

# 2000 Measure A Transit Improvement Program

## Citizens Watchdog Committee Report on Fiscal Year 2017



### Comprehensive Annual Report

The Citizen Watchdog Committee (CWC) prepares this report to inform the community on: (1) the CWC's conclusion that 2000 Measure A (Measure A) tax dollars were spent as intended by the ballot during the period; and (2) the status of Measure A projects. The report covers Fiscal Year (FY) 2017, which is July 1, 2016 through June 30, 2017. The report includes Measure A's progress and significant project milestones achieved.

In November 2000, Santa Clara County voters approved Measure A, a 30-year half cent sales tax dedicated to enhancing the public transit system in the county. The ballot listed specific projects with VTA as the implementing agency. The VTA Board of Directors is responsible for the implementation of the Measure A Program and for all policy-related decisions including the composition, implementation schedule and funding level of projects. The ballot designated the CWC as the independent oversight body for Measure A tax dollar expenditures. Measure A revenue collection began in April 2006.

VTA delivers transportation solutions that are critical to the health, vitality, prosperity and quality of life of those who live, work, study or play in Santa Clara County. This commitment can be seen in VTA's successful implementation of Measure A. Although most of the ballot-defined projects are massive and very complex, requiring years to plan, design and construct, VTA has delivered significant results during the first 11 years of the 30-year program. The accomplishments are summarized in the project section of the report. The CWC also prepared a brief summary report highlighting a few key milestones achieved during FY 2017 and how Measure A projects are enhancing the quality of life for residents, commuters, businesses and workers in Santa Clara County. This report, Benefits and Key Achievements, is available at: [www.vta.org/cwc](http://www.vta.org/cwc).

The remainder of this report consists of three major components: (1) the CWC's conclusion that during FY 2017, Measure A tax dollars were spent as intended by the ballot; (2) the report by the CWC's independent compliance auditor; and (3) the description and end of FY 2017 status of individual 2000 Measure A projects.

#### **CITIZENS WATCHDOG COMMITTEE FINDING:**

The CWC appreciates the importance of the role entrusted to us by voters in Santa Clara County to provide oversight for the tax collected under 2000 Measure A and for keeping county residents informed. To that end, we reviewed expenditures for the reporting period, evaluated the results of an independent audit we commissioned for Measure A expenditures, and conducted a public hearing on May 10, 2018, to obtain input from the community on the 2000 Measure A Program. After thorough review and careful consideration of all information and input received:

It is the conclusion of the Citizens Watchdog Committee that for the period of FY 2017, 2000 Measure A tax dollars were spent in accordance with the intent of the Measure.

Respectfully submitted,

Chris Elias  
Vice Chairperson, Citizens Watchdog Committee

## Citizens Watchdog Committee members:

<b>MEMBER</b>	<b>REPRESENTS</b>
Noel Tebo.....	City of San Jose
Matthew Quevedo .....	Silicon Valley Leadership Group
Chris C. Elias.....	Environmentalists
Martin B. Schulter .....	Disabled Persons
Aboubacar Ndiaye.....	South Bay AFL-CIO Labor Council
Ray Hashimoto .....	Home Builders Association of Northern California

<b>MEMBER</b>	<b>REPRESENTS</b>
Connie Rogers.....	South County Cities
Aneliza Del Pinal .....	Senior Citizens
Stephen C. Blaylock.....	Mass Transit Users
Aaron S. Morrow .....	Disabled Community
Herman H. Wadler .....	Bicyclists and Pedestrians
William Hadaya .....	Santa Clara County Chamber of Commerce Coalition

**SANTA CLARA VALLEY  
TRANSPORTATION AUTHORITY**  
**2000 Measure A Transit  
Improvement Program**  
[A Fund of the Santa Clara Valley  
Transportation Authority]  
Independent Accountant's Report on Compliance  
Examination and Budgetary Comparison Schedule  
  
For the Fiscal Year Ended June 30, 2017



Certified  
Public  
Accountants

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY**  
2000 Measure A Transit Improvement Program  
[A Fund of the Santa Clara Valley Transportation Authority]  
For the Fiscal Year Ended June 30, 2017

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## Independent Accountant's Report on Compliance Examination

2000 Measure A Citizens Watchdog Committee  
3331 North First Street  
San Jose, California 95134

We have examined the Santa Clara Valley Transportation Authority's (VTA) compliance with the requirements of the 2000 Measure A Transit Improvement Program (2000 Measure A Program), an activity of VTA, for the year ended June 30, 2017. The financial activity of the 2000 Measure A Program is included in the accompanying Budgetary Comparison Schedule and related notes. Management is responsible for the VTA's compliance with those requirements. Our responsibility is to express an opinion on VTA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether VTA is in compliance with the requirements of the 2000 Measure A Program, in all material respects. An examination involves performing procedures to obtain evidence about VTA's compliance with the requirements of the 2000 Measure A Program. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of VTA's compliance with the requirements of the 2000 Measure A Program, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination of VTA's compliance with specified requirements.

In our opinion, VTA complied with the aforementioned requirements that are applicable to the 2000 Measure A Program for the fiscal year ended June 30, 2017, in all material respects.

Our examination was conducted for the purpose of assessing compliance with 2000 Measure A Program, as reported in the Budgetary Comparison Schedule. The supplementary information is presented for the purposes of additional analysis and is not a required part of the Budgetary Comparison Schedule. The supplementary information has not been subjected to the compliance procedures of the 2000 Measure A Program and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the 2000 Measure A Citizens Watchdog Committee and is not intended to be and should not be used by anyone other than this specified party.

*Macias Gini & O'Connell LLP*

Walnut Creek, CA  
March 28, 2018

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY**  
**2000 Measure A Transit Improvement Program**  
**[A Fund of the Santa Clara Valley Transportation Authority]**  
**Budgetary Comparison Schedule (on a Budgetary Basis)**  
**For the Fiscal Year Ended June 30, 2017**  
**(in thousands)**

	Original Operating Budget	Final Operating Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Sales tax receipts	\$ 216,835	\$ 216,835	\$ 208,672	\$ (8,163)
Investment earnings	4,531	4,531	6,936	2,405
Federal subsidy for Build America Bonds	8,722	8,722	8,753	31
Other income	404	404	407	3
Total revenues	<u>230,492</u>	<u>230,492</u>	<u>224,768</u>	<u>(5,724)</u>
<b>Non-project expenditures:</b>				
Professional, special and other services	751	751	598	153
Operating assistance to VTA Transit (Note B4)	40,021	40,021	38,514	1,507
Contributions to other agencies	1,190	1,190	984	206
Repayment of debt service to VTA Transit (Note D)	15,247	15,246	15,178	68
Principal payment, bond interest and other bond charges (Note E)	27,431	36,081	36,087	(6)
Total non-project expenditures	<u>84,640 *</u>	<u>93,289</u>	<u>91,361</u>	<u>1,928</u>
Total revenues less non-project expenditures	<u>\$ 145,852 *</u>	<u>137,203</u>	<u>133,407</u>	<u>\$ (3,796)</u>
<b>Project expenditures (Note B3):</b>				
Silicon Valley Rapid Transit Corridor (VTA's BART Silicon Valley Program)			304,826	
Light Rail Program			6,458	
Commuter Rail Program			20,191	
Bus Program			31,388	
Mineta-San Jose Airport People Mover			33	
Swap payments to Congestion Management & Highway Program (Note C)			4,289	
Total project expenditures			<u>367,185</u>	
<b>Capital contributions (Note G)</b>				
Change in net position, on a budgetary basis			<u>(83,635)</u>	
<b>GAAP reconciliation and unbudgeted items (Note B1):</b>				
Capitalized project expenditures			288,083	
Caltrain Access Fee			(1,256)	
Unrealized gain/(loss) on investments			(3,862)	
Amortization of premium/discounts on investment			(671)	
Bond principal payment			28,160	
Total GAAP reconciliation and unbudgeted items			<u>310,454</u>	
Change in net position, on a GAAP basis			226,819	
Net position, beginning of year			<u>2,178,434</u>	
Net position, end of year			<u>\$ 2,405,253</u>	

\* Differs slightly from the published adopted budget due to minor adjustments made for exactness.

The notes to the budgetary comparison schedule are an integral part of this schedule.

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY**

2000 Measure A Transit Improvement Program

[A Fund of the Santa Clara Valley Transportation Authority]

Notes to Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2017

**NOTE A – DESCRIPTION OF REPORTING ENTITY**

The Santa Clara Valley Transportation Authority's (VTA) 2000 Measure A Transit Improvement Program (the Measure A Program) was created in response to the Measure A ballot approved by the voters of Santa Clara County on November 7, 2000. The Measure A Program is responsible for a number of key capital transit improvement projects, among them the connection of the San Francisco Bay Area Rapid Transit District (BART) to Santa Clara County, increased bus and light rail service, and to provide for related operating expenses.

The Measure A Program is funded by a half-cent sales tax imposed for a period of 30 years effective April 1, 2006 upon expiration of the County of Santa Clara 1996 Measure B half-cent sales tax on March 31, 2006. Prior to revenue collection, VTA aggressively moved forward, leveraging its capital structure by issuing sales tax revenue bonds to provide funding for part of the Measure A Program, including engineering and design of the Silicon Valley Rapid Transit (SVRT) project (now called VTA's BART to Silicon Valley Extension) and the procurement of Low Floor Light Rail Vehicles. VTA also secured funding under the State's Traffic Congestion Relief Program (TCRP) and the Federal Transit Administration's (FTA) grant programs to facilitate this effort, which are reported as capital contributions on the Budgetary Comparison Schedule (financial schedule).

The Measure A Program provides funding for the following ballot-specified projects:

- Extending BART from Alameda County to the Santa Clara County cities of Milpitas, San Jose and Santa Clara (previously known as the SVRT project and now referred to as VTA's BART Silicon Valley Extension).
- Providing connections from the Norman Y. Mineta San Jose International Airport to BART, Caltrain and VTA light rail.
- Extending light rail from downtown San Jose to the East Valley.
- Purchasing low-floor light rail vehicles.
- Improving Caltrain by double-tracking to Gilroy and electrifying from Palo Alto to Gilroy.
- Increasing the level of Caltrain service.
- Constructing a new Palo Alto Intermodal Transit Center.
- Improving service in major bus corridors.
- Upgrading the Altamont Commuter Express (ACE) service.
- Improving Highway 17 Express bus service.
- Connecting Caltrain with the Dumbarton Rail Corridor.
- Purchasing zero-emission buses and constructing support facilities.
- Developing new light rail corridors.
- Funding operating and maintenance costs for increased bus, rail and paratransit services.

As provided by the 2000 Measure A ballot, the VTA Board of Directors is responsible for implementation of the 2000 Measure A Program and for all policy-related decisions including the composition, implementation schedule and funding level of projects. The Citizens Watchdog Committee is responsible for reviewing 2000 Measure A expenditures to ensure funds are being spent in accordance with the intent of the ballot and for informing the public on how the funds are being spent.

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY**  
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**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***1) Basis of Presentation***

The accompanying financial schedule presents only the financial activities of the Measure A Program on a budgetary basis, and is not intended to present the financial position, changes in financial position and cash flows of the VTA in conformity with accounting principles generally accepted (GAAP) in the United States of America. The reconciliation to GAAP on the accompanying financial schedule is presented to facilitate an understanding of the Measure A Program activities on a GAAP basis.

***2) Basis of Accounting***

The financial activity of the Measure A Program is accounted for as an enterprise fund. Enterprise funds are used to account for government operations in a manner similar to private business enterprises. Enterprise funds are accounted for on a flow of economic resources measurement focus, using the accrual basis of accounting. With this measurement focus, all revenues and expenditures associated with the operation of the Measure A Program are included on the accompanying financial schedule. Revenues are recognized when earned, and expenses are recognized when incurred. Project and other project-related revenues and expenses are presented as the purpose of the Measure A Program is to collect sales taxes and other grant revenues for carrying out the capital projects and service improvements of Measure A Program. Revenues from capital grants are recognized in the period in which all eligibility requirements imposed by the provider have been satisfied.

***3) Budgetary Control***

VTA budgets biennially for its enterprise fund operation which includes the Measure A Program. The annual appropriations for the operating budget lapse at the end of the fiscal year to the extent that they have not been expended. Only the operating budget is displayed in the Budgetary Comparison Schedule, as the project budget is a cumulative budget over the length of the project and is not considered a meaningful comparison on an annual basis.

***4) Operating Assistance to VTA Transit***

The Measure A ballot identified funding for increased bus, rail, and paratransit services. In October 2014, the VTA Board of Directors adopted the Valley Transportation Plan (VTP) 2040; VTP 2040 is VTA's 25-year countywide long-range multimodal transportation plan. As part of VTP 2040, the Board of Directors allocated 18.457% of VTA Transit operating costs to the Measure A Program to provide operating assistance to VTA related to increased bus, rail and paratransit services. The allocation percentage is the basis for determining the amount of actual 2000 Measure A Sales Tax revenues that were used by the VTA Transit Fund for operating activities.

***5) Program-wide Expenditures***

VTA has incurred expenditures for general tasks identified as part of the Measure A Program but not allocated to a specific project. These include the preparation of progress and cost reports, financial forecasting, and ballot-required activities of the Citizens Watchdog Committee including independent compliance audits, public hearings, and publication in local newspapers of audit results, public hearing notices and annual reports. VTA developed an allocation methodology for these expenditures during fiscal year 2010 that uses the actual amount of direct project expenditures as the base for allocating the program-wide expenditures. (See Note F for further details)

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Notes to Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2017

**6) Use of Estimates**

The preparation of the Budgetary Comparison Schedule in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**NOTE C – SWAP PAYMENTS TO CONGESTION MANAGEMENT & HIGHWAY PROGRAM**

Fund swaps are a tool utilized by the VTA Board of Directors, in its capacity as the Congestion Management Agency for Santa Clara County, to accelerate project delivery by releasing qualified projects from the lengthy process and administrative burdens imposed by the state or federal governments to receive grant funding. Fund swaps are a valuable tool utilized by VTA when appropriate and advantageous.

On February 1, 2007, the Board of Directors approved a swap of \$57.54 million of 2000 Measure A Sales Tax revenues for anticipated future grant funding from the State Transportation Improvement Program (STIP). The swapped 2000 Measure A Sales Tax revenues would fund a number of non-Measure A transportation projects. In exchange, the anticipated future STIP funds would be used to pay the Measure A Program's obligation for the Capitol Expressway Light Rail Extension Project.

On December 13, 2007, the Board of Directors approved an additional swap of \$50.44 million of 2000 Measure A Sales Tax revenues for anticipated future grant funding through the STIP. The swapped 2000 Measure A Sales Tax revenues would fund a number of highway improvement projects, as well as local street and county road projects. In exchange, the anticipated future STIP funds would be used to pay a corresponding portion of the 2000 Measure A Program's obligation for concurrent non-project activities related to VTA's BART Silicon Valley Berryessa Extension. The reprogramming of the anticipated STIP funds from a portion of the Measure A Program's obligation for the Mineta San Jose Airport People Mover Project to the BART Silicon Valley Berryessa Extension was approved by the Board of Directors on December 9, 2010.

On November 7, 2013, the Board of Directors approved an additional swap of \$14.50 million of 2000 Measure A Sales Tax revenues for anticipated future STIP grant funding. The 2000 Measure A Sales Tax revenues were to fund the Express Lanes Program Fund Exchange related to the BART Silicon Valley Santa Clara Extension.

On June 7, 2007 as part of a Measure A fund exchange, the VTA Board of Directors programmed \$57.54 million in STIP funds to the Capitol Expressway Light Rail Extension. To date, VTA has accessed \$42.88 million to build pedestrian, bus and bicycle facilities on Capitol Expressway, and to reconstruct and expand the Eastridge Transit Center. Approximately \$1.66 million lapsed back to the county share.

The remaining \$13.0 million was programmed for the utility relocations required to construct track, signal and way for the Light Rail extension on Capitol Expressway. The \$13.0 million had a June 30, 2013 STIP fund allocation deadline, and required National Environmental Policy Act (NEPA) clearance. VTA was unable to obtain NEPA clearance from the Federal Transit Administration (FTA) in time to meet the June 30, 2013 allocation deadline, and requested a 20-month one-time maximum-legally-allowable extension from the California Transportation Commission (CTC). CTC granted the extension, which expired February 15, 2015. VTA has been unable to obtain NEPA clearance for the project in that time, and the \$13.0 million STIP grant lapsed back to Santa Clara County's unprogrammed STIP share on February 16, 2015.

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VTA will have access to the \$13.0 million during the 2018 STIP cycle. The VTA Board of Directors prioritized projects for the 2018 STIP on November 3, 2017. The VTA Board of Director approved all of the lapsed funds, plus \$370,000 in interest, to the BART Phase 2 project (Berryessa through downtown San José to Santa Clara). The VTA Board of Directors' priorities were approved by the Metropolitan Transportation Commission (MTC) in December 2017, and submitted to the California Transportation Commission (CTC). The CTC is expected to approve the programming at its March 21-22, 2018 meeting in Los Angeles. The allocation year is 2022.

The Board of Directors approved these swaps in order to accelerate project delivery. This was done by using the swapped 2000 Measure A Sales Tax revenues to fund in part the Local Program Reserve (LPR), a source of funds that the VTA Board programs and therefore does not require going through the lengthy federal or state approval processes. In addition, certain highway projects were part of the Corridor Mobility Improvement Account (CMIA) and had to begin construction no later than December 31, 2012 to avoid losing this funding. The fund swaps helped ensure that the projects met this deadline. The anticipated STIP funds were to be used to fully repay the 2000 Measure A program, both principal and prescribed interest.

VTA programmed STIP funding for use in repaying the 2000 Measure A Program in fiscal years 2011 through 2018.

The following table shows the changes in activity related to the swap payments made during the fiscal year as well as the cumulative swap payments made to the Congestion Management & Highway Program Fund as of June 30, 2017 (in thousands):

Swap funds authorized:	
Swap funds authorized on February 1, 2007	\$ 57,540
Swap funds authorized on December 13, 2007	50,440
Swap funds authorized on November 7, 2013	14,500
Total swap funds authorized	<u>\$ 122,480</u>
Swap payments made:	
Cumulative swap payments made as of July 1, 2016	\$ 99,457
Swap payments made during the current fiscal year	4,289
Cumulative swap payments made as of June 30, 2017	<u>\$ 103,746</u>
Swap funds repaid to the Measure A Program:	
Swap funds received as of July 1, 2016	\$ 74,780
Swap funds received during the current fiscal year	-
Cumulative swap funds received as of June 30, 2017	<u>\$ 74,780</u>

The outstanding balance due from VTA as of June 30, 2017 was \$29.0 million.

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Notes to Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2017

**NOTE D – REPAYMENT OF DEBT SERVICE TO VTA TRANSIT**

VTA issued bonds prior to the commencement of Measure A sales tax collection, in order to incur project expenditures under the Measure A Program. On an annual basis, the Measure A Program reimburses the VTA Transit Fund for debt principal, interest and related expenditures incurred. The reimbursement will continue until the debt obligations are extinguished. There are no formal reimbursement arrangements or loan terms in place. Accordingly, any reimbursements made by the Measure A Program will be recorded in the period in which they occur. For the fiscal year ended June 30, 2017, the Measure A Program paid \$15,177,862 in debt service, consisting of \$10,465,000 in principal and \$4,712,862 in interest and other bond charges.

The following table presents the projected aggregate annual amount of principal and interest payments required to repay the outstanding debt as of June 30, 2017:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest *</u>
2018	\$ 10,775,000	\$ 3,924,868
2019	11,095,000	3,585,156
2020	11,425,000	3,235,353
2021	11,760,000	2,875,159
2022	15,115,000	2,496,514
2023-2026	65,525,000	5,062,494
Total	<u>\$ 125,695,000</u>	<u>\$ 21,179,544</u>

\* Interest based on the fixed rate of the swap, 3.145%

The 2008 Sales Tax Revenue Refunding Bonds are hedged with a swap agreement whereby VTA pays a fixed rate of 3.145% on the outstanding balances to the counterparties, in return for a variable rate that is tied to the 1-month LIBOR rate. Additional information regarding the swap agreement is presented in the notes of the VTA's basic financial statements.

**NOTE E – ALLOCATION OF CAPITALIZED BOND INTEREST**

VTA has incurred expenditures associated with the issuance of debt used to finance project expenditures for the Measure A Program. VTA developed an allocation methodology for these expenditures that was approved during fiscal year 2011 that uses the amount of bond proceeds spent on a project as a percentage of total bond proceeds spent as the base for allocating the capitalized bond interest. Prior to the approval of the allocation methodology, all capitalized bond interest was recorded as part of the BART Silicon Valley Extension project, as most of the bond proceeds were spent on this project. For the fiscal year ended June 30, 2017, the Measure A Program recorded \$43,715,924 in capitalized bond interest and other bond charges, of which \$29,538,485 relates to 2010 Bond. Total capitalized interest related to all bonds that was allocated to projects amounted to \$35,820,556 for fiscal year ended June 30, 2017.

A portion of the bond proceeds was spent on the Low Floor Light Rail Vehicles project, which was placed into service in June 2003. As such, the cumulative bond interest through June 30, 2017 allocated to this project was expensed and reported as repayment of debt interest and other bond charges in the Budgetary Comparison Schedule. For the year ended June 30, 2017, the Measure A Program recorded \$31,632 in interest expense and other charges, in addition to the \$7,895,368 interest expense relating to closed projects, that are not capitalized as part of the project expenditures.

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The following table shows the allocation of cumulative capitalized bond interest through June 30, 2017 as well as the allocation of capitalized bond interest for fiscal year 2017 based on the approved allocation methodology (in thousands). This includes only open projects.

<u>Program Name</u>	Cumulative Through June 30, 2016	Fiscal Year 2017	Cumulative Through June 30, 2017
Silicon Valley Rapid Transit Corridor	\$ 220,126	\$ 32,493	\$ 252,619
Light Rail Program:			
Santa Clara Pocket Track	3,151	963	4,114
Double Track	2,058	629	2,687
Eastridge Transit Center - CELR	716	218	934
Light Rail Extension	14,476	1,078	15,554
New Light Rail Corridor Development	213	17	230
DTEV-CELR To Eastridge	32	10	42
LRT Extension to Vasona Junction	22	6	28
Bus Program	32	10	42
Commuter Rail Program:			
Dumbarton Rail Corridor	128	-	128
Caltrain Service Upgrades	4,486	353	4,839
Measure A Program-Wide	557	44	601
Total Allocated Capitalized Bond Interest	<u>\$ 245,997</u>	<u>\$ 35,821</u>	<u>\$ 281,818</u>

**NOTE F – ALLOCATION OF PROGRAM-WIDE EXPENDITURES**

VTA has incurred expenditures for general tasks that have been identified as part of the Measure A Program, but not allocated to a specific project. These include the preparation of progress and cost reports, financial forecasting, ballot-required activities of the Citizens Watchdog Committee including independent compliance audits, public hearings, and publication in local newspapers of audits results, public hearings notices and annual reports. VTA developed an allocation methodology for these expenditures during fiscal year 2010 that uses the actual amount of direct project expenditures as the base for allocating the program-wide expenditures.

In fiscal year 2010, the allocation of the current quarter's program-wide expenditures occurred in the following quarter. The methodology was changed in fiscal year 2011 such that current quarter's program-wide expenditures are allocated in the same quarter.

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The following table shows the allocation of program-wide expenditures in fiscal year 2017 (in thousands):

Program	Project Description	Amount
BUS PROGRAM	Downtown East Valley (DTEV) - Santa Clara/ Alum Rock Corridor Bus Rapid Transit (BRT)	\$ 153
	CE/Environmental for Stevens Creek BRT	1
	Procurement of 40 BRT Articulated Buses	1
	BART Transit Integration Analysis	2
	De Anza College Transit Center Improvements	1
	Rapid 523 Bus Stop Improvements	2
	Sterling Road Bus Stop Improvements	2
	COMMUTER RAIL PROGRAM	Caltrain Electrification Invest. Program
	SC Station Pedestrian Underpass Extension	29
LIGHT RAIL PROGRAM	New rail Corridors Study	1
	CELR- Eastridge Transit Center	4
	Northern Light Rail Express	10
	Santa Clara Pocket Track	7
	Capitol Expressway Light Rail to Eastridge	2
TOTAL ALLOCATION OF PROGRAM-WIDE EXPENDITURES		<u>\$ 274</u>

**NOTE G – CAPITAL CONTRIBUTIONS**

The Measure A Program received capital contributions totaling \$150,143,000 during the fiscal year. The composition of these contributions was as follows (in thousands):

Grant/Funding Source	Program	Amount
Federal	Full Funding Grant Agreement (FFGA)	\$ 106,839
	Federal pass-through & others: ITS, TSGP, Transit, CMAQ, Section 9 and Section 3	2,704
State	Public Transportation Accounts & Clean Air Transportation Improvements Act	1,046
	Traffic Congestion Relief Program	3,149
	Public Transportation Modernization Improvement and Services Enhancement Act	14,287
	Highway-Railroad Crossing Safety Account	74
	CalRecycle Tire-Derived Aggregate, High-Speed Rail, & Transportation for Clear Air	345
	Local	Cities of Fremont, Milpitas and San Jose, Santa Clara Valley Water District, Alameda County, County of Santa Clara
		<u>\$ 150,143</u>

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Notes to Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2017

The Measure A Program has received a majority of its external capital contributions from the Federal government as a result of the Full Funding Grant Agreement. The Measure A Program has used these funds to assist in the financing of: (1) the Bart Silicon Valley Extension Project that will extend BART from Fremont to Santa Clara County; and (2) procurement of Bus Rapid Transit vehicles.

**NOTE H – SUBSEQUENT EVENTS**

***Federal Funding Grant Agreement***

Relative to VTA's Silicon Valley Berryessa Extension Project, another \$100 million Federal Section 5309 New Starts grant was awarded in September 2017. Of the \$900 million commitment under the Federal Funding Grant Agreement, \$802.6 million has been awarded as of February 28, 2018.

**SUPPLEMENTARY INFORMATION**

# VTA'S EXTENSION OF BART TO SILICON VALLEY

## BART Silicon Valley Berryessa Extension (SVBX)

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$1,617.64
FY2017	276.11
<b>Total Expenditures through FY2017</b>	<b>\$1,893.75</b>

### Project Description:

This project is the first phase of the 16.1 mile Silicon Valley Rapid Transit (SVRT) extension of BART.

The Berryessa Extension (SVBX) is a 10 mile segment that runs from Warm Springs in Fremont to Las Plumas Avenue in San Jose, and includes two stations.

### Project Status:

The SVBX project is under construction and nearing completion.



Aerial View of Berryessa Station

### Activity This Fiscal Year:

#### Line, Track, Stations and Systems (LTSS)

During FY17, guideway and trackwork was completed, except for punch list items. Final road reconstruction at Capitol Avenue was completed, as well as the Dixon Landing Road intersection median.

Systems and communications installation and testing took place along the entire SVBX alignment and contact rail was energized. Fiber optics backbone installation was also completed, and work on the VTA communication backbone network got underway.

#### Campus and Parking Garages

Work continued on a range of elements at both the Milpitas and Berryessa stations.

The parking structures were substantially completed. The Landscaping for Berryessa and Milpitas Campuses and Third Party Access and SVBX Sitework contracts were awarded during FY17. At the end of the fiscal year, systems testing was underway at the Police Zone Facility, and roadway improvements continued at Lenfest Road, King Road/Salamoni Court, and King Road/McKee Road.

#### Hayward Maintenance Complex (HMC) and BART Revenue Vehicles

On the new HMC Component Repair Facility, the contractor continued building construction, mechanical, electrical and plumbing work, and service and equipment/crane installation. Hayward Main Shop and North Yard area work also continued.

BART received all ten pilot vehicles and qualification testing at BART's mainline track progressed during non-revenue hours. Train operator training also got underway.

VTA and BART have finalized an agreement for a new BART Operations Control Center (OCC), and VTA and BART will execute the agreement after BART completes the environmental review for the OCC project.

# VTA'S EXTENSION OF BART TO SILICON VALLEY

## SVRT Corridor Establishment and Maintenance

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$321.04
FY2017	11.09
<b>Total Expenditures through FY2017</b>	<b>\$332.13</b>

#### Project Description:

Relocate freight railroad from VTA-purchased right-of-way to existing UPRR right-of-way, between UPRR's Warm Springs Yard and Calaveras Blvd. Build a new railroad overcrossing structure at Mission Boulevard and a new roadway underpass at Warren Avenue and Kato Road, and sever shipper freight service south of Montague Expressway.

Provide flood control improvements at Berryessa, Wrigley, Scott Creeks and Line B, as well as creek improvements and environmental mitigation at Wrigley and Lower Penitencia Creeks.

In conjunction with SVBX, widen Montague Expressway and make flood improvements near the intersection of South Milpitas Boulevard. This is being done in partnership with several local jurisdictions.

Construct a shared-use trail, a new traffic signal, and intersection improvements to connect to the Upper Penitencia Creek (UPC) Trail.

Secure environmental clearance and complete final design of a pedestrian overcrossing (POC) that spans Montague Expressway and connects to the new Milpitas BART Station.

Install a solar photovoltaic system on the roof of the Berryessa Station parking garage, adjacent to the future BART station.

#### Project Status:

Warren Avenue was opened to traffic in August 2014. Mission Boulevard was fully opened in Spring 2015.



Aerial View of Mission Blvd (top) and Warren Ave (bottom)

#### Activity This Fiscal Year:

- Underground utility installation and roadway construction progressed on the Montague Expressway Reconstruction Project, as well as roadway construction at the new South Milpitas Boulevard extension. Berryessa Creek Bridge construction also began in FY17.
- Major construction elements of the Upper Penitencia Creek Trail were completed, with only final punch list items remaining.
- The Berryessa Station photovoltaic (solar) power system was installed.
- The Montague POC is in the design stage. Cost sharing arrangements were finalized with the City of Milpitas.

\*P-3100, P-3121 through P-3129, P-0508, P-0832, P-0890, P-0985, P-0992

# VTA'S EXTENSION OF BART TO SILICON VALLEY

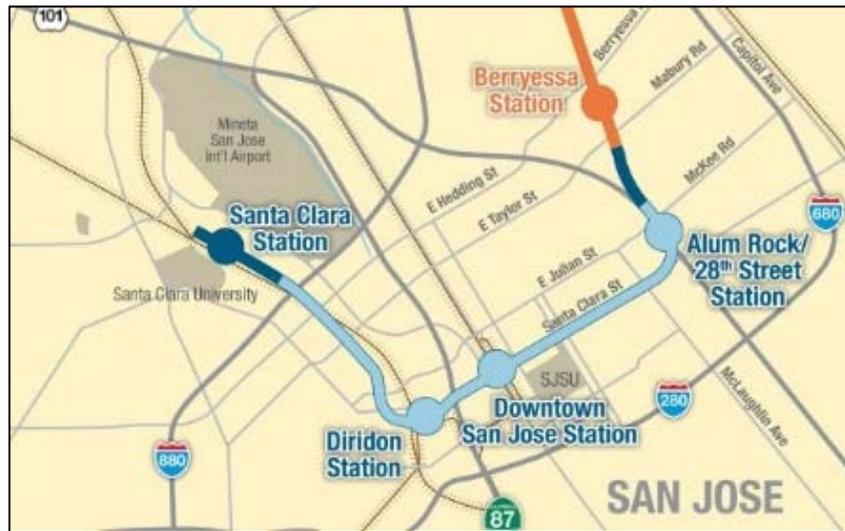
## BART Silicon Valley Project Development

### Project Expenditures (In millions)

Period	Amount
<b>Inception-to-FY2016</b>	<b>\$634.27</b>
<b>FY2017</b>	<b>17.63</b>
<b>Total Expenditures through FY2017</b>	<b>\$651.90</b>

### Project Description:

When work began on the Silicon Valley Rapid Transit (SVRT) extension, environmental clearance and preliminary engineering was performed for the entire 16-mile extension. However, in 2009, this approach was changed to focus on the first 10 miles of the extension, the Silicon Valley Berryessa Extension (SVBX), leading to the execution of a Full Funding Grant Agreement (FFGA) in 2012.



A portion of the initial project development costs have been transferred to the SVBX project and are included in the FFGA budget.

Remaining costs are associated with early work on the six-mile Santa Clara Extension (SVRT Phase II), as well as previously allocated Measure A program-wide and bond costs.

Ongoing planning and programming efforts are focused on the SVRT Phase II extension.

Also, VTA has assigned TCRP and State Local Partnership Program (SLPP) grants and is contributing 2000 Measure A funds to the BART Warm Springs Extension, which is being constructed by BART.

### Project Status:

The SVRT Phase II extension is in the planning and programming phase. The BART Warm Springs Extension was opened for revenue service on March 25, 2017.

### Activity This Fiscal Year:

The Draft Supplemental Environmental Impact Report/Supplemental Environmental Impact Statement was released in late December 2016, and the project team worked to address over 900 comments received from stakeholders and the public.

The draft final single-bore study was completed and the Tunneling Methodology Independent Comparative Analysis is underway at the end of the fiscal year. The focus turned to the quantitative analysis of risks identified, and reviewing with VTA staff potential risk mitigations that could reduce impacts to project cost, schedule, or performance.

SVRT program management continued, along with allocations of Measure A bond costs.

\*P-0500 through P-0507, P-0509, P-0732, P-3101

\*\*Warm Springs Extension cost does not include \$8M in SLPP and \$111.4M in TCRP grant funds designated directly to BART.

# Light Rail Program

## Extension to Vasona Junction

### Project Expenditures (In millions)

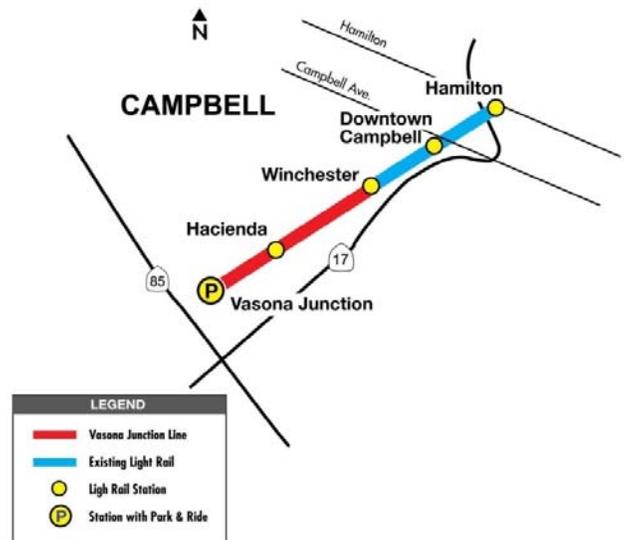
Period	Amount
Inception-to-FY2016	\$0.88
FY2017	0.09
<b>Total Expenditures through FY2017</b>	<b>\$0.97</b>

### Project Description:

The 5.3-mile Vasona Light Rail line (Phase 1) between Downtown San Jose and Campbell was opened in October 2005.

The Phase 2 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.

Conceptual engineering will also include double tracking the corridor, expanding platforms to accommodate 3 car trains, review parking options, study temporal separation of freight and light rail and study adding West San Carlos Station. Construction scope is dependent on funding.



### Project Status:

Since 2000, environmental and design conditions have changed; therefore, the extension project was re-evaluated in a Supplemental Environmental Impact Report (SEIR)/Environmental Assessment (EA). The VTA Board of Directors certified the SEIR and approved the project in March 2014. FTA approved the project in August 2014. Funding has been approved to proceed with design, right-of-way acquisition and utility relocation. Construction phase is dependent on securing funding.

### Activity This Fiscal Year:

In June 2016, the VTA Board of Directors approved funding to complete design, acquire right-of-way and relocate utilities. Request for proposal for feasibility study and conceptual engineering services was issued in August 2017.



Railroad alignment in Los Gatos, terminus of the Vasona extension

# Light Rail Program

## Capitol Expressway Light Rail to Eastridge

### Project Expenditures (In millions)

Period	Amount
<b>Inception-to-FY2016</b>	<b>\$140.44</b>
<b>FY2017</b>	<b>2.05</b>
<b>Total Expenditures through FY2017</b>	<b>\$142.49</b>

#### Project Description:

This project will transform Capitol Expressway into a multi-modal boulevard offering bus rapid transit (BRT), light rail transit, and safe pathways with connections to the regional trail system and connectivity to the BART extension.

Phase I includes pedestrian and bus improvements along Capitol Expressway to accommodate pedestrian access and to improve safety. During this phase, reconstruction of the Eastridge Transit Center will also take place.

Phase II (Eastridge to BART Regional Connector) will extend light rail from the existing Alum Rock Light Rail Station to the Eastridge Transit Center.

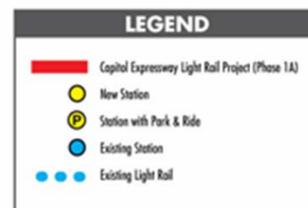
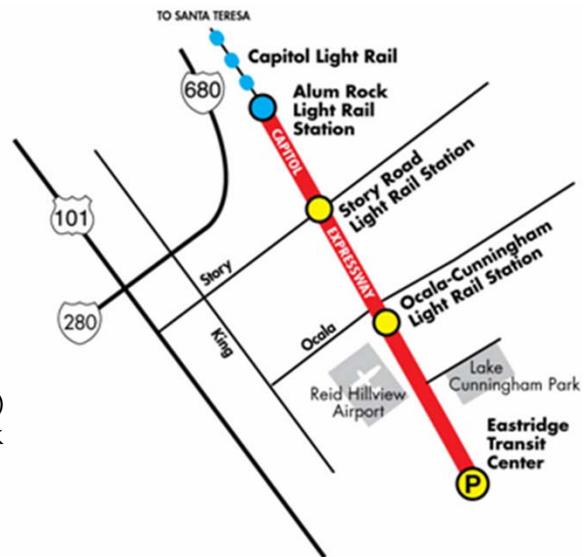
#### Project Status:

Construction of pedestrian improvements along Capitol Expressway was completed in Spring 2013. Construction of the new Eastridge loop road and pump station is complete and was opened to traffic in July 2014. Construction of the Eastridge Transit Center, Bus Operators Facility, and Park and Ride lot was completed and opened to the public in May 2015.

Funding has been approved for Phase II to proceed with design, right-of-way acquisition and utility relocation.

#### Activity This Fiscal Year:

Minor site work associated with Phase I was completed in December 2017.



Completed Bus Shelter and Bus Bay at the Eastridge Transit Center

# Light Rail Program

## Light Rail System Improvements

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$82.92
FY2017	3.78
<b>Total Expenditures through FY2017</b>	<b>\$86.70</b>

#### Description Of Efforts:

The **Light Rail Systems Analysis** provides an evaluation of infrastructure and operational deficiencies of the existing light rail system along with a three-phase improvement plan for immediate action. The Light Rail Systems Analysis was adopted by the VTA Board in May 2010.

Near-term recommended projects from the Light Rail Systems Analysis are:



*Turnout and switch machine installation near Stevens Creek Bridge*

**Santa Clara Pocket Track.** This project will install an additional track and supporting infrastructure to store additional cars on Tasman near the Old Ironsides Station in the City of Santa Clara.

**Northern Light Rail Express.** This project will implement a series of improvements including double-tracking in Mountain View to establish a new line from Mountain View to Alum Rock to connect with Caltrain and the new Milpitas BART Station, in conjunction with the opening of the BART to Silicon Valley Berryessa Extension.

**Southern Light Rail Express.** This project will reconfigure the southern half of the light rail system to allow express trains and integrate the Almaden shuttle trains into the larger system.

**North First Street Speed Improvements.** This project will construct improvements to increase Light Rail Transit (LRT) speeds along the North First Street corridor to 45 miles per hour.

**SR 85 Major Transit Investment Study.** This project will analyze implementation of a Light Rail System (LRT) on SR 85 from San Jose to Mountain View and other transit guideway alternatives such as Bus Rapid Transit (BRT) that would be a precursor to eventual implementation of LRT.

#### Project Status:

Construction on the Tasman Drive Pocket Track was completed in August 2014. The Northern Light Rail Express (Mountain View Double Track) construction was completed in December 2015. Findings from the study conducted as part of the Southern Light Rail Express project will be used for future operating plan analysis. This study did not result in a capital construction project. Southern Light Rail Express project has been closed. Project team is reviewing alternatives and developing conceptual plans and estimate for the North First Street Speed Improvements. A consultant for SR 85 Major Transit Investment Study was selected in May 2017.

#### Activity This Fiscal Year:

Planning and close-out.

# Light Rail Program

## Low Floor Light Rail Vehicles

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$198.35
FY2017	0.00
<b>Total Expenditures through FY2017</b>	<b>\$198.35</b>

#### 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 enable VTA to enhance ADA service by eliminating the need for wheelchair lifts and by providing level boarding for all VTA riders, as well as providing additional space for bicycles.



**Project Status:** Completed.

**Activity This Fiscal Year:** None.

**Project Disposition:** Vehicles are VTA assets and are in service.



*Low Floor Vehicle at Baypointe Station*



*Low Floor Vehicles Provide Level Passenger Boarding*

# Light Rail Program

## Eastridge to BART Regional Connector

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$0.00
FY2017	0.54
<b>Total Expenditures through FY2017</b>	<b>\$0.54</b>

### Project Description:

The Capitol Expressway Eastridge to BART Regional Connector proposes to extend the existing Capitol Light Rail (LR) system by 2.3 miles from Alum Rock LR Station to the Eastridge Transit Center.

The light rail will operate on an aerial guideway along the median alignment of Capitol Expressway from Alum Rock Station to Eastridge Transit Center. The project would include an elevated section north of Capitol Avenue and south of Story Road, and an elevated crossing of Tully Road. The project would also include light rail stations at Story Road (elevated) and Eastridge Transit Center (at-grade).



### Project Status:

Final design to start in July 2017.

### Activity This Fiscal Year:

Request for Proposal for final design was issued in November 2016. Contract was awarded to BKF Engineers in May 2017.



*Aerial View of Project Alignment*

# Commuter Rail Program

## Caltrain Service Upgrades

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$58.86
FY2017	7.08
<b>Total Expenditures through FY2017</b>	<b>\$65.94</b>

#### Project Description:

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

#### Project Status:

**Mountain View Parking** – Project is on hold.

**Blossom Hill Pedestrian Grade Separation** – Construction was completed and the bridge opened to the public in September 2012.



**Santa Clara Station Pedestrian Underpass Extension** - Project will provide an extended pedestrian tunnel under the UPRR tracks at the Santa Clara Station. Final engineering was completed and the construction contract was awarded in June 2016 and completed in June 2017 and opened to public.

**Santa Clara and Diridon Station Upgrades** – Work on these two stations was consolidated into a single contract and construction was completed in April 2013.

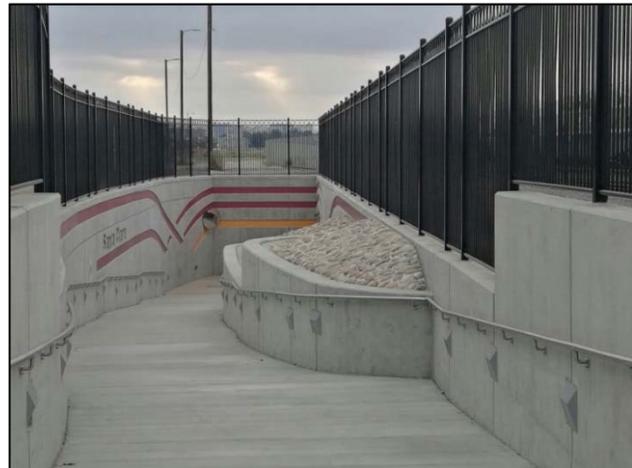
**Bike Share Pilot Program** – The first phase of the pilot program was launched in August 2013.

#### Activity This Fiscal Year:

Project Development, Design and Construction.



*Blossom Hill Pedestrian Bridge*



*Santa Clara Pedestrian Underpass opened to traffic in June 2017*

# Commuter Rail Program

## Caltrain South County

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$17.54
FY2017	0.00
<b>Total Expenditures through FY2017</b>	<b>\$17.54</b>

#### Project Description:

16.5 miles of double track on the Union Pacific Railroad (UPRR) corridor between the Coyote area of south San Jose and Gilroy. Capacity improvements for storage of additional train sets at Gilroy.

**Project Status:** Initial work to clear the right-of-way of utilities was completed in July 2011.

This project was put on hold due to uncertainties with the High Speed Rail (HSR) alignment and how it could potentially impact planned improvements for this project. Since Caltrain ridership forecast for South County can be accommodated with the current track configuration, applying Measure A funds to improvements that will increase long-term capacity of the South County segment would not be prudent at this time as it may then be displaced by future HSR construction.

At the request of the Transportation Authority of Monterey County (TAMC), VTA recommended transferring the remaining state funds on this project to TAMC. TAMC is administering a project to extend passenger rail service from Salinas to Santa Clara County (68 miles). The service is projected to start with two round trips, expanding to up to six round trips as demand warrants. The project includes critical improvements at the Gilroy yard to handle northbound trains. On June 11, 2013, the California Transportation Commission (CTC) took action to transfer remaining state funds in the VTA project to the TAMC project.

Additionally, Measure B, passed by Santa Clara County voters in November 2016, includes funding for Caltrain Corridor Capacity Improvements with specific mention of South County service.

**Activity This Fiscal Year:** None.



Typical South County Crossing

# Commuter Rail Program

## Caltrain Electrification / High Speed Rail

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$20.73
FY2017	13.07
<b>Total Expenditures through FY2017</b>	<b>\$33.80</b>

#### 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.

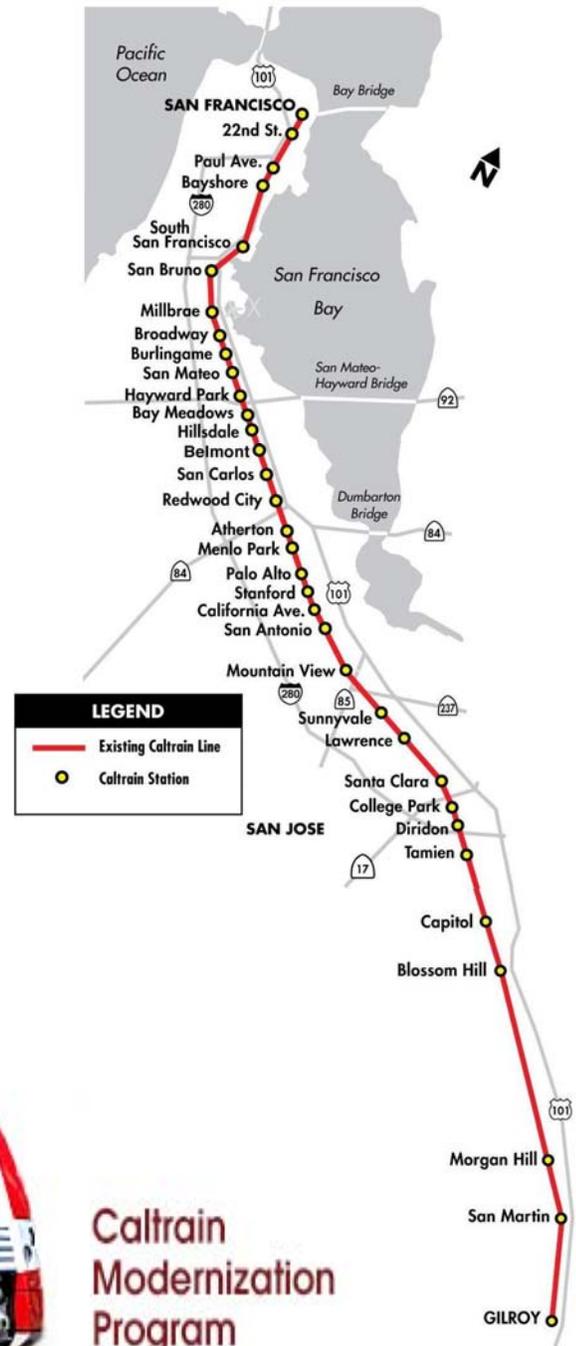
In cooperation with Caltrain and the High Speed Rail Authority, VTA will participate in planning and engineering activities that will ultimately lead to an upgraded Caltrain system.

#### Project Status:

The environmental process for electrification and new electric trains was completed in January 2015. On July 7, 2016, Caltrain Board of Directors approved \$1.25 billion in contracts to begin work on the Peninsula Corridor Electrification Project (PCEP). The contract for design and construction of the corridor’s electrification between San Francisco station at 4th and King Streets and the Tamien Station in San Jose was awarded to Balfour Beatty Infrastructure, Inc. The contract for the manufacture of high-performance electric trains was awarded to Stadler US, Inc. After months of delay, the FTA approved the Full-Funding Grant Agreement (FFGA) and Caltrain released the full Notice to Proceed to Balfour Beatty and Stadler US, Inc. in June 2017. VTA continues to reimburse Caltrain for project related cost.

#### Activity This Fiscal Year:

Award of design and construction contract and contract for procurement of electric trains.



Caltrain Modernization Program

Caltrain Modernization

# Commuter Rail Program

## Dumbarton Rail Corridor

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$2.25
FY2017	0.04
<b>Total Expenditures through FY2017</b>	<b>\$2.29</b>

#### 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 original project was to 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.

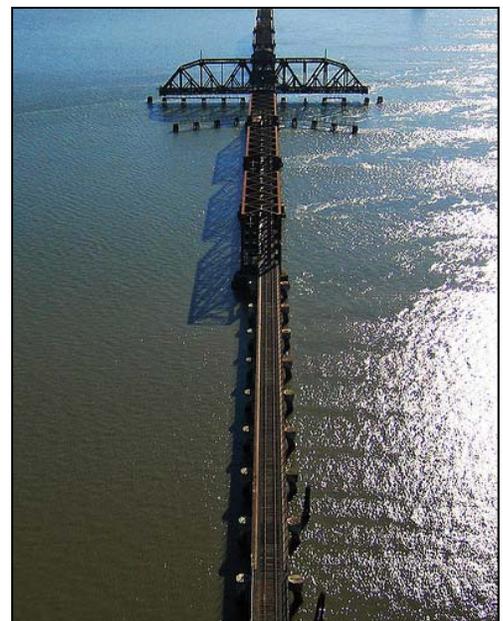
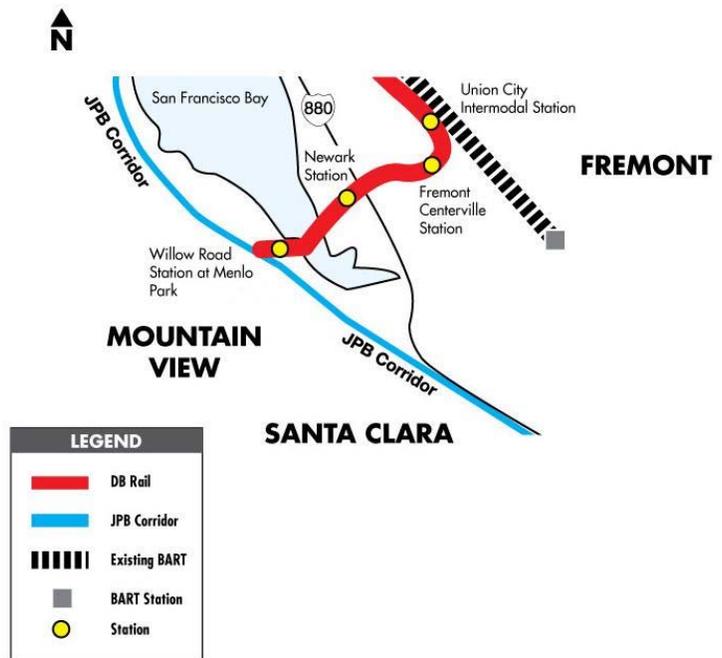
#### Project Status:

Environmental information was prepared in 2013 but due to funding constraints, an Environmental Impact Report (EIR) was not completed.

VTA is participating in a feasibility study being led by SamTrans to evaluate short- and long-term strategies to improve mobility across the Dumbarton corridor. Strategies will include options for transit service across the Dumbarton Bridge as well as rehabilitation and repurposing of the rail bridge.

#### Activity This Fiscal Year:

VTA is participating in a feasibility study led by SamTrans.



*Aerial view of the existing alignment*

# Commuter Rail Program

## Palo Alto Intermodal Transit Center

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$0.21
FY2017	0.00
<b>Total Expenditures through FY2017</b>	<b>\$0.21</b>

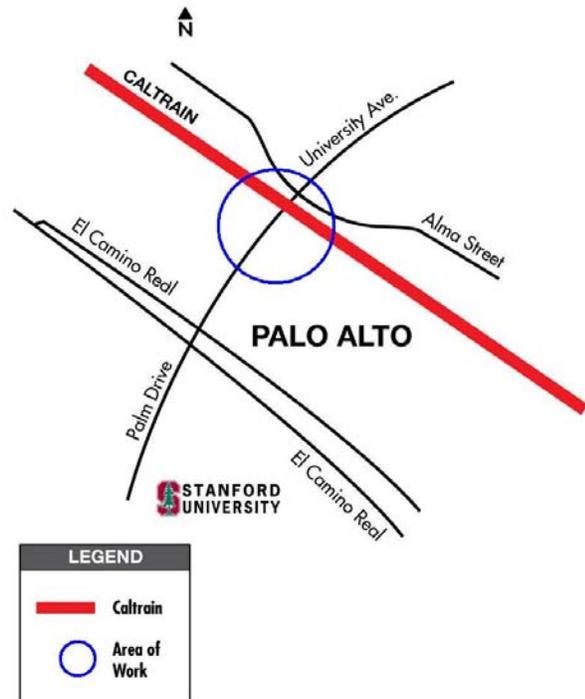
#### Project Description:

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:

This project is inactive. Significant issues related to the High Speed Rail project will need to be resolved before further planning work can proceed for this project.

**Activity This Fiscal Year:** None.



*Architectural Model of One Proposed Scheme for the 4-Track Crossing of University Avenue*

# Bus Program

## Bus Rapid Transit

### Project Expenditures (In millions)

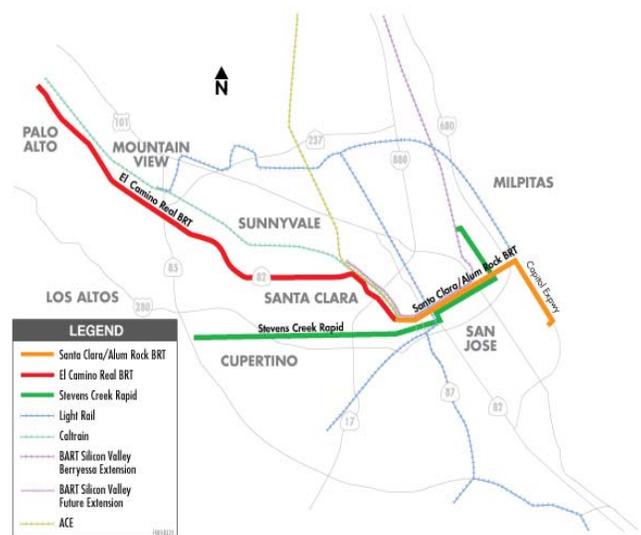
Period	Amount
Inception-to-FY2016	\$ 40.88
FY2017	1.78
<b>Total Expenditures through FY2017</b>	<b>\$42.66</b>

#### Project Description:

Bus Rapid Transit (BRT) is an enhanced bus transit 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:

Construction contract for new shelters, seating, lighting and other associated bus stop improvements for the **Stevens Creek Rapid 523** was awarded in April 2017. Stelling Road bus stop improvements was advertised for bids in April 2017 and awarded in June 2017. Construction is expected to finish in early 2018.



#### De Anza College Transit Center Improvements

While planning activities for an improved transit center at De Anza College are in its early stages, the Stelling Road bus stop improvement will serve as a solution to speed up travel time and accommodate increased transportation needs in the De Anza College area

**King Road Bus Stop Improvement** Options are being developed for the King Road/Alum Rock northbound bus stops.

#### Procurement of Articulated Buses

All buses have been accepted by VTA.

#### Facility Modifications at Chaboya and North Yard

Construction for the first phase was completed in March 2015. Design for Phase II involving modifications to the Chaboya Yard is planned for 2018.



*Specialized BRT Vehicle*

#### Activity This Fiscal Year:

Project Development and design.

# Bus Program

## Alum Rock – Santa Clara Rapid Transit

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$99.45
FY2017	29.59
<b>Total Expenditures through FY2017</b>	<b>\$129.04</b>

### Project Description:

This project 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 in an alignment consistent with light rail stations, enabling a conversion to light rail in the future, if desired.

### Project Status:

All major construction work has been completed and BRT revenue service along the corridor commenced in May 2017. Completion of remaining electrical items and the communication network along the corridor for full connectivity and functionality, final inspection and punch list work are in progress.



### Activity This Fiscal Year:

Construction.



BRT Station shelter - Jackson St Eastbound Station

# Bus Program

## El Camino Real BRT

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$10.46
FY2017	0.02
<b>Total Expenditures through FY2017</b>	<b>\$10.48</b>

#### Project Description:

The proposed alignment extends 16.6 miles from HP Pavilion in downtown San Jose to the Palo Alto Transit Center and is an extension of the Valley Rapid –Alum Rock/Santa Clara project.

Bus Rapid Transit (BRT) improvements are projected to consist of new exclusive bus lanes, bulb outs, distinct shelters, branded hybrid vehicles, off-board fare collection and other improvements along the corridor. The project is envisioned to include 16 new BRT stations.



#### Project Status:

The El Camino Real Rapid Transit Policy Advisory Board of VTA is exploring new project alternatives in an effort to identify a project design that will attract widespread support from the cities along the project corridor.

#### Activity This Fiscal Year:

Planning.



*BRT Photo Simulation at Scott Blvd.*

# Bus Program

## ZEB: Demonstration and Facility Improvements

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$19.45
FY2017	0.00
<b>Total Expenditures through FY2017</b>	<b>\$19.45</b>

### Project Description:

VTA, in a joint program with the San Mateo County Transit District (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.

### Project Status:

The VTA Board adopted the strategy of partnering with other Bay Area transit properties and designating Alameda County (AC) Transit as the lead agency for procuring and deploying the Advanced ZEB Demonstration vehicles. VTA's participation will be primarily financial.

### Activity This Fiscal Year:

Following the completion of the demonstration requirements, VTA continued operating the three ZEBs in accordance with Federal Transit Administration requirements.

### Project Disposition:

The ZEB's are jointly owned by VTA, SamTrans, and the Federal Government, in proportion to their cost participation.



*ZEB at Fueling Station*



*ZEB Engine*

# Bus Program

## Highway 17 Bus Service Improvements

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$2.53
FY2017	0.00
<b>Total Expenditures through FY2017</b>	<b>\$2.53</b>

### Project Description:

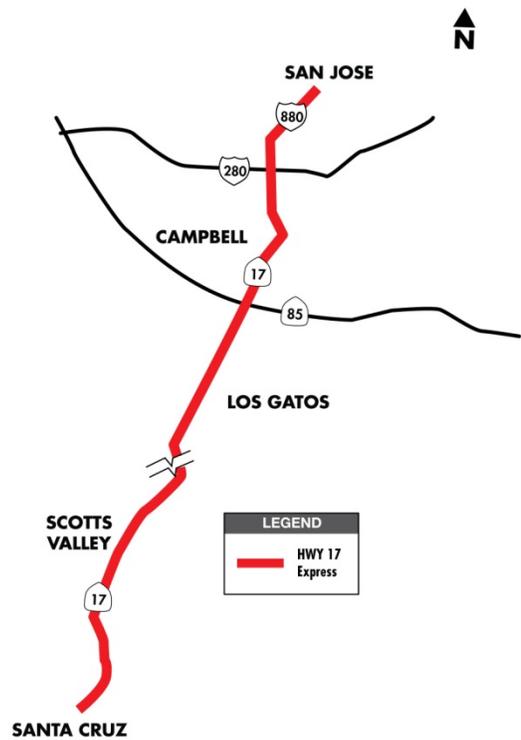
Santa Cruz Metro procured five buses necessary to operate service between Santa Cruz, Scotts Valley, and Downtown San Jose. These buses replaced existing buses that were 20 years old, with an average mileage of 950,000 each.

### Project Status:

Completed. The five buses went into service in March/April 2011.

### Activity This Fiscal Year:

None.



Highway 17 Express Bus



Highway 17 Express Bus

# Mineta San Jose Airport

## Mineta San Jose Airport People Mover

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$2.04
FY2017	0.03
<b>Total Expenditures through FY2017</b>	<b>\$2.07</b>

### Project Description:

The Airport People Mover Project will provide a dedicated guideway connection from Mineta 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.

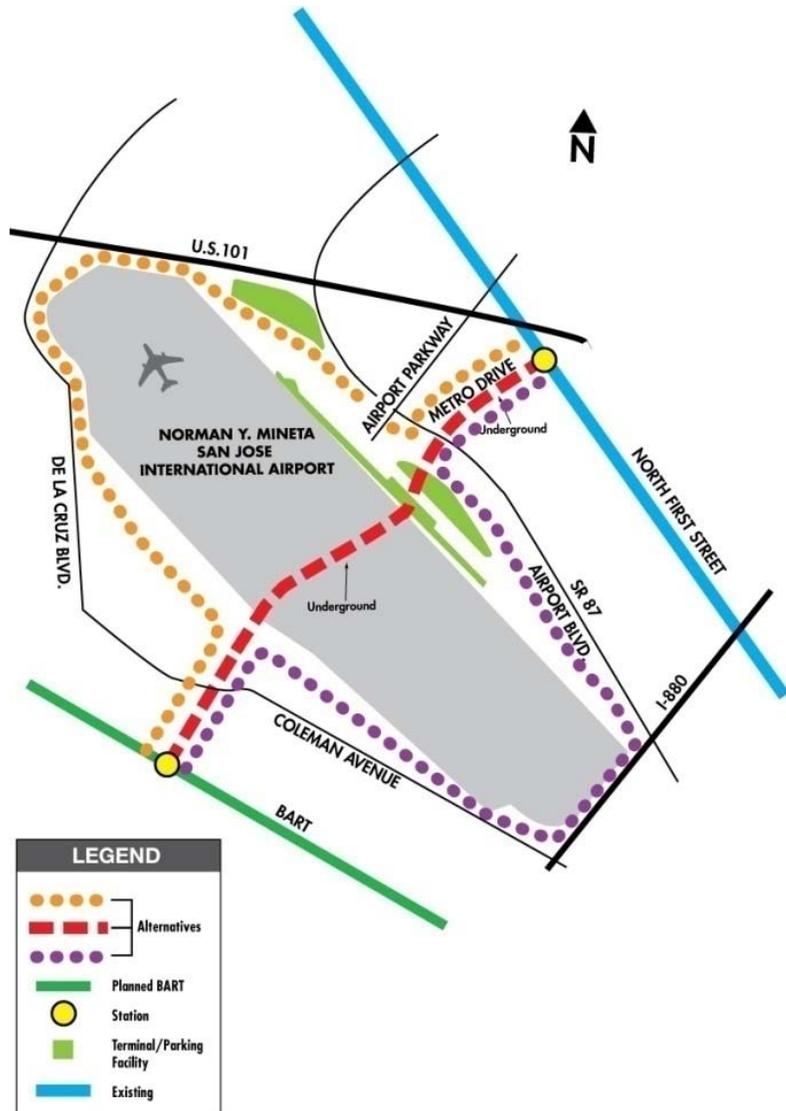
The City of San Jose Department of Transportation currently leads this effort. They envision an automated transit network - similar to a Personal Rapid Transit system - of lightweight, automated computer-controlled vehicles operated on or suspended below an elevated guideway, similar to a horizontal elevator.

### Project Status:

A conceptual vehicle technology level analysis has been completed. In June 2016, the VTA Board approved additional funds for Conceptual Alternatives Analysis phase in order to further define the route options, type of vehicle technology and to develop a funding/business plan. The Conceptual Alternative Analysis would also include evaluation of a link between Diridon Station and airport facilities. Staff believes that this project will require a partnership between several agencies including the City of San Jose, City of Santa Clara, San Jose Airport, High Speed Rail and likely the private sector in order to develop and fund a fixed rail connection to the airport.

### Activity This Fiscal Year:

Planning.



# Programwide

## Measure A Programwide

### Project Expenditures (In millions)

Period	Amount
Inception-to-FY2016	\$0.00
FY2017	0.00
<b>Total Expenditures through FY2017</b>	<b>\$0.00</b>

#### Project Description:

This project captures costs related to managing the overall 2000 Measure A Transit Improvement Program. Activities include preparation of progress and cost reports, financial forecasting, and other general tasks that are not attributable to individual projects. It also includes costs incurred by the 2000 Measure A Citizens Watchdog Committee (CWC) in fulfillment of its ballot-mandated responsibilities including: annual compliance audit; conducting public hearings; issuing and printing reports; and publishing in local newspapers public notices, announcements, the results of the compliance audit, and the availability of the CWC's annual report.

**Project Status:** Active.

#### Activity This Fiscal Year:

VTA continued producing cost and progress reports for the 2000 Measure A Transit Improvement Program. Additionally, the CWC incurred costs on ballot-mandated activities including public notices and announcements, preparation and publication of reports to inform the public, independent compliance auditor services, and public hearings.

## COMPLETE TEXT OF 2000 MEASURE A

Shall the Board of Directors of 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 the 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 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 Cost 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.
- **Published 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 Section 100250 et seq. of the Public Utilities Code and Sections 7251 et seq. of the Revenue and Taxation Code.