

**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, 2009



**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, 2009

*Table of Contents*

	<i>Page(s)</i>
Independent Accountant's Report on Compliance Examination .....	1
Budgetary Comparison Schedule (On a Budgetary Basis) .....	2
Notes to Budgetary Comparison Schedule .....	3 - 8
Program Summaries .....	9 - 27





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SACRAMENTO

OAKLAND

LOS ANGELES

NEWPORT BEACH

SAN DIEGO

2000 Measure A Citizens Watchdog Committee  
San Jose, California

### **INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE EXAMINATION**

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 fiscal year ended June 30, 2009. The financial activity of the 2000 Measure A Program is included in the accompanying Budgetary Comparison Schedule and related notes. Management is responsible for 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 and, accordingly, included examining, on a test basis, evidence about VTA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of VTA's compliance with such requirements.

In our opinion, VTA complied, in all material respects, with the aforementioned requirements that are applicable to the 2000 Measure A Program for the fiscal year ended June 30, 2009.

Our examination was conducted for the purpose of assessing compliance with the 2000 Measure A Program, as reported in the Budgetary Comparison Schedule. The supplementary information is presented for 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*  
Certified Public Accountants  
Walnut Creek, California

April 19, 2010

**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, 2009**  
**(in thousands)**

	Budget (See Note 1 below)	Actual	Variance (See Note 2 below)
<b>Revenues:</b>			
Sales tax receipts	\$ 179,531	\$ 137,261	\$ (42,270)
Investment earnings	592	10,819	10,227
Other income	350	410	60
Total revenues	<u>180,473</u>	<u>148,490</u>	<u>(31,983)</u>
<b>Non-project expenditures:</b>			
Professional and special services	500	460	40
Operating assistance to VTA Transit	33,136	25,334	7,802
Repayment of debt service to VTA Transit	11,057	12,259	(1,202)
Repayment of debt principal	900	855	45
Total non-project expenditures	<u>45,593</u>	<u>38,908</u>	<u>6,685</u>
<b>Project expenditures:</b>			
Silicon Valley Rapid Transit Corridor	172,255	118,657	53,598
<b>Light Rail Program:</b>			
Light Rail Extension	83,831	2,972	80,859
Low Floor Light Rail Vehicles	2,325	-	2,325
New Light Rail Corridor Development	1,246	870	376
<b>Commuter Rail Program:</b>			
Dumbarton Rail Corridor	5,945	787	5,158
Caltrain Service Upgrades	36,199	4,900	31,299
Palo Alto Intermodal Transit Center	170	23	147
Caltrain Track Upgrades	67,942	2,023	65,919
<b>Bus program:</b>			
Zero Emission Bus Demonstration and Facility Improvements	1,602	765	837
Major Corridor Service Improvements	76,124	1,193	74,931
Highway 17 Express Bus Service	425	-	425
San Jose Mineta Airport People Mover	1,934	3	1,931
Operating Costs for Increased Bus, Rail and Paratransit Services	999	999	-
Measure A program-wide	<u>98,236</u>	<u>1,162</u>	<u>97,074</u>
Total project expenditures	<u>549,233</u>	<u>134,354</u>	<u>414,879</u>
Capital contributions - funding from grants and other sources	<u>117,662</u>	<u>55,422</u>	<u>(62,240)</u>
Change in net assets, on a budgetary basis	<u>\$ (296,691)</u>	<u>30,650</u>	<u>\$ 327,341</u>
<b>Items not budgeted:</b>			
Swap payment to Congestion Management & Highway Program		<u>(20,441)</u>	
<b>GAAP reconciliation items:</b>			
Assets contributed to the Enterprise Fund		(399)	
Project expenditures capitalized as construction in progress		114,772	
Amortization expense not recorded as non-project expenditures		(690)	
Repayment of debt principal that reduces liabilities		855	
Total GAAP reconciliation items		<u>114,538</u>	
Change in net assets, on a GAAP basis		124,747	
Net assets, beginning of year		<u>546,176</u>	
Net assets, end of year		<u>\$ 670,923</u>	

**Note:**

- 1 - The project expenditures budget does not represent the final appropriated budget but instead represents remaining appropriations available for fiscal year 2009.
- 2 - The project expenditures variances represent unspent remaining budget appropriations as of the end of the fiscal year. Refer to Note B - Summary of Significant Accounting Policies, Budgetary Control for further disclosure.

**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, 2009**

**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 projects, including the connection of BART to San Jose and 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. VTA has been aggressively moving forward and 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 and the procurement of Low Floor Light Rail Vehicles. VTA has also secured funding under the State's Transportation Congestion Relief Program (TCRP) and the Federal Transit Administration's (FTA) grant programs to facilitate this effort and they are reported as capital contributions on the Budgetary Comparison Schedule (financial schedule).

The Program provides funding for the following projects:

- Extending BART from Alameda County to the cities of Milpitas, San Jose and Santa Clara (also known as the Silicon Valley Rapid Transit (SVRT) project).
- 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.

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**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***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, and 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.

***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 assets and liabilities 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. There are no operating revenues or expenses, 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 have been satisfied.

***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 fiscal year to the extent that they have not been expended. The unexpended capital budget at fiscal year-end is carried forward from year to year until the project is completed.

***Operating Assistance to VTA Transit***

The Board of Directors adopted the Valley Transportation Plan (VTP) 2035 in January 2009. VTP 2035 is VTA's 25-year countywide long-range multimodal transportation plan. As part of VTP 2035, the Board of Directors allocated 18.46% of VTA Transit operating costs to the Measure A Program to provide operating assistance for VTA related to increased bus, rail and paratransit service. 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.

***Program-wide Expenditures***

VTA has incurred expenditures associated with the preparation of progress and cost reports, financial forecasting, publication of annual financial audits and public hearings conducted by the 2000 Measure A Citizen's Watchdog Committee, and other general tasks that have been identified as part of the Measure A Program, but not allocated to a specific project. VTA developed an allocation methodology for these expenditures subsequent to June 30, 2009 that uses the actual amount of direct project expenditures as the base for allocating the program-wide expenditures, see Note F for further details.

***Use of Estimates***

The preparation of financial statements 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.

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**Notes to Budgetary Comparison Schedule**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE C – CAPITAL CONTRIBUTIONS**

The Measure A Program received capital contributions totaling approximately \$55,422,000 during the fiscal year. The composition of these contributions was as follows (in thousands):

Traffic Congestion Relief Program	\$	41,471
Federal Transit Cluster grants		203
PTMISEA grants		2,303
Local grants		11,445
		11,445
Total Grants	\$	55,422

The Measure A Program has received a majority of its funding from the Traffic Congestion Relief Program administered by Caltrans. The Measure A Program has used these funds to assist in the financing of the Silicon Valley Rapid Transit Corridor Project that will extend BART from Fremont to San Jose and capacity improvements on Caltrain in the South County.

**NOTE D – SWAP PAYMENTS**

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 Caltrans through the State Transportation Improvement Program (STIP). The swapped 2000 Measure A Sales Tax revenues will fund a number of highway improvement projects that are ready to be completed but have not yet received STIP funding. In exchange, the anticipated future STIP funds will be used to pay the Measure A Program’s obligation for the Capitol Expressway Light Rail Extension Project. The Board believes that this swap will create savings because it releases the highway projects from the administrative burdens imposed by the state; it also improves cash flow management for the Measure A Program because it is anticipated that the Capitol Expressway Light Rail Extension Project will require more than \$150 million in financing over a three-year period while the highway projects should be completed using the swapped funds and will be spread over a five-year period.

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 from Caltrans through the State Transportation Improvement Program (STIP). The swapped 2000 Measure A Sales Tax revenues will fund a number of highway improvement projects, as well as local street and county road projects. In exchange, the anticipated future STIP funds will be used to pay the Measure A Program’s obligation for the San Jose Mineta Airport People Mover project. The Board believes that this swap will create savings because it releases the highway and road projects from the administrative burdens imposed by the state. In addition, certain highway projects are part of the Corridor Mobility Improvement Account and must begin construction no later than December 31, 2012 to avoid losing this funding. The swap payments will ensure that the projects meet this deadline.

The source of the STIP funds is Proposition 1B, the Transportation Infrastructure Bond Act, which the voters of the state passed on November 7, 2006. Proposition 1B authorized the sale of \$19.1 billion in general obligation bonds. Proposition 1B directs \$2 billion of the bond proceeds into the STIP, where it is to be distributed between the counties based on existing STIP formulas and can be used for eligible STIP projects. The Santa Clara County share of \$2 billion of STIP funds is \$107.98 million.

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**Notes to Budgetary Comparison Schedule**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE D – SWAP PAYMENTS (Continued)**

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 as of June 30, 2009 (in thousands):

Cumulative swap payments made as of July 1, 2008	\$	9,030
Swap payments made during the current fiscal year		20,441
Cumulative swap payments made as of June 30, 2009	\$	<u>29,471</u>

**NOTE E – DEBT SERVICE REPAYMENT**

VTA issued bonds prior to the commencement of Measure A sales taxes to incur project expenditures under the Measure A Program. On an annual basis, the Measure A Program reimburses the VTA Transit Fund for debt expenditures incurred. The reimbursement, which repays debt service payments the VTA Transit Fund has made, 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.

The following table presents the aggregate annual amount of principal and interest payments required to repay the outstanding debt as of June 30, 2009:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2010	\$ 4,720,000	\$ 1,299,901
2011	4,730,000	1,161,702
2012	4,670,000	972,792
2013	4,760,000	945,239
2014	4,555,000	917,155
2015	4,570,000	890,281
2016	10,165,000	863,318
2017	10,465,000	803,344
2018	10,775,000	741,601
2019	11,095,000	678,028
2020	11,425,000	612,568
2021	11,760,000	545,160
2022	15,115,000	475,776
2023	15,605,000	386,598
2024	16,110,000	294,528
2025	16,635,000	199,479
2026	17,175,000	101,333
Total	<u>\$ 174,330,000</u>	<u>\$ 11,888,803</u>

The table above does not include principal and interest payments from 2012 through 2026 on the 2001 Sales Tax Revenue Bonds, as these amounts will be paid with the proceeds of the 2008 Sales Tax Revenue Refunding Bonds.

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**Notes to Budgetary Comparison Schedule**  
**For the Fiscal Year Ended June 30, 2009**

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

VTA has incurred expenditures associated with the preparation of progress and cost reports, financial forecasting, publication of annual financial audits and public hearings conducted by the 2000 Measure A Citizen’s Watchdog Committee, and other general tasks that have been identified as part of the Measure A Program, but not allocated to a specific project. VTA developed an allocation methodology for these expenditures subsequent to June 30, 2009 that uses the actual amount of direct project expenditures as the base for allocating the program-wide expenditures. The base does not include project expenditures incurred prior to the commencement of the sales tax collection. The application of the methodology reallocates the program-wide expenditures as follows (in thousands):

Project Name	Project Expenditures	Allocated Program-Wide Expenditures	Adjusted Project Expenditures
Silicon Valley Rapid Transit Corridor	\$ 118,657	\$ 947	\$ 119,604
Light Rail Program:			
Light Rail Extension	2,972	109	3,081
Low Floor Light Rail Vehicles	-	-	-
New Light Rail Corridor Development	870	3	873
Commuter Rail Program:			
Dumbarton Rail Corridor	787	3	790
Caltrain Service Upgrades	4,900	37	4,937
Palo Alto Intermodal Transit Center	23	-	23
Caltrain Track Upgrades	2,023	16	2,039
Bus Program:			
ZEB Demonstration and Facility Improvements	765	43	808
Major Corridor Service Improvements	1,193	4	1,197
Highway 17 Express Bus Service	-	-	-
San Jose Mineta Airport People Mover	3	-	3
Operating Costs for Increased Services	999	-	999
Measure A Program-Wide	1,162	(1,162)	-
Total Project Expenditures	<u>\$ 134,354</u>	<u>\$ -</u>	<u>\$ 134,354</u>

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**Notes to Budgetary Comparison Schedule**  
**For the Fiscal Year Ended June 30, 2009**

**NOTE F – ALLOCATION OF PROGRAM-WIDE EXPENDITURES (Continued)**

In addition, the cumulative effect of the allocation of program-wide expenditures is as follows:

<u>Program Name</u>	Inception Through June 30, 2008	Fiscal Year 2009	Inception Through June 30, 2009
Silicon Valley Rapid Transit Corridor	\$ 1,419	\$ 947	\$ 2,366
Light Rail Program:			
Light Rail Extension	163	109	272
New Light Rail Corridor Development	4	3	7
Commuter Rail Program:			
Dumbarton Rail Corridor	4	3	7
Caltrain Service Upgrades	56	37	93
Palo Alto Intermodal Transit Center	1	-	1
Caltrain Track Upgrades	23	16	39
Bus Program:			
ZEB Demonstration and Facility Improvements	66	43	109
Major Corridor Service Improvements	5	4	9
Total Allocated Program-Wide Expenditures	<u>\$ 1,741</u>	<u>\$ 1,162</u>	<u>\$ 2,903</u>

## **PROGRAM SUMMARIES**



# SILICON VALLEY RAPID TRANSIT

## BART TO SANTA CLARA

### Project Expenditures

(In thousands)

Period	Total
Inception-to-FY2008	\$478,393
FY2009	69,836
<b>Total Expenditures to date</b>	<b>\$548,229</b>

#### Project Description:

The Silicon Valley Rapid Transit Corridor (SVRTC) Project extends BART from Warm Springs, through downtown San Jose to Santa Clara, a distance of 16.1 miles. The project includes construction of a heavy rail rapid transit system, all ancillary requirements and the upgrading of BART system to be fully integrated with the enhanced service of SVRT. Six stations and vehicle storage yard are proposed along the alignment. The construction will be phased with the initial phase extending BART from the Warm Springs Station through the City of Milpitas approximately 10 miles to the Berryessa Station in San Jose.



#### Project Status:

The 65% Engineering effort was completed in December 2009 at which time the program received FTA approval for the Silicon Valley Berryessa Extension Projects' entry into the Federal New Starts Program beginning January 4, 2010. Work in the New Starts Preliminary Engineering Phase will consist of continuation of the environmental clearance process as well as the preparation and submission of the application to enter into the Federal New Starts Final Engineering Phase. Corridor clearing activities associated with the original right of way purchase agreement with UPR are advancing including utility design and relocation and track removal and relocation.

#### Activity this Fiscal Year:

- Work progressed on the Environmental Impact Statement. Draft submittal was issued for comment in August 2009.
- 65% Engineering Phase was completed in December 2009.
- Final design related to freight railroad relocation continues. Third Party Utility providers are currently engaged in relocating their facilities. The first civil construction contract to relocate UPRR tracks from VTA Right of Way was awarded in fourth Qtr 2009 and construction is under progress.
- The Berryessa creek crossing improvements and utility relocations were largely completed.
- Seismic upgrading of the Abel Street Bridge was initiated.

# SILICON VALLEY RAPID TRANSIT

## Freight Railroad Relocation

### Project Expenditures

(In thousands)

Period	Amount
Inception-to-FY2008	\$ 74,419
FY2009	48,821
<b>Total Expenditures to date</b>	<b>\$ 123,240</b>

### Project Description:

The Freight Railroad Relocation spans approximately ten miles of railroad beginning in Fremont at Grimmer Boulevard, passing through Milpitas and ending at approximately 28<sup>th</sup> Street and Williams Street in San Jose. The Santa Clara Valley Transportation Authority acquired the right-of-way in December 2002 from the Union Pacific Railroad securing a vital north/south transit corridor for Santa Clara County. Freight Railroad Relocation activities clear the VTA owned right-of-way of freight railroad facilities to make the corridor available for future transit improvements. These important work activities include relocating and removing UPRR freight tracks, relocating utilities, grade separating several major crossings and enhancing flood control measures at multiple creeks.



### Project Status:

Several Freight Railroad Relocation activities are proceeding as scheduled. Utility relocations are nearing completion with tie-in, cut-over, clean-up and final inspection remaining. Construction continues to advance on the Abel Street retrofit and Berryessa Creek box culvert. UPRR track construction throughout the C210 contract area is progressing in preparation of the track shift so that Phase 2 of Berryessa Creek and Wrigley Creek box culverts can proceed as planned. Wrigley Creek Improvement project was advertised and construction will soon commence in mid-2010. However, the Final Design for C101 was delayed by the UPRR review process for the Warren Avenue Grade Separation.

### Activity this Fiscal Year:

- Complete utility relocation along the VTA right-of-way
- Complete Abel Street retrofit, Berryessa Creek culvert construction and construction of other creek culverts
- Begin Wrigley Creek improvement activities which include realigning the existing channel to improve the creek's hydrology, plant and wildlife biology, water quality and flood control capability
- Union Pacific continues to install trackwork and signals in the new trackway and structures constructed by VTA in contract C210
- Complete Final Design for C101

# Light Rail Program

## Capitol Expressway Light Rail to Eastridge

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 45,009
FY2009	2,972
<b>Total Expenditures to date</b>	<b>\$ 47,981</b>

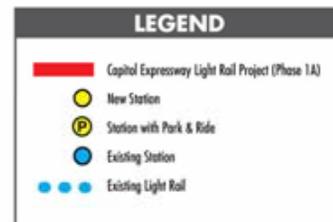
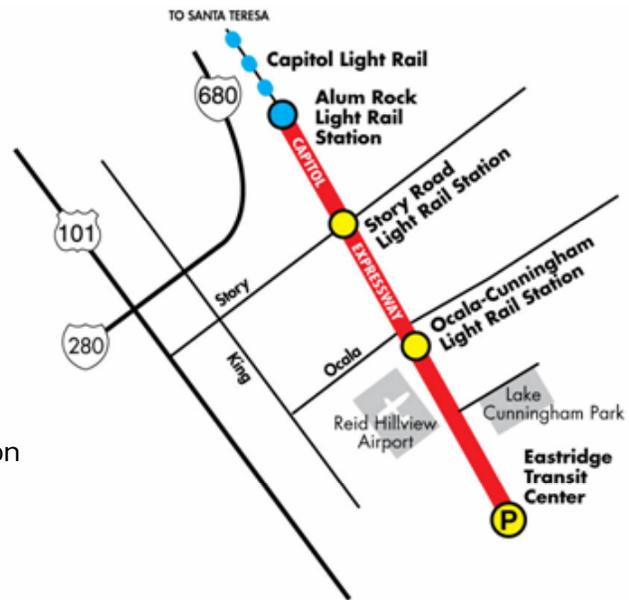
#### Project Description:

2.6 miles of double-track LRT along Capitol Expressway from the existing Capitol LRT to Eastridge Mall with three stations and one Transit Center / Park-and-Ride.

**Project Status:** Design

#### Activity This Fiscal Year:

Design was completed for the light rail extension to Eastridge to a 95% level. FY10 and FY11 planned activities include pedestrian safety, sidewalk and landscaping improvements, and relocation of utilities.



Artist's Rendering of Eastridge Mall Station



Photosimulation of Capitol Expressway at Story Road

# Light Rail Program

## Capitol Expressway Eastridge to Nieman

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 0
FY2009	0
<b>Total Expenditures to date</b>	<b>\$ 0</b>

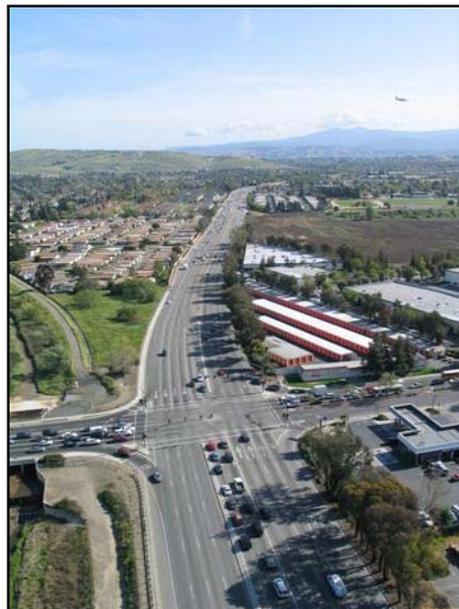
### Project Description:

The extension from Eastridge to Nieman includes 0.6 miles of side-running double-track light rail along Capitol Expressway, with grade separations at the entrance to the Eastridge Mall and at Quimby Road. The project also includes a new station at Nieman Boulevard and a light rail storage facility at Quimby Road.



**Project Status:** Final design will proceed when funding is secured.

**Activity This Fiscal Year:** None



Aerial View of Project Alignment

# Light Rail Program

## Extension to Vasona Junction

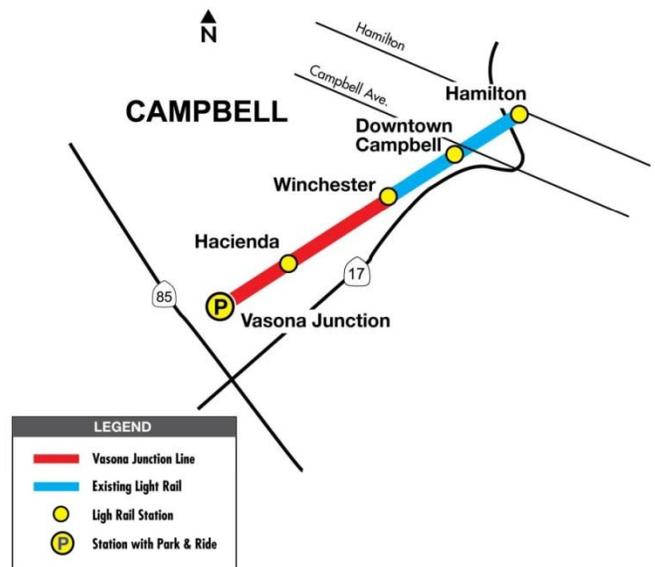
### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 0
FY2009	0
<b>Total Expenditures to date</b>	<b>\$ 0</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.



**Project Status:** Final design will proceed when funding is secured.

**Activity This Fiscal Year:** None



View of Proposed Alignment Looking North from the Route 85 Terminus

# Light Rail Program

## Other Light Rail Efforts

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 554
FY2009	870
<b>Total Expenditures to date</b>	<b>\$ 1,424</b>

#### Project Description:

Phase 1 of the **New Rail Corridors Study** consisted of developing a VTP 2030 Transit Sustainability Policy (TSP) and mode-specific Service Design Guidelines (SDG). Phase 2 involves the study of potential new transit corridors using the newly developed TSP.

VTA has undertaken a **Light Rail Systems Analysis** to provide an evaluation of infrastructure and operations deficiencies of the existing light rail system. The study will help define the scope and schedule of improvements to the existing VTA light rail system.

**Projects from Light Rail Systems Analysis** – specific improvements, identified by the Light Rail Systems Analysis project, will be made to improve system efficiency and operations, increase ridership, and improve customer service. Potential improvements include work on stations, new crossovers, signal improvements, and fencing.

**Environmental Impact Studies/Preliminary Project Work** - Several Measure A projects could be eligible for funding as part of the economic stimulus package and other federal and state actions. This project will prepare environmental impact statements and other analyses so that VTA can qualify these projects for new funding when it becomes available.



**Project Status:** Studies and environmental work

#### Activity This Fiscal Year:

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

The **Light Rail Systems Analysis** began in late 2008 and continued in 2009.

# Light Rail Program

## Low Floor Light Rail Vehicles

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 198,348
FY2009	0
<b>Total Expenditures to date</b>	<b>\$ 198,348</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 enhancing access for all VTA riders, as well as providing additional space for bicycles.



**Project Status:** Closed

**Activity This Fiscal Year:** Project Closeout

**Project Disposition:** Vehicles are VTA Assets



Low Floor Vehicle at Baypointe Station



Low Floor Vehicles Provide Level Passenger Boarding

# Commuter Rail Program

## Caltrain Service Upgrades

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 11,901
FY2009	4,900
<b>Total Expenditures to date</b>	<b>\$ 16,801</b>

### Project Description:

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

### Project Status:

Project Development and Design

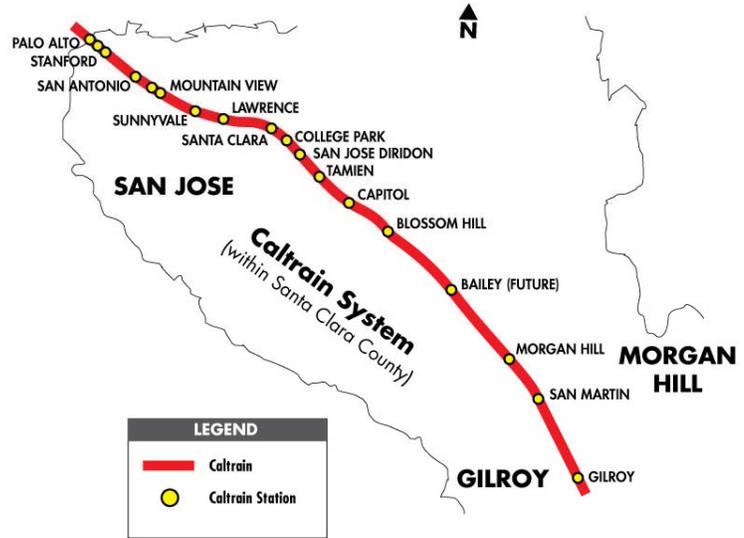
### Activity This Fiscal Year:

**Mountain View Parking** – During FY09, work was suspended on this project, with only a small effort towards preliminary engineering occurring in FY09.

**Blossom Hill Pedestrian Grade Separation** – The design moved toward finalization, with contract advertisement expected in 2010.

**Safety Enhancements** – Engineering and construction continued for at-grade crossings, with improvements such as pedestrian gates, sidewalks, signing and striping, warning bands, advanced signal preemption and channelization for pedestrians. Construction advertisement occurred in late 2009.

**Santa Clara Station Pedestrian Underpass Extension** - During FY09, work was suspended on this project, with only a small effort towards preliminary engineering occurring in FY09.



Conceptual Rendering of Blossom Hill Crossing

# Commuter Rail Program

## Caltrain South County

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 4,966
FY2009	2,023
<b>Total Expenditures to date</b>	<b>\$ 6,989</b>

### Project Description:

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

**Project Status:** Design

### Activity This Fiscal Year:

Bids were opened for the grading contract for **Phase 1** (8.3 miles from Coyote to San Martin) on December 17, 2008.

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



Typical South County Crossing



Llagas Creek Bridge

# Commuter Rail Program

## Caltrain Electrification / High Speed Rail

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 0
FY2009	0
<b>Total Expenditures to date</b>	<b>\$ 0</b>

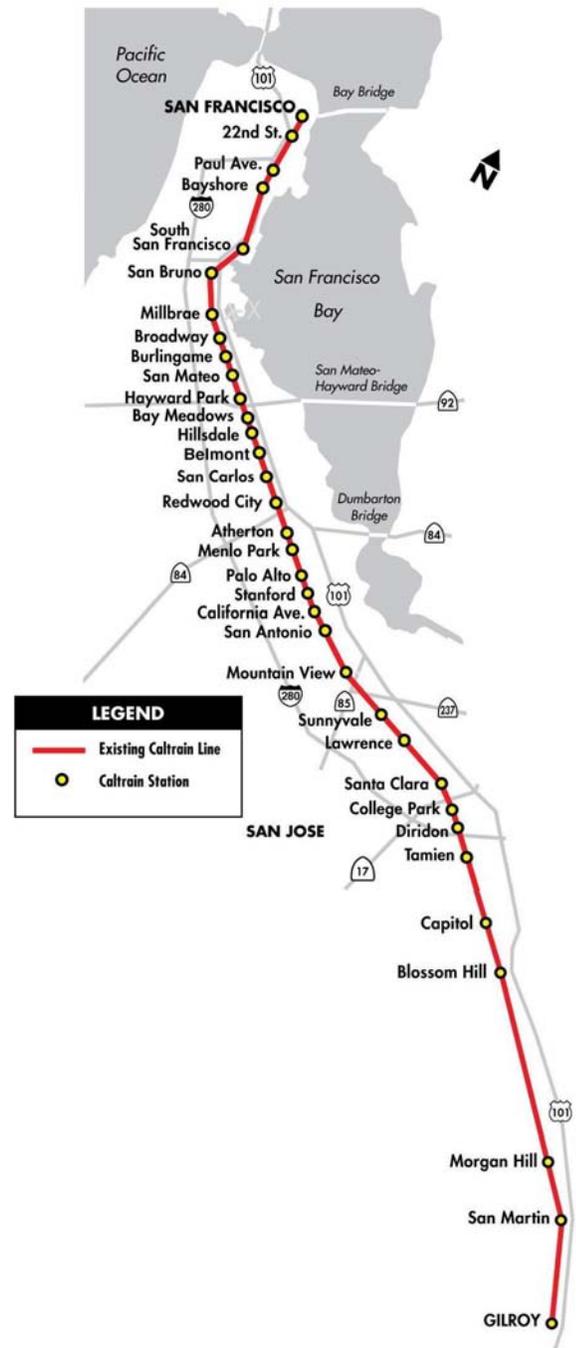
### Project Description:

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 through FY 2011 that will ultimately lead to a fully electric and upgraded Caltrain system through Santa Clara County.

**Project Status:** Project Development

### Activity This Fiscal Year:

No work was carried out by VTA on this project in FY09. Coordination activity is planned to begin in FY10.



Simulation of Mountain View Multi-Modal Station

# Commuter Rail Program

## Dumbarton Rail Corridor

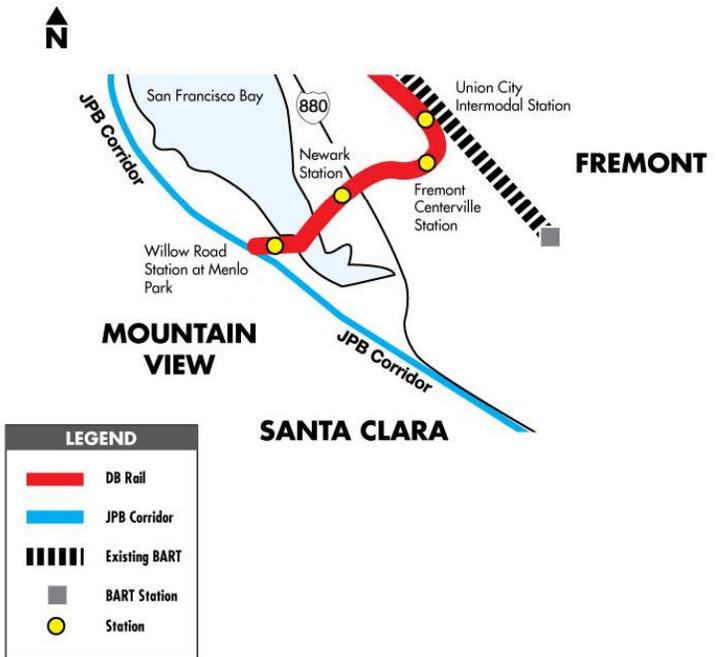
### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 659
FY2009	787
<b>Total Expenditures to date</b>	<b>\$ 1,446</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 project will rehabilitate rail bridges and tracks that span the bay between Redwood City and Newark and make improvements to existing tracks in Union City and Fremont. The project will involve the construction of two new rail stations at Menlo Park and Newark, as well as upgrades to the Fremont Centerville Station and a new intermodal station at the Union City BART station.

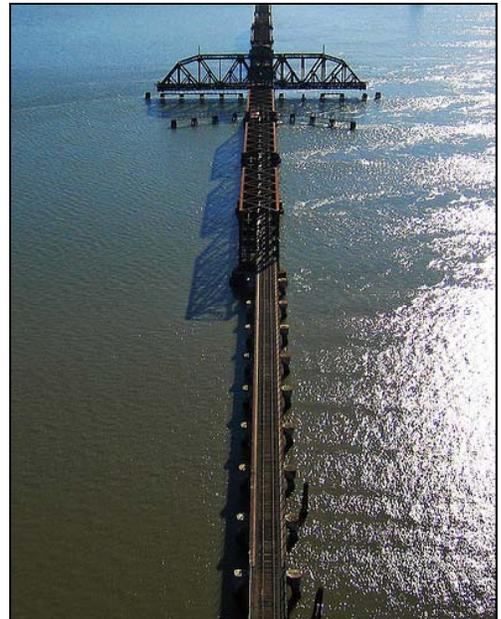


**Project Status:** Project Development

### Activity This Fiscal Year:

Based on the detailed cost estimate prepared by the Peninsula Corridor Joint Powers Board (JPB), the project is now projected to cost approximately \$700 million – more than two times the original cost estimate. In response, JPB is now exploring various strategies to close the funding shortfall.

VTA is participating in a partnership of regional transit providers to analyze the cost and benefits of providing Express Bus service in the Dumbarton corridor.



Aerial view of the existing alignment

# Commuter Rail Program

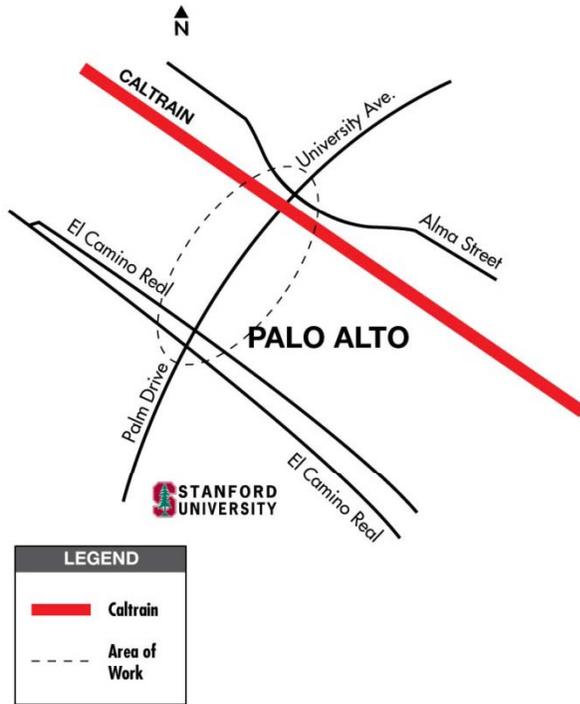
## Palo Alto Intermodal Transit Center

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 189
FY2009	23
<b>Total Expenditures to date</b>	<b>\$ 212</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:** Project Development

### Activity This Fiscal Year:

During FY09, work was suspended on this project, with only a small effort towards preliminary engineering occurring in FY09.

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



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



Architectural Model of One Proposed Scheme for a Public Park and El Camino Real Undercrossing

# Commuter Rail Program

## ACE Upgrades

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 0
FY2009	0
<b>Total Expenditures to date</b>	<b>\$ 0</b>

### Project Description:

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

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



**Project Status:** Project Development

### Activity This Fiscal Year:

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

On January 8, 2009 the VTA Board approved a \$10 million Measure A contribution to the \$26 million Santa Clara Station project, and this appropriation is included in the Caltrain Service Upgrades project.

It is anticipated that the improvements to the Santa Clara Station that will allow ACE trains to stop at the station will occur in 2009-2011. That work is described in the Caltrain Service Upgrades project.



ACE Locomotive

# Bus Program

## Santa Clara Alum Rock Transit Improvements

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 246
FY2009	395
<b>Total Expenditures to date</b>	<b>\$ 641</b>

### Project Description:

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

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

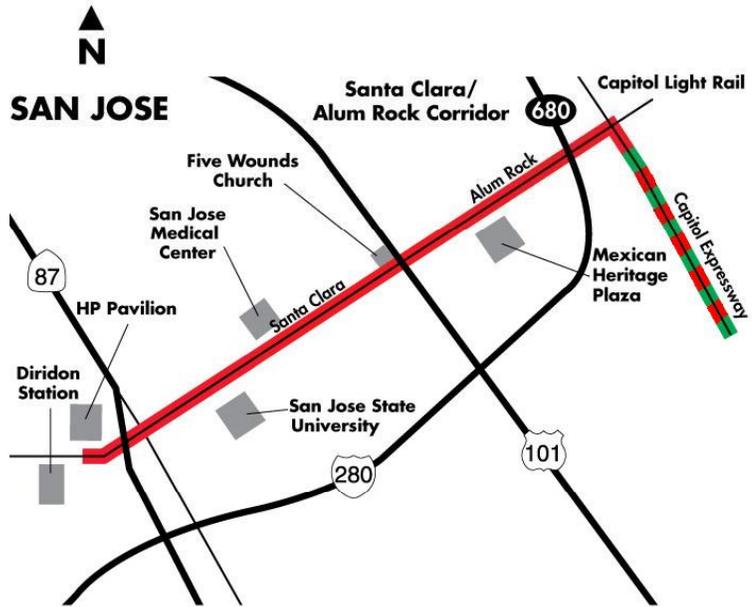
### Project Status:

Project Development

### Activity This Fiscal Year:

The BRT Strategic Plan, adopted by the VTA Board in May 2009, recommended moving forward with BRT deployment in the Santa Clara/Alum Rock corridor.

VTA has initiated a federal environmental review to make this project eligible for federal funds.



LEGEND	
	Santa Clara/Alum Rock Corridor
	Capitol Expressway Light Rail Project



Photosimulation – Alum Rock at King Road



Photosimulation – Alum Rock at McCreery

# Bus Program

## Bus Rapid Transit

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 323
FY2009	798
<b>Total Expenditures to date</b>	<b>\$ 1,121</b>

### Project Description:

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

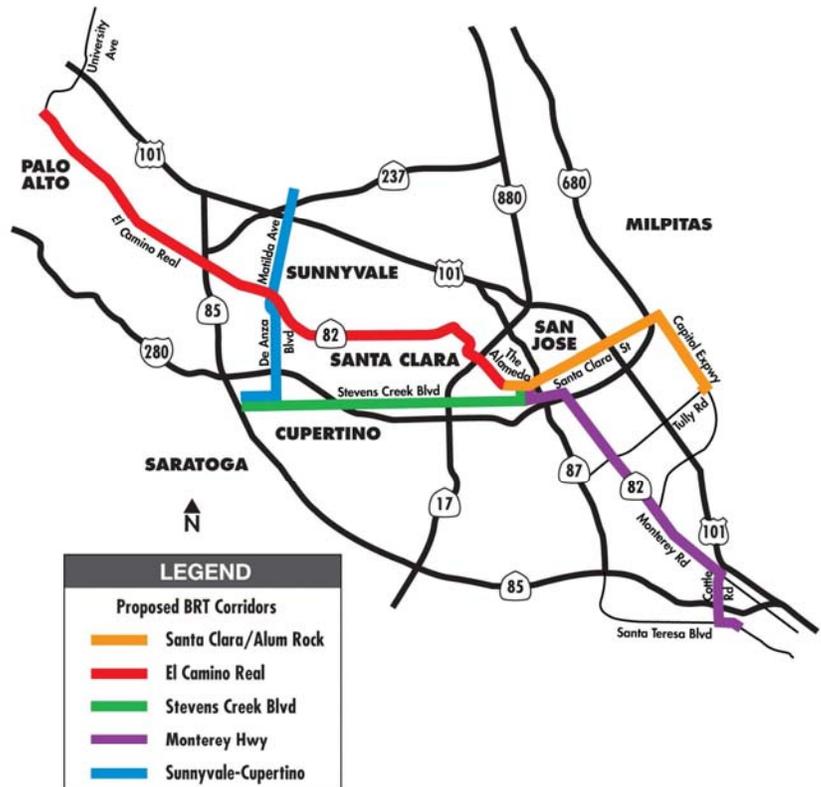
### Project Status:

Project Development

### Activity This Fiscal Year:

The VTA Board of Directors adopted the **Bus Rapid Transit (BRT)** Strategic Plan in May 2009. Based on the criteria established in the Transit Sustainability Policy, the BRT strategic plan recommends moving forward with BRT deployment in the

**Santa Clara/Alum Rock** corridor, and continuing conceptual engineering, environmental and other work for the El Camino Real and Stevens Creek/West San Carlos corridors. The broad BRT corridors project was de-obligated and funding re-assigned to specific projects.



Photosimulation – Santa Clara at 28<sup>th</sup> Street



Specialized BRT Vehicle

# Bus Program

## Highway 17 Bus Service Improvements

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 0
FY2009	0
<b>Total Expenditures to date</b>	<b>\$ 0</b>

### Project Description:

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

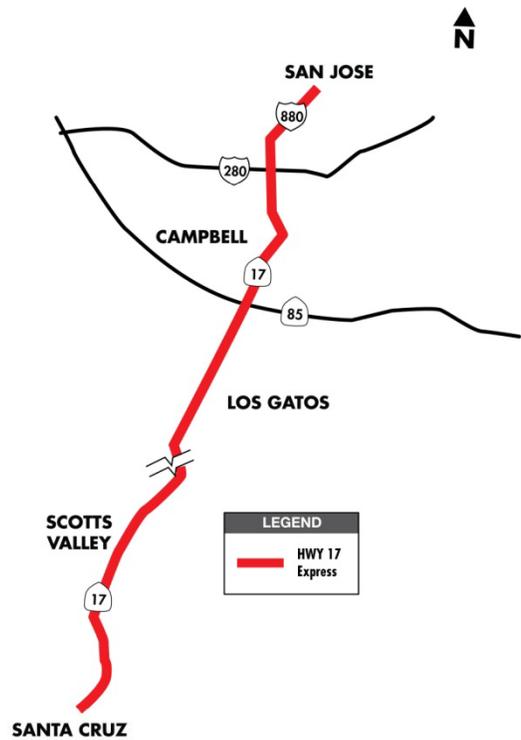
This project will improve the service by providing funds for the partnership with Santa Cruz Metropolitan Transit District for additional buses and service upgrades.

### Project Status:

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

### Activity This Fiscal Year:

No VTA activity in FY09.



Highway 17 Express Bus



Highway 17 Express Bus

# Bus Program

## ZEB: Demonstration and Facility Improvements

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 18,285
FY2009	765
<b>Total Expenditures to date</b>	<b>\$ 19,050</b>

### Project Description:

VTA, in a joint program with SamTrans, implemented a demonstration program to test the viability of zero- emission fuel-cell bus (ZEB) technology.

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

### Project Status:

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

\$6.248 million in VTA Enterprise funds were allocated to this effort

In March 2009, VTA made its first financial contribution with the initial payment to AC Transit.

### 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



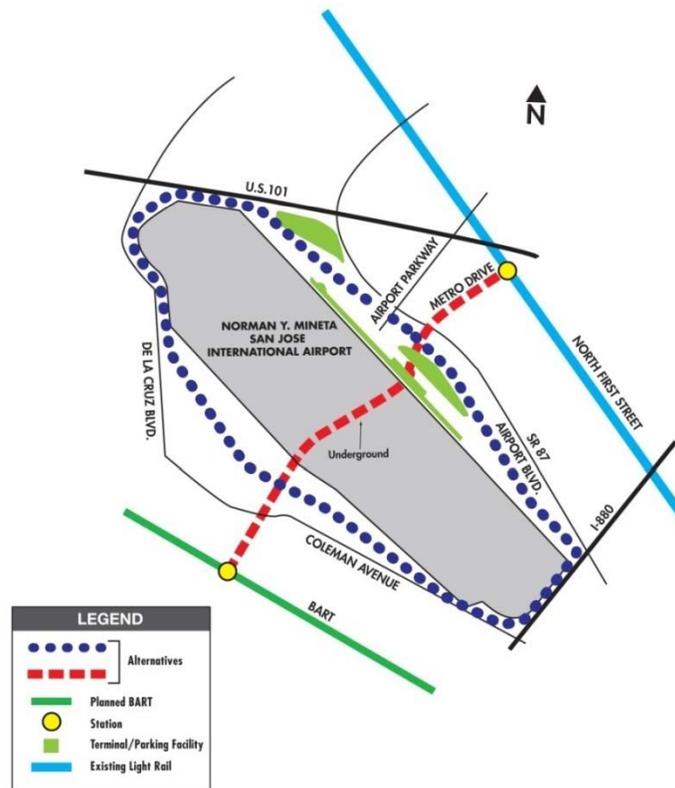
ZEB Engine

# San Jose Mineta Airport

## San Jose Mineta Airport People Mover

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 66
FY2009	3
<b>Total Expenditures to date</b>	<b>\$ 69</b>



### Project Description:

This project consists of an Automated People Mover (APM) rail line connecting the new terminal at San Jose Mineta International Airport directly with the future Santa Clara BART and Caltrain Station to the west and the VTA Light Rail to the east.

### Project Status:

Project Development

### Activity This Fiscal Year:

The City of San Jose prepared to release a series of Requests for Proposals seeking public-private partners to study and develop an Automated Transit Guideway system linking San Jose Airport to nearby transit lines at the Santa Clara Caltrain station and North First Street Light Rail. This work followed a recently completed Request for Expressions of Interest process managed by City of San Jose staff.

# Programwide

## Measure A Programwide

### Project Expenditures (In thousands)

Period	Amount
Inception-to-FY2008	\$ 1,741
FY2009	1,162
<b>Total Expenditures to date</b>	<b>\$2,903</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, publication of annual financial audits and public hearings conducted by the 2000 Measure A Citizen's Watchdog Committee, and other general tasks that are not attributable to individual projects.

**Project Status:** Active

#### Activity This Fiscal Year:

VTA and consultant staff continued producing cost and progress reports for the 2000 Measure A Transit Improvement Program. Additionally, costs were incurred for publication of annual financial audits and public hearings conducted by the 2000 Measure A Citizen's Watchdog Committee.