

2017 Annual Report





Exciting changes across the transportation landscape of Santa Clara Valley made 2017 an especially interesting and productive year for VTA. A newly adopted strategic plan that emphasizes three basic, but inspiring, tenets guided our way:

Create. Collaborate. Lead.

VTA is unique in its mission, **creating** mobility solutions for an ever-growing Silicon Valley, the high-tech backbone of America. While VTA serves over 130,000 passengers a day as the Valley's public transit provider, VTA is also the area's congestion management agency, funding and building projects that will improve the quality of life for everyone who lives, works or passes through Santa Clara County. A game changer example of this is the BART Silicon Valley Berryessa Extension, that later this year will offer Santa Clara County residents and employees a transit alternative to the highly congested 680 and 880 freeways.

A highly **collaborative** approach to formulating plans to disperse 2016 Measure B funds resulted in a comprehensive set of guidelines that will enable critical transportation improvements from

Palo Alto to Gilroy. The funds will be dispersed among nine separate program categories ranging from local street and road repairs and highway interchange projects, to transit operations and building BART Phase II.

We kicked off the year with a fresh, new look including bold, blue shades and a redesigned logo to complement the newly adopted tagline, "Solutions That Move You." Our new look is reflective of the energy, commitment and responsibility we have to deliver mobility solutions.

Leading the way in encouraging Santa Clara Valley to seek alternatives to solo driving, VTA made significant revisions in spring 2017 to transit service plans to provide service to more passengers more frequently. A change in the fare structure and a new convenient mobile fare app is making it easier and more affordable for young people and older adults to access public transit and for everyone to transfer throughout the entire VTA system more seamlessly.

Newly completed projects in 2017 include improved service along the Alum Rock Bus Rapid Transit line which features more frequent service



Nuria I. Fernandez
VTA General Manager
& CEO

and fewer stops with signal priority to make trips faster and more efficient. And VTA built an extension to the existing Santa Clara Station undercrossing along with a new approach ramp, which allows pedestrians and cyclists to access the Caltrain/ACE/Capitol Corridor platform and El Camino Real from Brokaw Road.

The Santa Clara Valley Transportation Authority stands out among its peers with creative, forward-looking solutions to the growing challenges of an increasing population in one of America's most important economic engines, Silicon Valley.

Be Safe,



Working to Reverse a National Trend in Ridership

As with most public transit agencies across America, VTA has struggled with declining ridership due to multiple factors including private corporate shuttles, ride hailing services and lower gas prices. In 2017, bus ridership declined 10% and light rail ridership was down 12%. VTA's plan to reverse that trend comes in the form of the first major transit service redesign in ten years. The new service model being implemented will include *more frequent*

service available to more people across Santa Clara County. The service changes will be phased in throughout 2018 with many of the changes to be coordinated with the start of BART Silicon Valley service. Dozens of new bus routes will be added to serve the Berryessa/ North San José and Milpitas BART stations in addition to reconfiguring how the light rail trains run on the existing lines, to add one new light rail route serving the Milpitas Transit Center.

VTA Fares – First Change in a Decade

VTA is continually seeking ways to improve fiscal responsibility. A new fare policy which took effect January 1, 2018, is the first fare adjustment VTA has made since 2009. A cut in youth fare from \$1.75 to \$1 was made in an effort to encourage ridership among young people. A 25-cent increase in adult single fare was implemented to respond to increasing operating expenses. In addition, VTA is now

offering free transfers within a two hour window for passengers who use electronic fare, including the Clipper Card and the newly introduced VTA mobile app "EZfare."





Taking Paratransit Services Under Our Wing

VTA's paratransit service, now called VTA ACCESS, officially moved in-house with the board adoption of a long term contract with MV Transportation in July 2017. It's VTA's first competitive para-

transit procurement since 1993. In September, the VTA ACCESS call center, administration and eligibility service moved into the newly constructed Eastridge Paratransit facility. VTA Access provides 1600 rides a day throughout Santa Clara County to passengers living with disabilities who are unable to access or use the fixed route transportation system.

Safety and Security

Although Santa Clara County is one of the fastest growing areas in the country, the region enjoys one of the lowest crime rates in the U.S. One important contribution to the safe environment is the type of proactive security that VTA engages in.

In 2017, planning for increased public transit use with the beginning of BART service in the County and implementation of VTA's new transit service plan, public safety staffing was augmented to address system-wide goals to enhance security. VTA doubled the Sheriff's Transit Patrol staffing level from 21 deputies to 42, and increased the supervisory positions of two Sergeants to a total of six, also adding two non-sworn support positions.

VTA's Brand New Look!



Solutions that move you

BART Silicon Valley Approaching Reality

Bringing BART to Silicon Valley has been a dream since the early 1980's and the dream is now coming true. Promoting mobility throughout the high-tech capital of the world will improve the economic vitality of the nation's center of computer-related technology services.

The 16-mile extension will ultimately stretch from South Fremont through Milpitas, to Downtown San Jose and into Santa Clara. VTA is constructing the \$7 Billion project, in partnership with BART, in two phases with funding from local sales taxes (2000 Measure A,

2008 Measure B, 2016 Measure B)

and federal and state resources. The Extension is expected to carry more than 50,000 passengers a day to and from Silicon Valley when the entire project is complete.

BART Phase I

Breaking ground in 2012, construction of the Milpitas and Berryessa/North San José stations included in the \$2.3 billion Phase I

of the BART Silicon Valley Extension project is now complete. After extensive testing of the various computer systems along the alignment, test trains began running in early September. Upon completion of VTA train testing, operations will be turned over to BART, which must conduct



its own set of tests before certifying the extension is ready for passenger service.

BART Phase II

The \$4.7 billion project, which will extend BART service for six more miles through Downtown San Jose into Santa Clara, is nearing completion of the environmental analysis phase. The extension will include four more stations and a five-mile tunnel through Downtown San Jose. The next step is to pursue federal funding to supplement the strong local support provided by the overwhelming passage of 2016 Measure B. Construction is expected to begin in 2019 with passenger service in 2026.

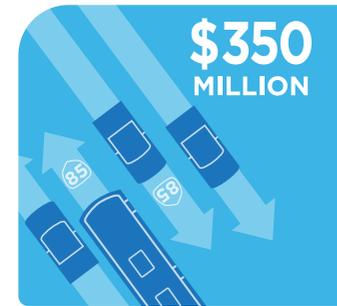
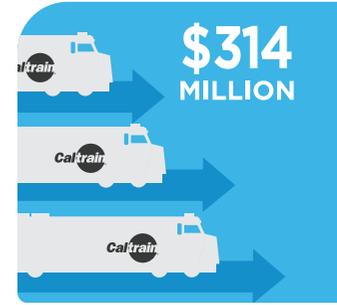


Oh, the Possibilities! Measure B

After Measure B passed with close to 72 percent of the vote in November 2016, VTA staff got to work on guidelines and proposed appropriations for all nine program categories for FY 18 & FY19. The guidelines and appropriations were approved by the VTA Board of Directors over the summer. Those program areas are:

- VTA's BART Silicon Valley Phase II
- Bicycle Pedestrian Program
- Caltrain Corridor Capacity Improvements
- Caltrain Grade Separations
- County Expressways
- Highway Interchanges
- Local Streets and Roads
- State Route 85 Corridor
- Transit Operations

Plans included beginning the disbursement of funds in the fall of 2017, however a lawsuit challenging the validity of Measure B dismissed by a lower court has been appealed. As the appeal works its way through the legal process, funds continue to be collected and held in escrow until the lawsuit is resolved. However, this process could take a year or more, and 2016 Measure B funds cannot be distributed until the appeal is resolved.



Projects to Improve Mobility

Express Lanes Phase II

Passing the five-year mark for the successful Express Lanes project on SR 237 from Highway 880 to North First Street, VTA is ready for Phase II, an extension from North First Street to Highway 101. Construction is planned to begin in early 2018 with the planned opening of the new express lanes in fall 2019. VTA completed a \$24 million innovative financing arrangement to fund the construction solely from the toll revenues without any reliance on taxpayer funds. Given today's challenges in funding transportation projects, this unique method of "project-based financing" positions VTA as a model for transportation agencies nationwide.



Bus Rapid Transit

With service beginning in April 2017, the Alum Rock/Santa Clara Bus Rapid Transit Project provides just over 7 miles of limited-stop rapid transit service from the Eastridge Transit Center to the Arena Station in downtown San Jose using Capitol Expressway,

Alum Rock Avenue and Santa Clara Street. The route features: more frequent service with buses running every 7 minutes; enhanced, modern stops with an artistic flare that represents the community; transit signal priority; and a bus-only lane, separated from other traffic, to improve travel time.



Santa Clara Undercrossing Makes the Connection

In July, VTA celebrated the opening of the extension to the existing Santa Clara Station undercrossing along with a new approach ramp, which allows pedestrians and cyclists to access the Caltrain/ACE/Capitol Corridor platform and El Camino Real from Brokaw Road. The award-winning undercrossing extension is 80 feet long, and runs under three Union Pacific Railroad (UPRR) tracks. In conjunction with the underpass extension, an open-air ramp connects Brokaw Road to the tunnel structure.



2017 Ridership



28.4
million



8.7
million

Average Weekday System Ridership: 119.8
thousand



2017 Financial Picture

This data reflects calendar year 2017 actual Revenues and Expenditures for the VTA Transit Operating Fund.

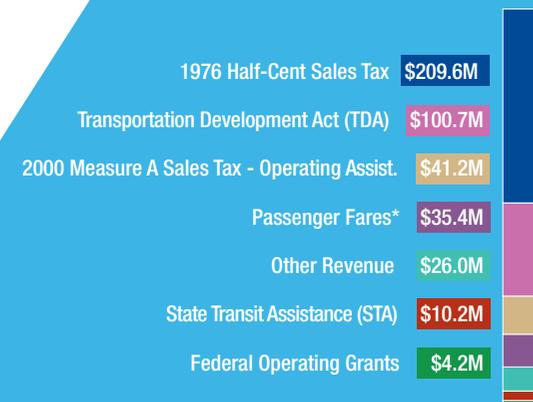
Financial Highlights:

Sales Tax based revenues were \$6.7M or 2.0% higher than the previous year.

Operating Revenues were \$17.4M or 3.9% lower than budgeted.

Operating Expenditures were \$12.2M or 2.7% lower than budgeted.

Revenue Sources: \$427.3M



Expenses: \$451.2M



*Note: Includes Paratransit Fares

**Note: does not reflect Engineering and Transportation Program Delivery or Planning and Programming Division expenses which are primarily funded through capital programs, grants, federal, state, local and other funds.

Connecting with Our Community

Giving Back

As part of an ongoing commitment to finding solutions that move you, VTA has donated four of its community buses to the Homeless Veterans Emergency Housing Facility (Veterans Facility) in San Jose. We also encourage employees to participate in programs that contribute to the community, and in 2017 VTA employees participated in the Family Giving Tree, the Second Harvest Food Bank Food Drive, Toys for Tots Stuff the Bus and collected dozens of backpacks fully equipped with school supplies for children in need.

VTA's Multicultural Events

Through VTA's diversity and inclusion efforts, we strive to cultivate and sustain an inclusive workforce seeking to create a working environment that educates, empowers, and inspires our employees as well as our community partners. Throughout the year, VTA held employee events to celebrate the diverse backgrounds of our employees including symposiums on Women's Equality and Black History Month and a Maintenance Women's Workshop.





Celebrating our Employees

Leadership Academy

VTA's inaugural Leadership Academy graduated 30 aspiring leaders in the transportation industry. The 15-month program equips VTA employees who demonstrate a strong personal commitment, engagement, and leadership potential, with the knowledge, skills, and competencies essential for high level performance and/or advancement. Each graduate received a certificate of completion and skills to put toward their careers ahead at VTA.

Employees of the Year



Ivan Thomas
VTA Fare Inspector,
Retired



Naunihal Singh
Assistant
Superintendent,
Service Management

Apprenticeship Program

In September, VTA graduated the first class of its nationally recognized apprenticeship program in three of the four established specialties: Coach

Operator, Service Mechanic and Track Worker Apprentices.

During the year and a half long program, which also includes the Overhead Line Worker, 84 apprentices completed at least 2,000 hours of classroom and on-the-job training. Each graduate earned 18 college



credits from Mission College with free tuition and Certificates of Achievement from Mission College, the United States Department of Labor and the State of California Department of Apprenticeship Standards.

A Light Rail Operator apprentice program begins spring 2018.

2017 VTA Board of Directors

Jeannie Bruins, *Chairperson*, City of Los Altos

Sam Liccardo, *Vice Chairperson*, City of San José

Larry Carr, City of Morgan Hill

Cindy Chavez, County of Santa Clara

Lan Diep, City of San José

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Savita Vaidhyanathan, City of Cupertino

Ken Yeager, County of Santa Clara

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Dev Davis, *Alternate*, City of San José

Daniel Harney, *Alternate*, City of Gilroy

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