

From: VTA Board Secretary

Sent: Wednesday, May 1, 2024 7:44 PM

To: VTA Board Secretary

Subject: VTA Information: May 2, 2024 Board of Directors Meeting 1st Update to the Agenda Packet

Board of Directors:

The agenda has been revised for the agenda language on Agenda Item #7.2: BSVII Extension Project - BART Railcar Procurement. The agenda on our agenda portal reflects the revised language for the item.

The agenda packet for the May 2, 2024 Board of Directors Meeting has been updated to include additional information on the following items:

- **Agenda Item #2.1:** Resolution of Appreciation for Jim Lawson (resolution)
- **Agenda Item #5.2:** General Manager Report (ridership, safety and security stats)
- **Agenda Item #6.6:** Collision Avoidance Deployment Program (revised memo)
- **Agenda Item #6.11:** Unapproved Minutes/Summary Reports from VTA Committee, Joint Power Boards, and Regional Commissions (CPC and SSTPO)
- **Agenda Item #7.1:** SB 129 Joint Labor Management Committee Report (report and presentation)
- **Agenda Item #7.2:** BSVII Extension Project - BART Railcar Procurement (memo, attachment, and presentation) **Also, attached to this email.**
- **Agenda Item #7.3:** Amendments to SB 1031 (Wiener/Wahab) (public comment) (3 letters from the public were received and the total letters received for this item is now 3.)

You may access the updated agenda packet on our [agenda portal](#).

Thank you,

Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 North First Street, Building B
San Jose, CA 95134-1927
Phone [408-321-5680](tel:408-321-5680)





Date: May 1, 2024
 Current Meeting: May 2, 2024
 Board Meeting: May 2, 2024

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
 Board of Directors

THROUGH: General Manager/CEO, Carolyn M. Gonot

FROM: Chief Capital Megaprojects Delivery Officer, Tom Maguire

SUBJECT: BSVII Extension Project - BART Railcar Procurement

Policy-Related Action: No

Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

- 1) Authorize the General Manager/CEO to enter into an agreement per the terms in the attached term sheet with the San Francisco Bay Area Rapid Transit (BART) for the purchase of 48 revenue vehicles for the BART Silicon Valley Phase II (BSVII) Extension Project through BART's existing contract with Alstom (formerly Bombardier).
- 2) Execute all relevant agreements and other documentation pursuant to the VTA/BART Comprehensive Agreement. Manufacturer and BART costs related to these revenue vehicles are estimated to total \$172,600,000.
- 3) Amend the FY24/FY25 Biennial Budget to increase the appropriation of 2016 Measure B funding in the amount of \$172,600,000 from the remaining ballot allocation amount to fund the purchase of the necessary 48 revenue vehicles for the BSVII Extension Project.

EXECUTIVE SUMMARY:

- In 2013, VTA and BART entered an agreement regarding procurement of revenue vehicles. This agreement allowed BART to deploy 60 new vehicles needed for the BART Silicon Valley Program. The 60 vehicles were part of a larger procurement of 775 vehicles from vehicle manufacturer Alstom.
- BART entered into a second sole source contract in 2020 which allows them to procure up to 425 revenue vehicles. Option 3 of this sole source contract includes 48 revenue vehicles for the BSVII Extension Project.

- VTA will pay manufacturer's production costs, including sales tax, escalation, change orders and other production costs; BART costs, including direct labor and fringe benefits for staff, consultant, and other soft costs; and other direct costs. The agreement is a prerequisite for BART's execution of Option 3. The deadline to exercise Option 3 is May 31, 2024. It is anticipated that all 48 revenue vehicles will be delivered and accepted by BART in January 2026 with a warranty period that runs through January 2030.
- To exercise Option 3, VTA must make specific financial and other arrangements with BART, as provided in the VTA/BART Comprehensive Agreement. The estimated cost for VTA is \$172,600,000.

STRATEGIC PLAN/GOALS:

Improved transit created by implementation of the Project is consistent with the goals established in prior corridor studies and responds to the long-range Valley Transportation Plan 2040 (VTP 2040), adopted by VTA in 2014. The primary goal of the long-range plan is to provide transportation facilities and services that support and enhance Santa Clara County's high quality of life and vibrant economy and transportation network, with a focus on transit.

FISCAL IMPACT:

This action will authorize funding, estimated at \$172,600,000, to procure 48 BART Revenue vehicles for VTA's BSVII Extension Project. Appropriation for the anticipated expenditures and commitments is not included in the FY24/FY25 2000 Measure A Transit Improvement Program Capital Budget request, so an additional \$172,600,000 of 2016 Measure B appropriation is requested in this memo. VTA's BSVII Extension Project is planned to be funded by a mix of 2000 Measure A, 2016 Measure B, Federal FTA New Starts Grant Agreement (FFGA), State TIRCP and regional funds.

BACKGROUND:

On November 19, 2001, VTA and BART executed the Comprehensive Agreement in Connection with the BART Silicon Valley Extension Program. The VTA/BART Comprehensive Agreement provides the essential framework for implementing the BART extension in Santa Clara County, including the purchase of revenue vehicles.

In 2012, BART entered into the first contract with Alstom to purchase up to 775 revenue vehicles to replace and expand its fleet. This number included the 60 revenue vehicles for the BART Silicon Valley Extension which runs on the Berryessa/North San Jose to Daly City (Green Line), and the Berryessa/North San Jose to Richmond (Orange Line) lines.

In 2020, as part of BART's plan to further augment its fleet capacity, BART entered into a second sole source contract. Under this contract, BART can procure up to 425 revenue vehicles, which would bring their total fleet to 1,200. Of the 425 revenue vehicles, 48 revenue vehicles are for the BSVII Extension Project.

As of March 31, 2024, the manufacturer has delivered 730 of the 775 revenue vehicles, including 60 revenue vehicles that have been deployed for the BART Silicon Valley Program. Delivery of the remaining 45 revenue vehicles is anticipated to be completed in 2024.

DISCUSSION:

On November 15, 2018, the BART Board of Directors unanimously authorized the negotiation of a follow-on, sole source procurement of additional revenue vehicles with Alstom for a second revenue vehicle procurement contract.

On September 20, 2020, BART signed a notice to award a base contract (second revenue vehicle procurement contract with Alstom) of 100 revenue vehicles with options to procure up to a total of 425 revenue vehicles. This second contract included “Option 3” which will enable BART to purchase the necessary 48 revenue vehicles for the BSVII Extension Project. VTA and BART management are developing essential terms for an agreement for the purchase of the 48 revenue vehicles and this is a pre-requisite before BART can exercise Option 3. The deadline for BART to exercise Option 3 is on April 30, 2024 but BART has extended this notice by 30 days.

VTA will pay manufacturer’s production costs, including sales tax, escalation, change orders and other production costs; BART costs, including direct labor and fringe benefits for staff, consultant, and other soft costs; and other direct costs. It is anticipated that all 48 revenue vehicles will be delivered and accepted by BART in January 2026 with a warranty period that runs through January 2030.

To exercise Option 3, VTA must make specific financial and other arrangements with BART, as provided in the VTA/BART Comprehensive Agreement (CA). The CA provides that:

- BART will procure the revenue vehicles needed for the BART Silicon Valley Extension Program
- VTA will pay all costs associated with their procurement, including BART staff costs, consultant costs, manufacturer payments and any other direct costs.
- VTA will own the revenue vehicles.
- BART will operate and maintain the revenue vehicles in the same manner as the rest of its operating fleet.

To fulfill the obligation in the CA, BART and VTA have developed a term sheet (attachment 1) to support an agreement with BART for the purchase of 48 revenue vehicles for the BSVII through BART’s existing contract with Alstom.

ALTERNATIVES:

If the recommended action is not taken in time to meet the Option 3 deadline included in BART’s revenue vehicle procurement contract with Alstom, then VTA takes on the risk that Alstom would not agree to extend the option or would substantially raise the price of the 48 cars. If Alstom does not agree to extend the execution date for Option 3, then VTA’s only option will

be to initiate a standalone solicitation process, in partnership with BART, for the procurement of revenue vehicles for the BSVII Extension Project.

A standalone procurement would result in substantially higher pricing and expose BSVII to complex risks. The first procurement's production mobilization cost was spread across 775 revenue vehicles. Distributing production mobilization cost over just 48 revenue vehicles would significantly increase the per revenue vehicle cost under a standalone procurement scenario. Mobilization cost and risk are high because BART revenue vehicles are designed for BART's unique specifications, and requirements, and potentially require a manufacturer to secure and set up new facilities and equipment and train new specialized labor. Depending on the timing of the BSVII Extension revenue vehicle procurement, there would also be substantial BART start-up efforts and soft costs, including recruitment and hiring of a new project/contract manager, project team, and quality inspectors.

New CPUC safety certification and environmental approvals would also be required. Integration and compatibility with existing cars due to complexity and proprietary systems is a significant risk of a standalone procurement. Given the small size of the procurement, there is a risk that no firms will offer bids. Finally, FTA requires necessary revenue vehicles to be available at initial revenue service and if VTA fails to execute Option 3, FTA will flag this as a program risk. With the higher pricing and the complex risks of not executing Option 3, there are no practical alternatives to this recommendation.

CLIMATE IMPACT:

The Project is projected to reduce annual automobile revenue vehicle miles traveled (VMT) and therefore would result in a substantial reduction in Greenhouse Gases (GHG).

BUSINESS DIVERSITY REQUIREMENTS:

BART is using federal funds and will be complying with applicable federal DBE requirements for its revenue vehicle procurement. There are no other DBE requirements associated with the recommended VTA financial commitment.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

VTA's BART Silicon Valley Phase II Oversight Committee heard this as an information item on April 17, 2024. Extensive discussions included considerations around the delivery of revenue vehicles to BART many years prior to the date needed for the BSVII Extension Project, including maintenance and warranties, and capacity considerations. Also, during the discussion, staff indicated that the current BSVII Extension schedule and risk register assume that VTA enters into an agreement with BART to exercise Option 3. Finally, the committee expressed the need for a Term Sheet to accompany this Board Memo.

Prepared by: Krishna Davey
Memo No. 9084

ATTACHMENTS:

- 7.2 - Term Sheet - Procurement of Revenue Vehicles (PDF)
- 7.2 - BSV II Bart Railcar PPT (PDF)

Term Sheet – Procurement of BART Revenue Vehicles for BSVII Extension Project

- BART will execute Option 3 of Contract 40FD-110 for 48 VTA vehicles.
- VTA will pay BART for actual costs, with a proper cost reconciliation, associated with the procurement of 48 revenue vehicles, currently estimated at \$172.6 Million as shown below.
- VTA will purchase a performance surety bond to secure VTA's financial obligations under the agreement.
- VTA will make an initial payment to BART, estimated at \$10.9M. Additional payments will be made at least 30 days in advance of expenditures in accordance with an estimated payment schedule that will be attached to the agreement. The estimated payment schedule will be updated, as needed, to reflect any changes to Contract 40FD-110, the production and delivery schedule for Option 3, and other updates to the Option 3 expenditure forecast.
- VTA will fund this agreement by using the allocated funding source of 2016 Measure B.
- BART will conduct all procurement activities and BART has sole and exclusive authority with respect to change orders to Contract 40FD-110.
- BART will procure insurance before the transfer of ownership to VTA, as was done in the BSVI Vehicle Purchase Agreement.
- VTA will procure insurance after transfer of ownership from BART, as was done in the BSVI Vehicle Purchase Agreement.
- Subject to VTA's payment of all costs in connection with Option 3 of Contract 40FD-110, VTA will hold the title of the 48 revenue vehicles.
- The VTA vehicles will be used by the BART Core System and the SVRT Extension with operation and maintenance to be provided by BART in accordance with the terms of the O&M Agreement.
- VTA will pay ongoing operating, maintenance and capital costs related to the 48 VTA vehicles in accordance with the O&M Agreement.
- Nothing in this agreement shall be deemed acknowledgement that 48 vehicles is sufficient to meet a particular service model for the BSVII Project.

- VTA costs for this agreement will be based on actual costs that are estimated as follows:

#	Description	Cost Basis	Unit Cost	Total
1	Production Cost (E-Cars) ¹	Fixed ³	\$2,270,000	\$108,960,000
2	Spare Parts ¹	Allowance ³	\$153,000	\$7,344,000
3	Tariff ¹	Allowance ³	\$21,850	\$1,048,800
4	Other Production and Contract Related Costs	Allowance ³	\$42,514	\$2,040,78
5	Sales Tax	Allowance	N/A	\$12,714,765
6	Management Costs ²	Allowance	N/A	\$8,144,407
7	Escalation (including sales tax)	Allowance	N/A	\$28,556,835
8	Contingency	Allowance	N/A	\$3,747,003
			Total	\$172,556,488

1. From Contract 40FD-100 Price Form.
2. Includes BART staff, consultant, and other direct costs.
3. Per unit for 48 units.

VTA's BART Silicon Valley Phase II Extension

BART Railcar Procurement

Board of Directors Meeting
May 2, 2024



BSVII Railcar Procurement - Key Terms



Key Terms of BSVII Railcar Procurement

BART will execute Option 3 of Contract 40FD-110 for 48 VTA vehicles.

VTA will pay BART for actual costs, with a proper cost reconciliation, associated with the procurement of 48 revenue vehicles, currently estimated at \$172.6 Million.

VTA will purchase a performance surety bond to secure VTA's financial obligations under the agreement.

VTA will make an initial payment to BART, estimated at \$10.9M. Additional payments will be made at least 30 days in advance of expenditures in accordance with an estimated payment schedule. The estimated payment schedule will be updated, as needed, to reflect contract changes, production and delivery schedule, and other updates to the Option 3 expenditure forecast.

VTA will fund this agreement by using federal FFGA funds, with 2016 Measure B providing the prescribed local match. Prior to FFGA execution, funding will be entirely by 2016 Measure B.

BART will conduct all procurement activities and BART has sole and exclusive authority with respect to change orders to Contract 40FD-110.

BSVII Railcar Procurement - Key Terms



Key Terms of BSVII Railcar Procurement

BART will procure insurance before the transfer of ownership to VTA, as was done in the BSVI Vehicle Purchase Agreement.

VTA will procure insurance after transfer of ownership from BART, as was done in the BSVI Vehicle Purchase Agreement.

Subject to VTA's payment of all costs in connection with Option 3 of Contract 40FD-110, VTA will hold the title of the 48 revenue vehicles.

The VTA vehicles will be used by the BART Core System and the SVRT Extension with operation and maintenance to be provided by BART in accordance with the terms of the O&M Agreement.

VTA will pay ongoing operating, maintenance and capital costs related to the 48 VTA vehicles in accordance with the O&M Agreement.

Nothing in this agreement shall be deemed acknowledgement that 48 vehicles is sufficient to meet a particular service model for the BSVII Project.

BSVII Railcar Procurement – Staff Recommendation



BART Alstom Contract Option 3	Pros	Cons
Procurement Cost	\$173 million is an attractive price due to economies of scale	
Use before BSVII opening	Testing and acceptance does not affect BSVII critical path	Eleven years of wear and tear before BSVII opens (2037), components out of warranty
O&M and On-Going Capital Costs before BSVII opening		Annual VTA cost of \$4 million (est.)
Acceptance/integration risks before BSVII opening	No acceptance or integration risks	
Cash Flow Considerations	Cost certainty is achieved	Potential to increase borrowing costs by accelerating expenditure

BSVII Railcar Procurement – Alternative Approach



VTA Future Contract	Pros	Cons
Procurement Cost		Estimated \$450 million + due to inefficient contracting approach. VTA does not have in-house expertise for this effort.
Use before BSVII opening	Railcars would be new at start of BSVII revenue service	Delay to railcar delivery could impact BSVII critical path
O&M and On-Going Capital costs before BSVII opening	None	
Acceptance/integration risks before BSVII opening		High risk due to potential for new BART design standards and BART staff turnover
Cash Flow Considerations	Expenditures (purchase and maintenance) delayed	No cost certainty

BSVII Railcar Procurement - Costs



#	Description	Cost Basis	Unit Cost	Total
1	Production Cost (E-Cars)*	Fixed**	\$2,270,000	\$108,960,000
2	Spare Parts*	Allowance**	\$153,000	\$7,344,000
3	Tariff*	Allowance**	\$21,850	\$1,048,800
4	Other Production and Contract Related Costs	Allowance**	\$42,514	\$2,040,678
5	Sales Tax	Allowance	10.65%	\$12,714,765
6	Management Costs***	Allowance	N/A	\$8,144,407
7	Escalation (including sales tax)	Allowance	N/A	\$28,556,835
8	Contingency	Allowance	2.17%	\$3,747,003
			Total	\$172,556,488

*Source: BART's Contract No. 40FD-110, BAFO Price Summary Form

** Per Unit (48)

*** 2. Includes BART staff, consultant, and other direct costs.

From: VTA Board Secretary

Sent: Wednesday, May 1, 2024 8:23 PM

To: VTA Board Secretary

Cc: Bailey, Jaye; Chapman, Nicole

Subject: From VTA: Response to 4.4.24 Torres et. al Board Referral: VTA's commitment to not hire contractors with outstanding wage theft judgments

Importance: High

VTA Board of Directors:

Attached is staff's response to the [referral](#) submitted on April 4, 2024, regarding the reaffirmation of VTA's commitment not to hire contractors with outstanding wage theft judgments.

If you have any questions, please reply to this email.

Thank you.

Santa Clara Valley Transportation Authority
3331 North First Street,
San Jose, CA 95134-1927



BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority Board of Directors

FROM: Remi Awosanya, Contracts Compliance Manager/DBELO
Emilija Basic, Construction Contracts Compliance Officer

THROUGH: Carolyn Gonot, CEO/General Manager

DATE: April 22, 2024

SUBJECT: Referral to Administration - VTA's Process commitment not to hire contractors with outstanding wage theft judgment

In the Board of Director's Referral dated April 4, 2024 ("Subject: Referral to Administration - Contractor Accountability Process"), the Board directed VTA staff to "provide a detailed report within 30 days outlining the processes and procedures VTA follows:

1. Affirming VTA's commitments to refrain from engaging contractors with a record of outstanding wage theft judgments. This commitment underscores VTA's values and the importance of fair compensation.
2. Include any Santa Clara County Office of Labor Standards Enforcement (OLSE) coordination and cross reference any data respective departments have on all contractors hired by VTA.
3. Include any OLSE coordination as part of VTA staff's report to the board, reaffirming the agency's commitment to not work with companies with outstanding wage theft judgments.

The following are responses to each of the Board's questions. The board questions are in bold italics:

1. ***Affirming VTA's commitments to refrain from engaging contractors with a record of outstanding wage theft judgments.***

VTA holds a firm policy against contracting with any organizations that have unresolved wage theft judgments. This stance is integral to our mission, ensuring that all workers are treated fairly

and that their rights are vigorously protected under our contracts. We continually vet our contractors and maintain stringent compliance checks to uphold these values. VTA actively monitors the Department of Industrial Relations Labor Standards Enforcement List to identify contractors debarred from California public works contracts due to wage theft.

Our verification process also identifies contractors who are ineligible for federal contracts due to violations of Executive Orders. Additionally, VTA utilizes LCPtracker, a web-based Labor Compliance Management Tool approved by the Department of Industrial Relations, to prevent wage theft on VTA contracts. The following are some of VTA's approaches to ensure thorough oversight and compliance with labor standards.

- **Pre-Qualification Criteria for Construction Contracts over \$1,500,000:** In 2001, VTA launched a pre-qualification pilot program, which was subsequently adopted and approved by the board in 2013 requiring construction contractors to demonstrate a history of compliance. This includes providing evidence of past project performance, certifications, and references from previous contracting solicitations. These requirements serve as the basis for evaluating the eligibility of contractors and conducting background checks to uncover any violations in their prior contract engagements.
- **Certified Payroll Reporting:** VTA contracts mandate the use of LCPtracker by contractors to submit certified payroll reports detailing wage rates paid to each worker on public works projects. These reports, signed under penalty of perjury, are compared against prevailing wage rates to ensure accurate payment to workers and eliminate any wage theft.
- **Verification of Hours Worked:** Contractors must report the hours worked by each employee accurately to ensure proper compensation for their work. VTA's Compliance team conducts regular audits, cross-referencing hours logged on LCPtracker with invoices, Inspector Daily Reports (IDR), submitted timecards, and other relevant documents to uphold accuracy and integrity.
- **Contractor's Bond:** VTA utilizes contractors' bonds to combat wage theft, providing a means for subcontractors and workers to seek compensation if they have not been properly paid for their construction work. In cases of confirmed wage theft where the prime contractor does not resolve the issue, affected subcontractors are encouraged to file a claim against the contractor's payment bond to recover unpaid wages or related damages.
- **Contract Provisions:** We have implemented specific contract provisions that require compliance with wage laws and outline the consequences for any violations, including penalties. Additionally, VTA has an established comprehensive procedure to address situations where a contractor is found to be in violation of wage payment regulations with their subcontractors. The process employed by VTA involves several steps, which include:

- (i) **Initial Complaint Reception:** Upon receiving a complaint from a subcontractor about wage violation or when VTA finds that a wage violation has occurred during a routine compliance review on subcontractor payment via LCPTracker, VTA Compliance Office, will conduct a preliminary review to determine its credibility and scope. If the violation warrants further investigation, VTA will proceed to the next step.
- (ii) **Formal Investigation Initiation:** An investigative team is formed, consisting of VTA compliance team, and notifying VTA legal about the investigation. The team will gather facts, interview relevant witnesses, review evidence such as payroll records, time sheets, inspector reports and employment contracts, and any other documentation that supports or refutes the claim. The complexity of the investigation can vary based on the specifics of the case and the amount of information available.
- (iii) **Analysis and Verification:** With the evidence at hand, the compliance team analyzes the data to determine if wage theft has occurred. This involves checking applicable state, and federal wage determination rates and comparing with payroll records and the contractor's contractual obligations.
- (iv) **Investigation Report:** The team prepares a detailed report outlining the findings of the investigation. This report includes a summary of the evidence, analysis, conclusions, and recommended actions. The report is reviewed internally by VTA management and legal staff to ensure its accuracy, completeness, and compliance with legal standards.
- (v) **Notification of the Contractor:** The contractor in question is notified of the findings and given an opportunity to respond. They may be asked to rectify the situation, provide additional information, or dispute the findings.
- (vi) **Action and Enforcement:** Depending on the contractor's response and the severity of the violation, VTA may impose penalties, withhold payments in accordance with the contract provision or terminate contracts.
- (vii) **Reporting to Department of Industrial Relations, Labor Standards and Enforcement (DLSE):** If the violation involves significant legal violations or if the contractor fails to comply with rectification measures, the agency reports the case to the DLSE. The report that goes to DLSE will include all relevant documentation and evidence, supporting a clear narrative of the violation and the investigation VTA has conducted. VTA monitors the situation to ensure compliance and prevent future incidents.

This step-by-step process ensures a thorough investigation and maintains accountability, providing a structured pathway for dealing with wage theft allegations effectively and transparently. Additionally, the DLSE's wage theft process is designed to be accessible to

organizations, contractors, subcontractors and employees, providing a venue where they can seek justice without the need for expensive legal representation.

- **CA Preliminary Public Notice Code Sections 8034(b), 8102, 8106-8118, 9300 et seq.:**
As the awarding body, VTA encourages second tier and lower subcontractors and material suppliers to submit a preliminary notice to safeguard against wage issues. This allows affected parties to file a Stop Payment Notice if necessary, compelling VTA to withhold funds from the prime contractor. This intervention by VTA ensures timely payment to subcontractors or suppliers impacted by wage theft.
2. ***Include any Santa Clara County Office of Labor Standards Enforcement (OLSE) coordination and cross reference any data respective departments have on all contractors hired by VTA.***

Each VTA-awarded contract involving covered work is registered with the Department of Industrial Relations (DIR) as required by Labor Code Section 1726. When the state DIR issues a determination against a contractor for wage theft, VTA will seek assistance from the County OLSE in enforcing state determinations to ensure that contractors comply with those findings.

3. ***Include any OLSE coordination as part of VTA staff's report to the board, reaffirming the agency's commitment to not work with companies with outstanding wage theft judgments.***

The County's OLSE enforcement is primarily focused on local labor laws within the county, including the county's living wage ordinance, which mandates higher minimum wages for employees working on county contracts or receiving county subsidies. Since VTA contracts labor provisions are governed by the state, wage theft violations are based on State DIR standards and investigated by the State DIR.

The County OLSE has affirmed that VTA's practice of referring cases of wage theft and other violations to the state, a higher authority, is correct and should be continued. Whenever VTA identifies wage theft on awarded contracts, we report these violations to the State of California Department of Industrial Relations (DIR) or Department of Labor Standards Enforcement (DLSE), as necessary. The state DIR or DLSE may take actions such as imposing penalties or seeking to recover back wages following their investigation into the violations.

CLOSING:

In closing, VTA's established contract award processes and use of technology, such as LCPtracker, have been used effectively to prevent wage theft, ensuring transparency, accountability, and compliance on public works projects. This proactive approach not only

reinforces our dedication to fair labor practices but also aligns with our broader organizational values of integrity and responsibility.

From: VTA Board Secretary

Sent: Wednesday, May 1, 2024 12:12 PM

To: VTA Board of Directors

Subject: VTA Information: Annual Public Hearing on the 2000 Measure A Program for FY 2023

VTA Board of Directors:

On behalf of the 2000 Measure A Citizens Watchdog Committee (CWC), we are sharing the attached Public Hearing Notice inviting the community to provide input on 2000 Measure A Program expenditures for Fiscal Year (FY) 2023, including the [results of the annual compliance audit](#). The Committee commissioned an audit of the Measure A Program financial records and schedule for FY 2023 (July 1, 2022 - June 30, 2023). Crowe LLP, an independent certified public accounting firm, conducted the compliance audit on behalf of the CWC and *issued an unqualified (“clean”) opinion, indicating that VTA complied, in all material respects, with the requirements for the measure.* This is the 17th consecutive audit receiving a clean opinion.

The hearing is scheduled for:

Wednesday, May 8, 2024 at 5:30 p.m. (time certain)

In Person: VTA Headquarters, 3331 North First Street, San Jose, CA 95134 - Conference Room B-106

Via Zoom: <https://us02web.zoom.us/j/86546319855> Webinar ID: 865 4631 9855

Kindly share this invitation with your constituents or network to help spread the word. In addition to the attached flyer, you may also use the following links:

- [Link to Facebook post](#)
- [Link to Instagram post](#)
- [Link to X post](#)
- [Link to Nextdoor post](#) (accessible only with a Nextdoor account and a resident of Santa Clara County)

If you have any questions, please reply to this email.

Thank you,

Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 North First Street, Building B
San Jose, CA 95134-1927
Phone **408-321-5680**





How are Your Transit Tax Dollars Being Spent? *We Have Answers!*

The Citizens Watchdog Committee (CWC) invites you to provide your input on 2000 Measure A expenditures, including the results of the annual compliance audit for Fiscal Year (FY) 2023.

Join us at the annual public hearing:
Wednesday, May 8, 2024 at 5:30 p.m. (time certain)

In Person: VTA Headquarters, 3331 North First Street,
San Jose, CA 95134 – Conference Room B-106

Via Zoom: us02web.zoom.us/j/86546319855
Webinar ID: 865 4631 9855

Contact the Office of the Board Secretary for questions. Sign language and interpreter services will be provided upon request at least five days prior to the meeting. Written comments are accepted until 10:00 a.m. on May 8 by email.

The Audit Results are In!

The Committee commissioned an audit of the Measure A Program financial records and schedule for FY 2023 (July 1, 2022 – June 30, 2023). Crowe LLP, an independent certified public accounting firm, conducted the compliance audit and issued an unqualified (“clean”) opinion on Measure A Program compliance with the ballot, making this the 17th consecutive audit receiving a clean opinion.

The Audit results are available on VTA’s website at vta.org/cwc-fy23audit and at the VTA Administrative Office at 3331 North First Street, San Jose, CA 95134 in the Building B Main Lobby.

Here's the Back Story!

In November 2000, Santa Clara County voters approved Measure A, a half-cent sales tax for specific public transit capital improvement projects and operations. Revenue collection began in April 2006. Highlights for FY 2023 include key activities for VTA’s BART Silicon Valley Extension project, Eastridge to BART Regional Connector project, and Caltrain Electrification efforts.



Join the Conversation
Scan to Learn More

From: VTA Board Secretary

Sent: Thursday, May 2, 2024 2:44 PM

To: VTA Board Secretary

Subject: VTA Information: May 2, 2024 Board of Directors Meeting 2nd Update to the Agenda Packet

Board of Directors:

The agenda packet for the May 2, 2024 Board of Directors Meeting has been updated to include additional information on the following items:

- **Agenda Item #3:** Public Comment (written comments)
- **Agenda Item #5.1.C:** Standing Committee Chairperson's Report (written reports for A&F, CPC, and SSTPO)
- **Agenda Item #5.1.E:** VTA's BSV II Oversight Committee Chairperson's Report (written report)
- **Agenda Item #5.2.A:** Government Affairs Report (written report)
- **Agenda Item #6.11:** Unapproved Minutes/Summary Reports from VTA Committee, Joint Power Boards, and Regional Commissions (BSV II and Caltrain)
- **Agenda Item #7.3:** Amendments to SB 1031 (Wiener/Wahab) (presentation) (1 additional letter from the public were received and the total letters received for this item is now 4.)

You may access the updated agenda packet on our [agenda portal](#).

Also, attached you will find the timed agenda for tonight's meeting.

Thank you,

Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 North First Street, Building B
San Jose, CA 95134-1927
Phone [408-321-5680](tel:408-321-5680)



BOARD OF DIRECTORS REGULAR MEETING

Thursday, May 2, 2024

5:30 PM

ESTIMATED TIMES:

5:30 PM - START REGULAR MEETING
8:19 PM - RECESS TO CLOSED SESSION
8:50 PM- ADJOURN

AGENDA

1. CALL TO ORDER AND ROLL CALL (5 MINS: 5:30-5:35 PM)

1.1. ROLL CALL

1.2. Orders of the Day

Revised agenda.

2. AWARDS AND COMMENDATION (7 MINS: 5:35 – 5:42 PM)

2.1. ACTION ITEM -Adopt the Resolution of Appreciation for Jim Lawson,
Chief External Affairs Officer.

Need motion/second.

Resolution will be presented.

Photo with the Board.

Make comments after photo.

3. PUBLIC COMMENT (15 MINS: 5:42 – 5:57 PM)

This is for items NOT on the agenda.

1 minute per speaker. Those in person will be heard first then those who are on Zoom.

Total time allotted is up to 30 minutes.

After 30 minutes, those who were unable to address the Board on matters not on the agenda may address the board before adjournment.

4. PUBLIC HEARINGS

There are no Public Hearings.

5. REPORTS

(7 MINS: 5:57-6:04 PM)

5.1. Committee Reports

5.1.A. Citizens Advisory Committee (CAC) Chairperson's Report. (Verbal Report)
(Globus)

Ryan Globus, CAC Chair will provide the report.

5.1.B. Policy Advisory Committee (PAC) Chairperson's Report. (Verbal Report)
(Martinez-Beltran)

No Report.

5.1.C. Standing Committee Chairpersons' Report. (Verbal Report)

Report in the [packet](#).

5.1.D. Policy Advisory Board Chairpersons' Report. (No Report)

5.1.E. VTA's BSV II Steering Committee Chairpersons' Report. (Verbal Report)
(Burt)

Report in the [packet](#).

5.2. General Manager Report. (Verbal Report)

Slides available [online](#)

Preliminary Ridership and Security [online](#)

Safety and Security Statistics [online](#)

5.2.A. INFORMATION ITEM - Receive Government Affairs Update. [online](#)

5.3. Chairperson's Report. (Verbal Report)

6. CONSENT AGENDA

(10 MINS: 6:04-6:14 PM)

Chair will open public comment before asking for a motion/second.

Note before motion/second if you are abstaining or recusing from an item.

NEED MOTION/SECOND

ADMINISTRATION AND FINANCE (A&F) COMMITTEE

- 6.1. ACTION ITEM -Authorize the General Manager/CEO to execute a contract amendment with the Law Offices of Patrick Reilly for \$72,000, to add an additional six months for a new contract expiration date of December 31, 2024, and to increase the contract value by an additional 7.4%, for a total contract value of \$1,048,200.00.
- 6.2. ACTION ITEM -Authorize the General Manager to enter into a continuation agreement with the County of Santa Clara (County) for two years on the same terms and conditions as Contract S18140 (the prior contract between the parties) for maintenance, repair, and fueling services for VTA's Non-Revenue Vehicles (NRV). The continuation agreement will have a new expiration date of April 30, 2026 and is in the amount of \$1,985,000, bringing the total contract amount to \$5,285,000.
- 6.3. ACTION ITEM -Authorize the General Manager/CEO to execute a contract amendment with AECOM Technical Services, Inc. to perform Final Design and Right- of-Way (ROW) Engineering Services for the US 101 Express Lanes Phase 5 Project in the amount of \$2,610,023 for a total contract value of \$11,629,814.
- 6.4. ACTION ITEM -Adopt a program resolution for VTA's FY 23-24 Low Carbon Transportation and Operations Program (LCTOP) revenue-based of projects for \$2,600,200 for the On-Route Charging Pilot Project and \$5,363,150 for the VTA's BART Silicon Valley Rapid Transit (SVRT) Phase I Extension - Operations and Maintenance (O&M) Program.
- 6.5. ACTION ITEM -Adopt a program resolution for VTA's FY23-24 Low Carbon Transportation and Operations Program (LCTOP) population-based for \$1,847,755 for the Senter Road Bus Bulb Outs project and authorize the General Manager/CEO to enter into related agreements with the City of San Jose to deliver the project.

CONGESTION MANAGEMENT PROGRAM & PLANNING (CMPP) COMMITTEE

The Congestion Management Program and Planning Committee did not meet.

SAFETY, SECURITY, AND TRANSIT PLANNING & OPERATIONS (SSTP&O) COMMITTEE

- 6.6.** ACTION ITEM -Authorize the General Manager/CEO to execute a three (3) year contract with Rosco Collision Avoidance Inc. to install collision avoidance systems on 92 buses and provide training, warranty support and technical data assistance for \$1,386,654. Four optional one-year extensions of the aforementioned services bring the total contract amount to \$2,070,254.

- 6.7.** ACTION ITEM -Authorize the General Manager/CEO to advance the remaining scope of work with Tetra Tech, Inc. (Contract No. S22153) through the work order process for emergency management training, exercises, emergency operations center preparedness, and security planning, not to exceed the contract value of \$7,976,755, subject to annual funding appropriations in the adopted biennial budget and authorize additional appropriations in the amount of \$1,487,000 for FY24 & FY25 for Work Order #2 under the existing contract with Tetra Tech, Inc. (Contract No. S22153) for 2026 related training, exercise planning and preparedness deliverables.

- 6.8.** INFORMATION ITEM -Receive a report on the April 29, 2024, Transit Service Changes.

GOVERNANCE AND AUDIT (G&A) COMMITTEE

There were no items submitted for the Consent Agenda from the Governance and Audit Committee.

BOARD OF DIRECTORS

- 6.9.** ACTION ITEM –Approve the appointment of Sergio Lopez as the Capital Program Committee Chairperson for 2024.

- 6.10.** ACTION ITEM -Approve the Regular Meeting Minutes of April 4, 2024.

- 6.11.** INFORMATION ITEM -Receive unapproved Minutes/Summary Reports from VTA Committees, Joint Powers Boards (JPB), and Regional Commissions.

7. REGULAR AGENDA

(2 hours: 6:14-8:14 PM)

ADMINISTRATION AND FINANCE (A&F) COMMITTEE

There were no items submitted for the Regular Agenda from the Administration and Finance Committee.

CONGESTION MANAGEMENT PROGRAM & PLANNING (CMPP) COMMITTEE

The Congestion Management Program and Planning Committee did not meet.

SAFETY, SECURITY, AND TRANSIT PLANNING & OPERATIONS (SSTP&O) COMMITTEE

There were no items submitted for the Regular Agenda from the Safety, Security, and Transit Planning & Operations Committee.

GOVERNANCE AND AUDIT (G&A) COMMITTEE

There were no items submitted for the Regular Agenda from the Governance and Audit Committee.

BOARD OF DIRECTORS

- 7.1. INFORMATION ITEM -Receive SB 129 Joint Labor Management Committee Report.

Staff Presentation: 25 minutes

Presenters: Marc Delong, Tammy Dhanota, Raj Singh, Randeep Sangha

Information item, no motion needed.

- 7.2. ACTION ITEM - Approve the following actions: 1) Authorize the General Manager/CEO to enter into an agreement per the terms in the term sheet with the San Francisco Bay Area Rapid Transit (BART) for the purchase of 48 revenue vehicles for the BART Silicon Valley Phase II (BSVII) Extension Project through BART's existing contract with Alstom (formerly Bombardier). 2) Execute all relevant agreements and other documentation pursuant to the VTA/BART Comprehensive Agreement. Manufacturer and BART costs related to these revenue vehicles are estimated to total \$172,600,000. 3) Amend the FY24/FY25 Biennial Budget to increase the appropriation of 2016 Measure B funding in the amount of \$172,600,000 from the remaining ballot allocation amount to fund the purchase of the necessary 48 revenue vehicles for the BSVII Extension Project.

Note: Motion must be approved by at least 2/3 of the Board (8 members).

Staff Presentation: 10 minutes

Presenter: Tom Maguire, Chief Megaprojects Delivery Officer.

NEEDS MOTION/SECOND

- 7.3. ACTION ITEM - Review amendments to SB 1031 (Wiener/Wahab) and adopt an oppose position.

Staff Presentation: 15 minutes

Presenter: Jim Lawson, Chief External Affairs Officer

NEEDS MOTION/SECOND

8. OTHER ITEMS (5 MINS: 8:14- 8:19 PM)

- 8.1. ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION
- 8.2. Announcements
- 8.3. Public Comment (Continued)

This portion of the meeting is reserved for persons who had requested but were not able to address the Board of Directors under Item #3 due to the time limit and for those individuals who would like to address the Board on agenda items under "Other Items." **Speakers are limited to 1 minute.** 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.

9. CLOSED SESSION (30 MINS: 8:19 – 8:49 PM)

Closed Session will be held in Room 157.

9.1. Recess to Closed Session

- A. Conference with Legal Counsel – Existing Litigation
[Government Code Section 54956.9(d)(1)]

Name of Case: Santa Clara Valley Transportation Authority v. Bohannon, Ophelia, Wong, Cindy Wai Chee dba Precise Auto, et al.

(Santa Clara County Superior Court Case No. 20-CV-367583)

- B. Threat to Public Services or Facilities
[Government Code Section 54957(a)]

Consultation with the following staff:
Aston Greene, Chief of System Safety & Security

9.2. Reconvene to Open Session

9.3. Closed Session Report

10. ADJOURN *(8:50 PM)*

From: VTA Board Secretary

Sent: Friday, May 3, 2024 9:50 AM

To: VTA Board of Directors

Subject: VTA Information: Referral from May 2, 2024 Board of Directors Meeting

Board of Directors:

The referral from Chairperson Chavez and Members Davis and Mahan has been posted to the agenda portal to **Agenda Item #8.1:** Items of Concern and Referral to Administration.

You may access the updated agenda packet on our [agenda portal](#).

Thank you,

Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 North First Street, Building B
San Jose, CA 95134-1927
Phone [408-321-5680](tel:408-321-5680)

