgeting pilot projects under which the budgets of at least four state departments would be analyzed by specific criteria.</td>
<td>3/23/09</td>
<td>Senate Budget and Fiscal Review Committee</td>
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<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 Floor</td>
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<td><strong>SB 409</strong>&lt;br&gt;(Ducheny)&lt;br&gt;Strategic Rail Connectivity Plan</td>
<td>Requires the five members of the California High-Speed Rail Authority appointed by the Governor to be confirmed by the Senate. Requires the authority to annually adopt and submit a five-year High-Speed Rail Passenger Train Program to the Governor and Legislature. Requires the program to include a listing of all capital improvement projects that are expected to need an appropriation in the annual Budget Act for the following five years. Requires Caltrans to prepare a five-year Strategic Rail Connectivity Plan for the state, the focus of which would be to identify opportunities for passenger rail system improvements and linkages. Requires this plan to: (a) include desirable linkages and feeder opportunities between high-speed rail, and conventional intercity rail, commuter rail and rail transit; (b) identify the coordination in planning and capital investments necessary to maximize the opportunities for each of those services in providing a cohesive, connected and easy-to-use system for Californians; (c) identify future right-of-way needs for passenger rail lines in connection with state and local highway system improvements; and (d) include other matters that offer opportunities for statewide coordination, such as the efficient movement of goods.</td>
<td>8/2/10</td>
<td>Assembly Appropriations Committee</td>
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<td><strong>SB 455</strong>&lt;br&gt;(Lowenthal)&lt;br&gt;California High-Speed Rail Authority: Gubernatorial Appointments</td>
<td>Requires the five gubernatorial appointments to the California High-Speed Rail Authority to be confirmed by the Senate.</td>
<td>8/19/10</td>
<td>Governor’s Office</td>
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<tr>
<td><strong>SB 474</strong>&lt;br&gt;(Ducheny)&lt;br&gt;Innovative Contracting and Financing Pilot Programs</td>
<td>Prior to entering into any agreement pursuant to a state pilot program involving public-private partnerships or design-build, requires the lead agency for the project to pass a resolution that identifies the anticipated benefits from using those methods in comparison to using traditional contracting or financing methods.</td>
<td>8/2/10</td>
<td>Governor’s Office</td>
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<tr>
<td>State Senate Bills</td>
<td>Subject</td>
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<td>VTA Position</td>
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<tr>
<td><strong>SB 476</strong></td>
<td>(Correa)</td>
<td>4/30/09</td>
<td>Assembly Natural Resources Committee</td>
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<tr>
<td>(Correa) CEQA: Non-Compliance Allegations</td>
<td>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.</td>
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<td><strong>SB 501</strong></td>
<td>(Correa)</td>
<td>8/20/10</td>
<td>Senate Floor</td>
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<td>(Correa) Local Government: Compensation Disclosure</td>
<td>Requires elected or appointed officers of a county, city, school district, special district, or joint powers agency who is required by state law to file a statement of economic interests to also annually file a disclosure form that provides compensation information for the preceding year. Requires the following information to be disclosed: (1) annual salary or stipend; (2) local agency payments to the filer’s deferred compensation or defined benefit plans; (3) automobile and equipment allowances; (4) supplemental incentive and bonus payments; and (5) local agency payments to the filer that are in excess of the standard benefits that the local agency offers for all other employees.</td>
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<tr>
<td><strong>SB 535</strong></td>
<td>(Correa)</td>
<td>6/24/10</td>
<td>Signed into Law: Chapter #215</td>
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<tr>
<td>(Yee) HOV Lanes: Low-Emission and Fuel-Efficient Vehicles</td>
<td>Unless pre-empted by federal law, 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 to January 1, 2015. Between January 1, 2012, and January 1, 2015, allows vehicles that meet California’s enhanced advanced technology partial zero-emission vehicle standard to travel in HOV lanes without the required number of passengers, but limits the number of decals that the Department of Motor Vehicles (DMV) can issue for this privilege to 40,000. Ends the authorization for regular hybrid vehicles to use HOV lanes without the required number of passengers on July 1, 2011.</td>
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<td><strong>SB 632</strong></td>
<td>(Lowenthal)</td>
<td>8/31/10</td>
<td>Assembly Floor</td>
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<td>(Lowenthal) 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>
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<td><strong>SB 845</strong></td>
<td>(Budget Committee) Countywide Strategic Action Plan</td>
<td>3/18/10</td>
<td>Senate Budget and Fiscal Review Committee</td>
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<tr>
<td>(Budget Committee) Countywide Strategic Action Plan</td>
<td>Authorizes local government entities to develop and implement a Countywide Strategic Action Plan to jointly use existing and additional resources to ensure progress toward common community goals. In counties where a Countywide Strategic Action Plan has been adopted, allows the board of supervisors to place before the voters a local sales tax increase of up to 1 percent. If approved by a simple majority vote, requires the revenues from the sales tax increase to be distributed pursuant to the adopted Countywide Strategic Action Plan.</td>
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<td><strong>SB 879</strong></td>
<td>(Cox) Design-Build Contracting: Counties</td>
<td>8/16/10</td>
<td>Governor’s Office</td>
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<tr>
<td>(Cox) Design-Build Contracting: Counties</td>
<td>Extends the authority of counties to use design-build contracting for construction projects in excess of $2.5 million until July 1, 2014.</td>
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<td>State Senate Bills</td>
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| **SB 901**  
(Ashburn)  
Proposition 1B  
Grade Separation Projects | Authorizes the lead agency for a grade separation or railroad crossing project funded through the Proposition 1B Highway-Railroad Crossing Safety Account to apply for a letter of no prejudice (LONP) that would allow the agency to expend its own funds for any bond-funded component of the project, subject to later reimbursement from bond proceeds under certain conditions. | As Introduced | Senate Transportation and Housing Committee | Support |
| **SB 927**  
(Huff)  
HOV Lanes | Makes several technical, non-substantive changes to state statutes pertaining to high-occupancy vehicle (HOV) lanes. | As Introduced | Senate Rules Committee |  |
| **SB 964**  
(Alquist)  
High-Speed Rail: Workforce Development Program | Requires the California High-Speed Rail Authority to contract with the California Employment Development Department to develop a labor market assessment of the workforce, and identify the education and skills needed to: (a) construct a high-speed train system in the state; and (b) operate and maintain a high-speed train system, as necessary to aid the High-Speed Rail Authority in planning the construction of the system. Requires the assessment to include a recommended strategy to ensure that training programs are in place to facilitate the availability of a skilled, in-state workforce to participate, to the maximum extent feasible, in the construction of California’s high-speed train system. Appropriates $500,000 from the amount of Proposition 1A high-speed rail bond funds set aside for environmental studies, planning and preliminary engineering to implement this bill. | 6/30/10 | Governor’s Office | Support |
| **SB 965**  
(DeSaulnier)  
High-Speed Rail: ARRA Funding | Subject to appropriation by the Legislature, requires the California High-Speed Rail Authority to expend federal funds made available to it under the American Recovery and Reinvestment Act (ARRA) for conducting environmental studies, planning analyses and preliminary engineering activities, as well as for implementing capital projects related to the state’s high-speed train system. Requires the High-Speed Rail Authority to use Proposition 1A bond money to match any ARRA funding, if a match is required. Requires the High-Speed Rail Authority to take those actions necessary to ensure that any federal funds appropriated to it are obligated and expended in a manner that: (1) meets all applicable federal deadlines; (2) maximizes job creation in California at the earliest feasible time; (3) expedites the completion of vital high-speed rail infrastructure projects that improve rail-highway safety, mobility and performance; (4) makes the most efficient use of available state bond funds; and (5) is consistent with current state law. Requires the High-Speed Rail Authority to submit to the Legislative Analyst’s Office and to the Legislature an adopted plan for the expenditure of ARRA funds. Requires the plan to include: (1) a description of the projects proposed for funding, including a discussion of each project’s independent utility; (2) the location of each project; (3) the baseline budget for each project, including support costs and estimated capital costs; (4) the amount of federal and state funds, including Proposition 1A bond proceeds and private money, proposed to be committed to each project; (5) the proposed baseline schedule, with project milestones, and the completion date for each project; and (6) the number of jobs that each project is estimated to create or maintain in California. Specifies that the provisions of the bill do not apply to the Transbay Transit Center Project in San Francisco. | 8/20/10 | Governor’s Office |  |
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<th>State Senate Bills</th>
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<tr>
<td>SB 976</td>
<td>CEQA Exemption: Overpass and Ramp Expansion Projects</td>
<td>3/22/10</td>
<td>Senate Environmental Quality Committee</td>
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<td>(Hollingsworth)</td>
<td>Exempts from the California Environmental Quality Act (CEQA) projects that would expand an existing overpass, on-ramp or off-ramp that is built on an easement or right-of-way under the control of Caltrans, a local transportation agency, a city, or a county.</td>
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<td>SB 1010</td>
<td>CEQA Litigation Protection Pilot Program of 2010</td>
<td>As Introduced</td>
<td>Senate Environmental Quality Committee</td>
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<tr>
<td>(Correa)</td>
<td>Establishes the California Environmental Quality Act (CEQA) Litigation Protection Pilot Program. Requires the Business, Transportation &amp; Housing Agency to select 25 projects for each calendar year between 2010 and 2014 to participate in the program. For a project to qualify for the program, requires the lead agency to certify that the environmental impact report (EIR) for the project will be certified within 12 months. In selecting projects for the program, requires the Business, Transportation &amp; Housing Agency to consider the following: (1) the number and quality of jobs that would be created by the project; (2) the amount of capital investment made by the project; and (3) a balance between projects sponsored by public and private entities. Provides that a lead agency’s decision to certify an EIR or to adopt a mitigated negative declaration based on an initial study for a project selected to participate in the pilot program is not subject to judicial review.</td>
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<td>SB 1020</td>
<td>Performance-Based Budgeting</td>
<td>8/2/10</td>
<td>Assembly Budget Committee</td>
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<td>(Wolk)</td>
<td>Beginning in FY 2015, requires the budget submitted by the Governor to the Legislature to be developed pursuant to performance-based budgeting for each state agency and department. When preparing their individual budgets, requires state agencies and departments to use performance-based budgeting methods that make it clear to policymakers and the public the value and results of existing operations and proposed changes. Requires agency and departmental budgets to identify and update all of the following: (1) the mission and goals of the agency or department; (2) the activities and programs focused on achieving those goals; (3) performance metrics that reflect desired outcomes for existing and proposed activities, and a targeted performance level for the following year; (4) prior-year performance data and an explanation of deviation from previous-year targets; and (5) proposed changes in statute, including the creation of incentives or the elimination of disincentives that could improve outcomes or hold down costs. Requires the Legislature to establish a process for reviewing the performance of all state programs at least once every 10 years.</td>
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<td>SB 1061</td>
<td>Bay Bridge: Bicycle-Pedestrian Pathway</td>
<td>5/25/10</td>
<td>Assembly Appropriations Committee</td>
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<tr>
<td>(Hancock)</td>
<td>Allows a bicycle-pedestrian-maintenance pathway on the San Francisco-Oakland Bay Bridge to be funded with state-owned toll bridge revenues under the jurisdiction of the Bay Area Toll Authority (BATA), provided that the project is included in the adopted Regional Transportation Plan (RTP). Prior to approving the project and authorizing construction, requires BATA to make a finding that the pathway does not fundamentally alter the profile of the bridge. Prohibits BATA from increasing tolls to fund the project.</td>
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<td>SB 1120</td>
<td>California Global Warming Solutions Act: Cap and Trade</td>
<td>As Introduced</td>
<td>Senate Environmental Quality Committee</td>
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<tr>
<td>(Dutton)</td>
<td>Prohibits the California Air Resources Board (CARB) from implementing a market-based compliance mechanism pursuant to the California Global Warming Solutions Act of 2006 that includes caps on greenhouse gas emissions and trading among participants unless it is part of a legally enforceable regional or federal program.</td>
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<td><strong>SB 1205</strong> (Corbett) Bay Area Disaster Recovery Planning Council</td>
<td>Establishes the Bay Area Disaster Recovery Planning Council to create a long-term regional disaster recovery plan for the San Francisco Bay Area. In developing the plan, requires the council to cooperate with various stakeholders in the region, including cities, counties, special districts, school districts, emergency managers, hospitals, members of the public, private businesses, and non-governmental organizations. Provides that the scope and purpose of the recovery plan is to enhance the region’s resiliency following a disaster by: (a) increasing the speed of rebuilding lifeline infrastructure; (b) planning for temporary transportation and public transit programs during the repair of the region’s transportation system; (c) enhancing government management capacity for large-scale capital projects and programs; (d) planning for the reconstruction of housing damaged by a disaster; (e) creating mechanisms to assist businesses with temporary relocation and financing; and (f) other issues associated with sustainable redevelopment following a major disaster. Specifies that the recovery plan is not a post-disaster operations plan. Declares the intent of the Legislature that the council complement existing efforts by cities; counties; special districts; and other local, regional and state entities. Requires the council to be funded through federal money, gifts, donations, grants, local bonds, and other types of financial assistance from public and private sources.</td>
<td>8/16/10</td>
<td>Governor’s Office</td>
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<td><strong>SB 1215</strong> (Price) Caltrans: Architectural and Engineering Services</td>
<td>Until January 1, 2014, authorizes Caltrans to establish prequalified lists of architectural and engineering services firms. Requires Caltrans to comply with certain requirements relating to the advertisement and award of contracts in the event the department utilizes the prequalified list.</td>
<td>4/28/10</td>
<td>Assembly Transportation Committee</td>
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<tr>
<td><strong>SB 1245</strong> (Simitian) Express Lanes: Free Passage</td>
<td>Prohibits charging a toll to a vehicle that meets the applicable occupancy level for use of a high-occupancy vehicle (HOV) lane. Specifies that this provision does not apply to toll bridges. Provides that an increase in the vehicle occupancy level for an HOV lane may only be implemented if Caltrans determines that the change will maximize person throughput with respect to the affected highway. Requires Caltrans to obtain the approval of the applicable transportation planning agency and to report to the Legislature before making the change.</td>
<td>4/22/10</td>
<td>Assembly Transportation Committee</td>
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<td><strong>SB 1259</strong> (DeSaulnier) Economic Development and Job Creation Agency</td>
<td>Establishes the Economic Development and Job Creation Agency within state government. Requires the agency to do all of the following: (1) develop a statewide strategy that identifies California’s goals and objectives for job creation, and that specifies performance measures to assess the state’s progress toward attaining those goals and objectives; (2) create a clearinghouse of accurate data on the state’s economic development activities and their effectiveness; (3) simplify, strengthen and improve the operation and management of economic development programs that provide services to California’s workers and employers; (4) eliminate duplicative duties, achieve cost efficiencies and promote accountability for the attainment of economic development goals and objectives; (5) allow the state to marshal all of its resources to systematically target new industries to site within California; (6) build on California’s educational, workforce and geographic assets to seed innovation; (7) attract new and sustainable industries that will create high-wage, middle-class jobs; and (8) provide a better understanding of federal and state laws that protect workers.</td>
<td>5/24/10</td>
<td>Senate Appropriations Committee</td>
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<td><strong>SB 1263</strong></td>
<td>Makes the provisions of the California Global Warming Solutions Act of 2006 and any regulation adopted by the California Air Resources Board (CARB) pursuant to the act inoperative.</td>
<td>As Introduced</td>
<td>Senate Environmental Quality Committee</td>
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<td>(Wyland) Global Warming Solutions Act: Inoperative</td>
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<td><strong>SB 1264</strong></td>
<td>Whenever passengers have boarded an aircraft whose departure from the airport is delayed by more than two hours, or whenever more than two hours have passed following the landing of an aircraft and passengers have not been able to disembark, requires the air carrier to provide passengers with all of the following: (1) electrical service that is sufficient to provide passengers with fresh air and light; (2) waste removal service for the holding tanks for onboard restrooms; and (3) adequate food and drinking water, and other refreshments. Requires an air carrier to provide clear and conspicuous notice regarding passenger or consumer complaint contact information by making available forms and placing signs at all airport service desks and other appropriate areas in the airport as necessary.</td>
<td>6/1/10</td>
<td>Senate Floor</td>
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<td>(Leno) Commercial Airlines: Passenger Rights</td>
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<td><strong>SB 1268</strong></td>
<td>Prohibits a transportation agency from selling or providing personally identifiable information of a person obtained pursuant to the person’s participation in an electronic toll collection system or use of a toll facility, subject to specified exceptions. Prescribes the circumstances under which a transportation agency may make personally identifiable information available to a law enforcement agency. Requires a transportation agency that employs an electronic toll collection system to establish a privacy policy regarding the collection and use of personally identifiable information. Requires the policy to include a description of the following: (a) the types of personally identifiable information that is collected by the agency; (b) the categories of third-party persons or entities with whom the agency may share personally identifiable information; (c) the process by which a transportation agency notifies subscribers of material changes to its privacy policy; (d) the effective date of the privacy policy; and (e) the process by which a subscriber may review and request changes to any of his or her personally identifiable information. Within practicable business and cost constraints, allows a transportation agency to store only personally identifiable information of a person, such as the account name, credit card number, billing address, vehicle information, and other basic account information, that is required to perform account functions, such as billing, account settlement or enforcement activities. Requires all other information to be discarded no more than four years and six months after the closure date of the billing cycle and the bill has been paid and all toll violations have been resolved. Within practical business and cost constraints, requires a transportation agency to make every effort to purge the personal account information of an account that is closed or terminated. Authorizes a person whose personally identifiable information has been sold or provided in violation of this bill to bring specified actions for recovery of damages, costs and attorney’s fees. Allows a transportation agency that employs an electronic toll collection system to impose an administrative fee on persons who use that system in an amount that is sufficient to cover the costs of implementing the provisions of this bill.</td>
<td>8/20/10</td>
<td>Governor’s Office</td>
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<td><strong>SB 1299</strong></td>
<td>(Lowenthal) Vehicle Miles Traveled Fee</td>
<td>As Introduced</td>
<td>Senate Appropriations Committee</td>
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<td>By January 1, 2012, requires the Department of Motor Vehicles (DMV) to</td>
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<td>develop and implement a pilot program designed to assess the following</td>
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<td>issues related to putting in place a vehicle miles traveled (VMT) fee in</td>
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<td>California: (1) different methods of calculating mileage; (2) processes</td>
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<td>for transmitting data to protect the integrity of the data and ensure</td>
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<td>the privacy of drivers; and (3) the types of equipment that may be</td>
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<td>required of the state and of drivers in order to implement a VMT fee.</td>
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<td>Requires the DMV to prepare and submit a report of its findings to the</td>
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<td>Legislature by June 30, 2012. Requires the report to include all of the</td>
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<td>following elements: (1) recommendations regarding how best to</td>
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<td>implement a VMT fee in a manner that minimizes confusion and</td>
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<td>inconvenience to California’s drivers, while also ensuring their</td>
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<td>privacy; (2) given the technological and institutional demands</td>
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<td>associated with implementing a VMT fee, a discussion of different</td>
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<td>processes that may be used to transition from the fuel tax to a VMT</td>
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<td>fee over time; and (3) a discussion of issues that the Legislature may</td>
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<td>wish to consider when evaluating whether and how to implement a VMT fee.</td>
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<td><strong>SB 1305</strong></td>
<td>(Pavley) Global Warming Solutions Act: Compliance Revenues</td>
<td>As Introduced</td>
<td>Senate Environmental Quality Committee</td>
<td>Co-Sponsor</td>
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<td>Requires revenues generated from: (a) fees to fund expenditures</td>
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<td>beyond administrative costs related to the implementation of the</td>
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<td>California Global Warming Solutions Act of 2006; (b) the</td>
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<td>implementation of market-based compliance mechanisms; or (c) other</td>
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<td>compliance mechanisms to be appropriated by the Legislature for</td>
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<td>purposes determined by the Legislature.</td>
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<td><strong>SB 1320</strong></td>
<td>(Hancock) Fare Evasion and Passenger Misconduct: Civil Administrative</td>
<td>8/9/10 Governor’s Office</td>
<td>Co-Sponsor</td>
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<td>Penalties</td>
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<td>Allows VTA, the Alameda-Contra Costa Transit District (AC Transit),</td>
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<td>Foothill Transit, Long Beach Transit, and the Sacramento Regional</td>
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<td>Transit District to impose and enforce civil administrative penalties</td>
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<td>for fare evasion and passenger misconduct in lieu of criminal</td>
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<td>penalties.</td>
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<td><strong>SB 1348</strong></td>
<td>(Steinberg) CTC Guidelines</td>
<td>8/9/10 Governor’s Office</td>
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<td>Exempts the adoption of guidelines by the California Transportation</td>
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<td>Commission (CTC) from the rulemaking provisions of the</td>
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<td>Administrative Procedure Act. Except in the case of the State</td>
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<td>Transportation Improvement Program (STIP), specifies a process that</td>
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<td>the CTC must use when adopting guidelines. Requires the CTC to</td>
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<td>maintain a guideline adoption file containing: (a) a summary of each</td>
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<td>objection or recommendation made with regard to a proposed</td>
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<td>guideline; and (b) an explanation of how the proposed guideline was</td>
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<td>changed to accommodate each objection or recommendation, or the</td>
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<td>reasons for making no change. Requires the CTC to include in its</td>
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<td>annual report to the Legislature a summary of its activities related</td>
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<td>to the adoption of program or policy guidelines during the previous</td>
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<td>calendar year.</td>
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<td><strong>SB 1351</strong></td>
<td>(Wright) Global Warming Solutions Act: CARB Regulations</td>
<td>8/2/10 Senate Environmental Quality Committee</td>
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<td>Requires the California Air Resources Board (CARB) to make available</td>
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<td>to the public, at the time that it adopts a regulation pursuant to the</td>
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<td>California Global Warming Solutions Act of 2006, any</td>
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<td>implementation schedule that is needed to comply with that regulation.</td>
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<td>State Senate Bills</td>
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<td><strong>SB 1362</strong>&lt;br&gt;(Simitian)&lt;br&gt;Automated Traffic Enforcement Systems</td>
<td>Requires the installation of signs at all locations where an automated, camera-based traffic enforcement system is operating. Prior to installing such a system after January 1, 2011, requires the governmental agency to make and adopt a finding of fact establishing that the system is needed at a specific location for reasons related to safety. Prohibits a governmental agency from considering revenue generation, beyond cost recovery, when determining whether to install or operate an automated traffic enforcement system.</td>
<td>8/2/10</td>
<td>Assembly Appropriations Committee</td>
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<tr>
<td><strong>SB 1371</strong>&lt;br&gt;(Correa)&lt;br&gt;Proposition 1A Rail Transit Projects</td>
<td>Authorizes the lead agency for an intercity, commuter or urban rail transit capital improvement project funded through the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Proposition 1A) to apply to the California Transportation Commission (CTC) 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.</td>
<td>8/16/10</td>
<td>Governor’s Office Support</td>
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<tr>
<td><strong>SB 1418</strong>&lt;br&gt;(Wiggins)&lt;br&gt;SAFE Program</td>
<td>Increases the maximum amount of the vehicle registration surcharge that a Service Authority for Freeways and Expressways (SAFE) may impose from $1 to $2. Requires SAFE surcharge revenues to be used to implement, maintain and operate a motorist aid system of call boxes. Allows any money received that exceeds the amount needed for full implementation and ongoing costs to maintain and operate motorist aid call boxes to be used for freeway service patrols, mobile roadside assistance systems, incident management programs and coordination, traveler information system programs, and traffic operation centers. Allows the Metropolitan Transportation Commission (MTC) to use SAFE funds to install call boxes in parking lots and roadway areas in state and federal parks in the Bay Area where telecommunication services are not available.</td>
<td>6/21/10</td>
<td>Assembly Transportation Committee</td>
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<tr>
<td><strong>SB 1426</strong>&lt;br&gt;(DeSaulnier)&lt;br&gt;State Budget Process</td>
<td>Requires the budget submitted by the Governor to contain itemized statements; provisional language; performance measurement standards for state agencies and programs; recommended state expenditures; and a projection of anticipated state revenues, including revenues anticipated to be available on a one-time basis. Requires the budget to contain an estimate of the total resources available for state expenditures recommended for the budget year and the succeeding fiscal year. If expenditures exceed revenues, requires the Governor to recommend reductions in expenditures or the sources from which additional revenues should be provided, and to include an estimate of the long-term impact that these recommendations would have on the state’s economy. Requires the Governor to submit a five-year capital infrastructure and strategic growth plan together with the budget. If the Governor’s budget proposes: (a) to create a new state program or agency, or to expand the scope of an existing state program or agency, resulting in a net increase in state costs; or (b) to reduce a state tax resulting in a net decrease in state revenues, requires the proposal to be accompanied by a statement identifying state program reductions or sources of additional state revenues in an amount that is equal to or greater than the net increase in state costs or net decrease in state revenues. Declares the intent of the Legislature to establish an oversight process for evaluating and improving the performance of all state programs, whether managed by the state or local agencies.</td>
<td>8/9/10</td>
<td>Senate Budget and Fiscal Review Committee</td>
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<tr>
<td>SB 1437 (Kehoe)</td>
<td>Electricity: Plug-In Hybrids and Electric Vehicles</td>
<td>6/7/10</td>
<td>Governor’s Office</td>
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<td>SB 1445 (DeSaulnier) Regional Blueprint Plans</td>
<td>Requires the Planning Advisory and Assistance Council in the Office of Planning and Research to: (1) work with the Strategic Growth Council, regional agencies, cities, and counties to facilitate the implementation of regional blueprint plans; and (2) develop and propose recommendations to facilitate coordination between regional blueprint plans, state growth and infrastructure funding plans, and programs that facilitate the implementation of regional blueprint plans. Until January 1, 2016, imposes a vehicle registration surcharge of $1. Requires the Department of Motor Vehicles (DMV), after deducting its administrative costs, to deposit 1 percent of the net revenues from the surcharge into the Planning Advisory and Assistance Council Fund, and to make those revenues available to the Planning Advisory and Assistance Council upon appropriation by the Legislature. Requires the DMV to allocate the remaining net revenues to metropolitan planning organizations (MPOs), councils of governments (COGs), and transportation planning agencies in areas outside of MPOs and COGs based on the amount of surcharge revenues collected from motor vehicles registered within each jurisdiction. Requires MPOs, COGs and transportation planning agencies to use their surcharge revenues to: (a) develop and implement a sustainable communities strategy, regional blueprint plan or rural transportation plan element that is consistent with guidelines developed by Caltrans for regional blueprints; and (b) to provide grants to cities, counties and congestion management agencies for planning and projects related to the implementation of a regional blueprint plan.</td>
<td>8/20/10</td>
<td>Assembly Appropriations Committee</td>
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<td>SB 1475 (Simitian) Electronic Wireless Communications Devices</td>
<td>Requires the driver’s license examination administered by the Department of Motor Vehicles (DMV) to include a test of an applicant’s understanding of the distractions and dangers of handheld cell phone use and text-messaging while operating a motor vehicle. Prohibits a person from riding a bicycle while using a wireless telephone unless that telephone is specifically designed and configured to allow hands-free listening and talking, and is used in that manner. Also prohibits a person from riding a bicycle while using an electronic wireless communications device to write, send or read a text-based message. Increases the penalties for violating the current prohibitions in state law against using wireless telephones and text-messaging while operating a motor vehicle. Requires a portion of the fines collected for these violations to be allocated to the Office of Traffic Safety for an education program on the dangers of cell phone use and text-messaging while driving.</td>
<td>8/2/10</td>
<td>Assembly Appropriations Committee</td>
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<td>SCA 2 (Wyland) Legislative Biennial Sessions</td>
<td>Calls for placing before the voters an amendment to the California Constitution to revise the biennial sessions of the Legislature. Specifically, requires legislative sessions held in odd-numbered years to be budget sessions. In a budget session, specifies that the Legislature shall meet only to conduct oversight and review of the revenues and expenditures of the state, and to consider only budget bills and budget implementation bills for the succeeding two fiscal years, and related revenue bills. Provides an exception for bills to enact emergency statutes. In each odd-numbered calendar year, requires the Governor to submit to the Legislature proposed budgets for the two subsequent fiscal years. Requires legislative sessions held in even-numbered years to be general sessions, during which any bill may be considered.</td>
<td>3/16/10</td>
<td>Senate Rules Committee</td>
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<td><strong>SCA 3</strong>&lt;br&gt;(Wyland)&lt;br&gt;Proposition 42 Suspensions</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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<td><strong>SCA 5</strong>&lt;br&gt;(Hancock)&lt;br&gt;State Budget: Voting Requirement</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 9</strong>&lt;br&gt;(Ducheny)&lt;br&gt;State Budget: Voting Requirement</td>
<td>Calls for placing before the voters an amendment to the California Constitution to allow for the Budget Act and budget trailer bills to be enacted by the Legislature with a 55 percent majority vote. Repeals the two-thirds majority vote requirement for raising state revenues.</td>
<td>As Introduced</td>
<td>Senate Budget and Fiscal Review Committee</td>
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<td><strong>SCA 10</strong>&lt;br&gt;(Ducheny)&lt;br&gt;Constitutional Amendments</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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<td><strong>SCA 14</strong>&lt;br&gt;(Ducheny)&lt;br&gt;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><strong>SCA 15</strong>&lt;br&gt;(Calderon)&lt;br&gt;State Budget: Voting Requirement</td>
<td>Calls for placing before the voters an amendment to the California Constitution to waive the two-thirds majority vote requirement for enacting the Budget Act for the upcoming fiscal year if the Legislative Analyst’s Office, on or after May 15, determines that General Fund revenues are five percent below the estimate for the current-year budget.</td>
<td>4/13/09</td>
<td>Senate Budget and Fiscal Review Committee</td>
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<td><strong>SCA 16</strong>&lt;br&gt;(DeSaulnier)&lt;br&gt;Indirect Initiatives</td>
<td>Calls for placing before the voters an amendment to the California Constitution regarding statewide initiative measures. Allows the electors to propose, and to adopt or reject, statutes and amendments to the Constitution pursuant to a process of initial review by the Legislature.</td>
<td>As Introduced</td>
<td>Senate Floor</td>
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<td>State Senate Bills</td>
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<td>SCA 19 (DeSaulnier) State and Local Government Reform</td>
<td>Calls for placing before the voters an amendment to the California Constitution that makes a series of changes to various state budget and legislative processes. Specifically, does all of the following: (1) implements a “pay-as-you-go” system for the Governor’s budget, and the majority of legislation and initiatives; (2) limits how one-time state revenues could be expended; (3) requires the Legislature to review state programs once every 10 years; (4) allows the Budget Act to be approved by a simple majority vote of the Legislature; (5) requires a two-thirds majority vote to approve fees when they are being used to fund a program, service or activity that was previously funded by revenues from a tax; (6) forfeits legislator pay, after June 25th, if the Assembly and Senate have not passed the Budget Act; (7) provides the Governor with mid-year authority to cut the budget if the Legislature does not act prior to the 45th day of a fiscal emergency; (8) eliminates the ability of the state to redirect local property tax revenues to schools; and (9) prohibits the state from reallocating any locally imposed non-ad valorem tax or an assessment levied by a county, city, special district, or any other local or regional government entity. Authorizes local government entities to develop and implement a Countywide Strategic Action Plan to jointly use existing and additional resources to ensure progress toward common community goals. In counties where a Countywide Strategic Action Plan has been adopted, allows the board of supervisors to place before the voters a local sales tax increase of up to 1 percent. If approved by a simple majority vote, requires the revenues from the sales tax increase to be distributed pursuant to the adopted Countywide Strategic Action Plan.</td>
<td>4/8/10</td>
<td>Senate Budget and Fiscal Review Committee</td>
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<td>DAY</td>
<td>JANUARY</td>
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<td>1</td>
<td>Statutes signed into law in 2009 take effect.</td>
<td>4</td>
<td>Last day for bills introduced in 2010 to be passed out of their house of origin.</td>
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<td>4</td>
<td>Legislature reconvenes.</td>
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<td>Budget must be passed by midnight.</td>
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<td>10</td>
<td>Budget must be submitted by the Governor to the Legislature on or before this date.</td>
<td>24</td>
<td>Last day for legislative measures to qualify for placement on the November 2, 2010, general election ballot.</td>
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<td>15</td>
<td>Last day for policy committees to hear and report fiscal bills introduced in their house of origin in 2009.</td>
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<td>22</td>
<td>Last day for any committee to hear and report to the floor bills introduced in their house of origin in 2009. Last day to submit bill requests to the Legislative Counsel’s Office.</td>
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<td>31</td>
<td>Last day for bills introduced in 2009 to be passed out of their house of origin.</td>
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| DAY | FEBRUARY | | DAY | MARCH | | DAY | APRIL | | DAY | MAY |
|-----|---------|-----|-----|------|-----|-----|------|
| 19  | Last day for new bills to be introduced. | 25  | Spring Recess begins upon adjournment. | 5   | Legislature reconvenes from Spring Recess. | 23  | Last day for policy committees to hear and report fiscal bills introduced in their house of origin in 2010. |

| DAY | JUNE | | DAY | JULY |
|-----|------|-----|------|
| 2   | Last day for policy committees to hear and report bills introduced in the other house. Summer Recess begins upon adjournment, provided that the budget bill has been enacted. | 2  | Legislation reconvenes from Summer Recess. |
| 13  | Last day for fiscal committees to hear and report to the floor bills introduced in the other house. | 20  | Last day to amend bills on the Assembly and Senate floors. |
| 31  | Last day for each house to pass bills. Final Recess begins at the end of this day’s session. | | |

| DAY | AUGUST | | DAY | SEPTEMBER | | DAY | DECEMBER |
|-----|--------|-----|-------|------|------|
| 2   | Legislation reconvenes from Summer Recess. | 30  | Last day for the Governor to sign or veto bills passed by the Legislature before September 1, and in his possession after September 1. | 6 | The 2011-2012 regular legislative session convenes. |
| 13  | Last day for fiscal committees to hear and report to the floor bills introduced in the other house. | | | | |
CALL TO ORDER

The Regular Meeting of the Administration and Finance Committee (A&F) was called to order at 12:12 p.m. by Chairperson Kniss 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>Don Gage</td>
<td>Board Member</td>
<td>Present</td>
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<tr>
<td>Liz Kniss</td>
<td>Chairperson</td>
<td>Present</td>
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<tr>
<td>Chuck Reed</td>
<td>Board Member</td>
<td>Present</td>
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<tr>
<td>Perry Woodward</td>
<td>Vice Chairperson</td>
<td>Present</td>
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<tr>
<td>Nora Campos</td>
<td>Alternate Board Member</td>
<td>NA</td>
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<td>Pete McHugh</td>
<td>Alternate Board Member</td>
<td>NA</td>
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<tr>
<td>George Shirakawa</td>
<td>Alternate Board Member</td>
<td>NA</td>
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</table>

* Alternates do not serve unless participating as a Member.

A quorum was present.

2. PUBLIC PRESENTATIONS

There were no Public Presentations.

3. ORDERS OF THE DAY


M/S/C (Gage/Woodward) to accept the Orders of the Day.

CONSENT AGENDA

4. Regular Meeting Minutes of August 19, 2010

M/S/C (Gage/Woodward) to approve the Regular Meeting Minutes of August 19, 2010.

NOTE: M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.
5. Monthly Legislative History Matrix

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

6. (Removed from the Consent Agenda and placed on the Regular Agenda.)

Review the report on Annual Operations Insurance Purchase.

7. (Removed from the Consent Agenda and placed on the Regular Agenda.)


8. VTA Investments for the Month of July 2010

M/S/C (Gage/Woodward) to receive a Report on Santa Clara Valley Transportation Authority Investments for the Month of July 2010.

9. BPAC Appointment

M/S/C (Gage/Woodward) approve submitting a recommendation to the Board of Directors to ratify the appointment of Melanie Hanssen, Town of Los Gatos, to the Bicycle & Pedestrian Advisory Committee (BPAC) for term ending June 30, 2012.

REGULAR AGENDA

6. Annual Operations Insurance Purchase

Nanci Eksterowicz, Risk Management Manager, provided a brief overview of the staff report as contained in Agenda Packet. She noted there was an increase in Excess Liability insurance due in part to large transit incidences nationally which has eaten into reserves of insurance carriers who have paid losses.

Chairperson Kniss commented on several incidents at VTA, and questioned the actions taken with the operators and if there are cases where an operator is terminated after an accident.

George Tacke, Operations Manager, noted discipline and training of operators depend on the circumstances of the incident. After an accident, the operator is placed in refresher training and cannot return to service until obtaining written approval from a technical trainer. Mr. Tacke gave an example of an incident on the light rail where a number of safety violations were made by the operator and it was determined retraining and returning to service was not reasonable without jeopardizing the safety of passengers.

Chairperson Kniss commented on the expense of having operators who are not properly trained noting the multi-million dollar payouts and the impact on insurance rates.

Member Reed questioned how incidents due to drivers being on cell phones are prevented.
Mr. Tacke explained the strict cell phone policy noting use of a cell phone aboard a vehicle will result in a suspension of 10-30 days minimum, depending on the violation. He indicated the number of violations has decreased since its implementation.

Member Reed questioned if the risk analysis includes a breakdown of what caused the accident and if it is applied to the training.

Mr. Tacke stated after accident reports are reviewed, retraining in areas where the driver was at fault are incorporated.

Chairperson Kniss indicated she would like to see how VTA fares in the area of safety with comparable organizations.

M/S/C (Gage/Woodward) to review the report on Annual Operations Insurance Purchase.


Kim Koenig, Fiscal Resources Manager, provided a brief overview of the Annual Swap Report as contained in the Agenda packet noting the objective of the interest rate swaps is to reduce interest expense associated with long term obligations. She highlighted the $1.3 million saved in FY2010 and the $9.7 million savings from inception date for the VTA 2008 and Measure A 2008 bonds.

Member Reed questioned under what circumstances money can be lost or there is a risk of being upside down.

Ms. Koenig indicated a change from marginal to flat tax could affect payments from swap counterparties as well as what is paid to bond holders or a transaction termination while the market value of swaps negative and interest rates down, may result in a termination payment to counterparties. She noted the true risk is if VTA defaults on its obligations.

Chairperson Kniss cautioned the use of swaps noting the financial difficulty realized with them in the past.

Ms. Koenig stated there is some risk with associated variable rate payments from counterparties not being enough to pay bondholders, but there is cushion in the budget should that occur.

M/S/C (Gage/Reed) to receive the Annual Swap Report for Period Ending June 30, 2010.

Michael Burns, General Manager, requested Item #15, Committee Staff Report be heard before Item #10, Technology Consulting Contract.

M/S/C (Woodward/Gage) to accept the request to hear Item #15, Committee Staff Report before Item #10, Technology Consulting Contract.

The Agenda was taken out of order.
OTHER ITEMS

15. Committee Staff Report

Mr. Burns announced VTA would be taking advantage of the federally subsidized Build America Bonds to cover a significant portion of the Silicon Valley Rapid Transit (SVRT) project and possibly the Bus Rapid Transit Project (BRT). He noted the item will brought to the Committee in October 2010 and to the full Board in November 2010.

Ms. Koenig provided information on the process noting the advantages of historically low fixed rates with no swaps which reduces some of the risk to the financial plan and Measure A and provides cash to make the projects happen. Several disadvantages were also noted including the lack of a full funding agreement for SVRT making it a slight risk and the December 31, 2010 expiration of the Build America program, which creates selling challenges and major competition.

Member Reed left his seat at 12:55 p.m.

Joe Smith, Chief Financial Officer, announced the October 7th Board meeting will begin at 5:00 pm.

REGULAR AGENDA (continued)

10. Technology Consulting Contracts

Gary Miskell, Chief Information Officer, provided a brief overview of the Technology Consulting Contracts report as contained in the Agenda packet. He highlighted examples of projects to be completed as part of VTA’s Technology Strategic Plan.

Chairperson Kniss questioned if the work could be done internally.

Mr. Miskell indicated where feasible, employees are trained to complete the work, but there are times a consultant must be hired if staff has limited or no expertise.

Tammy Dhanota, Chief Steward of Services Employees International Union (SEIU) Local 52, expressed concern with the source of funds, hourly wages of consultants, and increasing the number of consultants.

Mr. Burns stated most of the projects are funded through capital sources but noted a portion of a project will sometimes require the use of operating funds. He indicated for the Board meeting, staff will provide a rough percentage of the sources of funds based on past experience.

Mr. Miskell added there is a large range for the cost per contractor due to the experience level needed. He noted the task order will show hourly rate and total cost of the project.

Member Gage requested a comparison be presented at the time the task order goes out to know what the consultants fixed costs are and what it would cost internally and made a motion to approve the item with reports back to the Board.
M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to enter into contracts and task order agreements with identified technology firms for consulting and support services. Each contract shall be for a maximum three-year period, with an option for two additional years with an aggregate value not to exceed $4,750,000 for all contracts.

11. **Contract with Ricoh Business Solutions**

Mr. Miskell provided a brief overview of the Contract with Ricoh Business Solutions contained in the Agenda packet.

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute contracts with Ricoh Business Solutions for document copy, scanning, and printing equipment; and for equipment support services. The initial term of the contract is for five years with an option to extend the contract on an annual basis for two additional years. The cost of the initial five year term is $1,095,000, plus an optional $271,000 per year for each of the optional one-year periods, for a total of $1,637,000.

12. **Health Benefit Contracts**

Bill Lopez, Chief Administrative Officer, provided a brief report of the Health Benefits Contracts as contained in the Agenda packet highlighting: 1) The overall 7.1% increase; 2) The impacts of the Mental Health Parity Act; and 3) The increase in dependent coverage to age 26 under the Patient Protection and Affordable Care Act.

Chairperson Kniss expressed concern with the $16 million increase from 2006 noting it cannot be sustained long-term.

Member Gage suggested ways to approach cutting costs including encouraging more employees to use Valley Health Plan.

Shellie Albright, Benefits Manager, indicated from a retiree perspective other plans are more competitive, but a combination approach should be considered with active employees.

M/S/C (Gage/Woodward) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to renew benefit contracts with Kaiser, United Health Care (dba PacifiCare), Valley Health Plan, Delta Dental, Pacific Union Dental, Vision Service Plan, CIGNA, and Custom Benefits Administrators for VTA employees and retirees for calendar year 2011.

**OTHER ITEMS (continued)**

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

There were no Items of Concern and Referral to Administration.
14. **Committee Work Plan**

Joe Smith, Staff Liaison, indicated the Build America Bonds item will be added to the Workplan and placed on the October Committee Agenda.

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

19. **Chairperson’s Report**

There was no Chairperson’s Report.

20. **Determine Consent Agenda for the September 2, 2010 Board of Directors Meeting**

**CONSENT:** Agenda Item #5, Review the Monthly Legislative History Matrix.

**Agenda Item #9,** Ratify the appointment of Melanie Hanssen, Town of Los Gatos, to the Bicycle & Pedestrian Advisory Committee (BPAC) for term ending June 30, 2012.

**Agenda Item #10,** Authorize the General Manager to enter into contracts and task order agreements with identified technology firms for consulting and support services. Each contract shall be for a maximum three-year period, with an option for two additional years with an aggregate value not to exceed $4,750,000 for all contracts.

**Agenda Item #11,** Authorize the General Manager to execute contracts with Ricoh Business Solutions for document copy, scanning, and printing equipment; and for equipment support services. The initial term of the contract is for five years with an option to extend the contract on an annual basis for two additional years. The cost of the initial five year term is $1,095,000, plus an optional $271,000 per year for each of the optional one-year periods, for a total of $1,637,000.

**Agenda Item #12,** Authorize the General Manager to renew benefit contracts with Kaiser, United Health Care (dba PacifiCare), Valley Health Plan, Delta Dental, Pacific Union Dental, Vision Service Plan, CIGNA, and Custom Benefits Administrators for VTA employees and retirees for calendar year 2011.

**REGULAR:** None.

21. **Announcements**

Joe Smith, Staff Liaison announced the Legends and Leaders event on October 7, 2010. He indicated an invitation was sent to Board members.

22. **ADJOURNMENT**

**On order of Chairperson Kniss** and there being no objection, the Committee meeting was adjourned at 1:30 p.m.

Respectfully submitted,

Menominee L. McCarter, Board Assistant
VTA Office of the Board Secretary
Congestion Management Program
& Planning Committee Meeting
Minutes of September 24, 2010

WILL BE FORWARDED UNDER SEPARATE COVER
CALL TO ORDER

The Regular Meeting of the Transit Planning and Operations (TP&O) Committee was called to order at 4:34 p.m. by Chairperson Kalra 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>Title</th>
<th>Status</th>
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<tbody>
<tr>
<td>Margaret Abe-Koga</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Ash Kalra</td>
<td>Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Rich Larsen</td>
<td>Vice Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Sam Liccardo</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Nora Campos</td>
<td>Alternate Member</td>
<td>NA</td>
</tr>
<tr>
<td>Jamie Matthews</td>
<td>Alternate Member</td>
<td>NA</td>
</tr>
</tbody>
</table>

*Alternates do not serve unless participating as a Member.

A quorum was present.

2. PUBLIC PRESENTATIONS

There were no Public Presentations.

3. ORDERS OF THE DAY

There were no Orders of the Day.

CONSENT AGENDA

4. Minutes of August 19, 2010

M/S/C (Larsen/Abe-Koga) to approve the Minutes of August 19, 2010.

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

5. **Report from the Committee for Transit Accessibility (CTA) Activities**

Chairperson Kalra reported on behalf of Aaron Morrow, CTA Chairperson, noting that CTA desires a long-term agreement between VTA and Outreach. CTA unanimously voted recommending the extension of Outreach’s contract, which will allow Outreach to continue to leverage for 5310 grants.

6. **West San Carlos Station Funding Agreement**

John Ristow, Chief CMA Officer, provided an overview of the potential Light Rail Station near West San Carlos Street, and the agreement between VTA and City of San Jose.

Vice Chairperson Larsen inquired about proximity to an existing station, feasibility of constructing the station, and its effect to the Light Rail system. Mr. Ristow responded the proposed agreement states that construction of the station will depend on secured funding. He added the location of the station will be supported by the residential, commercial, and transit developments in the area. He stated the new station will not be a detriment to the Light Rail system according to the Light Rail Systems Analysis.

Chairperson Kalra commented that the new Light Rail Station will be essential for the density of the development in the area.

Member Liccardo took his seat at 4:45 p.m.

Member Abe-Koga and Vice Chairperson Larsen inquired about the source of funding and expressed concern about securing funds to complete the station. Mr. Ristow responded that $1 million has already been secured by the City of San Jose from the developer, KB Homes. Those funds will be used to conduct conceptual engineering and environmental clearance to make the project eligible to compete for grants. He noted that part of the agreement is to continue collaborating with the City of San Jose staff to come up with funding needed for the station.

Member Liccardo expressed that a new Light Rail Station may be contradictory to VTA’s objective of making light rail faster. He recommended deferring the item so that the City of San Jose can work to amend the agreement with KB Homes and not limit the use of the funds for Light Rail. He stated that the Bus Rapid Transit is a more suitable transit option for the area.

Vice Chairperson Larsen requested that information about the KB Homes/City of San Jose agreement and amendments be provided to the Committee.

**M/S/C (Liccardo/Abe-Koga) to defer to the October 21, 2010 TPO meeting the recommendation to authorize the General Manager to enter into an agreement with the City of San Jose to transfer development contributions dedicated for the West San Carlos Light Rail Station to VTA and to collaborate with the City of San Jose to pursue funding for the construction and operation of a new Light Rail Station near West San Carlos Street.**
7. **Closed Circuit Television on Buses Contract Award**

Vice Chairperson Larsen inquired about disposal of old equipment. Gary Miskell, Chief Information Officer, noted that VTA has an established procedure for property disposal.

**M/S/C (Liccado/Abe-Koga)** to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract with Henry Brothers Electronics in the amount of $2,950,000 for the procurement and installation of mobile CCTV (Closed Circuit Television) systems in 229 buses. Federal grants will provide 86% of the funding for this contract.

8. **Project Baseline Agreement for the Kato Road Grade Separation Project**

John Ristow, Chief CMA Officer, provided background information regarding the Project Baseline Agreement for the Kato Road Grade Separation Project.

**M/S/C (Abe-Koga/Larsen)** to approve submitting a recommendation to the Board of Directors to adopt a resolution authorizing the General Manager to execute the Project Baseline Agreement, and any amendments thereto, and any other necessary agreements and documents with the California Department of Transportation and/or the California Transportation Commission relating to the VTA’s role as funding agency and implementing agency for the Highway-Railroad Crossing Safety Account (HRCSA)-funded Kato Road grade separation project.

9. **Paratransit Contract Options**

Jim Unites, Deputy Director for Operations, provided a report supporting to extend the current contract with Outreach by two years. The report highlighted the following: 1) community involvement and support; 2) customer service; 3) system investment; 4) financial performance; 5) operating performance; and, 6) Consolidated Transportation Service Agency Designation.

Chairperson Kalra referenced the letters received by the Committee suggesting to extend the contract to five years. He asked if the two year extension is sufficient. Michael T. Burns, General Manager, noted the following factors that emphasize the importance to continue working with Outreach for the next two years: 1) the two-year extension is associated to VTA’s budget cycle; 2) expectation that the economy will stabilize; 3) budget savings through collaboration with Outreach; 4) continue to reduce costs and implement the recommendation of the Ad-Hoc Recovery Committee; and, 5) Outreach demonstrated exemplary customer service.

**Public**

Katie Heatley, Chief Executive Officer for Outreach, expressed appreciation for the recommended two-year extension, but noted that Outreach will need more than two years. She stated the following reasons: 1) to complete all its pending activities; 2) to receive all the grants awarded to Outreach; and, 3) strengthen its ability to negotiate with national companies to contain cost.
Mr. Burns recommended extending Outreach’s contact to two years with two one-year options to extend.

Public

Emma Eljas, CTA Vice Chairperson, expressed support for extending the Outreach contract and for VTA and Outreach to form a long-term partnership. She expressed appreciation for the paratransit service provided by VTA and Outreach.

Denise Boland, CalWorks Administrator, stressed the importance of the paratransit service provided by Outreach. She suggested extending Outreach’s contact to two years with optional three one-year extensions.

The Committee briefly discussed the Ms. Boland’s suggestion. Member Liccardo provided a motion to enter into a two-year contract extension with three one-year options.

M/S/C (Liccardo/Larsen) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to enter into a two-year contract extension with three one-year options with Outreach and Escort, Inc., and to send a letter to MTC supporting Outreach’s request for designation as a Consolidated Transportation Services Agency, as amended.

10. Transit Shelter Advertising Program – Extension of Agreement with Clear Channel Outdoor

Jim Unites, Deputy Director for Operations, provided background information regarding the Transit Shelter Advertising Program. He noted the following changes to the extended agreement with Clear Channel: 1) reduce advertising space by 50 percent; and, 2) reduction in the collection and disposal of trash from the shelters.

Vice Chairperson Larsen suggested the following: 1) renegotiate the share of advertising revenue with participating jurisdictions; and, 2) redesign the trash bins in the shelters to prevent illegal dumping.

Chairperson Kalra expressed concern about the reduced trash collection. He stressed the importance of keeping the shelters clean and suggested monitoring this part of the program closely.

Members Abe-Koga and Liccardo inquired about the possibility of contracting with other firms. Mr. Unites responded that the two proposals received during the Request for Proposal (RFP) period was non-satisfactory. He noted that with the current economic climate, firms focus on advertising sales and have the transit agency be responsible for handling shelter construction and maintenance. He added the program needs to be re-assessed for the next RFP.

Member Liccardo expressed concern about the advertising sales in Santa Clara County. Todd Hansen, Clear Channel Outdoor President, responded that the current economic condition affected advertising sales. He noted that their company incurred a loss last year. He added Clear Channel Outdoor will use the two-year extension of agreement to:
1) monitor the sales pattern in Santa Clara County; 2) determine best approach for the program; and, 3) add production and printing of public service advertising.

Member Abe-Koga left the meeting at 5:35 p.m.

M/S/C (Liccardo/Larsen) to approve submitting a recommendation to the Board of Directors to authorize the General Manager to amend the Transit Shelter Advertising Program Agreement with Clear Channel Outdoor and Implementation Agreement for the Transit Shelter Advertising Program with the participating cities, county and Clear Channel Outdoor. The amendments would extend the agreements two years with modified terms.

OTHER ITEMS


On Order of Chairperson Kalra and there being no objection, the 2000 Measure A Transit Improvement Program Semi-Annual Report – June 2010 was received.


Vice Chairperson Larsen requested agendizing the Transit Operations Performance report at the October 21, 2010 TPO meeting. The discussion will focus on the following: 1) core routes; 2) schedule; 3) Light Rail Express Service; 4) Bus Rapid Transit; and, 5) marketing.

On Order of Chairperson Kalra and there being no objection, the FY 2010 Annual Transit Operations Performance Report was received.

Member Liccardo left the meeting at 5:41 p.m. a quorum was lost and a Committee of the Whole was declared.

13. **August 2010 Monthly Ridership and Fare Revenue Performance**

Joonie Tolosa, Manager for Operations Analysis and Systems, provided a report highlighting the following: 1) System Ridership; 2) Bus Ridership; 3) Light Rail Ridership; 4) Fare Revenues; 5) Average Fare per Boarding; 6) Average Weekday Ridership; 7) Santa Clara County Employment; and, 8) Unemployment rate.

Member Larsen requested to set aside time for the October 21, 2010 TPO meeting to discuss strategies to improve ridership.

On Order of Chairperson Kalra and there being no objection, the August 2010 Monthly Ridership and Fare Revenue Performance report was received.

14. **Items of Concern and Referral to Administration**
Vice Chairperson Larsen expressed concern about the article written by Joe Thompson about VTA. Michael T. Burns, General Manager, responded that the content of the article was not valid and VTA is sending a response.

Vice Chairperson Larsen requested if he could attend the October 22, 2010 Board of Directors Workshop via telephone.

15. Committee Work Plan

On Order of Chairperson Kalra and there being no objection, the Committee Work Plan was reviewed.

16. Committee Staff Report

Dan Smith, Chief Operating Officer and Staff Liaison, provided a handout highlighting the following: 1) California Air Resources Board (CARB) required replacement vehicles; 2) robbery arrest assistance; 3) missing person found; 4) street closure; 5) Altamont Commuter Express (ACE) special weekend train service; 6) bus maintenance training; 7) bus technical training; and, 8) fare inspection.

On order of Chairperson Kalra and there being no objection, the Committee received the Committee Staff Report.

17. Chairperson’s Report

Chairperson Kalra expressed interest in marketing the Light Rail Express Service. He requested for marketing materials for distribution at the opening of a community center in his district.

18. Determine Consent Agenda for the October 7, 2010 Board of Directors Meeting

Deferred to the October 21, 2010 TPO meeting:

Agenda Item #6, Authorize the General Manager to enter into an agreement with the City of San Jose to transfer development contributions dedicated for the West San Carlos Light Rail Station to VTA and to collaborate with the City of San Jose to pursue funding for the construction and operation of a new Light Rail Station near West San Carlos Street.

Consent Agenda:

Agenda Item #7, Authorize the General Manager to execute a contract with Henry Brothers Electronics in the amount of $2,950,000 for the procurement and installation of mobile CCTV (Closed Circuit Television) systems in 229 buses. Federal grants will provide 86% of the funding for this contract.

Agenda Item #8, Adopt a resolution authorizing the General Manager to execute the Project Baseline Agreement, and any amendments thereto, and any other necessary agreements and documents with the California Department of Transportation and/or the
California Transportation Commission relating to the VTA’s role as funding agency and implementing agency for the Highway-Railroad Crossing Safety Account (HRCSA)-funded Kato Road grade separation project.

**Agenda Item #10,** Authorize the General Manager to amend the Transit Shelter Advertising Program Agreement with Clear Channel Outdoor and Implementation Agreement for the Transit Shelter Advertising Program with the participating cities, county and Clear Channel Outdoor. The amendments would extend the agreements two years with modified terms.

**Regular Agenda:**

**Agenda Item #9,** Authorize the General Manager to enter into a two-year contract extension with three one-year options with Outreach and Escort, Inc., and to send a letter to MTC supporting Outreach’s request for designation as a Consolidated Transportation Services Agency.

19. **ANNOUNCEMENTS**

There were no Announcements.

20. **ADJOURNMENT**

**On Order of Chairperson Kalra** and there being no objection, the meeting was adjourned at 5:53 p.m.

Respectfully submitted,

Michael Diareesco, Board Assistant
Office of the Board Secretary
Audit Committee
Thursday, September 2, 2010

MINUTES

CALL TO ORDER

The Regular Meeting of the Audit Committee was called to order at 4:03 p.m. by Chairperson Gage in Room 157, County Government Center, 70 West Hedding Street, San Jose, California.

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
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<tbody>
<tr>
<td>Don Gage</td>
<td>Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Rose Herrera</td>
<td>Vice Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Chuck Page</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Nancy Pyle</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 June 3, 2010

M/S/C (Herrera/Pyle) to approve the Minutes of June 3, 2010.

NOTE: M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.
5. **Task Order Contract with Deloitte & Touche**

Michael T. Burns, General Manager, provided background information on the contract with Deloitte and Touche noting the two-year contract included three additional one-year options with discretion on exercising the options resting with the Audit Committee. Mr. Burns stated staff recommends the extension of the contract through January 2012 to allow Deloitte to complete the remaining internal audits contained in the FY11 Internal Audit Work Plan.

M/S/C (Herrera/Page) to approve submitting a recommendation to the Board of Directors to Approve exercising the first one-year option to extend the task order contract with Deloitte & Touche, LLP for Auditor General services, for amount not to exceed $175,000 as specified in the contract. Exercising this option will extend the contract term to January 8, 2012 and increase the maximum contract value to $525,000.

6. **SAP Governance Risk and Compliance Report**

Greg Thomas, Auditor General, provided background information on Deloitte’s audit on the access control of VTA’s SAP financial system and the installation of the Governance Risk and Compliance (GRC) monitoring tool which reports on segregation of duties conflicts. He provided a presentation on the GRC Segregation of Duties Design Assessment Internal Audit highlighting the audit objective and scope and the summary results.

Mr. Thomas indicated three low risk observations were identified relating to VTA customized transaction codes, segregation of owners and approvers of rule sets, and monitoring of the segregation of design and access conflicts. He noted none of the issues were significant.

Chairperson Gage questioned if the tool was modified for VTA. Mr. Thomas indicated there were some specific customizations when installed but it was implemented as is.

Member Page questioned if there are experts in the utilization of the GRC tool and if recommendations are made as to who should be analyzing the reports.

Mr. Thomas noted the individual conducting the fieldwork of the audit has expertise in configuration and set up of the tool. Emily Kwan, Manager, Deloitte, stated higher level employees who are able to evaluate whether the users and conflicts are appropriate should analyze the reports. Mr. Thomas added they will verify who is reviewing reports and confirm they are appropriate.

Member Herrera commented she is impressed with process rules and access controls of the GRC tool and is pleased VTA is ahead of the game and focused on prevention.

**On order of Chairperson Gage** and there being no objection, the Committee received the Auditor General's report on the SAP Governance Risk & Compliance (GRC)
7. **Scope of Work for Annual Financial Audit Services**

Leonard Danna, Partner, Vavrinek, Trine, Day and Co., LLP (VTD), provided a presentation on the audit plan for year end June 30, 2010, highlighting the following:
1) Scope of Changes for 2009-2010; 2) 2009-2010 Fee analysis; 3) Significant new accounting pronouncements; 4) Timetable: interim, final, and completion; 5) Interim work completed to date; and, 6) Final audit work. Mr. Danna added there were no significant changes in audit scope for the current year but noted management requested a review of controls in place against fictitious employees and employee vacation payout.

On order of Chairperson Gage and there being no objection, the Committee reviewed the Scope of Work for Annual Financial Audit Services.

8. **Contract with Vavrinek, Trine, Day and Co.**

Joseph Smith, Chief Financial Officer, provided background information on the Contract with Vavrinek, Trine, Day and Co., LLC (VTD) which expires at the end of the present fiscal year. A Request for Proposal was issued and after completion of evaluations and interviews, staff recommended the retention of VTD. He noted they had the lowest cost, their past performance of duties was done with objectiveness, and deliverables were received on time. VTD also specializes in governmental accounting and was instrumental with VTA receiving a financial accounting certificate of excellence.

M/S/C (Herrera/Pyle) to authorize the General Manager to execute a contract with Vavrinek, Trine, Day and Co. to provide financial and compliance audit services to Santa Clara Valley Transportation Authority (VTA) for three years starting July 1, 2011 at a cost of $375,000 and two additional one-year extensions at a cost of $125,000 for each year. The total value of the contract for the five year period ending June 30, 2016 is $625,000.

9. **Internal Audit Workplan**

Greg Thomas, Auditor General, provided a presentation on the status of the internal Audit Work Plan highlighting, the proposed timeline and reporting of internal activities, and the Silicon Valley Rapid Transit Project (SVRT) Contract Compliance Internal Audit. He noted the fieldwork of the evaluation and assessment of the contract between Hatch-Mott McDonald/Bechtel is nearly complete and an update will be provided at next Audit Committee Meeting.

On order of Chairperson Gage and there being no objection, the Committee received an update from Auditor General staff on the status of the audits in the current Internal Audit Work Plan.

**OTHER ITEMS**
10. Items of Concern and Referral to Administration

There were no Items of Concern and Referral to Administration.

11. Committee Work Plan

Mr. Burns noted several important items are scheduled the November Agenda including review of the Comprehensive Annual Financial Report (CAFR) and ATU Pension Plan report, Contract Compliance Audit, and approving the Committee schedule for 2011.

Member Page requested the CAFR and Pension plan be distributed as soon as possible to give the Committee time to review.

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

12. Committee Staff Report

There was no Committee Staff report.

13. Chairperson’s Report

Chairperson Gage noted the Board adopted the Auditor General’s recommended FY11 Internal Audit Workplan which continues the previous strategy of including both compliance and management audits. The first audit is scheduled to be received at the November meeting.

Chairperson Gage announced his final meeting as Chairperson and a member of the Committee will be in November. He stated he looks forward to receiving the results of the SVRT Compliance Audit at that meeting. He thanked the Committee for their role in helping the Board fulfill its obligations for safeguarding VTA’s financial integrity.

14. Determine Consent Agenda for the October 7, 2010 Board Meeting

CONSENT: Item # 6, SAP Governance Risk & Compliance (GRC) Segregation of Duties and Sensitive Access Controls Internal Audit; and,

Item #8, Authorize the General Manager to execute a contract with Vavrinek, Trine, Day and Co. to provide financial and compliance audit services to Santa Clara Valley Transportation Authority (VTA) for three years starting July 1, 2011 at a cost of $375,000 and two additional one-year extensions at a cost of $125,000 for each year. The total value of the contract for the five year period ending June 30, 2016 is $625,000.

REGULAR: None
15. **Announcements**

There were no Announcements.

16. **Adjournment**

*On order of Chairperson Gage* and there being no objection, the meeting was adjourned at 4:47 p.m.

Respectfully submitted,

Menominee L. McCarter, Board Assistant
VTA Office of the Board Secretary
NOTICE OF CANCELLATION

NOTICE IS HEREBY GIVEN that the Santa Clara Valley Transportation Authority Citizens Advisory Committee / Citizens Watchdog Committee meeting scheduled for Wednesday, September 8, 2010, at 4:30 p.m. has been cancelled.

The next regular meeting of the Santa Clara Valley Transportation Authority Citizens Advisory Committee / Citizens Watchdog Committee is scheduled for Wednesday, October 13, 2010, at 4:30 p.m. in Room B-104, Santa Clara Valley Transportation Authority (VTA), 3331 North First Street, San Jose, California.

Susan E. Garcia, Board Assistant
VTA Office of the Board Secretary
NOTICE OF CANCELLATION

NOTICE IS HEREBY GIVEN that the Santa Clara Valley Transportation Authority Bicycle and Pedestrian Advisory Committee meeting scheduled for Wednesday, September 8, 2010, at 6:00 p.m. has been cancelled.

Susan E. Garcia, Board Assistant
Office of the Board Secretary
CALL TO ORDER

The Regular Meeting of the Technical Advisory Committee (TAC) was called to order at 1:35 p.m. by Vice Chairperson Capurso in Conference Room B-104, Valley Transportation Authority (VTA), 3331 North First Street, San Jose, California.

1. ROLL CALL

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<thead>
<tr>
<th>Attendeet Name</th>
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<th>Status</th>
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<tbody>
<tr>
<td>Greg Armendariz</td>
<td>City of Milpitas</td>
<td>Absent</td>
</tr>
<tr>
<td>Rajeev Batra, Chairperson</td>
<td>City of Santa Clara</td>
<td>Absent</td>
</tr>
<tr>
<td>Todd Capurso, Vice Chairperson</td>
<td>Town of Los Gatos</td>
<td>Present</td>
</tr>
<tr>
<td>John Cherbone</td>
<td>City of Saratoga</td>
<td>Absent</td>
</tr>
<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>Don Dey</td>
<td>City of Gilroy</td>
<td>Present</td>
</tr>
<tr>
<td>Robert Kass</td>
<td>City of Campbell</td>
<td>Present</td>
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<tr>
<td>Helen Kim</td>
<td>City of Mountain View</td>
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<tr>
<td>Larry Lind</td>
<td>City of Los Altos</td>
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<tr>
<td>Jaime Rodriguez</td>
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<tr>
<td>Jim Rowe, Alternate</td>
<td>City of Morgan Hill</td>
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<td>Mo Sharma</td>
<td>City of Monte Sereno</td>
<td>Absent</td>
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<tr>
<td>David Stillman, Alternate</td>
<td>City of Cupertino</td>
<td>Present</td>
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<tr>
<td>Lee Taubeneck, Ex-Officio</td>
<td>Dept. of Transportation (Caltrans)</td>
<td>Present</td>
</tr>
<tr>
<td>Ben Tripousis</td>
<td>City of San Jose</td>
<td>Present</td>
</tr>
<tr>
<td>Jack Witthaus</td>
<td>City of Sunnyvale</td>
<td>Absent</td>
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</table>

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.

4. Committee Staff Report

- Report from the General Manager

Member Kass took his seat at 1:37 p.m. and a quorum was declared.

Michael T. Burns, General Manager, provided a report, highlighting: 1) Status of VTA’s budget; 2) VTA’s Ad Hoc Financial Recovery Committee adopted policy
recommendations to address VTA’s budget issues. The report containing the Committee’s policy recommendations will be presented at the October 7, 2010 Board of Directors meeting and anticipated for adoption at the November 4, 2010 Board of Directors meeting; 3) Progress of Silicon Valley Berryessa Extension (SVBX) Project; 4) Production of the Low-emission Diesel Electric Hybrid buses will begin in October 2010 and VTA will introduce the buses into service in November 2010; 5) VTA’s Light Rail Commuter Express Service will begin on October 4, 2010, noting three trains will travel between Santa Teresa and Bay Point Stations during weekday morning and evening peak periods; and 6) Discussions held at the Metropolitan Transportation Commission (MTC) regarding potentially changing the representation at MTC. Noted the establishment of a Committee to review the possibility of adding seats for the cities of San Jose and Oakland.

Members of the Committee expressed their appreciation to Mr. Burns and noted the Committee is looking forward to his next visit.

John Ristow, Chief CMA Officer and Staff Liaison, provided a report, highlighting: 1) December 8, 2010, Joint Advisory Committee Workshop meeting to be held in lieu of the regular Advisory Committee meetings in December 2010. Topic of discussion will be VTA’s budget; 2) Referenced President Obama’s announcement of a new $50 million program; and 3) Vehicle Emissions Reduction Based-At-Schools Program had its Call for Projects on Friday, September 3, 2010.

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

5. **Chairperson’s Report**

There was no Chairperson’s Report.

6. **Reports from TAC Working Groups**

   • **Capital Improvement Program (CIP)**

   Amin Surani, Principal Transportation Planner, reported on the August 24, 2010, Capital Improvement Program (CIP) Working Group meeting, highlighting: 1) Discussed inactive projects for federal and American Recovery and Reinvestment Act (ARRA) funding; and 2) Discussed Transportation Fund for Clean Air Program (TFCA 40%) Project Criteria.

   • **Systems Operations and Management (SOM)**

   There was no Systems Operations and Management (SOM) Working Group report.

   • **Land Use/Transportation Integration (LUTI)**

   Robert Swierk, Senior Transportation Planner, reported on the September 8, 2010, Land Use/Transportation Integration (LUTI) Working Group meeting, highlighting: 1) Received an update on the Sustainable Communities Strategy activities as part of
Members of the Committee recommended that VTA staff provide the SOMS Working Group Agenda to Caltrans staff.

On order of Vice Chairperson Capurso and there being no objection, the reports from the TAC Working Groups were received.

7. **High Speed Rail/Caltrain Project**

Steven Fisher, Senior Transportation Planner, provided a verbal report on the High Speed Rail/Caltrain Project, highlighting: 1) California High Speed Rail Authority Board re-approved the Program Level Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) at their last meeting; 2) Project Level EIRs should be available in draft form for both segments within the County of Santa Clara; 3) San Jose south alternatives; 4) Public meeting to be held in City of Mountain View on Monday, September 13, 2010; 5) Provided overview of distributed document entitled, “Draft HST Station Area Development: General Principles and Guidelines;” and 6) Issues pertaining to Caltrain.

Members of the Committee noted that the San Jose City Council will conduct a Study Session on High Speed Rail on Tuesday, September 14, 2010.

On order of Vice Chairperson Capurso and there being no objection, the High Speed Rail/Caltrain Project Report was received.

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

**CONSENT AGENDA**

8. **Minutes of August 12, 2010**

M/S/C (Rowe/Tripousis) to approve the Regular Meeting Minutes of August 12, 2010.

**REGULAR AGENDA**

9. **Senate Bill 83 (SB 83) Administrative Procedures**

Amin Surani, Principal Transportation Planner, provided an overview of the revised staff report. The Maintenance of Effort (MOE) certification requirement was excluded from

**NOTE:** M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.
the Senate Bill 83 (SB 83) Administrative Procedures due to opposition of the TAC Members at their August 12, 2010 meeting. A “Good Faith Effort” section has now been included as part of the administrative procedures for SB 83 Vehicle Registration Fee (VRF) Program.

Members of the Committee recommended the following changes:

- Referenced the following sentence, Page 2 of 4, second paragraph, listed under “Good Faith Effort:” “The base year may be revised every five years, if needed.” Recommended the following wording be placed at the end of the sentence: “SB-83 revenues will be excluded”

- Referenced the wording “Maintenance of Effort (MOE) calculation and certification” contained on Page 2 of 4, second paragraph, under the heading Local Road Improvement and Repair (LRIR), Fund Distribution. Recommended the wording be removed and replaced with the following: “Annual Report”

- Referenced the wording “and associated local matching funds (including one-time expenditure),” contained on Page 2 of 4, third paragraph, listed under “Good Faith Effort,” and recommended wording be replaced with the following: “associated local matching funds, and one-time local expenditure.”

M/S/C (Tripousis/Collen) to recommend the Board adopt administrative procedures for the SB-83 Vehicle Registration Fee (VRF) program, with the inclusion of the Committee’s recommended changes.

10. **I-680 Express Lanes Update**

Casey Emoto, Deputy Director, Project Development, provided an overview of the staff report. He noted that the ribbon cutting ceremony for the opening of the I-680 Express Lane is scheduled for September 16, 2010, at 10:00 a.m. near the Sheridan Road interchange.

**On order of Vice Chairperson Capurso** and there being no objection, the Committee received a presentation on I-680 Express Lanes Project Opening.

11. **I-880 Corridor System Management Plan (CSMP)**

Lee Taubeneck, Ex-Officio Member representing Caltrans District 4, provided a presentation on the I-880 Corridor System Management Plan (CSMP), highlighting: 1) Corridor Mobility Improvement Account (CMIA) Requirements; 2) I-880 Corridor one of ten CMIA Corridors in Bay Area; 3) I-880 CSMP Status, noting key milestones; 4) Stakeholder Engagement; 5) I-880 CSMP Background, noting Corridor Limits and Issues; 6) Map of I-880 Supporting Studies Coverage; 7) Existing Conditions and
Bottlenecks; 8) Recommended Strategies; 9) I-880 CSMP Document Sections; and 10) Next Steps.

**On order of Vice Chairperson Capurso** and there being no objection, the Committee received a presentation on the I-880 Corridor System Management Plan.

12. **Transit Shelter Advertising Program – Extension of Agreement with Clear Channel Outdoor**

Jim Unites, Deputy Director for Operations, provided an overview of the staff report.

Members of the Committee expressed concern regarding the reduction in trash collection and noted that revenues may need to be balanced to allow trash collection on a weekly basis.

Members of the Committee queried about the timeframe the cities would receive the information on the specific trash collection schedule for each shelter location. Steve Newgren, Management Analyst, indicated information should be provided to the cities for review the week of September 13, 2010.

It was noted by the Committee that the Town of Los Gatos is interested in participating.

**On order of Vice Chairperson Capurso** and there being no objection, the Committee received an update on Transit Shelter Advertising Program.

**OTHER**

13. **Metropolitan Transportation Commission (MTC) Activities and Initiatives**

John Ristow, Chief CMA Officer and Staff Liaison reported on the following: 1) Sustainable Communities Strategy efforts; 2) September 3, 2010, Santa Clara County Sustainable Communities Strategy Leadership Roundtable meeting, noting next meeting will be held in City of Mountain View, date to be determined.

**On order of Vice Chairperson Capurso** and there being no objection, the Committee received an update on MTC Activities and Initiatives.

14. **Technical Advisory Committee (TAC) Subcommittee Report**

Vice Chairperson Capurso reported the TAC Subcommittee discussed the following: 1) Senate Bill 83 (SB 83) Administrative Procedures; 2) Additional representation for Santa Clara County on the Metropolitan Transportation Commission (MTC); 3) VTA Budget Workshop; and 4) Land Use/Transportation Integration (LUTI) Working Group report.

**On order of Vice Chairperson Capurso** and there being no objection, the Committee received the TAC Subcommittee Report.
15. **Committee Work Plan**

Members of the Committee expressed an interest in providing a presentation on the Local Streets and Roads Strategic Plan at the November 12, 2010, TAC meeting. John Ristow, Chief CMA Officer and Staff Liaison, asked that an e-mail be sent to staff regarding the presentation.

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

16. **Announcements**

There were no Announcements.

17. **ADJOURNMENT**

*On order of Vice Chairperson Capurso* and there being no objection, the meeting was adjourned at 2:53 p.m.

Respectfully submitted,

Tracene Y. Crenshaw, Board Assistant
VTA Office of the Board Secretary
Policy Advisory Committee
Thursday, September 9, 2010

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 Jamie Matthews 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>Title</th>
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</thead>
<tbody>
<tr>
<td>Jim Griffith</td>
<td>City of Sunnyvale</td>
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<tr>
<td>David Whittum (Alternate)</td>
<td>City of Sunnyvale</td>
<td>NA</td>
</tr>
<tr>
<td>Howard Miller</td>
<td>City of Saratoga</td>
<td>Present</td>
</tr>
<tr>
<td>Kathleen King (Alt)</td>
<td>City of Saratoga</td>
<td>NA</td>
</tr>
<tr>
<td>Dave Cortese</td>
<td>SCC Board of Supervisors</td>
<td>Absent</td>
</tr>
<tr>
<td>Michael F. Kotowski</td>
<td>City of Campbell</td>
<td>Present</td>
</tr>
<tr>
<td>Jason Baker (Alt)</td>
<td>City of Campbell</td>
<td>NA</td>
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<tr>
<td>Gilbert Wong</td>
<td>City of Cupertino</td>
<td>Present</td>
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<tr>
<td>Barry Chang(Alt)</td>
<td>City of Cupertino</td>
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<tr>
<td>Cat Tucker</td>
<td>City of Gilroy</td>
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<tr>
<td>Dion Bracco(Alt)</td>
<td>City of Gilroy</td>
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<tr>
<td>Megan Satterlee</td>
<td>City of Los Altos</td>
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<tr>
<td>Val Carpenter (Alt)</td>
<td>City of Los Altos</td>
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</tr>
<tr>
<td>Joe Pirzynski</td>
<td>Town of Los Gatos</td>
<td>Present</td>
</tr>
<tr>
<td>Diane McNutt (Alt)</td>
<td>Town of Los Gatos</td>
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<tr>
<td>Vacant</td>
<td>City of Milpitas</td>
<td>Absent</td>
</tr>
<tr>
<td>TBD (Alt)</td>
<td>City of Milpitas</td>
<td>Absent</td>
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<tr>
<td>Marshall Anstandig</td>
<td>City of Monte Sereno</td>
<td>Present</td>
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<tr>
<td>Curtis Wright (Alt)</td>
<td>City of Monte Sereno</td>
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<tr>
<td>Marby Lee</td>
<td>City of Morgan Hill</td>
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</tr>
<tr>
<td>Steve Tate (Alt)</td>
<td>City of Morgan Hill</td>
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</tr>
<tr>
<td>John Inks</td>
<td>City of Mountain View</td>
<td>Present</td>
</tr>
<tr>
<td>Jac Siegel (Alt)</td>
<td>City of Mountain View</td>
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<tr>
<td>Gail Price</td>
<td>City of Palo Alto</td>
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<tr>
<td>Larry Klein (Alt)</td>
<td>City of Palo Alto</td>
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</tr>
<tr>
<td>Kansen Chu</td>
<td>City of San Jose</td>
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</tr>
<tr>
<td>Jamie Matthews</td>
<td>City of Santa Clara</td>
<td>Present</td>
</tr>
<tr>
<td>Jamie McLeod (Alt)</td>
<td>City of Santa Clara</td>
<td>NA</td>
</tr>
<tr>
<td>TBD</td>
<td>Town of Los Altos Hills</td>
<td>Absent</td>
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</table>

A quorum was present.
2. **ORDERS OF THE DAY**
Chairperson Matthews noted staff’s request to defer Agenda Item #9, Co-Op Site Planning Agreement with the City of Morgan Hill.

M/S/C (Kotowski/Wong) to accept the Orders of the Day

3. **PUBLIC PRESENTATIONS**
There were no Public Presentations.

The Agenda was taken out of order

5. **Chairperson’s Report**
Chairperson Matthews announced Vice Chairperson Pirzynski will review the Ad-Hoc Financial Recovery Committee’s final recommendations to the Board of Directors.

Vice Chairperson Pirzynski reported the Ad-Hoc Financial Recovery Committee reached its objective to establish guidance for the Board of Directors to achieve long term cost savings and maximize revenue to support VTA operations preserving jobs as well as VTA service.

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

**CONSENT AGENDA**

6. **Minutes of May 13, 2010**
Member Satterlee requested staff provide the referenced PAC bylaw changes to the Committee.

M/S/C (Kotowski/Tucker) to approve the Minutes of May 13, 2010.

7. **VTP Highway Program Semi-Annual Report – April 2010**

On order of Chairperson Matthews and there being no objection, the Committee reviewed the VTP Highway Program Semi-Annual Report – April 2010.

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

4. Committee Staff Report

Scott Haywood, Policy and Communications Manager, introduced Michael T. Burns, General Manager.

Michael T. Burns, General Manager, discussed the following: 1) budget challenges; 2) revenue reductions; 3) VTA’s short term financial outlook; 4) Current purchase of hybrid diesel buses; 5) SVRT project update; 6) Express Light Rail Service; and 7) Caltrain financial challenges.

8. Report on Regional Measure 2 Safe Routes to Transit (SRTT) Funds for the VTA Pilot Bike Share Program

Ying Smith, Transportation Planning Manager, provided an overview of the staff report.

She stated in August 2009, staff applied for a grant of $500,000 from the Regional Measure 2 (RM2) Safe Routes to Transit program to fund a Pilot Bike Share Program in Santa Clara County. In December 2009, the Metropolitan Transportation Commission (MTC) approved the VTA Pilot Bike Share Program for funding in the SRTT cycle.

Member Lee inquired what is meant by the “human factor.” Ms. Smith clarified the human factor refers to the interaction between participants in the bike sharing program and their interactions with logistics of the program.

Member Price inquired if this project is phased or a demonstration project. Ms. Smith stated the pilot program is phased.

On order of Chairperson Matthews and there being no objection, the Committee reviewed the Report on Regional Measure 2 Safe Routes to Transit (SRTT) Funds for the VTA Pilot Bike Share Program.

9. Co-Op Site Planning Agreement with the City of Morgan Hill

(Deferred)

10. State Route 152 Trade Corridor Project Status

Casey Emoto, Deputy Director of Project Development, provided an overview of the staff report.

Mr. Emoto stated the purpose of the project is to improve State Route 152 between US 101 and SR 99 as an east-west trade and mobility corridor.

Omar Chatty, Interested Citizen, expressed his opposition to toll roads.

On order of Chairperson Matthews and there being no objection, the Committee reviewed the State Route 152 Trade Corridor Project Status.
11. **Grand Boulevard Initiative (GBI) – Multimodal Transportation Corridor Plan**

Robert Swierk, Senior Planner, provided an overview of the staff report.

Member Inks asked if Caltrans had been factored into the GBI. Staff replied Caltrans’ control of the roadway is a major factor and involved extensively in the GBI Corridor Plan process.

Chairperson Matthews added the City of San Jose is in the process of arranging to have control of The Alameda relinquished from Caltrans to San Jose. He asked how the advantages of relinquishment could benefit other cities. Staff responded the main advantage is greater control of roadway design.

Member Price asked whether consideration had been given to the relationship between the GBI and SB375 planning to reduce greenhouse gas emissions. Staff replied the GBI could serve as a model for a corridor-based approach.

Omar Chatty, Interested Citizen, expressed concern the GBI could interfere with the traffic signal timing on El Camino, and create more congestion.

**On order of Chairperson Matthews** and there being no objection, the Committee reviewed the Grand Boulevard Initiative – Multimodal Transportation Corridor Plan.

12. **I-680 Express Lanes Update**

Casey Emoto, Deputy Director Project Development, provided an overview of the staff report.

Some members of the Committee asked if decisions about hours of operation and other operational parameters for express lanes under study in Santa Clara County have been decided. They expressed concern regarding hours of operation.

The Committee requested staff return to the PAC regarding Board actions taken on this item.

Staff announced the ribbon cutting marking the opening of the I-680 Express Lane is scheduled for September 16, 2010 at 10 a.m. near the Sheridan Road interchange.

Omar Chatty, Interested Citizen, expressed his concern with express lanes.

**On order of Chairperson Matthews** and there being no objection, the Committee reviewed the I-680 Express Lanes Update.
Chairperson Matthews left the meeting at 5:00 p.m.,
Vice Chairperson Pirzynski presided over the meeting.

13. **SB 375 Sustainable Community Strategies**

John Sighamony, Transportation Planner, provided an overview of the staff report.

Member Satterlee commented the Regional Agencies should look at the location of jobs when considering housing needs. She also asked if the Regional Agencies were considering using Vehicle Miles Traveled as a measure of effectiveness in the Sustainable Communities Strategies. VTA staff responded it was unsure at this time however, information regarding details of the Sustainable Communities Strategies will be brought back to the October PAC meeting.

**On order of Vice Chairperson Pirzynski** and there being no objection, the Committee reviewed the SB 375 Sustainable Community Strategies.

**OTHER**

14. **Committee Work Plan**

The Committee reviewed the Work Plan and requested staff provide additional information regarding the I-680 Express Lanes project at a future meeting.

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

15. **Announcements**

There were no Announcements.

16. **ADJOURNMENT**

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

Respectfully submitted,

Jacqueline Golzio, Board Assistant
Office of the Board Secretary
CALL TO ORDER

The Regular Meeting of the Silicon Valley Rapid Transit Corridor and BART Warm Springs Extension Policy Advisory Board (PAB) was called to order at 3:15 p.m. by Vice Chairperson Tom Blalock at Milpitas City Hall, City Council Chambers, 455 East Calaveras Boulevard, Milpitas, CA.

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Representing</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tom Blalock, Vice Chairperson</td>
<td>Alameda County Congestion Management Agency</td>
<td>Present</td>
</tr>
<tr>
<td>Bob Franklin</td>
<td>BART- District 3</td>
<td>Absent</td>
</tr>
<tr>
<td>Bill Harrison</td>
<td>ACTIA</td>
<td>Present</td>
</tr>
<tr>
<td>Pete McHugh</td>
<td>City of Milpitas</td>
<td>Present</td>
</tr>
<tr>
<td>Sam Liccardo</td>
<td>VTA</td>
<td>Present</td>
</tr>
<tr>
<td>John McPartland</td>
<td>BART – District 5</td>
<td>Present</td>
</tr>
<tr>
<td>Ken Yeager, Chairperson</td>
<td>Metropolitan Transportation Commission/Santa Clara County</td>
<td>Absent</td>
</tr>
<tr>
<td>Scott Haggerty</td>
<td>Metropolitan Transportation Commission/Alameda County/Cities</td>
<td>Present</td>
</tr>
<tr>
<td>Will Kennedy</td>
<td>City of Santa Clara</td>
<td>Present</td>
</tr>
<tr>
<td>Madison Nguyen</td>
<td>City of San Jose</td>
<td>Present</td>
</tr>
<tr>
<td>Nancy Pyle</td>
<td>VTA</td>
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</tr>
<tr>
<td>Bob Wasserman</td>
<td>City of Fremont</td>
<td>Absent</td>
</tr>
<tr>
<td>Anu Natarajan (Alt)</td>
<td>City of Fremont</td>
<td>Absent</td>
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</table>

*Alternates do not serve unless participating as a Member.

A quorum was present.
3. **PUBLIC PRESENTATIONS:**

There were no Public Presentations.

5. **Corridor Establishment and Maintenance Project Status**

Mark Robinson, Chief Engineering and Construction Officer, provided an overview of the staff report.

*On order of Vice Chairperson Blalock* and there being no objection, the Committee received the Corridor Establishment and Maintenance Project Status.

2. **Voting to determine the Committee’s Chairperson and Vice Chairperson to complete the voting process**

Vice Chairperson Blalock received the nominations from the floor for SVRT/WSX Chairperson and Vice Chairperson as:

Chairperson - Vice Chairperson Blalock

Vice Chairperson - Member Liccardo

There were no other nominations from the floor.

*M/S/C (Haggerty/McHugh)* to close the nominations and elect Tom Blalock as SVRT/WSX PAB Committee Chairperson, and elect Sam Liccardo as SVRT/WSX PAB Vice Chairperson to complete the voting process.

**CONSENT**

4. **Minutes of April 29, 2009**


**REGULAR**

7. **Silicon Valley Rapid Transit Federal and State Environmental Clearance Update**

Tom Fitzwater, Environmental Planning Manager, provided an overview of the staff report highlighting: 1) federal process; and 2) Federal Transportation Administration (FTA) issued a Record of Decision on June 24, 2010, concluding the Nation Environmental Policy Act (NEPA) process and approving the Berryessa Extension Alternative.

*On order of Chairperson Blalock* and there being no objection, the Committee received the Silicon Valley Rapid Transit Federal and State Environmental Clearance Update.

**NOTE:** M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY
8. **Silicon Valley Rapid Transit Berryessa Extension Design-Build Procurement Status**

Carolyn M. Gonot, Chief SVRT Officer, provided an overview of the staff report highlighting: 1) VTA evaluated a range of project implementation strategies in preparation of advancing the Berryessa Extension Project into New Starts Final Design; and 2) VTA concluded that a design-build methodology would reduce cost, reduce the schedule by six months, and reduce the cost and schedule risk uncertainty.

Michael T. Burns, General Manager introduced Mark Massman, Silicon Valley Berryessa Extension (SVBX) Project Director.

On order of Chairperson Blalock and there being no objection, the Committee received the Silicon Valley Rapid Transit Berryessa Extension Design-Build Procurement Status.

9. **BART Vehicle Procurement Status**

Susan Presley, BART Project Manager of Rail Vehicles, provided an overview of the staff report. She reported BART and VTA have developed a management group to coordinate activities related to the SVBX project. Ms. Presley noted one area of focus is vehicle procurement. She commented BART is currently in a vehicle procurement process to acquire 60 vehicles for the SVBX project.

On order of Chairperson Blalock and there being no objection, the Committee received the Silicon Valley Rapid Transit Berryessa Extension Design-Build Procurement Status.

Member Haggerty left the meeting at 3:51 p.m.

10. **Silicon Valley Rapid Transit Berryessa Extension Project Status**

Carolyn M. Gonot, Chief SVRT Officer, provided an overview of the staff report highlighting: 1) preparation for entry into New Starts Final Design; 2) Hayward Maintenance Facilities; 3) Station Campus Planning Activities; 4) Stakeholder Agreements; and 5) Communications and Outreach.

On order of Chairperson Blalock and there being no objection, the Committee received the Silicon Valley Rapid Transit Berryessa Extension Project Status.

6. **Warm Springs Extension Project Update**

Paul A. Medved, P.E., BART Project Manager, provided an overview of the Warm Springs (WSX) Project Status Report highlighting the Fremont Central Pack Subway project.

On order of Chairperson Blalock and there being no objection, the Committee received the Warm Springs Extension Project Update.
11. **Silicon Valley Rapid Transit Berryessa Right-of-Way and Relocation Planning Update**

Bijal Patel, Deputy Director of Property Development and Management, provided an overview of the staff report highlighting: 1) statutory requirements; 2) relocation plan preparation; 3) summary of potential impacts; and 4) the relocation assistance program.

Member Nguyen requested clarification regarding compensation or loss of good will to property owners if outdoor advertising signs are impacted in the relocation process. Ms. Patel stated outdoor advertising signs will be given the same consideration as businesses but may not be relocated.

**On order of Chairperson Blalock** and there being no objection, the Committee received the Silicon Valley Rapid Transit Berryessa Right-of-Way and Relocation Planning Update.

12. **ANNOUNCEMENTS**

There were no Announcements.

13. **ADJOURNMENT**

**On order of Chairperson Blalock** and there being no objections, the meeting adjourned at 4:26p.m.

Respectfully submitted,

Jacqueline F. Golzio, Board Assistant
VTÅ Board of Directors
1. **ROLL CALL**

The Regular Meeting of the Downtown East Valley Policy Advisory Board (DTEV PAB) was called to order at 3:03 p.m. by Chairperson Campos in the East Wing, Lower Level Conference Room, Santa Clara County Government Center, 70 West Hedding Street, San Jose, California.

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
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<tr>
<td>Dave Cortese</td>
<td>Member</td>
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</tr>
<tr>
<td>Rose Herrera</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Sam Liccardo</td>
<td>Vice Chairperson</td>
<td>Absent</td>
</tr>
<tr>
<td>Nora Campos</td>
<td>Chairperson</td>
<td>Present</td>
</tr>
</tbody>
</table>

A quorum was present.

2. **PUBLIC PRESENTATIONS**

There were no Public Presentations.

3. **Minutes of March 25, 2010**

M/S/C (Herrera/Cortese) to approve the Minutes of March 25, 2010.

4. **Final Location for Westbound 7th Street Bus Rapid Transit Station**

Kevin Connolly, Transportation Planning Manager, provided background information on the westbound 7th Street Bus Rapid Transit (BRT) station. He noted that discussions between VTA staff, City of San Jose staff, officials of the school district and Horace Mann Elementary School helped identify the final location for the westbound BRT station.

Chairperson Campos expressed appreciation to staff for meeting with stakeholders in determining the best location for the westbound BRT station.

M/S/C (Herrera/Cortese) to recommend a final westbound 7th Street Bus Rapid Transit (BRT) station be located between 7th and 8th streets.

NOTE: M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.
5. **Santa Clara Street-Alum Rock Avenue Bus Rapid Transit Merchant Survey**

Chris Lepe, Transform, provided a presentation about the BRT merchant survey highlighting the following: 1) primary findings; 2) merchant support for BRT; 3) increased customers; 4) streetscape improvements; 5) concept of a business assessment district; 6) minimal business impacts; 7) involve the merchants; 8) conclusion; and, 9) TransForm’s next steps.

Chairperson Campos inquired about the timeframe of the survey. Mr. Lepe responded the survey took three months to complete.

Member Herrera asked if the merchants provided input regarding the business assessment district and streetscape improvements. Mr. Lepe noted that input from the merchants about the business assessment and streetscape were not included in the survey. However, the following information was gathered from the merchants: 1) four out of five merchants support improving the streetscape to make the corridor safer; and, 2) 56.8 percent of business owners support the concept of a business assessment district.

Chairperson Campos expressed the importance of understanding the difference between Santa Clara Street and Alum Rock Avenue. The best way to do that is by involving the merchants and gathering their input.

Mr. Lepe stated the results of the survey will be provided to the PAB.

Member Cortese inquired on the total number of merchants on the corridor. Mr. Lepe responded that there are over 1000 merchants along the corridor. Transform was able to reach more than 600 merchants and was able to collect 217 surveys.

**On Order of Chairperson Campos** and there being no objection, the Santa Clara Street-Alum Rock Avenue Bus Rapid Transit Merchant Survey was received.

6. **Santa Clara-Alum Rock Bus Rapid Transit Project – Status Update**

Kevin Connolly, Transportation Planning Manager, provided a report highlighting the following: 1) sustainability assessment; 2) Bus Rapid Transit (BRT) station design; and 3) right of way.

Member Cortese inquired about the issue of branding the BRT. Mr. Connolly responded that branding or having a project sponsor for the BRT will be presented to the PAB as the project design moves forward.

Member Herrera inquired on the status of the relinquishment of State Route 130. Mr. Connolly responded the relinquishment of State Route 130 was passed by the legislature and is waiting for the Governor’s signature.

Chairperson Campos asked if VTA staff is working with the City of San Jose regarding the BRT design along the corridor by the Mexican Heritage Plaza. Mr. Connolly responded that VTA staff is working closely with City of San Jose staff as they are part
of the BRT design team. He noted that as the project progresses, both designs from VTA and City of San Jose will be integrated.

On Order of Chairperson Campos and there being no objection, the status update on the Santa Clara-Alum Rock Bus Rapid Transit Project was received.

7. Capitol Expressway Improvements Status Report

Mark Robinson, Chief Construction Officer, provided a report on the Capitol Expressway improvements highlighting the following: 1) pedestrian and bus improvement work progressing as scheduled; 2) adoption of the California Environmental Quality Act (CEQA) Supplemental Environmental Impact Report by the California Transportation Commission (CTC); 3) submission of allocation requests to CTC for State Transportation Improvement Program (STIP) funding; 4) operations and maintenance agreement between the City of San Jose and County of Santa Clara; and 5) public review of the draft Federal environmental document on January 2011.

Member Herrera inquired about securing STIP funds. John Ristow, Chief CMA Officer, responded staff already submitted allocation requests to CTC, and is currently working with CTC to completely secure the funds. He noted that the State’s budget problem and the gas tax swap conducted last year are factors that are affecting the release of funds. He added staff may request the VTA Board of Directors, City of San Jose Council Members or Santa Clara County Supervisors to submit a letter of support for the project in the near future.

On Order of Chairperson Campos and there being no objection, the Capitol Expressway Improvements status report was received.

8. ADJOURNMENT

On Order of Chairperson Campos and there being no objection, the meeting was adjourned at 3:34 p.m.

Respectfully submitted,

Michael Diaresco, Board Assistant
Office of the Board Secretary