BOARD OF DIRECTORS MEETING

Thursday, June 2, 2016

5:30 PM

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

AGENDA

To help you better understand, follow, and participate in the meeting, the following information is provided:

- Persons wishing to address the Board of Directors on any item on the agenda or not on the agenda are requested to complete a blue card located at the public information table and hand it to the Board Secretary staff prior to the meeting or before the item is heard.

- Speakers will be called to address the Board when their agenda item(s) arise during the meeting and are asked to limit their comments to 2 minutes. The amount of time allocated to speakers may vary at the Chairperson's discretion depending on the number of speakers and length of the agenda. If presenting handout materials, please provide 25 copies to the Board Secretary for distribution to the Board of Directors.

- The Consent Agenda items may be voted on in one motion at the beginning of the meeting. The Board may also move regular agenda items on the consent agenda during Orders of the Day. If you wish to discuss any of these items, please request the item be removed from the Consent Agenda by notifying the Board Secretary staff or completing a blue card at the public information table prior to the meeting or prior to the Consent Agenda being heard.
Disclosure of Campaign Contributions to Board Members (Government Code Section 84308)

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

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

All reports for items on the open meeting agenda are available for review in the Board Secretary’s Office, 3331 North First Street, San Jose, California, (408) 321-5680, the Monday, Tuesday, and Wednesday prior to the meeting. This information is available on our website, www.vta.org, and also at the meeting. Any document distributed less than 72-hours prior to the meeting will also be made available to the public at the time of distribution. Copies of items provided by members of the public at the meeting will be made available following the meeting upon request.

In accordance with the Americans with Disabilities Act (ADA) and Title VI of the Civil Rights Act of 1964, VTA will make reasonable arrangements to ensure meaningful access to its meetings for persons who have disabilities and for persons with limited English proficiency who need translation and interpretation services. Individuals requiring ADA accommodations should notify the Board Secretary’s Office at least 48-hours prior to the meeting. Individuals requiring language assistance should notify the Board Secretary’s Office at least 72-hours prior to the meeting. The Board Secretary may be contacted at ((408) 321-5680 or *e-mail: board.secretary@vta.org or ( (408) 321-2330 (TTY only). VTA’s home page is on the web at: www.vta.org or visit us on Facebook at: www.facebook.com/scvta. ((408) 321-2300: 中文 / Español / 日本語 / 한국어 / tiếng Việt / Tagalog.

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

1.1. ROLL CALL

1.2. Orders of the Day

2. AWARDS AND COMMENDATION

2.1. INFORMATION ITEM - Recognize VTA Community Partner - City Year San Jose/Silicon Valley Partnership.

2.2. INFORMATION ITEM - Recognize VTA Community Partner - Cristo Rey Jesuit High School in San Jose.

3. PUBLIC COMMENT

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any item within the Board's jurisdiction. Speakers are limited to 2 minutes. The law does not permit Board action or extended discussion of any item not on the agenda except under special circumstances. If Board action is requested, the matter can be placed on a subsequent agenda. All statements that require a response will be referred to staff for reply in writing.

4. PUBLIC HEARINGS

4.1 HEARING - NOTICE OF INTENTION TO ADOPT RESOLUTIONS OF NECESSITY

ACTION ITEM - Close Hearing and adopt Resolutions of Necessity determining that the public interest and necessity requires the acquisition of property interests from three properties owned by: (1) Mayfield Homeowners Association, a California nonprofit mutual benefit corporation, located in Fremont, California; and (2) Mayfield Housing Corporation, a California corporation, located in Fremont, California; and (3) Mandar Jamsandekar and Priyadarshini Jamsandekar; Srinath Gutti and Lakshmi Dontamsetti; Ravi S. Mahankali and Radhika Kuriseti; and Amit Jhawar, Trustee and Gunjan Kotriwala, Trustee of The Amit Jhawar and Gunjun Kotriwala Revocable Living Trust dated August 11, 2009, located in Fremont, California, for the BART Silicon Valley Berryessa Extension (SVBX) Project.

Property ID/Assessor's Parcel Number/Owner

B2016 (APN 519-1728-016, 519-1727-010 and 519-1727-016) owned by Mayfield Homeowners Association, a California nonprofit mutual benefit corporation

Property ID/Assessor's Parcel Number/Owner

B3632 (APN 519-1728-004, 519-1728-005, 519-1727-020 and 519-1728-009) owned by Mayfield Housing Corporation, a California corporation
Property ID/Assessor's Parcel Number/Owner

B3633 (APN 519-1728-109) owned by Mandar Jamsandekar and Priyadarshini Jamsandekar; Srinath Gutti and Lakshmi Dontamsetti; Ravi S. Mahankali and Radhika Kuriseti; and Amit Jhawar, Trustee and Gunjan Kotriwala, Trustee of The Amit Jhawar and Gunjun Kotriwala Revocable Living Trust dated August 11, 2009

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

5. COMMITTEE REPORTS


5.3. Standing Committee Chairpersons' Report. (Verbal Report)

5.4. Policy Advisory Board Chairpersons' Report. (Verbal Report)

6. CONSENT AGENDA

6.1. Approve the Board of Directors Workshop Meeting Minutes of April 22, 2016.

6.2. Approve the Board of Directors Regular Meeting Minutes of May 5, 2016.

6.3. ACTION ITEM - Ratify appointment to the Bicycle & Pedestrian Advisory Committee for the two-year term ending June 30, 2018 of: (1) Jaime Fearer, representing the City of San José, and (2) Greg Unangst, representing the City of Mountain View.

6.4. ACTION ITEM - Ratify the appointment of John Melton to the Citizens Advisory Committee position representing the North County Cities Group.

6.5. ACTION ITEM - Award a task order contract to RSM US LLP for VTA Auditor General and internal audit services. The base term of the contract is five years (through June 30, 2021) for an amount not to exceed $2,250,000 (average of $450,000 per year). In addition, the contract includes two optional one-year contract extensions at a maximum of $450,000 per year; execution of the optional one-year extensions are subject to approval by the Governance & Audit Committee.

6.6. ACTION ITEM - Authorize the General Manager to enter into an Agreement Amendment with Alstom Signaling Inc. (formerly GE Transportation Systems Global Signaling, LLC) in an amount not to exceed $2,750,000 for Light Rail Supervisory Control & Data Acquisition modification services for a total agreement amount of $6,200,000. This Amendment will extend the agreement for a 3-year duration.

6.7. ACTION ITEM - Authorize the General Manager to execute a contract with Kimley-Horn and Associates, Inc. in the amount of $17,200,000 for a three-year period ending June 2019 to provide Planning and Program Management services for VTA’s BART Silicon Valley Program.
6.8. **ACTION ITEM** - Authorize the General Manager to execute a contract with Aldridge Electric, Inc., the lowest responsive and responsible bidder, in the amount of $4,546,400 for the construction of the VTA Communications Backbone Network; and authorize a 25% contingency allowance to address unforeseeable additional contract requirements.

6.9. **ACTION ITEM** - Authorize the General Manager to execute a contract with Shimmick Construction Company, the lowest responsive and responsible bidder, in the amount of $4,603,029, for the construction of the Santa Clara Caltrain Station Pedestrian Underpass Extension (C827) Contract.


6.11. **ACTION ITEM** - Authorize the General Manager to execute a sole source contract with VenTek Transit, Inc. of Petaluma, California for a not-to-exceed amount of $765,000 for the manufacture and delivery of ten (10) ticket vending machines (TVMs) consistent with VTA’s existing light rail ticket vending system to serve VTA customers including persons transferring from BART to VTA at the Milpitas BART station currently under construction.

6.12. **ACTION ITEM** - Authorize the General Manager to issue a developer Request for Proposal (RFP) for joint development proposals at the Tamien station, pursuant to the rezoning application and environmental review as approved by the San Jose City Council.

6.13. **ACTION ITEM** - Authorize the General Manager to execute a contract with OUTFRONT Media Group, LLC to sell, display and manage the advertising program on VTA Bus and Light Rail Vehicles; on Light Rail Stations platforms and Light Rail digital signs for a five-year term beginning on July 1, 2016 and running through June 30, 2021, with an option for VTA to extend the contract for one five-year period.


6.15. **ACTION ITEM** - Authorize the General Manager to increase the existing five year bus parts contract (VTA13-016-P03) with Gillig LLC (Gillig) by $634,991 for a total of $1,765,254.

6.16. **ACTION ITEM** - Authorize the General Manager to extend the current contract with BalancePoint Strategic Services for three years in the amount of $750,000, for a total contract value of $2,672,505, to provide ongoing professional services in support of the Joint Workforce Investment (JWI) project. The term of the extended contract would be from July 1, 2016 through June 30, 2019.
6.17. ACTION ITEM - Authorize the General Manager to execute a contract amendment with WMH Corporation in an amount not-to-exceed $1,244,970, increasing the not-to-exceed total contract value to $2,644,551 and extend the contract term to December 31, 2017 to complete the environmental scope of services and begin Final Design and Right -Of-Way Engineering services for Mathilda Avenue Improvements at SR 237 and US 101 project.

6.18. ACTION ITEM - (1) Adopt a resolution approving the project priorities for the FY2016/17 Countywide Transportation Development Act Article 3 program; and (2) Modify VTA policy regarding the banking of TDA3 funds.

6.19. ACTION ITEM - Approve the programming of FY 2016/17 Transportation Fund for Clean Air Program Manager (TFCA 40%) funds to projects.

6.20. ACTION ITEM - Review and receive the Auditor General's report on the Grants Management & Compliance Assessment.

6.21. ACTION ITEM - Review and receive the Auditor General's follow-up report on the implementation status of management's action plans contained in the Procurement & Contracting Process Assessment.


6.23. INFORMATION ITEM - Receive the Monthly Investment Report for March 2016

6.24. INFORMATION ITEM - Review the Legislative Update Matrix.

6.25. INFORMATION ITEM - Receive information on Community Workforce Agreements (CWA).


6.28. INFORMATION ITEM - Receive a report on the July 4, 2016 Transit Service Changes.

6.29. INFORMATION ITEM - Receive System Safety and Security Update.

6.30. INFORMATION ITEM - Receive an update on the rebranding of VTA's Paratransit Services Program.
7. REGULAR AGENDA

7.1. INFORMATION ITEM - Receive an update of the Silicon Valley Leadership Group's latest polling results. (Verbal Report) (Guardino)

7.2. ACTION ITEM - 1) Adopt the framework and funding amounts for a ½-cent 30-year sales tax measure; and 2) Adopt a resolution calling for a special election, to be consolidated with the statewide general election to be held on November 8, 2016, for the purpose of submitting to the voters of Santa Clara County a measure seeking authorization for VTA to enact a 30-year ½-cent retail transactions and use tax for transportation purposes.

7.3. ACTION ITEM - (a) Introduce proposed Ordinance No. 2016.01, “An Ordinance of the Santa Clara Valley Transportation Authority Enacting a Transactions and Use Tax, Subject to Adoption by the Electorate, Which Tax to Be Administered by the State Board of Equalization”; (b) Consider the proposed Ordinance No. 2016.01; and (c) Direct that proposed Ordinance No. 2016.01 be placed on the agenda for the next regularly scheduled Board meeting for adoption.

7.4. ACTION ITEM - Establish funding commitments for the projected available 2000 Measure A revenue and augment the 2000 Measure A Transit Improvement Program Fund Capital Budget by $79,000,000 for the Capitol Expressway Light Rail to Eastridge, Vasona Light Rail Extension/Double Track, and Airport People Mover Connection to Mineta San Jose Airport projects.

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

7.5. ACTION ITEM - Authorize the General Manager to execute all documents required for VTA’s acquisition of the requisite right-of-way for the Vasona Light Rail Extension/Double Track Project (“Project”), including: purchase and sale agreements, possession and use agreements and other real estate documents related thereto.

Governance and Audit Committee

7.6. ACTION ITEM - Authorize the General Manager to execute the Seven-Party Regional Funding Supplement to the 2012 Nine-Party Memorandum of Understanding (MOU) for the Peninsula Corridor Electrification Project (PCEP). This MOU supplement provides an additional financial commitment of $20 million to address a portion of the PCEP funding gap.

Administration and Finance Committee

7.7. ACTION ITEM - Approve revisions to VTA’s Joint Development Policy.
8. OTHER ITEMS


8.1.B. INFORMATION ITEM - Receive Silicon Valley Rapid Transit (SVRT) Program Update.

8.2. Chairperson's Report. (Verbal Report)

8.3. ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION

8.4. Unapproved Minutes/Summary Reports from VTA Committees, Joint Powers Boards (JPB), and Regional Commissions

8.4.A. VTA Standing Committees

8.4.B. VTA Advisory Committees

8.4.C. VTA Policy Advisory Boards (PAB)

8.4.D. Joint Powers Boards and Regional Commissions

8.5. Announcements

9. CLOSED SESSION

9.1. Recess to Closed Session

A. Anticipated Litigation - Conference with Legal Counsel

Significant exposure to litigation pursuant to paragraph 2 of subdivision (d) of Section 54956.9

Number of Cases: 1

B. Existing Litigation - Conference with Legal Counsel
(Subdivision (a) of Government Code Section 54956.9)

Name of Case: Iyer v. Santa Clara Valley Transportation Authority
(Santa Clara County Superior Court Case No.: 1-15-CV-286108)
C. Conference with Labor Negotiators (Government Code Section 54957.6)

   VTA Designated Representatives
   Alberto Lara, Director of Business Services
   Ali Hudda, Deputy Director, Accounting

   Employee Organization
   American Federation of State, County and Municipal Employees, Local 101

D. Conference with Labor Negotiators (Government Code Section 54957.6)

   VTA Designated Representatives
   Alberto Lara, Director of Business Services
   Ali Hudda, Deputy Director, Accounting

   Employee Organization
   Transportation Authority Engineers and Architects Association (TAEA), IFPTE, Local 21

9.2. Reconvene to Open Session

9.3. Closed Session Report

10. ADJOURN in memory of VTA Employees Anthony Castro, Coach Operator, and Susie Story, Office Specialist II.
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Business Services, Alberto Lara

SUBJECT: City Year San Jose/Silicon Valley Partnership

FOR INFORMATION ONLY

BACKGROUND:

VTA has a strong connection to the community we serve and remains committed to establishing community partnerships with various organizations within Santa Clara County.

City Year San Jose/Silicon Valley is an education-focused organization founded in 1988 dedicated to helping students in high-poverty communities graduate. City Year works to bridge the gap in high-poverty communities between the support the students in the communities actually need and what their schools are designed to provide. In doing so, they help to increase graduation rates across the country, and make an impact in the lives of the students they serve.

City Year trains and deploys young adult AmeriCorp Members to perform individualized tutoring, whole-classroom support, and afterschool programs for students in high-need schools. AmeriCorp members work directly with partner schools to identify and provide support to students who may be at risk of dropping out. Currently, City Year San Jose/Silicon Valley works in close collaboration with 13 elementary, middle, and high schools in San Jose, serving approximately 7,000 students through its programs. Upon completion of their service, AmeriCorp Members will have developed invaluable life skills, will have given back to the community, and will be given financial assistance with their own college education.

VTA has been a longtime supporter of City Year San Jose/Silicon Valley by providing AmeriCorps members with monthly VTA passes. In exchange for passes, City Year Corp members act as “ambassadors” while using VTA by reporting issues of concern to VTA. City Year also adopts a number of stops near the schools they serve, volunteer as ambassadors for a number of VTA events throughout the school year, and teach their students about VTA.

VTA is proud to continue our long standing partnership with City Year San Jose/Silicon Valley in support of their incredible mission to increase graduation rates for students in high-poverty
communities. VTA would like to recognize City Year San Jose/Silicon Valley for being a valued community partner.

Prepared By: Patrick Griffin, Customer Experience Manager-Customer Service
Memo No. 5485
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Business Services, Alberto Lara

SUBJECT: Cristo Rey Recognition

FOR INFORMATION ONLY

BACKGROUND:

VTA remains a committed community partner and actively pursues partnerships that enhance the quality of life in Santa Clara County.

VTA began partnering with Cristo Rey Jesuit High School in September 2014, for the 2014-2015 school year and renewed the partnership for the 2015-2016 school year.

Cristo Rey high school serves disadvantaged inner-city youth from the east side of San Jose, who participate in a full course load of college preparatory courses in addition to a one day per week work assignment, that funds the majority of their annual tuition. 100% of Cristo Rey graduates are accepted into college.

For the second year, VTA currently has four students - three freshmen students and one sophomore high school student working one day a week in departments throughout VTA. This year, Alfredo Valencia worked in Service and Operations Planning; Jonathan Rubio worked in Human Resources - Benefits; Michelle Ruiz worked in Contracts Administration; and one student returned from last year, Maritza Flores, who worked with Community Engagement.

Prepared By: Diversity and Inclusion Department
Memo No. 5491
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Engr. & Trans. Infrastructure Dev., Carolyn M. Gonot

SUBJECT: SVBX Resolution of Necessity

Policy-Related Action: No

Government Code Section 84308 Applies: No

Resolution

ACTION ITEM

RECOMMENDATION:

Adopt three (3) Resolutions of Necessity determining that the public interest and necessity require the acquisition of three properties for the BART Silicon Valley Berryessa Extension (SVBX) Project.

BACKGROUND:

The BART Silicon Valley Program is an extension of the existing BART regional heavy rail system to Milpitas, San Jose and Santa Clara, which will be delivered through a phased approach. The first phase is the Silicon Valley Berryessa Extension (SVBX) Project, a 10-mile, two-station project, which will extend the existing BART system and provide service to the Cities of Milpitas and San Jose in Santa Clara County.

The SVBX Project will begin south of the future BART Warm Springs Station in Fremont and proceed on the WP Milpitas Corridor purchased by VTA from the Union Pacific Railroad in 2002, through Milpitas, and end in the Berryessa area of north San Jose at Las Plumas Avenue (See Project Map attached hereto.) Engineering on the SVBX Project has advanced, and major utility relocations and full construction activities have begun.

Full and partial property acquisitions are required from approximately 100 property owners in order to construct the SVBX Project.

These acquisitions are being pursued in accordance with state and federal law, and diligent
efforts are being made to acquire them through negotiated settlements. However, negotiated
settlements may not be achievable in all instances and some of the acquisitions may need to be
acquired through a timely condemnation process, particularly to ensure that the Project can stay
on schedule.

A prerequisite to commencement of eminent domain proceedings by a public entity is adoption
of a Resolution of Necessity (California Code Civil Procedure section 1245.220). As discussed
below, staff is recommending the Board to adopt three Resolutions of Necessity to enable
commencement of eminent domain proceedings.

DISCUSSION:

Among the approximately 100 property acquisitions required for the Project, staff is
recommending that a Resolution of Necessity be adopted for each of the three (3) properties
listed below, which are all located within the same real estate development in the City of
Fremont. The properties are required to provide access to facilities located in the VTA corridor
that were constructed or relocated as part of the SVBX Project. No buildings will be impacted on
any of the properties as a result of this acquisition.

1. Mayfield Homeowners Association (“Owner”) (B2016)

This property is located at Meadowfaire and Woodgrove Common in the City of Fremont.
The larger parcel consists of approximately 672,566 square feet, and is improved with 194
townhomes, condominiums and single-family residences. The required property consists of:
(1) a 5,714 square foot ingress/egress easement (B2016-02); and (2) a 9,578 square foot
ingress/egress easement (B2016-03) within an existing driveway from Warm Springs Blvd to
the corridor and located entirely within an existing joint access easement through the
property. The proposed ingress/egress easements are required to enable BART and utility
owners to access their facilities within the corridor.

The subject property was appraised, the appraisal was reviewed by a review appraiser, and
VTA staff set just compensation. An offer based on the recommended appraisal was made on
or about November 5, 2015. To date, negotiations with the Owner to acquire the easements
have been unsuccessful even though the real estate team has diligently worked to acquire the
easements through negotiated settlement with the property owner. The team will continue to
work with the property owner to reach a negotiated settlement even after adoption of a
Resolution of Necessity.

2. Mayfield Housing Corporation (“Owner”) (B3632)

This property is located at Meadowfaire and Woodgrove Common in the City of Fremont.
The larger parcel consists of approximately 672,566 square feet, and is improved with 194
townhomes, condominiums and single-family residences. The property required to construct
the Project consists of: (1) a 2,680 square foot ingress/egress easement (B3632-02) within a
grassy area; and (2) a 8,937 square foot ingress/egress easement (B3632-03) within an
existing driveway from Warm Springs Blvd to the corridor. Both ingress/egress easements
are located entirely within an existing joint access easement through the property. The
proposed ingress/egress easements are required to enable BART and utility owners to access
their facilities within the corridor.

The subject property was appraised, the appraisal was reviewed by a review appraiser, and VTA staff set just compensation. An offer based on the recommended appraisal was made on or about November 5, 2015. To date, negotiations with the Owner to acquire the easements have been unsuccessful even though the real estate team has diligently worked to acquire the easements through negotiated settlement with the property owner. The team will continue to work with the property owner to reach a negotiated settlement even after adoption of a Resolution of Necessity.

3. Mandar Jamsandekar and Priyadarshini Jamsandekar; Srinath Gutti and Lakshmi Dontamsetti; Ravi S. Mahankali and Radhika Kuriseti; and Amit Jhawar, Trustee and Gunjan Kotriwala, Trustee of The Amit Jhawar and Gunjun Kotriwala Revocable Living Trust dated August 11, 2009 (“Owners”) (B3633)

This property is located at Woodgrove Common in the City of Fremont. The larger parcel consists of approximately 8,158 square feet, and is improved with four townhomes. The property required to construct the Project consists of a 420 square foot ingress/egress easement (B3633-02) within an existing common area shared by these four townhome owners. This common area, however, is grassy and also open to all members of the Mayfield HOA community. The proposed ingress/egress easement is required to enable BART and utility owners to access their facilities within the corridor.

The subject property was appraised, the appraisal was reviewed by a review appraiser, and VTA staff set just compensation. An offer based on the recommended appraisal was made on or about November 5, 2015. To date, negotiations with the Owner to acquire the easements have been unsuccessful even though the real estate team has diligently worked to acquire the easements through negotiated settlement with the property owner. The team will continue to work with the property owner to reach a negotiated settlement even after adoption of a Resolution of Necessity.

VTA must take action to acquire the above-referenced properties through eminent domain proceedings in order to ensure the construction schedule remains intact.

As noted above, a prerequisite to commencement of eminent domain proceedings by a public entity is adoption of a Resolution of Necessity. This statutory requirement is designed to ensure that public entities verify and confirm the validity of their intended use of the power of eminent domain. A resolution of necessity must contain a general statement of the public use for which the property is taken, a reference to the authorizing statutes, a description of property, and a declaration stating that each of the following has been found and determined to be true:

1. The public interest and necessity require the proposed project;

2. The proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;

3. The property described in the resolution is necessary for the proposed project; and
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.

Further information addressing each of these items and any additional findings that must be made are included in a staff report attached hereto. The staff report also contains specific information on the properties being impacted.

**ALTERNATIVES:**

The properties that are subject to the Resolution of Necessity before the Board are necessary for the Project and a condemnation action must be initiated in order to obtain possession of the parcels if the Project schedule is to be maintained. The Board may, in its discretion, decide not to adopt the Resolution of Necessity. However, this would necessitate either some delay and/or a possible redesign, which could impact the schedule and, most likely, increase the costs of the Project.

**FISCAL IMPACT:**

Appropriation for the costs associated with acquisition of this property is included in the FY15 Adopted 2000 Measure A Transit Improvement Program Fund Capital Budget.

Prepared by: Kevin Balak
Memo No. 5612
SVBX Property Acquisition Staff Report

INTRODUCTION

This staff report is submitted for review by the Board of Directors prior to the recommended adoption of a resolution of necessity for the acquisition of property for the BART Silicon Valley Berryessa Extension (SVBX) Project.

For each property interest to be acquired, a resolution of necessity must be adopted prior to the commencement of eminent domain proceedings (Code of Civil Procedure Section 1245.220.). The statutory requirement that a public entity adopt a resolution of necessity before initiating a condemnation action “is designed to ensure that public entities will verify and confirm the validity of their intended use of the power of eminent domain prior to the application of that power in any one particular instance.” San Bernardino County Flood Control Dist. v. Grabowski (1988) 205 Cal.App.3d 885, 897.

Thus, a resolution of necessity must contain a general statement of the public use for which the property is to be taken, a reference to the statute authorizing the exercise of eminent domain, a description of the property, and a declaration stating that each of the following have been found and determined by the Board to be the case:

(1) The public interest and necessity require the proposed project;
(2) The proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
(3) The property described in the resolution is necessary for the proposed project; and,
(4) That either the offer required by Section 7267.2 of the Government Code has been made to the owner or owners of record, or the offer has not been made because the owner cannot be located with reasonable diligence.

(Code of Civil Procedure Section 1245.230.)

Further, insofar as any of the property to be acquired has heretofore been dedicated to public use, the resolution of necessity will find that the acquisition of such property by VTA for the Project is for a more necessary public use to which the property has already been appropriated or is a compatible public use pursuant to Code of Civil Procedure Sections 1240.510 and 1240.610. This report provides data and information addressing each of these items. Section 1 generally describes the public use for which the property is to be taken and sets forth the statutory authority for VTA’s exercise of eminent domain. Sections 3, 4, and 5 provide facts pertinent to public interest and necessity (Finding #1) and the planning and location of the SVBX Project (Finding #2). Section 6 also contains a property data sheet and other material discussing the necessity for acquiring the specific property interest that is the subject of the resolutions of
necessity (Finding #3). Section 2 provides information concerning the offers made to the property owners pursuant to Government Code Section 7267.2 (Finding #4).

This evidentiary factual record will assist the Board in determining whether the requirements of Section 1245.230 have been met, and whether the other findings specified above, as applicable, can be made. If the Board determines that all requirements have been met, and that all findings can be made, it is recommended that the Board adopt the resolution of necessity listed on the Board Meeting Agenda. The Resolutions of Necessity scheduled to be heard by the Board is attached to this staff report.

SECTION 1

GENERAL STATEMENT OF PUBLIC USE

The properties that are the subject of the recommended resolutions of necessity are to be acquired for the construction of the SVBX Project, a 10-mile, two-station, first phase of the 16-mile BART Silicon Valley Program.

STATUTORY AUTHORIZATION FOR EXERCISE OF EMINENT DOMAIN

Under its enabling legislation, VTA is authorized to acquire property for mass transit purposes by eminent domain. Public Utilities Code Section 100130, which sets forth the general powers of VTA, provides in pertinent part that: “The district may take by grant, purchase, devise, or lease, or condemn in proceedings under eminent domain, or otherwise acquire, and hold and enjoy, real and personal property of every kind within or without the district necessary to the full or convenient exercise of its powers.” One of the main functions of VTA is to provide transit service. (Public Utilities Code Sections 100160, 100161.)

Public Utilities Code Section 100131 provides further authority for the taking of property by VTA through eminent domain. It states in pertinent part that: “The district may exercise the right of eminent domain to take any property necessary or convenient to the exercise of the powers granted in this part.”

In addition, the Eminent Domain Law, Code of Civil Procedure Sections 1230.010 et seq., gives entities authorized by statute the right to use eminent domain to acquire property for public use, and specifies the procedures for the exercise of that right.
SECTION 2

GOVERNMENT CODE OFFERS

The owner of the property that is the subject of the resolution was made an offer by VTA for the purchase of the property unless they could not be located with reasonable diligence as required by Government Code Section 7267.2. Sections 7267.2(a), (b) and (c) state that:

(a) (1) Prior to adopting a resolution of necessity pursuant to Section 1245.230 of the Code of Civil Procedure and initiating negotiations for the acquisition of real property, the public entity shall establish an amount that it believes to be just compensation therefor, and shall make an offer to the owner or owners of record to acquire the property for the full amount so established, unless the owner cannot be located with reasonable diligence. The offer may be conditioned upon the legislative body’s ratification of the offer by execution of a contract of acquisition or adoption of a resolution of necessity or both. The amount shall not be less than the public entity’s approved appraisal of the fair market value of the property. Any increase or decrease in the fair market value of real property to be acquired prior to the date of valuation caused by the public improvement for which the property is acquired, or by the likelihood that the property would be acquired for the improvement, other than that due to physical deterioration within the reasonable control of the owner or occupant, shall be disregarded in determining the compensation for the real property.

(2) At the time of making the offer described in paragraph (1), the public entity shall provide the property owner with an informational pamphlet detailing the process of eminent domain and the property owner’s rights under the Eminent Domain Law.

(b) The public entity shall provide the owner of real property to be acquired with a written statement of, and summary of the basis for, the amount it established as just compensation. The written statement summary shall contain detail sufficient to indicate clearly the basis for the offer, including, but not limited to, all of the following information:

(1) The date of valuation, highest and best use, and applicable zoning of property.
(2) The principal transactions, reproduction or replacement cost analysis, or capitalization analysis, supporting the determination of value.
(3) If appropriate, the just compensation for the real property acquired and for damages to remaining real property shall be separately stated and shall include the calculations and narrative explanation supporting the compensation, including any offsetting benefits.

(c) Where the property involved is owner-occupied residential property and contains no more than four residential units, the homeowner shall, upon request, be allowed to review a copy of the appraisal upon which the offer is based. The public entity may, but is not required to, satisfy the written statement, summary, and review requirements of this section by providing the owner a copy of the appraisal on which the offer is based.

Each property owner that could be located after reasonable diligence was presented with a written offer in an amount not less than the approved appraisal for the property, and a statement and summary of the basis of the offer, comprised of an Appraisal Summary Statement. The Appraisal Summary Statement provided the following information: name of owner; property address; parcel and APN number; locale; applicable zoning; date of valuation, present use; highest and best use; total property area; area to be acquired; type of interest to be acquired; improvements and access impacted; damages incurred and, as appropriate, separately stated with calculations and narrative explanation; total payment; and a description of the market value, reproduction or replacement cost analysis, or capitalization analysis, used to determine just compensation; and a summary of comparable sales, including the location, date of sale and sales price of properties used in the appraisal process. The date that the offer was made to the property owner is specified on the Property Fact Sheet contained in Section 6 of this report.

SECTION 3

SVBX PROJECT OVERVIEW, PURPOSE, AND NEED

Project Description

BART Silicon Valley is an extension of the existing BART regional heavy rail system to Milpitas, San Jose and Santa Clara. The 16-mile BART Silicon Valley Program will be delivered through a phased approach.

The Silicon Valley Berryessa Extension (SVBX) Project is a 10-mile, two-station, first phase of BART Silicon Valley. SVBX is being implemented in cooperation with the Federal Transit Administration’s (FTA) New Starts Program, and will be a fully operable extension of the existing BART system with service to the cities of Milpitas and San Jose in Santa Clara County.
This extension of the BART system will begin south of the future BART Warm Springs Station in Fremont and proceed on the WP Milpitas Corridor purchased by VTA from the Union Pacific Railroad in 2002, through Milpitas, and end in the Berryessa area of north San Jose at Las Plumas Avenue. Engineering on the project is advancing, construction activities have commenced.

The two SVBX stations will feature:

- Parking structures
- Bus transit centers
- Bike and pedestrian connections
- Convenient access to BART System:
  - Half-mile walk for nearly 30,000 residents
  - Less than 12-minute bike ride for 260,000
  - 15-minutes via public transit or automobiles for more than 1,007,000 local residents

Purpose of the Project

The project is intended to achieve the following objectives:

- Improve public transit service and increase ridership in this severely, and ever-increasing, congested corridor by providing expanded transit capacity and faster, convenient access to and from major Santa Clara County employment and activity centers for corridor residents and residents from throughout the Bay Area and portions of the Central Valley of California.

- Enhance regional connectivity by expanding and interconnecting BART rapid transit service with VTA light rail, Amtrak, ACE, Caltrain, and VTA bus services in Santa Clara County; improve intermodal transit hubs where rail, bus, auto, bicycle and pedestrian links meet.

- Expand transportation solutions that will be instrumental in maintaining the economic vitality and continuing development of Silicon Valley.

- Improve mobility options to employment, education, medical, and retail centers for corridor residents, in particular low-income, youth, elderly, disabled, and ethnic minority populations.

- Improve regional air quality by reducing auto emissions.

- Support local and regional land use plans and facilitate corridor cities’ efforts to direct business and residential investments in transit oriented development. More efficient growth and sustainable development patterns are necessary to reduce
impacts to the local and global environmental, such as adverse climate change.

Improved transit in the BART Silicon Valley Corridor is consistent with the goals established in prior corridor studies and responds to the long-range Valley Transportation Plan 2035 (VTP 2035), adopted by VTA in January 2009. The primary goal of the long-range plan is to provide transportation facilities and services that support and enhance Santa Clara County’s high quality of life and vibrant economy.

Need for the Project

The SVBX Project is critical to improving mobility between the East Bay and South Bay regions of the San Francisco Bay Area, as well as between eastern Santa Clara County and San Francisco. The project corridor, including the 1-880 and 1-680 freeways, is already very congested, with roadway conditions projected to steadily worsen as Santa Clara County and the greater Bay Area continue to grow. Travelers on the roadway network experience excessive delays currently and can expect delays on the typical weekday to increase in the absence of the proposed improvements.

SVBX is the initial segment of a planned BART extension to downtown San Jose and Santa Clara. The full extension will complete a major link in a regional high-speed, high capacity transit network that will circle lower San Francisco Bay. Regional connectivity is important to the future of Silicon Valley, the high-technology and venture capital center of the nation and a major provider of biotechnology products and services.

BART is the only modal alternative that produces a better balance between transit and auto modes; significantly facilitates transit-oriented development; and moves large numbers of commuters and discretionary travelers alike quickly and reliably. Other transportation improvement alternatives to the proposed project are not adequate for addressing current and future needs. Transportation system management/baseline improvements in the form of expanded express bus services and preferential treatments for transit do not reduce travel time delays significantly. Although increased higher density, mixed-use developments around light rail stations would increase the viability of a light rail option, it is oriented to intra-county travel. Frequent station stops and at-grade running tend to slow travel speeds, and train capacity will become constrained by the maximum allowable three-car train consists. Existing commuter rail services in the corridor are also capacity constrained due to the limited service frequencies that remain when sharing trackage with freight trains. No other transit modes can match the regional connectivity provided by a BART extension and therefore they perform poorly in accommodating the rapid growth of regional travel in the San Francisco Bay Area.
SECTION 4

PROJECT PLANNING AND IMPLEMENTATION

Alternatives Analysis

A BART extension was selected as the Locally Preferred Alternative (LPA) following completion of the Major Investment Study (MIS)/Alternatives Analysis (MIS/AA) in November 2001. The study evaluated 11 alternatives for the Silicon Valley Rapid Transit Corridor, representing various modes of travel including express bus, bus rapid transit, commuter rail, diesel and electric light rail, and BART. The LPA was chosen after an extensive review process, including technical analysis, 12 public meetings, and more than 15 Community Working Group meetings.

In October 2001, the Policy Advisory Board (PAB) voted unanimously to recommend to the VTA Board that the BART on the UPRR Alignment alternative be carried forward into the EIS/EIR phase along with the FTA-required Baseline Alternative. Since the VTA-BART property negotiations were still unresolved at the time, the PAB also recommended carrying forward a BART-Compatible alternative.

On November 9, 2001, the VTA Board unanimously selected BART on the UPRR Alignment as the Preferred Investment Strategy for the Silicon Valley Rapid Transit Corridor, citing its overall ranking of “High” in comparison to the other alternatives. The Board instructed that, in addition to the BART Alternative, the Baseline (Expanded Bus) Alternative be carried forward into the environmental compliance phase to fulfill FTA project development guidelines. The Board also approved an agreement with BART to identify the terms and conditions for implementing the Preferred Investment Strategy in concert with BART. On November 12, 2001, the BART Board also adopted the terms and conditions for the agreement.

When compared with the other alternatives, the BART Alternative offered:

- Fastest travel times to passenger destinations
- Highest ridership projections
- Greatest congestion relief
- Best access to jobs, education, medical, retail and entertainment centers throughout the Bay Area
- Regional connectivity with no transfers to the BART system
- Opportunities for transit-oriented development in conjunction with local land use planning efforts.
Station Area Planning

Station area planning for the new BART stations is an important element of the SVBX Project. VTA is working with the cities and stakeholders to develop transit-supportive station campuses, access, circulation, and land uses in the station areas that would increase transit ridership, create vibrant communities, ease the housing shortage, and promote multi-modal access to and from the stations.

The City of Milpitas has adopted a specific plan for the area surrounding the proposed BART Milpitas Station. The Milpitas Transit Sub Area Specific Plan, as adopted by the Milpitas City Council, would create mixed land uses near two VTA LRT stations and the future Milpitas BART station at Montague Expressway and Piper Drive.

Station area land use plans are guided, in part, by the Metropolitan Transportation Commission (MTC) Regional Transit Expansion Program policy, Resolution 3434, which includes provisions for transit-oriented development within a half-mile radius of transit stations.

Project Funding

The total SVBX Project cost is estimated at approximately $2.1 billion based on most current engineering cost estimates for project construction. Funding for the SVBX Project will come through multiple revenue streams including the 2000 Measure A, 1/2 cent sales tax and other local sources, the State of California and its Traffic Congestion Relief Program (TCRP), and federal grants including the New Starts Program. VTA requested $900 million in FTA New Starts funding, which it secured through execution of a full Funding Grant Agreement (FFGA) in March, 2012. The FFGA is a multi-year contractual agreement between the FTA and VTA that formally defines the project scope, cost and schedule, and establishes the terms of the $900 million in federal financial assistance. Further, with respect to the construction of the South Milpitas Boulevard extension, the Master Agreement between VTA and the City of Milpitas provides that the City of Milpitas will reimburse VTA up to $17 million of VTA’s actual costs for constructing South Milpitas Boulevard from developer fees identified in the funding plan for the Transit Area Specific Plan.

Engineering design

The engineering and design of BART Silicon Valley is developed in various phases of project development in conjunction with the environmental process. Engineering phases include Conceptual Engineering (10% design), Preliminary Engineering (35% design), 65% design, and Final Engineering (100% design). These design phases represent a progression of engineering throughout project development.
Conceptual Engineering and Preliminary Engineering (PE) phases occur during the development of draft and final environmental documents, and together are generally referred to as the PE phase. The 65% design phase allows for a further refinement to project definition and the design of the facilities and systems.

In December 2006, the technical PE phase was completed. The 65% engineering phase was completed in December 2008. Said engineering designs are hereby incorporated herein by reference. Final design will advance the project development to 100% completion following the selection of a Design-Build contractor as discussed in the section below.

Contract Procurement

In May 2010, the VTA Board of Directors authorized VTA’s General Manager to pursue Design-Build as the delivery method for SVBX. The Design-Build method of project delivery involves selecting a contractor to perform both final design and construction under a single contract. Analysis of Design-Build as the delivery method for the project versus the traditional design, bid, build showed potential cost savings of $75 million, a 6 month acceleration of project delivery and reduced risks to VTA. This is VTA’s first Design-Build contract.

VTA issued the Request for Proposals (RFP) for the C700 Line, Track, Stations, and Systems (LTSS) contract in March 2011 to pre-qualified teams. The pre-qualified teams were KSG Constructors, Skanska-Shimmick-Herzog, Tutor Perini and Parsons SVBX, and Walsh/Flatiron/Comstock. On December 8, 2011, the Board awarded the C700 contract to Skanska-Shimmick-Herzog.

The Milpitas Boulevard Extension will be constructed pursuant to a bid-build contract (C640). The contract was advertised on June 17, 2015 and bids opened on August 12, 2015. It is anticipated that VTA staff will seek Board approval to award the C640 contract on November 5, 2015.

SECTION 5
ENVIRONMENTAL CLEARANCE AND REVIEW

Environmental Clearance

The Berryessa Extension Project is defined in the BART Silicon Valley Final Environmental Impact Statement (2010). FTA, in coordination with VTA, circulated an Environmental Impact Statement in accordance with the National Environmental Policy Act (NEPA) in 2009. The Final Environmental Impact Statement was released in March 2010. A Record of Decision was issued in June 2010.
VTA released a Draft Second Supplemental Environmental Impact Report (SEIR) in November 2010 to address proposed project changes since the certification of the last environmental document in 2007 under the California Environmental Quality Act (CEQA). The Final Second SEIR was circulated to the public in February 2011 and certified at the March 2011 VTA Board of Directors meeting.

Environmental Review Summary

Environmental impacts were discussed in detail in the following California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) documents prepared during the planning and environmental review phases of the Project. Said documents are available for the Board’s review & consideration and are incorporated by reference herein. Many of these documents, and other information concerning the Project, are available through the VTA website, vta.org.

- Major Investment Study Final Report, November 2001 (NEPA)
- 2004 Final Environmental Impact Report (CEQA)
- 2007 Draft Supplemental Environmental Impact Report (CEQA)
- 2007 Final Supplemental Environmental Impact Report (CEQA)
- 2009 Draft Environmental Impact Statement (NEPA)
- 2010 Final Environmental Impact Statement (NEPA)
- 2010 Addendum to the 2007 FSEIR (CEQA)
- 2010 Environmental Determination – Addenda to the Final EIS (NEPA)
- 2010 Draft Second Supplemental Environmental Impact Report (CEQA)
- 2011 Final Second Supplemental Environmental Impact Report (CEQA)
- 2011 Addendum to the 2nd Supplemental Environmental Impact Report (CEQA)
- 2011 Initial Study/Mitigated Negative Declaration (CEQA)
- 2012 Addendum No. 2 to the 2nd Supplemental Environmental Impact Report (CEQA)
• 2012 Addendum No. 3 to the 2nd Supplemental Environmental Impact Report (CEQA)
• 2013 Addendum No. 4 to the 2nd Supplemental Environmental Impact Report (CEQA)
• 2013 Categorical Exemption (CEQA)
• 2014 Addendum No. 5 to the 2nd Supplemental Environmental Impact Report (CEQA)
• 2014 Environmental Re-evaluation (NEPA)
• 2014 Addendum to Initial Study/Mitigated Negative Declaration (CEQA)
• 2014 Categorical Exemption (CEQA)
• 2015 Addendum No. 6 to the 2nd Supplemental Environmental Impact Report (CEQA)

SECTION 6

SPECIFIC PROPERTY ACQUISITIONS

A detailed property fact sheet and aerial map of each of the properties subject to the Resolutions of Necessity follow. Overall property requirements and project related costs have been minimized as much as possible. In addition, no buildings will be impacted on any of the properties as a result of this acquisition.

An offer to acquire a portion of property owned by Mayfield Homeowners Association, a California nonprofit mutual benefit corporation, (B2016) was made on or about November 5, 2015. Said offer package is incorporated herein by reference. A Notice of Intention to Adopt a Resolution of Necessity, also incorporated herein by reference, was sent via Overnight Mail to the property owner on May 17, 2016.

An offer to acquire a portion of property owned by Mayfield Housing Corporation, a California corporation, (B3632) was made on or about November 5, 2015. Said offer package is incorporated herein by reference. A Notice of Intention to Adopt a Resolution of Necessity, also incorporated herein by reference, was sent via Overnight Mail to the property owner on May 17, 2016.

Finally, an offer to acquire a portion of property owned by Mandar Jamsandekar and Priyadarshini Jamsandekar; Srinath Gutti and Lakshmi Dantamsetti; Ravi S. Mahankali and Radhika Kuriseti; and Amit Jhawar, Trustee and Gunjan Kotriwala, Trustee of The Amit Jhawar
and Gunjun Kotriwala Revocable Living Trust dated August 11, 2009, (B3633) was made on or about November 5, 2015. Said offer package is incorporated herein by reference. A Notice of Intention to Adopt a Resolution of Necessity, also incorporated herein by reference, was sent via Overnight Mail to the property owner on May 17, 2016.
BART SILICON VALLEY BERRYESSA EXTENSION PROJECT

PROPERTY FACT SHEET – B2016

Owner: Mayfield Homeowners Association, a California nonprofit mutual benefit corporation

Property Address: Meadowfaire and Woodgrove Common, APN 519-1728-016, 519-1727-010 and 519-1727-016

City: Fremont, CA

Present Use: Residential

Total Property Area: Approximately 672,566 sq.ft.

Rights to be Acquired: Ingress / egress easement interest – 5,714 sq.ft.
Ingress / egress easement interest - 9,578 sq.ft.

Date of Offer: November 5, 2015

This property is located at Meadowfaire and Woodgrove Common in the City of Fremont. The larger parcel consists of approximately 672,566 square feet, and is improved with 194 townhomes, condominiums and single-family residences. The property required consists of: (1) a 5,714 square foot ingress/egress easement; and (2) a 9,578 square foot ingress/egress easement within an existing driveway from Warm Springs Blvd to the corridor and located entirely within an existing Alameda County Flood Control and Water Conservation District and City of Fremont joint access easement, through the property. The proposed ingress/egress easements are required to enable BART and utility owners to access their facilities within the corridor.
BART SILICON VALLEY BERRYESSA EXTENSION PROJECT

PROPERTY FACT SHEET – B3632

Owner: Mayfield Housing Corporation, a California corporation

Property Address: Meadowfaire and Woodgrove Common, APN 519-1728-004, 519-1728-005, 519-1727-020 and 519-1728-009

City: Fremont, CA

Present Use: Residential

Total Property Area: Approximately 672,566 sq.ft.

Rights to be Acquired: Ingress / egress easement interest – 2,680 sq.ft.
Ingress / egress easement interest - 8,937 sq.ft.

Date of Offer: November 5, 2015

This property is located at Meadowfaire and Woodgrove Common in the City of Fremont. The larger parcel consists of approximately 672,566 square feet, and is improved with 194 townhomes, condominiums and single-family residences. The property required to construct the Project consists of: (1) a 2,680 square foot ingress/egress easement within a grassy area; and (2) a 8,937 square foot ingress/egress easement within an existing driveway from Warm Springs Blvd to the corridor. Both ingress/egress easements are located entirely within an existing Alameda County Flood Control and Water Conservation District and City of Fremont joint access easement through the property. The proposed ingress/egress easements are required to enable BART and utility owners to access their facilities within the corridor.
BART SILICON VALLEY BERRYESSA EXTENSION PROJECT

PROPERTY FACT SHEET – B3633

Owner: Mandar Jamsandekar and Priyadarshini Jamsandekar; Srinath Gutti and Lakshmi Dontamsetti; Ravi S. Mahankali and Radhika Kuriseti; and Amit Jhawar, Trustee and Gunjan Kotriwala, Trustee of The Amit Jhawar and Gunjun Kotriwala Revocable Living Trust dated August 11, 2009

Property Address: 48992, 48996, 49000 and 49004 Woodgrove Common, APN 519-1728-109

City: Fremont, CA

Present Use: Residential

Total Property Area: Approximately 672,566 sq.ft.

Rights to be Acquired: Ingress / egress easement interest – 420 sq.ft.

Date of Offer: November 5, 2015

This property is located at Woodgrove Common in the City of Fremont. The larger parcel consists of approximately 8,158 square feet, and is improved with four townhomes. The property required to construct the Project consists of a 420 square foot ingress/egress easement within an existing common area shared by four townhome owners. This common area, however, is grassy and also open to all members of the Mayfield HOA community. The proposed ingress/egress easement is required to enable BART and utility owners to access their facilities within the corridor.
LEGEND

INGRESS/EGRESS EASEMENT
AREA B3633-02 = 420± SQFT.
RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF CERTAIN LAND AND DIRECTING THE FILING OF EMINENT DOMAIN PROCEEDINGS

WHEREAS, the BART Silicon Valley Berryessa Extension Project (the “Project”) is being undertaken for the purpose of easing traffic congestion, improving area-wide mobility, and otherwise furthering the public health, safety and welfare; and

WHEREAS, it is desirable and necessary for the Santa Clara Valley Transportation Authority (“VTA”) to acquire an Ingress/Egress Easement described in Exhibit “A” (B2016-02 and -03), attached hereto and made a part hereof by this reference, as right of way for the Project and the construction thereof; and

WHEREAS, VTA is authorized to acquire the subject property and exercise the power of eminent domain pursuant to and in accordance with Article 1, Section 19 of the California Constitution, the California Eminent Domain Law, Code of Civil Procedure Sections 1230.010 et seq., and Sections 100130 and 100131 of the Public Utilities Code; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the Board of Directors of VTA at the time and place set forth in said notice, regarding the matters specified therein.

NOW, THEREFORE, IT IS FOUND, DETERMINED AND ORDERED as follows:

1. The recitals contained herein are true and correct.
2. Upon examination of the alternatives, VTA requires the property for the Project.
3. VTA is authorized to acquire the property and exercise the power of eminent domain pursuant to and in accordance with Article 1, Section 19 of the California Constitution, the California Eminent Domain Law, Code of Civil Procedure Sections 1230.010 et seq., and Sections 100130 and 100131 of the Public Utilities Code.
4. The public interest and necessity require the Project.
5. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
6. An Ingress/Egress Easement described in Exhibit “A” is necessary for the Project.
7. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been
made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2, or the offer has not been made because the owner cannot be located with reasonable diligence.

8. VTA has complied with all conditions and statutory requirements, including those prescribed by CEQA, NEPA, and that are necessary for approval and adoption of the Project.

9. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by VTA.

10. Insofar as the property or the larger parcel of which it is a part has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use than the use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

11. General Counsel or General Counsel’s duly authorized designee is hereby authorized and directed to institute and conduct to conclusion eminent domain proceedings to acquire an Ingress/Egress Easement interest in property described in Exhibit “A”, and to take such actions that counsel deems advisable or necessary in connection therewith, and may deposit the probable amount of compensation and obtain an order for prejudgment possession of the subject property.

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors on June 2, 2016, by the following vote:

AYES: DIRECTORS:

NOES: DIRECTORS:

ABSENT: DIRECTORS:

________________________________________
CINDY CHAVEZ, Chairperson
Board of Directors
I HEREBY CERTIFY AND ATTEST that the foregoing resolution was duly and regularly introduced, passed and adopted by the vote of two-thirds or more of the Board of Directors of the Santa Clara Valley Transportation Authority, California, at a meeting of said Board of Directors on the date indicated, as set forth above.

Dated: ______________________

ELAINE BALTAO, Secretary
Board of Directors

APPROVED AS TO FORM:

____________________________
ROBERT FABELA
General Counsel
EXHIBIT “A”

A permanent non-exclusive ingress and egress access easement (the “Access Easement”) and incidents thereto, for the purpose of vehicular and pedestrian ingress and egress on, over, across, and through that portion of Grantor’s property identified as Assessor’s Parcel Numbers 519-1728-016, 519-1727-010 and 519-1727-016. Said Access Easement being described and depicted as Parcels B2016-02 and B2016-03 on Exhibit “1” attached hereto and made a part hereof, situated in the City of Fremont, County of Alameda, State of California.

The herein described easement shall be kept free of buildings, except lawful unsupported roof overhangs, and obstructions, including, but not limited to parking, structures, etc., that impair the intended use of or are inconsistent with the purposes of the easement. This easement shall carry with it the right to use existing roads or other practical route(s) to reach the Easement to carry out the rights granted hereunder, including the rights for the grantee to construct and maintain a drivable surface for the access way.

Grantee shall have the right to assign the rights under this Access Easement to the Bay Area Rapid Transit District, MCI Communication Services, Inc., and/or Chevron U.S.A. Inc., a Pennsylvania corporation, and their affiliates, successors, and assigns for the purposes designated herein. Grantee and assignees may utilize the easement concurrently.

The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto, and all covenants shall apply to and run with the land.
LEGAL DESCRIPTION

INGRESS AND EGRESS EASEMENT

APN: 519-1728-016

REAL PROPERTY situated in the City of Fremont, County of Alameda, State of California, being a portion of Lot A2 as shown on the map of Tract 7409, filed January 14, 2004 in Book 273 of Maps at Page 92, Alameda County Records, more particularly described as follows:

COMMENCING at the most westerly corner of said Lot A2, being on the southwesterly line of Woodgrove Commons (25.00 foot wide Private Street);

Thence along said southwesterly line, South 23°18′23″ East, 17.00 feet, to the TRUE POINT OF BEGINNING;

Thence South 73°20′53″ East, 2.53 feet, to a line parallel with the northwesterly line of said Lot A2;

Thence along said parallel line, North 66°41′37″ East, 285.54 feet, to the northeasterly line of said Lot A2;

Thence along said northeasterly line, South 23°18′23″ East, 20.00 feet, to a line parallel with the northwesterly line of said Lot A2;

Thence along said parallel line, North 66°41′37″ West, 278.87 feet;

Thence North 68°16′25″ West, 12.19 feet, to said southwesterly line;

Thence along said southwesterly line, North 23°18′23″ West, 13.00 feet, to the TRUE POINT OF BEGINNING.

Containing an area of 5,714 square feet, more or less.

Plat Exhibit attached and by this reference made a part hereof.

This description was prepared by me or under my direction in conformance with the Professional Land Surveyors Act. All bearings and distances are based on the North American Datum of 1983 (NAD83), Zone III, epoch 1998.5. All distances are grid distances. To convert grid distances to ground distances, multiply expressed distances by 1.00005333.

\[\text{Date: June 16, 2015}\]

\[\text{Julia MacRory, LS 7871}\]

Survey and Mapping Manager

\[\text{State of California}\]

\[\text{STATE OF CALIFORNIA}\]

\[\text{Valleymac RORY PLS 7871}\]
LEGAL DESCRIPTION
INGRESS AND EGRESS EASEMENT
APN'S: 519-1727-010 and 519-1727-016

REAL PROPERTY situated in the City of Fremont, County of Alameda, State of California, being portions of Lot B1 and Lot K1 as shown on the map of Tract 7409, filed January 14, 2004 in Book 273 of Maps at Page 92, Alameda County Records, more particularly described as follows:

COMMENCING at the most northerly corner of said Lot B1, being on the southwesterly line of Warm Springs Boulevard as shown on said map;

Thence along said southwesterly line, South 24°57'28" East, 2.50 feet, to the TRUE POINT OF BEGINNING;

Thence continuing along said southwesterly line, South 24°57'28" East, 20.01 feet, to a line parallel with and 2.50 feet northwesterly of the southeasterly line of said Lot B1;

Thence along said parallel line, South 66°41'37" West, 80.28 feet, to the beginning of a tangent curve to the left;

Thence along said curve, having a radius of 22.00 feet, through a central angle of 44°49'28", for an arc length of 17.21 feet, to the beginning of a reverse curve to the right;

Thence along said curve, having a radius of 42.00 feet, through a central angle of 44°49'28", for an arc length of 32.86 feet to a line parallel with the northwesterly line of said Lot K1;

Thence along said parallel line, South 66°41'37" West, 332.88 feet, to the beginning of a tangent curve to the right;

Thence along said curve, having a radius of 27.00 feet, through a central angle of 37°14'02", for an arc length of 17.55 feet;

Thence North 76°04'21" West, 5.80 feet, to the southeasterly corner of Lot C3 of said Tract Map, lying on the westerly line of Meadowlark Common (25.00 foot wide Private Street) and also being the beginning of a non-tangent curve to the right;

Thence northeasterly along said westerly line, along said curve, having a radius of 20.50 feet, the radial line of which bears South 89°21'48" West, through a central angle of 60°57'43" for an arc length of 21.81 feet, to most easterly corner of said Lot C3;
Thence along the southeasterly extension of the northeasterly line of said Lot C3, South 76°04'21" East, 0.09 feet, to the beginning of a tangent curve to the left;

Thence along said curve, having a radius of 7.00 feet, through a central angle of 37°14'00" for an arc length of 4.55 feet, to a line parallel with the northwesterly line of said Lot K1;

Thence along said parallel line, North 66°41'37" East, 332.88 feet, to the beginning of a tangent curve to the left;

Thence along said curve, having a radius of 22.00 feet, through a central angle of 44°49'28", for an arc length of 17.21 feet, to the beginning of a reverse curve to the right;

Thence along said curve, having a radius of 42.00 feet, through a central angle of 44°49'28", for an arc length of 32.86 feet, to a line parallel with the northwesterly line of said Lot K1;

Thence along said parallel line, North 66°41'37" East, 79.71 feet, to the TRUE POINT OF BEGINNING.

Containing an area of 9,578 square feet, more or less.

Plat Exhibit attached and by this reference made a part hereof.

This description was prepared by me or under my direction in conformance with the Professional Land Surveyors Act. All bearings and distances are based on the North American Datum of 1983 (NAD83), Zone III, epoch 1998.5. All distances are grid distances. To convert grid distances to ground distances, multiply expressed distances by 1.00005333.
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**PLAT TO ACCOMPANY LEGAL DESCRIPTION**

B2016-03 ICE
APN 519-1727-010 & APN 519-1727-016
CITY OF FREMONT,
COUNTY OF ALAMEDA, STATE OF CALIFORNIA

**SCALE**: NO SCALE

**DATE**: 09-09-10

**Drawn By**: J. MacIffy
**Checked By**: J. MacIffy

**SHEET**: 2 OF 2
RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF CERTAIN LAND AND DIRECTING THE FILING OF EMINENT DOMAIN PROCEEDINGS

WHEREAS, the BART Silicon Valley Berryessa Extension Project (the “Project”) is being undertaken for the purpose of easing traffic congestion, improving area-wide mobility, and otherwise furthering the public health, safety and welfare; and

WHEREAS, it is desirable and necessary for the Santa Clara Valley Transportation Authority (“VTA”) to acquire an Ingress/Egress Easement described in Exhibit “A” (B3632-02 and -03), attached hereto and made a part hereof by this reference, as right of way for the Project and the construction thereof; and

WHEREAS, VTA is authorized to acquire the subject property and exercise the power of eminent domain pursuant to and in accordance with Article 1, Section 19 of the California Constitution, the California Eminent Domain Law, Code of Civil Procedure Sections 1230.010 et seq., and Sections 100130 and 100131 of the Public Utilities Code; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the Board of Directors of VTA at the time and place set forth in said notice, regarding the matters specified therein.

NOW, THEREFORE, IT IS FOUND, DETERMINED AND ORDERED as follows:

1. The recitals contained herein are true and correct.

2. Upon examination of the alternatives, VTA requires the property for the Project.

3. VTA is authorized to acquire the property and exercise the power of eminent domain pursuant to and in accordance with Article 1, Section 19 of the California Constitution, the California Eminent Domain Law, Code of Civil Procedure Sections 1230.010 et seq., and Sections 100130 and 100131 of the Public Utilities Code.

4. The public interest and necessity require the Project.

5. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.

6. An Ingress/Egress Easement described in Exhibit “A” is necessary for the Project.

7. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been
made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2, or the offer has not been made because the owner cannot be located with reasonable diligence.

8. VTA has complied with all conditions and statutory requirements, including those prescribed by CEQA, NEPA, and that are necessary for approval and adoption of the Project.

9. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by VTA.

10. Insofar as the property or the larger parcel of which it is a part has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use than the use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

11. General Counsel or General Counsel’s duly authorized designee is hereby authorized and directed to institute and conduct to conclusion eminent domain proceedings to acquire an Ingress/Egress Easement interest in property described in Exhibit “A”, and to take such actions that counsel deems advisable or necessary in connection therewith, and may deposit the probable amount of compensation and obtain an order for prejudgment possession of the subject property.

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors on June 2, 2016, by the following vote:

AYES: DIRECTORS:

NOES: DIRECTORS:

ABSENT: DIRECTORS:

__________________________________________
CINDY CHAVEZ, Chairperson
Board of Directors
I HEREBY CERTIFY AND ATTEST that the foregoing resolution was duly and regularly introduced, passed and adopted by the vote of two-thirds or more of the Board of Directors of the Santa Clara Valley Transportation Authority, California, at a meeting of said Board of Directors on the date indicated, as set forth above.

Dated: ______________________

ELAINE BALTAO, Secretary
Board of Directors

APPROVED AS TO FORM:

______________________________
ROBERT FABELA
General Counsel
A permanent non-exclusive ingress and egress access easement (the “Access Easement”) and incidents thereto, for the purpose of vehicular and pedestrian ingress and egress on, over, across, and through that portion of Grantor’s property identified as Assessor’s Parcel Numbers 519-1728-004, 519-1728-005, 519-1727-020 and 519-1728-009. Said Access Easement being described and depicted as Parcels B3632-02 and B3632-03 on Exhibit “1” attached hereto and made a part hereof, situated in the City of Fremont, County of Alameda, State of California.

The herein described easement shall be kept free of buildings, except lawful unsupported roof overhangs, and obstructions, including, but not limited to parking, structures, etc., that impair the intended use of or are inconsistent with the purposes of the easement. This easement shall carry with it the right to use existing roads or other practical route(s) to reach the Easement to carry out the rights granted hereunder, including the rights for the grantee to construct and maintain a drivable surface for the access way, and to modify the existing property fence and/or sound wall in order to construct and maintain a driveway and secured access gate along the Silicon Valley Berryessa Extension (SVBX) corridor; and

Grantee shall have the right to assign the rights under this Access Easement to the Bay Area Rapid Transit District, MCI Communication Services, Inc., and/or Chevron U.S.A. Inc., a Pennsylvania corporation, and their affiliates, successors, and assigns for the purposes designated herein. Grantee and assignees may utilize the easement concurrently.

The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto, and all covenants shall apply to and run with the land.
EXHIBIT “1”

LEGAL DESCRIPTION
INGRESS AND EGRESS EASEMENT
APN’S: 519-1728-004 & 519-1728-005

REAL PROPERTY situated in the City of Fremont, County of Alameda, State of California, being portions of Lot H and Lot I as shown on the map of Tract 7409, filed January 14, 2004 in Book 273 of Maps at Page 92, Alameda County Records, more particularly described as follows:

COMMENCING at the most westerly corner of said Lot H, being on the westerly line of said Lot H;

Thence along said westerly line, South 21°23’00” East, 12.01 feet, to a line parallel with and 12.00 feet southeasterly of the northwesterly line of said Lot H and the TRUE POINT OF BEGINNING;

Thence along said parallel line, North 66°41’37” East, 30.04 feet;

Thence South 70°27’33” East, 19.85 feet, to a line parallel with the northwesterly line of said Lot H, being on the general northwesterly line of the Sanitary Sewer Easement as shown on said Tract 7409;

Thence along said general northwesterly line, the following three courses:
1. Along said parallel line, North 66°41’37” East, 97.54 feet, to the beginning of a tangent curve to the right;
2. Along said curve, having a radius of 56.50 feet, through a central angle of 26°29’30”, for an arc length of 26.12 feet, to the beginning of a reverse curve to the left;
3. Along said curve, having a radius of 43.50 feet, through a central angle of 26°29’30”, for an arc length of 20.11 feet, to the southwesterly line of Woodgrove Common (25.00 foot wide Private Street);

Thence along said southwesterly line, South 23°18’23” East, 0.50 feet, to the northwesterly line of Lot 77 of said Tract Map;

Thence along said northwesterly line, South 66°41’37” West, 87.33 feet, to the most westerly corner of said Lot 77;

Thence along the southwesterly line of said Lot 77, South 23°18’23” East, 2.00 feet, to a line parallel with the northwesterly line of said Lot H, being on the southeasterly line of said Sanitary Sewer Easement;

Thence along said parallel line and along said southeasterly line, South 66°41’37” West, 95.31 feet, to a line parallel with and 5.00 feet easterly of the westerly line of said Lot H;

Thence along said parallel line, South 21°23’00” East, 27.02 feet;
Thence South 66°41'37" West, 5.00 feet, to said westerly line;

Thence along said westerly line, North 21°23'00" West, 53.53 feet, to the TRUE POINT OF BEGINNING.

Containing an area of 2,680 square feet, more or less.

Plat Exhibit attached and by this reference made a part hereof.

This description was prepared by me or under my direction in conformance with the Professional Land Surveyors Act. All bearings and distances are based on the North American Datum of 1983 (NAD83), Zone III, epoch 1998.5. All distances are grid distances. To convert grid distances to ground distances, multiply expressed distances by 1.00005333.

June 16, 2015
Date

Julia MacRory, LS 7871
Survey and Mapping Manager

JULIA
MacRORY
PLS 7871
STATE OF CALIFORNIA
LICENSED LAND SURVEYOR
LEGAL DESCRIPTION

INGRESS AND EGRESS EASEMENT

APN'S: 519-1727-020 and 519-1728-009

REAL PROPERTY situated in the City of Fremont, County of Alameda, State of California, being all of Lot C3 and a portion of Lot S1 as shown on the map of Tract 7409, filed January 14, 2004 in Book 273 of Maps at Page 92, Alameda County Records, more particularly described as follows:

COMMENCING at the most westerly corner of said Lot S1, being on the southwesterly line of said Lot S1;

Thence along said southwesterly line, South 23°18'23" East, 18.63 feet, to a line parallel with the southeasterly line of Lot N of said Tract Map and the TRUE POINT OF BEGINNING;

Thence along said parallel line, North 66°41'37" East, 71.57 feet, to the beginning of a tangent curve to the left;

Thence along said curve, having a radius of 7.00 feet, through a central angle of 37°14'13", for an arc length of 4.55 feet, to the most westerly corner of said Lot C3;

Thence along the general northwesterly, easterly, and southeasterly lines of said Lot C3, the following six courses and distances:

1) North 29°27'23" East, 23.47 feet,
2) North 66°41'37" East, 335.75 feet,
3) South 76°04'21" East, 23.35 feet, to the southeasterly line of Meadowlark Common (25.00 foot wide Private Street), and the beginning of non-tangent curve to the left,
4) Southwesterly along said curve, having a radius of 20.50 feet, the radial line of which bears North 29°40'29" West, through a central angle of 60°57'43" for an arc length of 21.81 feet,
5) North 76°04'21" West, 10.91 feet,
6) South 66°41'37" West, 322.28 feet, to an angle point in said general southeasterly line;

Thence continuing along the southeasterly line of said Lot C3 and its southwesterly extension, South 29°27'23" West, 16.73 feet, to the beginning of a tangent curve to the right;

Thence along said curve, having a radius of 27.00 feet, through a central angle of 37°14'13", for an arc length of 17.55 feet, to a line parallel with the southeasterly line of said Lot N;

Thence along said parallel line, South 66°41'37" West, 71.57 feet, to the southwesterly line of said Lot S1;

Thence along said southwesterly line, North 23°18'23" West, 20.00 feet, to the TRUE POINT OF
BEGINNING.

Containing an area of 8,937 square feet, more or less.

Plat Exhibit attached and by this reference made a part hereof.

This description was prepared by me or under my direction in conformance with the Professional Land Surveyors Act. All bearings and distances are based on the North American Datum of 1983 (NAD83), Zone III, epoch 1998.5. All distances are grid distances. To convert grid distances to ground distances, multiply expressed distances by 1.00005333.

June 16, 2015
Date

Julia MacRory, LS 7871
Survey and Mapping Manager
ALL BEARINGS AND DISTANCES SHOWN HERE ARE GRID AND ARE BASED ON THE NORTH AMERICAN DATUM OF 1983 (NAD83), ZONE 6, EPOCH 1980.5. MULTIPLY GRID DISTANCES BY 1.00000533 TO OBTAIN GROUND LEVEL DISTANCES.

LEGEND:
- IEE = INGRESS & EGRESS EASEMENT
- POC = POINT OF COMMENCEMENT
- PVT = PRIVATE STREET
- SCVTA = SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
- TPOT = TRUE POINT OF BEGINNING
- (R) = RADIAL BEARING

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PLAT TO ACCOMPANY LEGAL DESCRIPTION
B3632-03 IEE
APN 519-1727-002 & APN 519-1728-009
CITY OF FREMONT,
COUNTY OF ALAMEDA, STATE OF CALIFORNIA

SCALE: 1"=50'
DRAWN BY: J. MAFFROY
CHECKED BY: J. MAFFROY
DATE: 06-20-15
RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF CERTAIN LAND AND DIRECTING THE FILING OF EMINENT DOMAIN PROCEEDINGS

WHEREAS, the BART Silicon Valley Berryessa Extension Project (the “Project”) is being undertaken for the purpose of easing traffic congestion, improving area-wide mobility, and otherwise furthering the public health, safety and welfare; and

WHEREAS, it is desirable and necessary for the Santa Clara Valley Transportation Authority (“VTA”) to acquire an Ingress/Egress Easement described in Exhibit “A” (B3633-02), attached hereto and made a part hereof by this reference, as right of way for the Project and the construction thereof; and

WHEREAS, VTA is authorized to acquire the subject property and exercise the power of eminent domain pursuant to and in accordance with Article 1, Section 19 of the California Constitution, the California Eminent Domain Law, Code of Civil Procedure Sections 1230.010 et seq., and Sections 100130 and 100131 of the Public Utilities Code; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the Board of Directors of VTA at the time and place set forth in said notice, regarding the matters specified therein.

NOW, THEREFORE, IT IS FOUND, DETERMINED AND ORDERED as follows:

1. The recitals contained herein are true and correct.

2. Upon examination of the alternatives, VTA requires the property for the Project.

3. VTA is authorized to acquire the property and exercise the power of eminent domain pursuant to and in accordance with Article 1, Section 19 of the California Constitution, the California Eminent Domain Law, Code of Civil Procedure Sections 1230.010 et seq., and Sections 100130 and 100131 of the Public Utilities Code.

4. The public interest and necessity require the Project.

5. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.

6. An Ingress/Egress Easement described in Exhibit “A” is necessary for the Project.

7. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been
made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2, or the offer has not been made because the owner cannot be located with reasonable diligence.

8. VTA has complied with all conditions and statutory requirements, including those prescribed by CEQA, NEPA, and that are necessary for approval and adoption of the Project.

9. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by VTA.

10. Insofar as the property or the larger parcel of which it is a part has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use than the use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

11. General Counsel or General Counsel’s duly authorized designee is hereby authorized and directed to institute and conduct to conclusion eminent domain proceedings to acquire an Ingress/Egress Easement interest in property described in Exhibit “A”, and to take such actions that counsel deems advisable or necessary in connection therewith, and may deposit the probable amount of compensation and obtain an order for prejudgment possession of the subject property.

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors on June 2, 2016, by the following vote:

AYES: DIRECTORS:

NOES: DIRECTORS:

ABSENT: DIRECTORS:

________________________________________
CINDY CHAVEZ, Chairperson
Board of Directors
I HEREBY CERTIFY AND ATTEST that the foregoing resolution was duly and regularly introduced, passed and adopted by the vote of two-thirds or more of the Board of Directors of the Santa Clara Valley Transportation Authority, California, at a meeting of said Board of Directors on the date indicated, as set forth above.

Dated: ______________________  ______________________________________

ELAINE BALTAO, Secretary
Board of Directors

APPROVED AS TO FORM:

____________________________
ROBERT FABELA
General Counsel
EXHIBIT “A”

A permanent non-exclusive ingress and egress access easement (the “Access Easement”) and incidents thereto, for the purpose of vehicular and pedestrian ingress and egress on, over, across, and through that portion of Grantor’s property identified as Assessor’s Parcel Number 519-1728-109. Said Access Easement being described and depicted as Parcel B3633-02 on Exhibit “1” attached hereto and made a part hereof, situated in the City of Fremont, County of Alameda, State of California.

The herein described easement shall be kept free of buildings, except lawful unsupported roof overhangs, and obstructions, including, but not limited to parking, structures, etc., that impair the intended use of or are inconsistent with the purposes of the easement. This easement shall carry with it the right to use existing roads or other practical route(s) to reach the Easement to carry out the rights granted hereunder, including the rights for the grantee to construct and maintain a drivable surface for the access way.

Grantee shall have the right to assign the rights under this Access Easement to the Bay Area Rapid Transit District, MCI Communication Services, Inc., and/or Chevron U.S.A. Inc., a Pennsylvania corporation, and their affiliates, successors, and assigns for the purposes designated herein. Grantee and assignees may utilize the easement concurrently.

The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto, and all covenants shall apply to and run with the land.
EXHIBIT “1”

LEGAL DESCRIPTION
INGRESS AND EGRESS EASEMENT
APN: 519-1728-109

REAL PROPERTY situated in the City of Fremont, County of Alameda, State of California, being the portion of the Sanitary Sewer Easement situated in Lot 77 as shown on the map of Tract 7409, filed January 14, 2004 in Book 273 of Maps at Page 92, Alameda County Records, more particularly described as follows:

BEGINNING at the most westerly corner of said Lot 77;

Thence along the northwesterly and northeasterly lines of said Lot 77, the following two (2) courses and distances:

1. North 66°41′37″ East, 87.33 feet, to the southwesterly line of Woodgrove Common (25.00 foot wide Private Street);
2. Along said southwesterly line, South 23°18′23″ East, 12.50 feet; to the beginning of a non-tangent curve to the right, being the southeasterly line of said Sanitary Sewer Easement;

Thence along said southeasterly line, the following three courses:

1. Westerly along said curve, having a radius of 56.50 feet, the radial line of which bears South 23°18′23″ East, through a central angle of 26°29′30″, for an arc length of 26.12 feet, to the beginning of a reverse curve to the left;
2. Along said reverse curve, having a radius of 43.50 feet, through a central angle of 26°29′30″, for an arc length of 20.11 feet, to a line parallel with and 2.00 feet southeasterly of the northwesterly line of said Lot 77;
3. Along said parallel line, South 66°41′37″ West, 42.72 feet, to the southwesterly line of said Lot 77;

Thence along said southwesterly line, North 23°18′23″ West, 2.00 feet, to the POINT OF BEGINNING.

Containing an area of 420 square feet, more or less.

Plat Exhibit attached and by this reference made a part hereof.
This description was prepared by me or under my direction in conformance with the Professional Land Surveyors Act. All bearings and distances are based on the North American Datum of 1983 (NAD83), Zone III, epoch 1998.5. All distances are grid distances. To convert grid distances to ground distances, multiply expressed distances by 1.00005333.

June 16, 2015
Date

Julia MacRory
Survey and Mapping Manager
BART Silicon Valley Berryessa Extension Project

Resolution of Necessity Hearing

June 2, 2016
Resolution of Necessity Hearing

- Board has full discretion as to whether or not to adopt a recommended Resolution of Necessity.

- Amount of compensation is NOT a consideration in this hearing.

- Board must make each of the findings contained in the respective Resolution of Necessity prior to their adoption.
Project Map

BART Silicon Valley Berryessa Extension Project
Resolution of Necessity Hearing

The three (3) Resolutions of Necessity concern properties located within the same residential development, but have different owners:

Property No. 1: Owned by Mayfield Homeowners Association, a California nonprofit mutual benefit corporation

Property No. 2: Owned by Mayfield Housing Corporation, a California corporation

Property No. 3: Owned by Mandar Jamsandekar and Priyadarshini Jamsandekar; Srinath Gutti and Lakshmi Dontamsetti; Ravi S. Mahankali and Radhika Kurisetti; and Amit Jhawar, Trustee and Gunjan Kotriwala, Trustee of The Amit Jhawar and Gunjun Kotriwala Revocable Living Trust dated August 11, 2009
Aerial Map of B2016, B3632, B3633 Easements

Legend
IEE - Ingress/Egress Easement

Area B2016-02 = 5,714± SQFT.
Area B2016-03 = 9,578± SQFT.
Area B3632-02 = 2,680± SQFT.
Area B3632-03 = 8,937± SQFT.
Area B3633-02 = 420± SQFT.

SVBX-C700
B2016, B3632 & B3633

City of Fremont,
County of Alameda, State of California

Scale: 1"=100'

Drawn by:
J. MacRory

Checked by:
H. Brasau

BART Silicon Valley Berryessa Extension Project
## Resolution of Necessity Property

### Property #1: Mayfield Homeowners Association, a California nonprofit mutual benefit corporation

<table>
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<tr>
<th><strong>Location &amp; Property Size:</strong></th>
<th>Meadowfaire and Woodgrove Common, Fremont</th>
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<tbody>
<tr>
<td><strong>Property Size:</strong></td>
<td>Approximately 15.44 acres</td>
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</tbody>
</table>

**Acquisition:**

- Ingress/Egress Easement (B2016-02) – 5,714 sq.ft.
- Ingress/Egress Easement (B2016-03) – 9,578 sq.ft

(Within existing private street and access easements owned by the Alameda County Flood Control and Water and City of Fremont. No residential buildings affected.)
Resolution of Necessity Property

Property #2: Mayfield Housing Corporation, a California corporation

Location & Property Size: Meadowfaire and Woodgrove Common, Fremont
Approximately 15.44 acres

Acquisition:
- Ingress/Egress Easement (B3632-02) – 2,680 sq.ft.
- Ingress/Egress Easement (B3632-03) – 8,937 sq.ft.

(Within grassy common area and existing private street, and within access easements owned by the Alameda County Flood Control and Water Conservation District and City of Fremont. No residential buildings affected.)
Resolution of Necessity Property

Property #3: Mandar Jamsandekar and Priyadarshini Jamsandekar; Srinath Gutti and Lakshmi Dontamsetti; Ravi S. Mahankali and Radhika Kuriseti; and Amit Jhawar, Trustee and Gunjan Kotriwala, Trustee of The Amit Jhawar and Gunjun Kotriwala Revocable Living Trust dated August 11, 2009

Location & Property Size: 48992, 48996, 49000 & 49004 Woodgrove Common, Fremont

Approximately 8,158 sq.ft

Acquisition: Ingress/Egress Easement (B3633-02) – 420 sq.ft.

(Within common area with grass and sidewalk shared by homeowners within the residential development. No buildings affected.)
Aerial Map of B2016, B3632, B3633 Easements

**Legend**
- **IEE** - Ingress / Egress Easement

**Areas**
- Area B2016-02 = 5,714± SQFT.
- Area B2016-03 = 9,578± SQFT.
- Area B3632-02 = 2,680± SQFT.
- Area B3632-03 = 8,937± SQFT.
- Area B3633-02 = 420± SQFT.

**Title**
BART Silicon Valley Berryessa Extension Project
Mayfield Housing Corporation, a California corporation
Mandar Jamsandekar and Priyadarshini Jamsandekar; Srinath Gutti and Lakshmi Dontamsetti; Ravi S. Mahankali and Radhika Kuriseti; and Amit Jhawar, Trustee and Gunjan Kotriwala, Trustee of The Amit Jhawar and Gunjun Kotriwala Revocable Living Trust dated August 11, 2009

BART Silicon Valley Berryessa Extension Project
1. CALL TO ORDER AND ROLL CALL

The Workshop Meeting of the Santa Clara Valley Transportation Authority’s (VTA) Board of Directors was called to order by Chairperson Chavez at 9:19 a.m. at the VTA River Oaks Campus, Building A, Auditorium, 3331 North First Street, San José, California.

1.1. ROLL CALL

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<tr>
<th>Attendee Name</th>
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<td>Chairperson</td>
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<td>Dave Cortese</td>
<td>Alternate Board Member</td>
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<td>Jose Esteves</td>
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<td>Glen Hendricks</td>
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<td>Rose Herrera</td>
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A quorum was present.

2. PUBLIC COMMENT

Savita Vaidhyanathan, Interested Citizen, suggested QR codes or a website link be used at bus stops or aboard vehicles so that riders can provide comments on things they would like to see.

Eugene Bradley, Interested Citizen, expressed concern with recent transit vehicle involved fatalities and questioned if there will be additional driver training.
3. WORKSHOP ITEMS

3.1. Silicon Valley Leadership Group's Polling

Carl Guardino, President and CEO, Silicon Valley Leadership Group (SVLG), provided a presentation, highlighting: 1) Poll results; 2) Ballot language; 3) November 2015 ballot language; 4) Component parts; 5) Affordability; and 6) Confidence in government.

Public Comment

Mr. Bradley expressed the need that transit for all be emphasized in the ballot measure.

Philip Mahoney, Cornish and Carey Commercial, expressed support of the SVLG plan and concern with congestion and its impact on the quality of life in the community.

Rod Sinks, Council Member, City of Cupertino, expressed approval of projects in the plan, noting transit is essential and housing and transportation challenges need to be addressed.

Timm Borden, City of Cupertino, provided comment on funding the State Route 85 project alignment and the need for mass transit and dedicated lanes.

The Board discussed the following: 1) additional survey; and 2) possibility of other taxes being on the ballot.

On order of Chairperson Chavez and there being no objection, the Board received a report on the Silicon Valley Leadership Group's Polling.

Agenda Items #3.2 and #3.3 were heard together.

Agenda Items #3.2 - #3.3

3.2. Envision Silicon Valley Update

3.3. Staff Recommended Framework for the Potential ½-cent 30-year Sales Tax Measure

Nuria I. Fernandez, General Manager, provided a brief overview of the Envision Silicon Valley (ESV) Plan.

Scott Haywood, Transportation Planning Manager, and John Ristow, Director of Planning and Program Development, provided a presentation, highlighting: 1) Ad Hoc - Envision Silicon Valley Committee; 2) VTA advisory committees; 3) Community outreach; 4) Digital; 5) Microsite and Textizen Surveys; 6) Microsite Transportation Challenge; 7) Envision actions; 8) Goals, purpose and process; 9) Adopted goals; 10) Call for projects; 11) Evaluation criteria; 12) Project analysis; 13) Sample report cards; and 14) expenditure scenarios; 15) Tax measure basics; 16) Potential measure with other funding sources; 17) Questions for Board Members; 18) Funding allocation – staff recommendation; 19) BART Phase II; 20) Envision Silicon Valley; 21) Bicycle and pedestrian program; 22) Caltrain capacity improvements; 23) Caltrain grade separations; 24) County expressways; 25) Highway program;
26) Local streets and roads; 27) State Route 85 Corridor; 28) Transit operations and amenities; 29) Matching funds; 30) Benefits; and 31) Next steps.

**Public Comment**

Doug Muirhead, Interested Citizen, expressed concern with Caltrain improvements, possible changes under the Transit Ridership Improvement Program (TRIP) and not seeing the original list of projects.

Deborah Levoy, Interested Citizen, expressed the need for more frequent bus service and thanked staff for Caltrain, bus funding and for keeping lifeline services.

Mary Gilbert, San Benito County Government, expressed the need for improvements to relieve congestion in the Highway 25 and Highway 101 corridor and noted she looks forward to working in partnership with VTA.

Dolores Nelson, Plantronics, expressed concern with traffic congestion in the region.

Monica Gomez, Applied Materials, expressed concern with commute and congestion in Silicon Valley and expressed the need for the sales tax measure.

Tom Harrington, Intuit, commended VTA on the Envision process and noted support of the SVLG draft plan.

Poncho Guevara, Sacred Heart, commented on the need for improvements and balance for transit dependent populations and noted support for an increase to at least $500 million in improvements for transit operations.

Mark Romoser, Silicon Valley Independent Living Center, expressed support for equity in the system throughout the county, the need for improvements for those who are transit dependent, and for additional funds in transit improvements.

Robert Brownstein, Working Partnerships, noted one of the priorities should be to achieve balance by approving proposals and improvements to the core bus system. He noted support for additional funding for transit operations and discounted fare programs.

Adina Levin, Friends of Caltrain, expressed support for the tax measure and expressed appreciation for looking at increasing transit ridership.

John Zhao, Students for Sustainable Stanford, expressed the need to fix the transit network and move away from auto centered transportation.

Nancy Smith, Nvidia, expressed concern with Caltrain safety noting needed improvements in grade separations.

Colin Heyne, Silicon Valley Bicycle Coalition, expressed support for multi-modal transit, noting the need for more bike and pedestrian facilities that feed into the larger transportation network.

Stan Nakaso, Lockheed Martin, expressed support for the SVLG plan and noted the need to address traffic congestion.

Ron Gonzalez, Former Mayor of San Jose, urged staff to make this the best measure to present to voters and not take 27 more years to build BART.

Steve Joesten, Moffett Park Business Group, encouraged the Board to move forward with the tax measure to support economic vitality in the region.
Ramses Madou, Stanford University, expressed concern with crowded trains, noting the need to add capacity.

David Coale, Interested Citizen, expressed the need to address climate change and greenhouse gas reductions in the tax measure and recommended reducing highway and expressway projects.

Victor Gomez, Vice Mayor, City of Hollister, expressed support for the SVLG plan and expressed the need to address issues in South County on Highway 101 and Highway 25.

Darlene Gee, HNTB Corporation, expressed support for the SVLG plan.

Millicent Kenney, Santa Clara University, expressed support for the SVLG plan and bringing BART to Silicon Valley.

Raul Laboria, WLB Parsons Brinkerhoff, expressed support for the SVLG plan and expressed concern with traffic congestion.

Erin Brennock, Synopsis, expressed support for the SVLG plan and expressed concern with the lack of frequent and convenient transportation options.

Chris O’Connor, SVLG, noted the need for a tax measure and encouraged the Board to take the transportation measure to the November ballot.

Simon Kim, AECOM, expressed support for the SVLG plan.

Bill Wagner, HMH Engineers, expressed support of the SVLG proposal and VTA current practices of delivering projects on time and within budget.

Joe Young, Sacred Heart, expressed the need for transit services for the senior community.

Jeral Poskey, Google, noted support for extra funding needed in North County and expressed appreciation for the SVLG plan.

Andrea Mackenzie, Santa Clara Valley Open Space Authority, thanked staff for a balanced approach and expanding transportation choices for bike and pedestrian projects that close gaps and provide trail connections.

Easy Conejo, Interested Citizen, expressed the need for bus passes for seniors.

Pat Liter, Transit Justice Alliance, expressed the need for equity for seniors, the disabled, youth and low-income individuals and noted a viable transportation system is needed to provide quality of life for all.

Jason Lundgaard, Apple, expressed support for the SVLG plan noting the allocation of funds is balanced geographically and across all transportation modes.

Diana Salazar, Sacred Heart, expressed the need for services to be accessible and used by everyone. She expressed support for the increase in funding for transit operations.

Leticia, Sacred Heart, expressed the importance of having frequent and affordable service.

Esperanza, Sacred Heart, expressed the need for affordable transit for students, persons with disabilities, seniors and low wage workers.

Araceli, Sacred Heart, expressed the need to make transit more accessible, frequent and affordable.
Zena Zendejas, Alliance for Climate Education, expressed concern with greenhouse
gasses and climate change and expressed the need for more alternative forms of
transportation.

Thomas Hiltner, Santa Cruz Metropolitan Transit District, expressed support for the ESV
plan and requested expanded capital funding and employment of electric buses.

Cory Wolbach, Palo Alto City Council, expressed concern with the plan missing explicit
support for Transportation Management Associations and transportation demand
management where the success metric would be mobility and congestion relief, and noted
he would like to see it emphasized.

Mr. Bradley suggested staff put more money towards transit and less towards highways.

Peter Leroe-Munoz, Vice Mayor, City of Gilroy, encouraged support for the SVLG plan
and the outline for improvements in the South County.

Suleima Ochoa, DeAnza College Student, expressed the need for improvements in the
network and sustainable and equitable transit for all.

Chris Lepe, TransForm, thanked the Board and staff for public outreach. He expressed
concern with methodology and noted an analysis based on per dollar spent showed bus
operations and bike pedestrian projects take VTA in a better direction than highway and
expressway funding as it relates to vehicle miles travelled and greenhouse gasses.

Omar Vasquez, Luna, commented that issues of seniors, students, persons with
disabilities, and low-income population should be the priority and requested staff bring
back the day pass.

Mr. Sinks expressed support for the SVLG plan and expressed concern with congestion,
noting the need for real transit projects, especially in the State Route 85 corridor.

Josue Gregorio, Interested Citizen, expressed the need for bus improvements.

Akos Szoboszlay, Interested Citizen, admonished the Board to encourage sales tax
projects that will not increase vehicle traffic.

Rita Hutabarat Lo, Nelson/Nygaard, questioned some of the evaluation criteria and
expressed the importance of selecting criteria that accurately reflects goals and suggested
managing travel demand as a more specific measure.

Eunice Hernandez, Interested Citizen, expressed concern with Caltrain fares not being
accessible for low income riders and expressed the need for additional funding for transit
operations.

Lou Ramondetta, Surplus Service, expressed support for the SVLG plan and indicated he
would like to be able to take BART wherever he needs to go and would like to see the
type of transit provided in Europe developed in the Bay Area.

Josue Garcia, Building and Construction Trades Council, expressed support for the SVLG
recommendation, noting the opportunities that will be created for construction companies
and workers.

Matthew Reed, Sacred Heart, expressed the need to invest in transportation for the senior
population, to increase mobility and make them an active part of the community.
The Board discussed the following: 1) funding amounts; 2) transit improvements; 3) bike and pedestrian project improvements; and 4) agreement with funding categories.

Board Member Liccardo expressed agreement with the funding categories. He expressed the need to improve core bus service and agreed with the increase to $500 million in funding for transit improvements. He stressed the need to work together to get the measure passed.

Board Member Esteves expressed the need to upgrade and expand State Route 237, citing the current congestion and growing job sites along the corridor. He noted support for BART funding and increase in funding for transit improvements.

Board Member Yeager thanked Mr. Guardino for his work. He expressed support for the following: 1) additional funding for transit operations; 2) the BART project; 3) Caltrain improvements; and 4) bike and trail improvements. He thanked staff for their outreach and for listening to the public.

Board Member Khamis expressed support of the tax measure and expressed concern with current polling percentage. He suggested the following: 1) fixing streets and roads; 2) extending Caltrain to South County to help ease congestion; and 3) putting more funds in the budgets of local governments.

Board Member Hendricks expressed support for the categories and making sure the measure gets passed to help improve transportation in the valley. He did not agree with the amount of funding, but noted the right overall distribution and allocation is an appropriate compromise. He admonished staff to limit more changes. Board Member Hendricks expressed the need for transparency and accountability to the Board and for the Board to be clear and transparent to the public if changes in direction of using the funds are needed.

Board Member Baker expressed support for increasing funding to transit operations and the recommendation from staff. He suggested the following: 1) be conservative with expenditures; 2) finish projects from the last measure; and 3) look at match requirements to get roadways complete.

Alternate Board Member Carr shared several points from the Policy Advisory Committee, including: 1) need to fund BART to completion, but noted spending should be capped; 2) no local match within the program; and 3) no complete streets requirements within the program.

Alternate Board Member Carr noted the right categories are listed but there needs to be flexibility within programs. He expressed concern with no improvements or benefits for Caltrain in South County to better connect with the rest of the transit network and noted support for additional funding for transit operations.

Alternate Board Member Miller provided the following comments: 1) expressed the need to be transparent in order to get funding; 2) jobs and housing have grown, but the region falls short in planning to reduce greenhouse gases and deal with inequities; 3) land use needs to be addressed; 4) come up with a funding and financing plan for projects and provide more transparency as an order of execution; 5) match qualifications need to be refined; and 6) noted the miscalculation of noise on State Route 85. Alternate Board Member Miller noted he is fully supportive of the numbers and is grateful for the process.
Vice Chairperson Bruins thanked everyone involved and expressed support for the measure, noting the following: 1) the need to be conservative and not overpromise; 2) supports idea of increasing funds for transit operations and asked staff to really look at how it will be done; 3) questioned the possibility of moving funds to Safe Routes to School and considering allocating funds to areas instead of making it a competitive program; and 4) be transparent, manage change over the years and be flexible.

Alternate Board Member McAlister expressed concern with climate control, noting the need to get people out of cars and moving them effectively and efficiently around the valley. He also expressed concern with congestion on State Route 237.

Board Member Nguyen expressed support of the measure emphasizing the urgency of fixing roads. He noted the BART project is critical to the region and expressed the need to finish Phase II. Board Member Nguyen also expressed concern with transportation and affordable housing, noting those need to be addressed.

Chairperson Chavez provided the following comments: 1) noted agreement with the categories and funding and supports increasing transit operations funding from $450 million to $500 million; 2) noted staff will have the Technical Advisory Committee (TAC) address the issue of matching funds; and 3) noted how critical having a land use policy relative to joint development is and having VTA play a stronger role in discussions.

Mr. Guardino noted the following: 1) need to stay conservative in revenue estimates to guarantee delivery for voters; 2) stay committed to a system-wide approach; 3) stay specific in use of taxpayer dollars; and 4) stay true to values.

Mr. Guardino noted the SVLG is comfortable with adding $50 million to the transit operations category.

Chairperson Chavez provided next steps in the process and noted additional opportunities for weigh-in. She indicated the objective is to get to Board adoption on June 2, 2016. She thanked staff for their work and for going through all of the projects.

4. OTHER ITEMS

4.1. ANNOUNCEMENTS

There were no Announcements.

5. ADJOURNMENT

On order of Chairperson Chavez and there being no objection, the Board of Directors Workshop Meeting was adjourned at 12:10 p.m.

Respectfully submitted,

Menominee L. McCarter, Board Assistant
VTA Office of the Board Secretary
The Regular Meeting of the Santa Clara Valley Transportation Authority’s (VTA) Board of Directors (Board) was called to order by Chairperson Chavez at 5:31 p.m. in the Board of Supervisors’ Chambers, County Government Center, 70 West Hedding Street, San José, California.

### 1.1. ROLL CALL

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* Alternates do not serve unless participating as a Member.

A quorum was present.

### 1.2. Orders of the Day

Chairperson Chavez noted the revised **Agenda Item #6.8**: Competitive Negotiation for 40’ Low Floor Battery Electric Bus Procurement, was in the Board Members’ reading folders and on the public table.

Chairperson Chavez stated the following Regular items would be heard together: **Agenda Item #7.2**: Disadvantaged Business Enterprise (DBE) Program – Status Update; **Agenda Item #7.3**: Minority and Women-Owned Business Enterprise
(MWBE) Program – Status Update: and **Agenda Item #7.4:** Amendment of the Minority and Women-Owned Business Enterprise Program.

**M/S/C (O’Neill/Bruins)** to approve the Orders of the Day.

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<td>Woodward</td>
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## 2. AWARDS AND COMMENDATION

### 2.1. Retirement Commendation

Chairperson Chavez recognized the following retirees for their distinguished public service with VTA:

Ronald Wallace, Coach Operator, 35 years of service; Garry Stanislaw, Transportation Superintendent, 34 years of service; and Andrew Franco, Service Worker, 33 years of service.

The following retirees were unable to attend, but were recognized for their distinguished public service with VTA: Mary Jaime, Facilities Worker, for 33 years of service; Sara Keating, Service Worker, for 33 years of service; Cathleen Broers, Transit Mechanic, for 30 years of service; Lupe Garcia, Light Rail Operator, for 29 years of service; Maria Spirock, Coach Operator, for 29 years of service; and David Adamson, Coach Operator, for 27 years of service.

### 2.2. Resolution of Appreciation for Outgoing 2016 VTA Board Member David Whittum

Chairperson Chavez noted that outgoing 2016 VTA Board Member David Whittum was unable to attend the meeting and highlighted his contributions to VTA.

**M/S/C (Bruins/O’Neill)** to adopt Resolution of Appreciation No. 2016.05.09 for outgoing 2016 Board Member David Whittum.

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3. PUBLIC COMMENT

Gary Wesley, Interested Citizen, referenced the VTA light rail incident in the morning of May 5, 2016, noting VTA’s absence of an effective plan to deal with such incidents. He suggested staff present a plan for VTA and the Sheriff’s Department to address the vulnerability of attacks to mass transit.

Sandra Johnson, Interested Citizen, expressed concern about the price for youth fares. She also suggested turning the buses interior lights on during nighttime to facilitate reading.

4. PUBLIC HEARINGS

There were no public hearings.

5. COMMITTEE REPORTS


The Citizens Advisory Committee (CAC) Chairperson’s report was contained in the Board Members’ reading folders and placed on the public table.


The Policy Advisory Committee (PAC) Chairperson’s report was contained in the Board Members’ reading folders and placed on the public table.

5.3. Standing Committee Chairpersons' Report.

Silicon Valley Rapid Transit (SVRT) Committee Chairperson Liccardo stated the SVRT Program Working Committee met on May 2, 2016. The Committee received updates and discussed Phase II Extension activities and VTA/BART Comprehensive Agreement and Operations & Maintenance Agreement. The Committee also received a presentation on a construction option for Phase II called Single Bore Tunnel Methodology.

Congestion Management Program and Planning (CMPP) Member Hendricks provided a report on the April 21, 2016, Congestion Management Program & Planning Committee meeting, highlighting the Committee’s discussion on One Bay Area Grant (OBAG) Cycle 2 and Bay Area Express Lanes Operations policy.

5.4. Policy Advisory Board Chairperson’s Report

State Route (SR) 85 Corridor Policy Advisory Board Vice Chairperson McAlister provided a report on the April 25, 2016, meeting, highlighting: 1) Caltrain ridership up 70%; 2) increased traffic congestion; 3) Jarrett Walker’s report states there is a market for mass transit along on State Route (SR) 85; and 3) pleased to see that congestion relief was included in the Envision Silicon Valley (ESV) list of projects unveiled at the April 22, 2016, Board of Directors Workshop meeting.
5.3. Standing Committee Chairpersons' Report (Continued)

Chairperson Chavez highlighted the following items from the Governance & Audit Committee meeting on May 5, 2016: Alum Rock BRT Project Delay Assessment; Grants Management & Compliance Assessment; status of corrective actions for the Procurement & Contracting Process Assessment; and Strategic Planning Process.

6. CONSENT AGENDA

Public Comment

Mr. Lebrun, Interested Citizen, referenced Agenda Item #6.3, Amend the Peninsula Corridor Joint Powers Board (PCJPB) Cooperative Agreement to Add Los Gatos Bridge Project, and urged VTA to be proactive about Caltrain right of way. He queried why the extra track is needed and provided alternatives.

Board Member Liccardo recused himself from Agenda Item #6.7, Non-Revenue Vehicle Procurement; Agenda Item #6.8, Competitive Negotiation for-40’ Low Floor Battery Electric Bus Procurement; Agenda Item #6.9, Eco Pass Program Services, and; Agenda Item #6.10, Approval of Terms and Conditions for Cerone Joint Development Request for Qualifications (RFQ).

Chairperson Chavez expressed support for the Consent Agenda Items and requested that the following information be sent to the Board:

- **On Agenda Item #6.6**, Altamont Commuter Express 2016 Proposed Fare Increase - ACE fare box analysis and impact of the fare increase to low income riders.

- **On Agenda Item #6.10**, Approval of Terms and Conditions for Cerone Joint Development Request for Qualifications (RFQ) – Analysis of possible impacts to ridership. Ensure and verify that bidders have experience in finishing projects on-time with minimal impacts to communities.

- **On Agenda Item #6.15**, Bay Area Express Lanes Operations Policy Updates – Marketing/Outreach Plan to educate the public on how to use the tolls.

6.1. Regular Meeting Minutes of April 7, 2016

M/S/C (Baker/Bruins) to approve the Regular Meeting Minutes of April 7, 2016.

6.2. Appointments to the El Camino Real Rapid Transit Corridor Policy Advisory Board

M/S/C (Baker/Bruins) to ratify the appointments to the El Camino Real Rapid Transit Policy Advisory Board.
6.3. **Amend the Peninsula Corridor Joint Powers Board (PCJPB) Cooperative Agreement to Add Los Gatos Bridge Project.**

M/S/C (Baker/Bruins) to authorize the General Manager to negotiate and execute an amendment (“Amendment”) to add the Los Gatos Creek Bridge Replacement Project (“Project”) to the Cooperative Agreement (“Agreement”) with the Peninsula Corridor Joint Powers Board (Caltrain) regarding right of way acquisition services in Santa Clara County. The Amendment would authorize the General Manager to approve and execute an Amendment to the Agreement and any documents necessary to implement the amended Agreement, and permit staff to agendize hearings for the Board to consider the adoption of Resolutions of Necessity if negotiated acquisition activities were unsuccessful.

6.4. **FY16/17 Transportation Development Act (TDA)/State Transit Assistance (STA) Claim**

M/S/C (Baker/Bruins) to adopt a Resolution No. 2016.05.10 authorizing the filing of an annual claim to the Metropolitan Transportation Commission (MTC) for allocation of FY 2016-2017 Transportation Development Act (TDA) and State Transit Assistance (STA) funds.

6.5. **One Bay Area Grant Cycle 2 Formula and Criteria**

M/S/C (Baker/Bruins) to approve the Santa Clara County One Bay Area Grant (OBAG) Cycle 2 Guarantee Program Distribution Formula and Countywide Competitive Complete Streets Project Selection Criteria.

6.6. **Altamont Commuter Express 2016 Proposed Fare Increase**

M/S/C (Baker/Bruins) to approve proposed changes to the Altamont Commuter Express (ACE) fares to implement a 5.25% fare increase effective October 3, 2016 subject to San Joaquin Regional Rail Commission Board review and approval.

6.7. **Non-Revenue Vehicle Procurement**

M/S/C (Baker/Bruins) to authorize the General Manager to procure up to 70 Non-Revenue Vehicles (NRVs) in the amount up to $2,124,800 using the State of California purchasing contract or local authorized dealers for this procurement.

6.8. **Competitive Negotiation for 40’ Low Floor Battery Electric Bus Procurement**

M/S/C (Baker/Bruins) to adopt Resolution No. 2016.05.11 upon a two-thirds vote of the Board of Directors finding that a competitive sealed bid process does not constitute a method of procurement adequate for VTA’s bus procurement needs and directing the use of competitive negotiation for the purchase of up to five low-floor battery electric buses up to 43 foot in length along with associated in yard charging systems, and with an option for additional battery electric buses for VTA’s service. This would be done in accordance with Public Contract Code Sections 20216 and 20217.
Authorize the necessary funding to procure the electric buses and charging facilities.

6.9. **Eco Pass Program Services**

M/S/C (Baker/Bruins) to authorize the General Manager to execute a sole source contract for a not-to-exceed amount of $1,256,500 with IBI Group for Eco Pass program services including program administration over a period of up to five years, development of program management tools, and preparation of analysis and recommendations for effective program management and program restructuring.

6.10. **Approval of Terms and Conditions for Cerone Joint Development Request for Qualifications (RFQ)**

M/S/C (Baker/Bruins) to approve the terms and conditions for the forthcoming Cerone Request for Qualifications (RFQ), pursuant to VTA’s Joint Development Policy, in order to authorize staff to issue the RFQ document.

6.11. **Monthly Investment Report February 2016**

M/S/C (Baker/Bruins) to receive the Monthly Investment Report for February 2016.

6.12. **Legislative Update Matrix**

M/S/C (Baker/Bruins) to review the Legislative Update Matrix.

6.13. **I-680 Corridor Study Report Update**

M/S/C (Baker/Bruins) to receive an informational report on the I-680 Corridor Study.


M/S/C (Baker/Bruins) to receive an update on Caltrans-VTA FY 2016-18 Three-Year Project Initiation Document Workplan.

6.15. **Bay Area Express Lanes Operations Policy Updates**

M/S/C (Baker/Bruins) to receive update on Bay Area Express Lanes Operations Policy Updates.

6.16. **Crossroads Traffic Collision Database Progress Report**

M/S/C (Baker/Bruins) to receive a progress report on Crossroads Traffic Collision Database Pilot Program.

M/S/C (Baker/Bruins) to receive information on Draft Outline and Work Plan for Comprehensive Study.

RESULT: APPROVED – [Unanimous] Consent Agenda Items # 6.1- 6.6; and 6.11-6.17

MOVER: Jason Baker, Board Member
SECONDER: Jeannie Bruins, Vice Chairperson
AYES: Baker, Bruins, Carrasco, Chavez, Hendricks, Khamis, Liccardo, Nguyen, O'Neill, Peralez, Yeager
RECUSAL: None
ABSENT: Woodward

RESULT: APPROVED – Consent Agenda Items # 6.7-6.10

MOVER: Jason Baker, Board Member
SECONDER: Jeannie Bruins, Vice Chairperson
AYES: Baker, Bruins, Carrasco, Chavez, Hendricks, Khamis, Nguyen, O'Neill, Peralez, Yeager
RECUSAL: Liccardo
ABSENT: Woodward

7. **REGULAR AGENDA**

*Administration and Finance Committee*

7.1 **Construction of the Alum Rock Avenue Roadway, Busway and Station Improvements (C836)**

Carolyn Gonot, Director of Engineering and Transportation Infrastructure Development, provided a brief update and introduced Mohamed Basma, Program Manager, Project Delivery, Engineering & Transportation Infrastructure. Mr. Basma provided an overview of the staff report, highlighting: 1) project scope; 2) minimizing community impacts; 3) additional constraints addressing the progress of work; 4) detailed work plan; 5) property access; 6) increased qualification requirements for contractors and personnel; and 7) tentative project schedule.

M/S/C (Bruins/Carrasco) to authorize the General Manager to execute a contract with Ghilotti Construction Company, the lowest responsive and responsible bidder, in the amount of $16,135,021 for the construction of the Alum Rock Avenue Roadway, Busway and Station Improvements (C836) Project.
RESULT: APPROVED [UNANIMOUS]
MOVER: Jeannie Bruins, Vice Chairperson
SECONDER: Magdalena Carrasco, Board Member
AYES: Baker, Bruins, Carrasco, Chavez, Hendricks, Khamis, Liccardo, Nguyen, O'Neill, Peralez, Yeager
ABSENT: Woodward

Agenda Items #7.2, 7.3, and 7.4 were heard together.

7.2 Disadvantaged Business Enterprise (DBE) Program – Status Update

7.3 Minority and Women-Owned Business Enterprise (MWBE) Program – Status Update

7.4 Amendment of the Minority and Women-Owned Business Enterprise Program

Liz Brazil, Business Diversity Program Manager, provided the staff report and a brief presentation entitled “Disadvantaged Business Enterprise (DBE) Program,” highlighting: 1) DBE Goal Setting and Methodology; 2) DBE Program Status Update; 3) VTA’s BART Silicon Valley Project DBE Program Status Update; 4) Minority and Women Owned Business Enterprise (MWBE) Program Update; 5) MWBE Update (Adopted August 2014); and 6) Next Steps.

Public Comment

The following Interested Citizens expressed support for the Business Diversity Programs and commended VTA for its efforts to encourage Small Women Owned, Minority Owned, Disabled Veteran, Lesbian Gay Bisexual and Transgender (LGBT) owned business to participate in the program:

- Arista Nelson, Arista’s Flowers
- Elly Matsumura
- Reverend Carol Bean, Minority Business Consortium
- Nancy Avila, Silicon Valley Vietnamese American Business Chamber of Commerce
- Jim Robinson, Arcos, Inc. & Disabled Veterans Business Alliance
- Reginald Swilley, Minority Business Consortium
- Walter Wilson, Minority Business Consortium

Chairperson Chavez reminded the Board of Directors (Board) that Agenda Items 7.2 and 7.3 were Information Items. She stated Agenda Item #7.4 is an Action Item and requires a vote to amend the Minority and Women-Owned Business Enterprise Program (MWBE) to include Disabled Veteran, and Lesbian, Gay, Bisexual, and Transgender (LGBT) Business Enterprises, and rename the program to Business Diversity Program.
Board Member Yeager expressed appreciation for VTA’s leadership and teamwork, noting the program is one that all agencies can replicate and be proud of.

Chairperson Chavez thanked all leaders for the amount of sincere work and energy that went into setting up the program.

On order of Chairperson Chavez and there being no objection, the Board received a status update on Disadvantaged Business Enterprise (DBE) Program, and received a status update on the Minority and Women-Owned Business Enterprise (MWBE) Program.

M/S/C (Yeager/Liccardo) to amend the Minority and Women-Owned Business Enterprise Program (MWBE) to include Disabled Veteran, and Lesbian, Gay, Bisexual, and Transgender (LGBT) Business Enterprises, and rename the program to Business Diversity Program.

RESULT: APPROVED [UNANIMOUS]
MOVER: Ken Yeager, Board Member
SECONDER: Sam Liccardo, Board Member
AYES: Baker, Bruins, Carrasco, Chavez, Hendricks, Khamis, Liccardo, Nguyen, O’Neill, Peralez, Yeager
ABSENT: Woodward

Transit Planning and Operations Committee

Next Network: Light Rail Service Plan

Ying Smith, Transportation Planning Manager, provided the staff report and a presentation entitled “Next Network Light Rail Service Plan,” highlighting: 1) Existing System; 2) Milpitas BART Station; 3) Future High Ridership Potential; 4) Future Medium Ridership Potential; 5) Final 3 Scenarios; 6) Scenario 1 Base; 7) Scenario 1+; 8) Scenario 2 Base; 9) Scenario 2+; 10) Scenario 3 Base; 11) Scenario 3+; 12) Ridership and Operating Costs; 13) Next Network Comparison; and 14) Upcoming Schedule.

Chairperson Chavez requested the item be sent through the committee process for further discussion.

Public Comment

James Wightman, Interested Citizen, commented on the following: 1) expressed confusion with the proposed Light Rail Service Plan enhancement; 2) queried about plans for buses; and 3) suggested that Closed Circuit Television (CCTV) be installed on top of VTA light rail trains.
Omar Chatty, Interested Citizen, expressed concern over ridership projections. He also asked about the process for lessons learned and expressed the importance of accountability.

Mr. Lebrun commented on the following: 1) expressed concern with the lack of service at the Tamien Station, and; 2) suggested it would help customers traveling south if VTA added service to Diridon somewhere after the Children's Discovery Museum.

Board Member Hendricks queried if light rail planning and geography versus efficiency will dovetail together for a future comprehensive, informed decision making process.

Chairperson Chavez stated it would be the Board’s expectation that the Jarrett Walker Study, the Next Network Light Rail Service Plan, as well as the outcome of the proposed tax measure, will all be blended together as a comprehensive plan.

Board Member Carrasco left the meeting at 6:30 p.m.

On order of Chairperson Chavez and there being no objection, the Board received an update on the Next Network Light Rail Service Plan.

8. OTHER ITEMS

8.1. General Manager Report

Nuria I. Fernandez, General Manager, noted both the Ridership and security report were included in the Board Members’ reading folders and placed on the public table. Ms. Fernandez provided a report, highlighting:

- VTA 40 Year Transportation Investment Celebration event on April 22, 2016.
- Try Transit Day on April 22, 2016. VTA offered free light rail, bus, and FLEX rides all day in observance of Earth Day.
- VTA Light Rail Roadeo Competition on April 30, 2016.
- VTA hosted Meet the Primes where more than 220 small, disadvantaged, minority and women owned businesses had the chance to connect and learn about upcoming opportunities with 25 prime contractors.
- VTA received the American Council of Engineering Companies of California’s annual Engineering Excellence Award (EEA) for outstanding achievements in engineering projects for the 280/880/Stevens Creek Interchange Project.
- VTA received the Silicon Valley Concierge Award for Best Transportation.
- VTA recognized by Caltrans District 4 for our longstanding dedication to the Calmentor Program.

- Announced Bike to Work Day on Thursday, May 12, 2016. VTA invites everyone to participate in the “Movers and Shakers Bike Ride,” a seven mile ride beginning at 7:30 a.m. at Martin Luther King Library in downtown San Jose, traveling up the Guadalupe River Trail and ending at VTA River Oaks.

8.1.A. Government Affairs Update

Ms. Fernandez noted the Government Affairs Update was included in the Board Members’ reading folders and placed on the public table.

Board Member Hendricks thanked VTA for their support by providing assistance to the fire victims in the City of Sunnyvale.

Board Member Yeager thanked Ms. Fernandez for her leadership decision to ban VTA representatives from travel to the Bus Roadeo taking place in Charlotte, North Carolina, following North Carolina’s enactment of a law which bars transgender individuals from using restrooms appropriate for their gender identities, excludes sexual orientation and gender identity from state anti-discrimination protections, and prohibits municipalities from extending those protections to LGBT citizens. He stated it sent a good message to the American Public Transportation Association (APTA).

Chairperson Chavez referred to the VTA standoff incident of May 5, 2016, involving a man on top of a VTA light-rail vehicle and thanked VTA for a peaceful and non-violent resolution.

Ms. Fernandez thanked the following for their assistance during the May 5, 2015, VTA standoff incident:

- Captain Laurie Smith and her team
- VTA Captain David Lera and his team
- San Jose Fire and Rescue
- VTA volunteers
- Chairperson Chavez for the County’s quick response to VTA’s request for assistance during the standoff

8.1.B. Silicon Valley Rapid Transit (SVRT) Program Update

Ms. Gonot provided the staff report and a presentation entitled “SVRT Program Update,” highlighting: 1) SVBX Construction Progress at the Warm Springs Extension (WSX) Interface in Fremont; 2) Progress on Milpitas Station, parking structure, transit facilities and roadways; 3) Progress on Assembly of Special Trackwork at the Berryessa Station in San Jose; 4) Progress at the Berryessa Station campus and parking structure;
5) SVBX Integrated Summary Schedule; 6) SVBX Cost Summary; and 7) BART Silicon Valley Phase 2.

Public Comment

Eugene Bradley, Interested Citizen, commented on the following: 1) commended VTA for free rides on Transit Day; 2) suggested VTA also provide free transit during FanimeCon May 27-30, 2016, in San Jose; and 3) referred to the single tunnel bore technology for BART Phase 2 and asked about the impacts to buses should there be cost overruns.

Mr. Chatty commented on the following: 1) stated he was impressed with VTA for the assistance provided to the victims of the Sunnyvale fire; 2) commended VTA Express Bus Service; 3) referenced the Charlotte, North Carolina City Council Sexual Orientation and Gender Identity (SOGI) Ordinance, noting the importance of understanding there is another side to the issue for those who believe in their First Amendment Right to Religious Freedom, and how to balance that with the previous persecution of the LGBT Community.

Chairperson Chavez relinquished her seat to Vice Chairperson Bruins and left the meeting at 7:02 p.m.

8.2. Chairperson's Report

Vice Chairperson Bruins provided an update on Envision Silicon Valley (ESV), noting VTA will hold several informational meetings regarding ESV in May, 2016. The public is invited to learn about progress made toward developing an expenditure plan for a possible transportation sales tax on the November, 2016, ballot. All meetings will begin at 7:00 p.m. and the dates are listed. She encouraged Board Members to forward the information to constituents.

8.3. Items of Concern and Referral to Administration

There were no Items of Concern and Referral to Administration.

8.4. Unapproved Minutes/Summary Reports from VTA Committees, Joint Powers Boards (JPB), and Regional Commissions

8.4.A. VTA Standing Committees

- Congestion Management Program & Planning (CMPP) Committee - The April 21, 2016, Minutes were accepted as contained on the dais.

- Administration & Finance (A&F) Committee - The April 21, 2016, Notice of Cancellation was accepted as contained in the Agenda Packet.
• Transit Planning & Operations (TP&O) Committee – There was no report.

8.4.B. VTA Advisory Committees

• Committee for Transit Accessibility (CTA) - The April 13, 2016, Minutes were accepted as contained on the dais.

• Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC) - The April 13, 2016, Minutes were accepted as contained in the Agenda Packet.

• Bicycle & Pedestrian Advisory Committee (BPAC) – The April 13, 2016, Minutes were accepted as contained in the Agenda Packet.

• Technical Advisory Committee (TAC) - The April 14, 2016, Minutes were accepted as contained on the dais.

• Policy Advisory Committee (PAC) - The April 14, 2016, Minutes were accepted as contained on the dais.

8.4.C. VTA Policy Advisory Boards (PAB)

• State Route 85 Corridor PAB - There was no report.

• El Camino Real Rapid Transit PAB - The April 27, 2016, Notice of Cancellation was accepted as contained in the Agenda Packet.

8.4.D. Joint Powers Boards and Regional Commissions

• Caltrain Peninsula Corridor Joint Powers Board - The May 5, 2016, Summary Notes were accepted as contained on the dais.

• Capitol Corridor Joint Powers Authority - There was no report

• Dumbarton Rail Corridor Policy Committee - There was no report.

• Metropolitan Transportation Commission (MTC) - There was no report.

• Sunol Smart Carpool Lane Joint Powers Authority - There was no report.

• SR 152 Mobility Partnership - There was no report.
Public Comment

Mr. Chatty expressed concern about Caltrain deaths, and suggested BART was safer.

8.5. ANNOUNCEMENTS

There were no Announcements.

9. CLOSED SESSION

9.1. Recessed to Closed Session at 7:05 p.m.

A. Conference with Labor Negotiators
   (Government Code Section 54957.6)

   VTA Designated Representatives
   Alberto Lara, Director of Business Services
   Ali Hudda, Deputy Director, Accounting

   Employee Organization
   American Federation of State, County and Municipal Employees, Local 101

B. Conference with Labor Negotiators
   (Government Code Section 54957.6)

   VTA Designated Representatives
   Alberto Lara, Director of Business Services
   Ali Hudda, Deputy Director, Accounting

   Employee Organization
   Transportation Authority Engineers and Architects Association (TAEA), IFPTE, Local 21

9.2. Reconvened to Open Session at 7:20 p.m.

9.3. Closed Session Report

A. Conference with Labor Negotiators
   (Government Code Section 54957.6)

   VTA Designated Representatives
   Alberto Lara, Director of Business Services
   Ali Hudda, Deputy Director, Accounting
Employee Organization
American Federation of State, County and Municipal Employees, Local 101

Evelynn Tran, Assistant General Counsel, reported that no reportable action was taken during closed session.

B. Conference with Labor Negotiators
(Government Code Section 54957.6)

VTA Designated Representatives
Alberto Lara, Director of Business Services
Ali Hudda, Deputy Director, Accounting

Employee Organization
Transportation Authority Engineers and Architects Association (TAEA), IFPTE, Local 21

Ms. Tran reported that no reportable action was taken during closed session.

10. ADJOURNMENT

On order of Vice Chairperson Bruins and there being no objection, the meeting was adjourned at 7:21 p.m.

Respectfully submitted,

Anita McGraw, Board Assistant
VTA Office of the Board Secretary
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Board Secretary, Elaine Baltao

SUBJECT: Ratification of Appointments to the Bicycle & Pedestrian Advisory Committee

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

ACTION ITEM

RECOMMENDATION:

Ratify appointment to the Bicycle & Pedestrian Advisory Committee for the two-year term ending June 30, 2018 of: (1) Jaime Fearer, representing the City of San José, and (2) Greg Unangst, representing the City of Mountain View.

BACKGROUND:

The Bicycle & Pedestrian Advisory Committee (BPAC) advises the VTA Board of Directors on planning and funding for bicycle and pedestrian projects and issues. The BPAC consists of 16 voting members, one appointed by each of VTA’s Member Agencies (the 15 cities in the county and the County of Santa Clara), and one non-voting member and alternate appointed by the Silicon Valley Bicycle Coalition (SVBC). The BPAC also serves as the countywide bicycle and pedestrian advisory committee for the County of Santa Clara.

The BPAC bylaws specify that the appointment term is two years and that members may be appointed to successive terms. Committee members must live, work or both in Santa Clara County during their term. Voting members of the Committee must also be a representative of the Member Agency’s local bicycle advisory committee or, for Member Agencies without a local bicycle advisory committee, their representative must be an individual who lives or works in the local jurisdiction and is interested in bicycle or pedestrian issues. BPAC members are precluded from representing a Member Agency that is their employer.
The process to fill BPAC vacancies is that staff notifies the appointing authority of the vacancy or approaching term expiration and provides the current membership requirements. The appointing authority then appoints one member for the designated membership position. For vacancies occurring mid-term, the bylaws specify that they be filled for the remainder of the term by the appointing authority. In both cases, the VTA Board must ratify the appointment.

**DISCUSSION:**

The City of San José has appointed Jaime Fearer to serve as its BPAC representative for the new two-year term ending June 30, 2018. She replaces Jim Bell, a long-term member of the committee who recently resigned due to work schedule changes.

Ms. Fearer, who lives in San José, moved there in 2014 from Washington, D.C. She is the Planning & Policy Manager for California Walks, a statewide pedestrian advocacy organization dedicated to creating healthy, safe, and walkable communities. Prior to joining California Walks, Ms. Fearer worked for the City of Greenbelt, Maryland, as a community planner. She earned a Bachelor of Arts in English Literature from Wright State University. After working for over a decade in the bookselling and publishing industries, she returned to school to earn a Master of Community Planning from the University of Maryland - College Park. She is a member of the American Institute of Certified Planners (AICP).

Civic and community service includes being a League of American Bicyclists’ League Cycling Instructor, and serving on the Silicon Valley Bicycle Coalition’s Policy Advisory Committee.

The City of Mountain View has re-appointed Greg Unangst to serve as its BPAC representative for the next two-year term starting July 1st. Mr. Unangst was appointed to the BPAC in October 2015. He is a member in good standing and has served the committee well.

Based on their qualifications, experience, community involvement, and knowledge of bicycle, pedestrian, trails and safety issues, staff recommends that the Board ratify the appointment of both individuals.

**ALTERNATIVES:**

The Board could choose to not ratify one or both of these appointments.

**FISCAL IMPACT:**

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

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Governance & Audit Committee considered this item at its May 5, 2016 meeting as part of its Consent Agenda. The committee, without comment, unanimously recommended Board approval of this item and placement on the Board’s Consent Agenda.

Prepared by: Stephen Flynn, Advisory Committee Coordinator
Memo No. 5478
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Board Secretary, Elaine Baltao

SUBJECT: Citizens Advisory Committee Appointment: North County Cities

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

ACTION ITEM

RECOMMENDATION:

Ratify the appointment of John Melton to the Citizens Advisory Committee position representing
the North County Cities Group.

BACKGROUND:

The Citizens Advisory Committee (CAC) is a 17-member committee representing the residents
of the various city/county groupings of the VTA Board of Directors, as well as specified
community stakeholder groups with an interest in transportation. The CAC advises the Board
and VTA administration on issues impacting the communities and organizations they represent.
It also serves in two other functions: (1) as the ballot-specified Citizens Watchdog Committee for
the 2000 Measure A Transit Improvement Program; and (2) as the 2008 Measure D ballot-
specified advisory body that reviews and comments on VTA’s comprehensive transit program as
part of the countywide transportation plan.

The CAC bylaws require that a committee member must be a resident of Santa Clara County
while on the committee and cannot concurrently hold elected public office. Committee members
cannot be VTA staff or employed by a city they represent. The committee membership term is
indefinite, with CAC members serving until resignation or replacement by their appointing
organization or the VTA Board.

The process to fill CAC vacancies, as defined by the bylaws, is that member agencies, specified
business and labor groups, and specified community interests positions nominate representatives
for their respective membership positions. For select Community Interests positions, VTA’s
Administration & Finance Committee appoints one member per position from nominations.
submitted by advocacy groups or received at-large. In all cases, the VTA Board must ratify the appointment.

**DISCUSSION:**

The VTA Administrative Code establishes the membership of the CAC. One of the six positions in the City & County Groupings section represents and is collectively appointed by the North County Cities Group comprised of the cities of Los Altos, Mountain View, Palo Alto, Santa Clara, Sunnyvale and the Town of Los Altos Hills.

The North County Cities Group has appointed John Melton as its new representative on the CAC, replacing its last representative, Bruce Liedstrand, who resigned due to personal reasons.

Mr. Melton, a Palo Alto resident, has lived in both Palo Alto for over 50 years and in the county for two more than that. Mr. Melton is retired, having last served as Executive Vice President and Chief Financial Officer of SD, Inc., which provides global digital content management and language solutions. Prior to that, he served as a Financial Manager for Watkins-Johnson Company and Control Data Corporation. He earned his Bachelor of Science degree from the University of Oklahoma and his MBA from the Stanford Graduate School of Business.

His civic and community involvement is extensive, with his particular emphasis being infrastructure. His service includes 11 years on the City of Palo Alto Utilities Commission, including two as chairperson. He also serves on the Palo Alto Library Bond Oversight Committee, having done so for 11 years, including one as chairperson. In addition, he has served on Palo Alto’s Infrastructure Blue Ribbon Commission for two years.

Based on his qualifications and community involvement, staff recommends that the Board ratify the North County City Group’s appointment of Mr. Melton to this position.

**ALTERNATIVES:**

The Board could choose to not ratify the nomination of this individual and instead ask the North County Cities Group to nominate another individual to represent it.

**FISCAL IMPACT:**

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

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Governance & Audit Committee considered this item at its May 5, 2016 meeting as part of its Consent Agenda. The committee, without comment, unanimously recommended Board approval of this item and placement on the Board’s Consent Agenda.

Prepared by: Stephen Flynn, Advisory Committee Coordinator
Memo No. 5082
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

FROM: General Manager, Nuria Fernandez

SUBJECT: Contract Award for Auditor General/Internal Audit Services

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

ACTION ITEM

RECOMMENDATION:

Award a task order contract to RSM US LLP for VTA Auditor General and internal audit services. The base term of the contract is five years (through June 30, 2021) for an amount not to exceed $2,250,000 (average of $450,000 per year). In addition, the contract includes two optional one-year contract extensions at a maximum of $450,000 per year; execution of the optional one-year extensions are subject to approval by the Governance & Audit Committee.

BACKGROUND:

VTA’s Auditor General (AG) program is responsible for assisting the Board of Directors in fulfilling its fiduciary responsibilities of overseeing risks and controls in financial reporting, financial integrity, program activities, reputation and public perception of the organization. The Auditor General reports directly to the Board, is overseen by the Governance & Audit Committee, and has an administrative reporting relationship to the General Manager.

In August 2015, a review of the current service delivery model for the VTA Auditor General program was commissioned. The purpose was to determine whether the Audit General Function should remain as an external contracted function (outsourced) or whether instead it should become an in-house function. CH2M was retained to conduct this assessment.
Based on the results of the CH2M assessment, the Board, at its January 7, 2016 meeting, voted to continue with the outsourced model for the Auditor General function but to initiate the process for a new contract that stresses the need for responsiveness and a local presence. The Board also indicated that the new contract: (1) should have a five-year base term and two one-year extensions to maximize vendor interest and commitment; and (2) should be in place by June 2016 or soon thereafter to ensure uninterrupted service.

**DISCUSSION:**

To solicit a new Auditor General contract, a competitive procurement was initiated. A Request for Proposals (RFP) was developed that stressed the need for responsiveness and a local presence, as well as other new requirements. The RFP utilized the minimum qualifications and standards of work previously established by the (then) Audit Committee but that were modified to include subsequent revisions and enhancements. Several additional requirements were added to the Scope of Services, including:

- Maintain a prescribed minimum number of office hours onsite at VTA’s River Oak’s facility to increase accessibility and communication opportunities.
- Provide periodic written reports on the implementation status, adequacy and timeliness of corrective actions VTA Administration committed to implement to address recommendations contained in completed Auditor General reports.
- Host a public meeting annually to: (1) present to the community and VTA stakeholders completed Auditor General work, including findings, recommendations and VTA Administration’s commitment to corrective action; and (2) soliciting input for future projects and areas of emphasis or concern.
- As requested, review for reasonableness VTA budgetary, financial and/or investment assumptions.

The RFP was issued on March 25, 2016. Three written proposal were received, which were from the following firms:

- Crowe Horwath LLP
- Moss Adams LLP
- RSM US LLP

An evaluation panel was convened that included voting members with the requisite financial, managerial and audit experience to appropriately assess the qualifications, credentials and relevant experience of firms proposing to serve as the VTA Auditor General. It included a wide spectrum of disciplines, both internal and external to VTA. The voting members consisted of:

- VTA Board Vice Chairperson/Governance & Audit Committee Vice Chairperson
- Alameda-Contra Costa Transit Chief Financial Officer
- VTA Deputy Director, BART Silicon Valley Program
- Budget & Policy Director, Santa Clara County -- Office of Supervisor Cindy Chavez
- VTA Deputy Director of Accounting
- City of Campbell Public Works Director
- VTA Auditor General Program Administrator
The proposals were evaluated on the following criteria:

- Qualifications of the Firm
- Staffing and Project Organization
- Work Plan/Project Understanding
- Local Firm Preference
- Cost/Labor Rates

All three proposals demonstrated a firm understanding of the requirements of the RFP, clearly met the minimum stated qualifications to perform the required scope of work, and demonstrated the required level of staff experience and expertise. Based on this evaluation, invitations for oral interviews were issued to all three firms.

The oral interviews were conducted on April 28, 2016. Unfortunately, due to illness the VTA Board Vice Chairperson/Governance & Audit Committee Vice Chairperson was unable to participate.

The results of the oral interviews confirmed that VTA was fortunate to have three qualified firms propose, although there was clear separation between the firms. The presentations were professional, well organized and indicated that each firm had a reasonably clear understanding of the scope of work contained in the RFP. The engagement team proposed by each firm was experienced and professional. All three firms indicated a local presence and the use of local staff, although, again, there was clear separation between the firms in this area. The hourly rates for the three firms were very comparable for all categories.

Based on the combination of the written proposals and oral interviews, it was the unanimous conclusion of Evaluation Panel members that the VTA Board of Directors would be best served awarding the Auditor General/internal audit services contract to RSM US LLP. This conclusion was based on several factors:

- RSM’s demonstrated in-depth but nuanced understanding of VTA’s roles, responsibilities, services and challenges.
- The team’s clear understanding of the role and primary responsibility of the Auditor General function to assist the Board in performing its fiduciary responsibilities by identifying and prioritizing risk areas along with proposing corresponding mitigations.
- The firm’s demonstrated expertise, experience and understanding of risk assessment/mitigation in a number of areas key to VTA including:
  - Transit operations, including light rail, equipment and work force scheduling, and paratransit
  - Multimodal transportation risk areas including Express Lanes and bicycle/pedestrian project planning, operating and funding
  - Information technology, network security, and system safety
  - Construction and capital projects funding and management
- RSM’s emphasis on identifying potential efficiency enhancements or cost reductions as a standard part of any audit or project.
• The core team’s level of expertise, professionalism, cooperation, ability to clearly communicate, and the ability to function effectively in a team environment.
• The firm’s ability to bring in from its large pool a wide array of subject matter experts as needed.
• The majority of RSM’s core staff are based in the Bay Area and many, including Bill Eggert who would continue to serve as Auditor General, are based in San Jose. This strong local presence increases responsiveness and familiarity with the locale while reducing travel costs and scheduling complexity.
• Pat Hagan, former VTA Auditor General who now provides consultant services to RSM, brings a level of national transit experience and perspective that would benefit VTA.

Although the other firms demonstrated strengths in certain areas, RSM possessed those as well as additional ones. In the final tally, all six participants scored RSM as their top pick and thus why the Evaluation Panel as a group recommends contract award to that firm.

It should be noted that RSM (formerly McGladrey LLP) has served as VTA’s Auditor General and provided internal audit services since February 1, 2013.

This contract establishes the master (umbrella) agreement that defines the terms and conditions of the task order contract including the maximum amount that can be spent without additional Board authorization. It does not specify or guarantee how much will be spent, which is determined by the Board in its approval of each Annual/Biennial Internal Audit Work Plan. The average of $450,000 per year is based on the work level for the two most recent approved Internal Audit Work Plans (approximately $395,000 per year) combined with a small allowance for ad hoc special projects requested by the Board, General Manager, or General Counsel.

ALTERNATIVES:
The Committee could reject the Evaluation Panel’s recommendation and choose another vendor from the RFP list. It could also direct staff to perform another RFP process, which is only viable if there is a desire to revise the Auditor General scope of work and/or qualifications.

FISCAL IMPACT:
This action will authorize up to $2,250,000 for Auditor General and internal audit services over the contract’s five-year base period, and a maximum $3,150,000 if both one-year extensions are exercised. Appropriation for these expenditures through June 30, 2017 is available in the FY 2017 Adopted VTA Transit Fund Operating and 2000 Measure A Transit Improvement Program Fund Capital Budgets. Appropriation for the remainder of the contract period will be included in subsequent Recommended Biennial Budgets.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:
The Governance & Audit Committee considered this item at its May 5, 2016 meeting as part of its Regular Agenda. The committee unanimously recommended Board approval of this item and placement on the Board’s Consent Agenda.

Prepared by: Stephen Flynn, Advisory Committee Coordinator
Memo No. 5571
## Contract Award for VTA Auditor General Services with RSM US LLP

### June 2, 2016

<table>
<thead>
<tr>
<th>Firm Name</th>
<th>Name</th>
<th>Role</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>RSM LLP</td>
<td>Bill Eggert</td>
<td>Director, Risk Advisory Services</td>
<td>100 W. San Fernando Street San Jose, CA  95113</td>
</tr>
<tr>
<td>RSM LLP</td>
<td>Corey Saunders, CPA</td>
<td>Director, Risk Advisory Services</td>
<td>One Union Square 600 University Street, Suite 1100 Seattle, WA  98101</td>
</tr>
</tbody>
</table>
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Engr. & Trans. Infrastructure Dev., Carolyn M. Gonot

SUBJECT: Amendment with General Electric Transportation Systems Global Signaling LLC/Alstom Signaling Inc. for Light Rail Supervisory Control and Data Acquisition System Modifications

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to enter into an Agreement Amendment with Alstom Signaling Inc. (formerly GE Transportation Systems Global Signaling, LLC) in an amount not to exceed $2,750,000 for Light Rail Supervisory Control & Data Acquisition modification services for a total agreement amount of $6,200,000. This Amendment will extend the agreement for a 3-year duration.

BACKGROUND:

The Supervisory Control and Data Acquisition (SCADA) system is the backbone of the light rail operating system that controls light rail train movements and related signals and switches, and is the system which monitors light rail features including the traction power system, security surveillance equipment and ticket vending machines, and controls the public address system and visual message boards. The SCADA system is in operation 24 hours a day, 7 days a week and is a critical component in providing safe, reliable light rail service.

Because the SCADA system monitors critical components of the light rail system including track switches, signals, power control, communications, and train locations, any project that changes field equipment or operating scenarios for any of these items requires modification to the SCADA system.
In order to integrate a series of previous light rail system field changes with the SCADA system, on May 2, 2013, the VTA Board authorized the General Manager to execute an Agreement with General Electric Transportation Systems Global Signaling, LLC (GETS) for an amount not to exceed $3,000,000 for refinements and modifications of the SCADA system. The work is implemented with a Master Agreement and issuance of specific task orders to perform the various integration work for the required projects.

In order to complete the previously identified integration activities, amendments were issued using the 15% contingency authorized by the Board with the original action, resulting in a total current Agreement amount of $3,450,000. Using this Agreement, GETS was successful in implementing system integration of several critical capital improvements and rehabilitation projects, including the following:

- Light Rail Efficiency improvements for the Santa Clara Pocket Track and Mountain View Double Track;
- Traction power substation replacement at 5 locations and new traction power substations at 2 locations;
- Removal and addition of track crossovers at several locations;
- Retrofit of elevators and escalators on Guadalupe southline platforms;
- Addition of new ticket vending machines at Mountain View and Great Mall to support Super Bowl 50; and
- Installation of emergency phones on light rail platforms.

In addition to these completed projects, GETS was successful in assisting VTA in making overall light rail system refinements to address certain CPUC comments identified during the regular tri-annual light rail audits.

**DISCUSSION:**

In addition to the light rail projects that were successfully integrated into the VTA SCADA system by GETS, there are other upcoming projects that require integration into the SCADA system. These projects have been approved with construction planned or underway and must be integrated once the construction is complete. To address these projects, and other potential upcoming projects, continued support is required from the SCADA system consultant. Because of the existing licensing agreement with GETS for the existing SCADA system and the unique knowledge of the VTA-specific SCADA system, the integration of the upcoming project should continue to be performed by the same consultant.

The light rail projects requiring modification and integration into the light rail SCADA system includes these identified active and upcoming projects:

- Public Address (PA) Upgrades,
- Additional Traction Power Substation (TPSS) Replacement,
- Installation of new track crossovers on the VTA light rail system,
- Signal interlocking at several locations (Santa Teresa, Woz Way and Ohlone Chenoweth),
- Addition of Ticket Vending Machines for the Berryessa Silicon Valley Rapid Transit (SVRT),
- System Integration for monitoring new SVRT campus facilities and parking structures,
- Other miscellaneous light rail efficiency and rehabilitation improvements, and
- Any future CPUC audit findings.

VTA’s staff from Engineering and Transportation Infrastructure Development division and the Operations division identify the individual tasks to complete required modifications and VTA negotiate the respective final cost for each task.

Also for information, GETS was acquired by Alstom Signaling Inc. on March 22, 2016 for SCADA modification services. Therefore, the Amendment for this work will be with Alstom Signaling, Inc. for an amount not to exceed $2,750,000. This amount is estimated based on the actual costs for implementation of the recently completed projects. The Alstom Signaling Inc. team includes three subconsultants to support this effort (Attachment A).

ALTERNATIVES:

VTA could elect to delay these upgrades, however concerns with risk of failure and lack of integration outweigh this alternative.

FISCAL IMPACT:

This action will authorize up to $2,750,000 additional budget to perform for the modification to the Light Rail SCADA System. Appropriation for the expenditure of the approved upcoming projects are included in the FY16 Adopted VTA Transit Fund Capital Budget. Appropriation for the support of future upcoming projects will be requested in subsequent biennial budgets.

DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION:

Based on the limited subcontracting opportunities, no specific Disadvantaged Business Enterprise (DBE) goal has been established for this Amendment. Contractor is encouraged to make reasonable efforts to utilize DBEs in its procurement of ancillary services and products associated with the performance of this Amendment.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

The Administration & Finance Committee considered this item as part of its May 19, 2016 Regular Agenda and unanimously recommended Board approval.

Prepared by: Ken Ronsse, Deputy Director
Memo No. 5572

ATTACHMENTS:

- 5572-Attachment A - List of Sub-Consultants (PDF)
## Attachment A

**Agreement with General Electric Transportation Systems Global Signaling LLC for Light Rail Operating System Upgrades**

**List of Sub-Consultants**

<table>
<thead>
<tr>
<th>Firm Name</th>
<th>Name</th>
<th>Role</th>
<th>Location</th>
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<tbody>
<tr>
<td>Longacre Electric</td>
<td>Dan Longacre</td>
<td>Sub-Consultant</td>
<td>4509 Thoroughbred Court, Antioch, CA 94531-9316</td>
</tr>
<tr>
<td>KEEVA</td>
<td>Greig S. Latham</td>
<td>Sub-Consultant</td>
<td>207 Main Street, Suite 203, Allen, TX 75013</td>
</tr>
<tr>
<td>Electrosonic, Inc.</td>
<td>Richard Krajcir</td>
<td>Sub-Consultant</td>
<td>3320 North San Fernando Boulevard, Burbank, CA 91504</td>
</tr>
</tbody>
</table>
ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a contract with Kimley-Horn and Associates, Inc. in the amount of $17,200,000 for a three-year period ending June 2019 to provide Planning and Program Management services for VTA’s BART Silicon Valley Program.

BACKGROUND:

In 2001, VTA and San Francisco Bay Area Rapid Transit (BART) entered into a comprehensive agreement, to extend the BART system into Santa Clara County. The BART Silicon Valley (BSV) Program, under the direction of VTA’s Engineering and Transportation Infrastructure Development Division’s Director, is responsible for ensuring the intent of the comprehensive agreement is fulfilled. This extension is being implemented in phases, the first phase being a two-station (Milpitas and Berryessa), 10-mile project extending from BART’s Warm Springs Station in Alameda County to Berryessa Station in the City of San Jose. The Phase I Extension is called the Silicon Valley Berryessa Extension (SVBX) Project. The Phase II Extension is a four-station, 6-mile project extending from the Berryessa Station to the planned Santa Clara Station in the City of Santa Clara and includes a maintenance and storage facility at the end of the alignment on the VTA owned Newhall Yard.

Beginning in 2002 VTA conducted planning, environmental, and engineering activities for the BSV Program. In April 2011 the FTA granted VTA permission to enter into the final design of the Phase I SVBX project. VTA and FTA executed a Full Funding Grant Agreement (FFGA) for the SVBX Project in March 2012. The SVBX project is currently under construction with revenue services anticipated in the Fall 2017.
Planning efforts for Phase II of the BSV program began in January 2014 with evaluation of alignment options, and environmental studies. On December 21, 2015, VTA submitted a request for entry into FTA’s New Starts Project Development (NSPD) phase. FTA approved this request on March 3, 2016. During the NSPD phase, VTA will develop concepts for key project elements, initiate procurement of professional services, evaluate contracting strategies, complete the environmental review process and prepare documentations required by FTA for entry into the New Starts Engineering (NSE) phase, including project evaluation and rating analysis.

VTA anticipates entry into the NSE phase in winter of 2018 with an FFGA anticipated to be executed in mid-2019. During the NSE phase, VTA will advance design, initiate activities associate with right-of-way acquisition, develop agreements with government agencies and private utilities, award contracts for procurement of long lead items, and prepare documentations required by FTA for an FFGA. Construction is anticipated to begin immediately after the execution of an FFGA with revenue service forecast for 2026.

The intent established in the comprehensive agreement will be fulfilled with the completion of the Phase II extension project. To achieve this intent, VTA will need specialized support for BSV Program activities in the areas of Program Planning, Environmental, Communications, and Agency Relations.

**DISCUSSION:**

On July 21, 2015, VTA advertised a Request for Proposal (RFP) to engage professional services to support management of BSV Program activities, in the areas of planning, community outreach, agency coordination, environmental compliance and the Federal Transit Administration funding application. VTA sought proposals from firms with technical experience in the areas of Federal National Environmental Policy Act and the California Environmental Quality Act requirements; applicable federal, state, and local regulatory requirements; and the Federal New Starts guidelines. VTA received a single response to this RFP from Kimley-Horn and Associates (KHA). After contacting other firms that had previously expressed interest in this RFP, staff has concluded that re-advertising the RFP would not provide additional proposals, and evaluated the proposal from KHA based on the following criteria:

- The technical experience, strength and stability of the firm in similar work with transit properties or other public agencies, and experience and strength of the proposed subconsultants.
- A demonstrated ability to understand the requirements, and the proposed approach for the implementation of activities described in the RFP.
- The technical experience and qualification of key personnel including the Project Manager.

After reviewing the proposal, KHA presented their proposal to VTA staff in January 2016.

KHA has been actively involved with the BSV Program for nearly a decade with focus on the following SVBX tasks: (1) Community and stakeholder outreach; (2) planning and environmental activities; and (3) activities associated with the Federal Transit Administration grant application process. With this background, KHA demonstrated a solid understanding of the scope of services,
and presented a qualified team, with many professionals currently involved with the BSV Program. The Project Manager proposed by KHA fully understands the responsibilities included in the proposed assignment and the importance of VTA’s relationships with the project stakeholders, including the cities and other jurisdictions associated with the BSV Program.

The period of performance for the Planning and Program Management services, as stated in the RFP, is through the construction of Phase II of the BSV Program. The contract to be authorized is only for the period through the execution of an FFGA and start of construction. The contract is structured with approximately $11 million in base services over three years, and approximately $6.2 million in optional services to be performed as needed and as directed by VTA. Staff will return to the Board for authorization to extend the terms of the contract through construction after KHA successfully completes the services through the execution of an FFGA.

Based on these criteria, and KHA’s successful completion of previous similar engagements with VTA, staff has concluded that Kimley-Horn and Associates, Inc. is best qualified for the services sought in this RFP. The Kimley-Horn and Associates, Inc. team includes the sub-contractors indicated in Attachment A.

**ALTERNATIVES:**

The Board of Directors could choose to reject the recommended action and direct staff to repeat the RFP process. However, this alternative may negatively impact the Phase II project schedule, and is unlikely to reduce project costs.

**FISCAL IMPACT:**

This action will authorize up to $17,200,000 for Planning and Program Management services for VTA’s BART Silicon Valley Program. Appropriation for this expenditure is included in the FY16 Adopted 2000 Measure A Transit Improvement Program Fund Capital Budget.

**DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION:**

Based on the identifiable subcontracting opportunities, a DBE goal of 16.01% has been established for this contract. Kimley-Horn and Associates, Inc. has committed to meet this goal.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Administration & Finance Committee considered this item as part of its May 19, 2016 Regular Agenda. The Board committee members asked about the pricing of the contract. Staff explained that the qualifications of the firm are assessed and if recommended, then pricing is negotiated. The Board committee unanimously recommended Board approval.

Prepared by: Dennis O. Ratcliffe, Deputy Director
Memo No. 5555

**ATTACHMENTS:**

- 5555 - Attachment A KHA (PDF)
## Attachment A – List of Prime and Subcontractors

<table>
<thead>
<tr>
<th>Contractor Firm</th>
<th>Contractor Role</th>
<th>Location</th>
<th>DBE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kimley-Horn and Associates, Inc.</td>
<td>Program Planning Management, Community and Stakeholder Outreach</td>
<td>100 West San Fernando St., Suite 250, San Jose, CA 95113</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Coordination, Environmental Studies Coordination, Federal Funding Application</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A Squared Ventures, Inc.</td>
<td>Outreach and Communication</td>
<td>333 Hegenberger Road, #750</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Oakland, CA 94621</td>
<td></td>
</tr>
<tr>
<td>Keish Environmental</td>
<td>Environmental Compliance</td>
<td>6768 Crosby Court, San Jose, CA 95129</td>
<td>Yes</td>
</tr>
<tr>
<td>Kwan Henmi Architecture &amp; Planning</td>
<td>Architectural Renderings</td>
<td>456 Montgomery Street, #200, San Francisco, CA 94104</td>
<td>Yes</td>
</tr>
<tr>
<td>Nur Light</td>
<td>Website Maintenance: Outreach and Communications</td>
<td>1166 Reeve Street, Santa Clara, CA 95050</td>
<td>Yes</td>
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<tr>
<td>Strategic Economics</td>
<td>Economic Analysis</td>
<td>2991 Shattuck Avenue, #203, Berkeley, CA 94705</td>
<td>Yes</td>
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<tr>
<td>Bottomley Design &amp; Planning</td>
<td>Urban Design</td>
<td>614 Grand Avenue, Oakland, CA 94640</td>
<td>No</td>
</tr>
<tr>
<td>HR&amp;A Advisors, Inc</td>
<td>Economic Analysis</td>
<td>99 Hudson Street, 3rd Floor, New York, NY 10013</td>
<td>No</td>
</tr>
<tr>
<td>Katz and Associates</td>
<td>Outreach and Communication</td>
<td>1161 Mission Street, 5th Floor, San Francisco, CA 94103</td>
<td>No</td>
</tr>
</tbody>
</table>
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Engr. & Trans. Infrastructure Dev., Carolyn M. Gonot

SUBJECT: Construction Contract Award C671 (15001F) VTA Communications Backbone Network

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a contract with Aldridge Electric, Inc., the lowest responsive and responsible bidder, in the amount of $4,546,400 for the construction of the VTA Communications Backbone Network; and authorize a 25% contingency allowance to address unforeseeable additional contract requirements.

BACKGROUND:

Connectivity is required between VTA’s BART extension facilities under VTA control such as transit centers and parking garages, and VTA Administrative and Operations offices. This connectivity supports various communication systems. To provide this connectivity, VTA designed and prepared the VTA Communications Backbone Network contract package to connect the VTA communications systems at the BART Stations to VTA’s offices at River Oaks and at the Guadalupe Division.

The VTA Communications Backbone Network contract includes construction of a new communications room at the VTA Montague Light Rail Station, and installation and testing of communications systems at the BART Stations and at VTA River Oaks and Guadalupe facilities.

DISCUSSION:

The VTA Communications Backbone Network contract was advertised February 17, 2016. Contractor pre-qualification was required and there were twelve pre-qualified contractors for this project. Three (3) bids were received on April 5, 2016 with the following results:
<table>
<thead>
<tr>
<th>Company Name</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aldridge Electric, Inc.</td>
<td>$4,546,400</td>
</tr>
<tr>
<td>Shimmick Construction Co. Inc.</td>
<td>$5,713,000</td>
</tr>
<tr>
<td>DMZ Builders / B&amp;C Transit, JV</td>
<td>$5,924,000</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$5,200,000</td>
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The lowest bid was submitted by Aldridge Electric, Inc. in the amount of $4,546,400. The other two bids received by VTA were 9.9%, and 13.9% above the Engineer’s Estimate. Aldridge Electric’s bid, which is 12.6% below the Engineer’s Estimate, is deemed fair and reasonable.

Based on identifiable subcontracting opportunities, a Disadvantaged Business Enterprise (DBE) goal of 4.0% was established for this project. VTA’s review of the bid documents determined that Aldridge Electric, Inc. attained DBE participation of 8.28%, and has satisfied the relevant requirements of the contract documents. The list of named subcontracts for Aldridge is included in the Attachment.

A principal component of the contract work is to install fiber optic cables within the existing communications infrastructure. The existing infrastructure is over 30 years old and presents a considerable risk that existing conduits may have obstructions, be unstable, or had alterations not fully documented. If these unforeseeable events are encountered, alternate design solutions for installing the fiber optic cables will be required.

Encountering failed conduits and/or unidentified modifications, wiring, and cabling could have negative impacts on the contractor’s ability to restore communications needed to support revenue service. Due to the high risk of encountering these unquantifiable conditions, a contingency allowance equal to 25% of the bid amount is included in the recommended action. This will provide up to $1,136,600 for contract changes that may be required to correct these unforeseeable conditions. This amount is $454,640 higher than is ordinarily prescribed by the VTA Administrative Code which authorizes 15% above the bid amount.

Construction is currently scheduled to begin July 2016 with a completion by July 2017.

**ALTERNATIVES:**

The Board could choose to reject all bids and request staff to re-advertise the contract. This action would delay the completion of the VTA Communications Backbone Network project, which will negatively impact SVBX’s delivery schedule.

**FISCAL IMPACT:**

This action will authorize $4,546,400, plus a $1,136,600 contingency allowance ($5,683,000 in total) for construction of VTA Communications Backbone Network. Appropriation for this expenditure is included in the FY16 Adopted 2000 Measure A Transit Improvement Program Fund Capital Budget. This contract is funded by a combination of Federal and 2000 Measure A funds.
DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

Based on identifiable subcontracting opportunities, a Disadvantage Business Enterprise (DBE) goal of 4.0% was established for this contract. Aldridge Electric, Inc. has committed to 8.28% DBE participation on this contract.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

The Administration & Finance Committee considered this item on May 19, 2016. The Committee unanimously recommended the item be placed on the Consent Agenda for the June 2, 2016 Board of Directors Meeting.

Prepared by: Dennis O. Ratcliffe, Deputy Director
Memo No. 5589
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Engr. & Trans. Infrastructure Dev., Carolyn M. Gonot

SUBJECT: Construction of the Santa Clara Caltrain Station Pedestrian Underpass Extension (C827)

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a contract with Shimmick Construction Company, the lowest responsive and responsible bidder, in the amount of $4,603,029, for the construction of the Santa Clara Caltrain Station Pedestrian Underpass Extension (C827) Contract.

BACKGROUND:

VTA’s Bicycle Expenditure Program (BEP) has included a pedestrian/bicycle tunnel at the Santa Clara Caltrain Station since 2000. In 2007, VTA conducted a feasibility study at this location with a Safe Routes to Transit (SR2T) planning grant and found a large latent demand for pedestrian and bicycle access.

In January 2012, Caltrain completed a pedestrian/bicycle tunnel at the Santa Clara Caltrain Station to provide passenger access to a new center platform from the transit center on the west side of the railroad tracks.

There is currently no legal crossing from the station to the east side of the railroad tracks. This divides the neighborhood and prevents residents on the west side from accessing shopping and employment opportunities on the east side. Motor vehicles now use the De La Cruz Boulevard overcrossing almost half a mile north of the station, but this street presents a barrier to bikes and pedestrians as it has no bike lanes, wide curb lanes or sidewalks, and has freeway-like ramps connecting it to surrounding roadways.
VTA, in coordination with the Cities of San Jose and Santa Clara, as well as the bicycle and pedestrian communities, identified the extension of the tunnel underpass to the east side of the railroad tracks near Brokaw Road as an important connection for a safe east-west crossing of the railroad corridor. In 2008, the VTA Board of Directors granted the tunnel extension project $1.2 million in federal Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds for design, and later programmed an additional $200,000. The Board provided $506,173 in matching funds from 2000 Measure A.

In December 2014, the Board approved a $2,324,532 augmentation for a total budget of $13,725,170 to construct the project. This action also authorized the use of $4,231,400 of 1996 Measure B funds and contributions from the City of San Jose of $5,973,000.

The proposed project would extend the existing tunnel that connects Benton Street to the Santa Clara Caltrain station’s center-boarding platform, by about 80 feet east towards Brokaw Road providing a grade-separated crossing for pedestrians and bicycles across the east Caltrain track and UPRR tracks. See Attachment A.

**DISCUSSION:**

The Santa Clara Caltrain Station Pedestrian Underpass Extension Project contract was advertised for pre-qualification on Feb 24, 2016 and a list of pre-qualified bidders established on March 30, 2016. The contract was then advertised for bids on March 30, 2016. Four bids were submitted on May 5, 2016 with the following results:

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Bid Amount</th>
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<tbody>
<tr>
<td>Shimmick Construction Company</td>
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<tr>
<td>DMZ Builders</td>
<td>$5,761,399</td>
</tr>
<tr>
<td>Disney Construction, Inc.</td>
<td>$6,396,550</td>
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<td>Granite Rock Company</td>
<td>$6,632,210</td>
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<tr>
<td>Engineer’s Estimate</td>
<td>$7,128,392</td>
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The four bids received were deemed competitive. The lowest bid is 35% lower than the Engineer’s Estimate. The Engineer’s Estimate may have over-valued the risks associated with working in a busy railroad corridor and within a small defined construction window. VTA staff has performed a bid analysis and has determined the bid to be fair and reasonable. Shimmick Construction Company is the lowest responsible and responsive bidder. With the protest period ending May 17, 2016 and no protests filed, staff recommends award of this contract to Shimmick Construction Company.

Construction is scheduled to begin in June 2016 with completion by June 2017.

**ALTERNATIVES:**

The Board could choose to reject all bids and re-advertise the contract. This would result in a delay in awarding this contract and delay the completion of the Santa Clara Caltrain Station Pedestrian Underpass Extension.
FISCAL IMPACT:

This action will authorize $4,603,029 for the Santa Clara Caltrain Station Pedestrian Underpass Extension contract. Appropriation for this expenditure is included in the FY16 Adopted 2000 Measure A Transit Improvement Program Fund Capital Budget. This contract is funded with City of San Jose Funds, 1996 Measure B funds, and One Bay Area Grant (OBAG).

DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION:

Based on identifiable subcontracting opportunities, a Disadvantaged Business Enterprise (DBE) goal of 7.30% was established for this contract. Shimmick Construction Company has committed to a DBE participation of 7.47% for this contract.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

The Administration & Finance Committee considered this item on May 19, 2016. The Committee unanimously recommended the item be placed on the Consent Agenda for the June 2, 2016 Board of Directors Meeting.

Prepared by: Mohamed Basma, Program Manager
Memo No. 5087

ATTACHMENTS:

- 5087 Attachment A_Santa Clara Ped Undercrossing (PDF)
Attachment A
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Financial Officer, Raj Srinath

SUBJECT: Insurance Authorization

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to purchase Property and Casualty insurance coverage for General and Auto Liability, Public Officials & Employment Practice Liability, Cyber Liability, Environmental Impairment & Pollution Liability, Crime, Blanket Railroad Protective Liability, and Property Insurance renewing the annual Operations Insurance Program for an amount not to exceed $3,950,000.

BACKGROUND:

VTA’s annual Property and Casualty insurance coverage renews with the beginning of the Fiscal Year, July 1, 2016. Each spring, VTA’s insurance broker, Alliant Insurance Services, structures VTA’s insurance program by requesting competing premium quotes from various carriers in the insurance market. Carriers that are approached for premium quotes are selected on the basis of their historical premium rates, coverage criteria, and underwriting background. In addition, carriers are required to have experience with public transportation agencies, have adequate financial reserves, and have a rating by A.M. Best Company of excellent or better.

Insurers require VTA to review premium quotes and commit to the purchase of the policies approximately thirty days prior to the July 1, 2016 inception date. At this time, Staff recommends Board Authority to purchase and place the Operations Insurance Program with an effective date of July 1, 2016.

DISCUSSION:

As detailed above, premium quotes are not yet available for VTA’s July 1, 2016 renewal. The
$3,950,000 authority requested represents VTA’s brokerage firm’s estimate of program premium cost based on their knowledge of the current public transportation insurance market, as well as the increased appraised value of VTA real property and VTA’s bus and rail spare parts inventory and some significant loss exposure arising out of several recent incidents.

For Fiscal Year 2017, Staff recommends the addition of a Blanket Railroad Protective Liability Insurance Program. A Blanket Railroad Protective Liability Insurance program provides VTA, as the insured, with both first party property and third party liability insurance protection for losses arising out of negligent acts of contractors performing construction activities near rail right of way. The program proposed is a “wrap insurance program” that provides coverage to VTA for contractor’s construction work, as well as for permit and license agreement work, performed within fifty feet of rail.

General Liability Insurance policies exclude coverage for work performed within fifty feet of rail right of way; therefore, Railroad Protective Liability Insurance is always required of Contractors.

Past practice has required contractors for VTA to purchase stand-alone Railroad Protective Liability Insurance on a project specific basis, resulting in a high premium rate. This premium has been passed back to VTA in overall insurance project costs.

Through VTA purchasing a Blanket Railroad Protective Liability Insurance Program, the premium rate will be lower due to insurance program size, and the spread of risk across all enrolled contractor members. In addition, a blanket program allows internal management to streamline the efficient management of construction contract review, award and notice to proceed processes.

VTA’s net expense for last year’s Operating Insurance Program totaled $3,295,480 in premium. For the July 1, 2016 to July 1, 2017 insurance term, VTA directed the broker to obtain premium indicators for the same program structure as purchased last year. The estimated increase in insurance premiums is primarily due to the higher appraised value of real property, increased overall property replacement values, the current stated value of rail and bus spare parts, and several recent incidents that have significant loss exposure. The recommended program includes General Liability, Auto Liability, Public Officials’ & Employment Practices Liability, Cyber, Environmental Impairment/Pollution, Crime, and Property Insurance coverage. With the addition of the Blanket Railroad Protective Insurance Program, the estimated total program cost will not exceed $3,950,000.

The results of the insurance marketing and final purchase pricing will be reported to the Administration & Finance Committee as an Information Item at its September 2016 meeting.

**ALTERNATIVES:**

The Board can reject this approach and direct staff to solicit different levels of insurance coverage. Staff has considered higher deductibles and self-insured retentions as well as higher limits of coverage. In view of the current insurance market place and VTA’s risk appetite, staff recommends no significant changes in levels of coverage for Fiscal Year 2017.

**FISCAL IMPACT:**
This action will authorize up to $3,950,000 for the FY17 Operations Insurance coverage. Appropriation for this expenditure is available in the FY17 VTA Adopted Transit Fund Operating Budget.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Administration & Finance Committee considered this item on May 19, 2016. The Committee unanimously recommended the item be forwarded to the VTA Board of Directors for approval.

Prepared by: Judith Tancula
Memo No. 5585

**ATTACHMENTS:**

- Attachment A Government Section Code 84308 (DOCX)
Attachment A

Property Casualty VTA Operations Insurance - Authorization to Use Preferred Vendor

List of Contractor(s)

<table>
<thead>
<tr>
<th>Firm Name</th>
<th>Name</th>
<th>Role</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alliant Insurance Services, Inc.</td>
<td>Rob Leong</td>
<td>Account Executive CA License OC36861</td>
<td>100 Pine Street, # 1100 San Francisco, CA 94111-5101</td>
</tr>
<tr>
<td>Alliant Insurance Services, Inc.</td>
<td>Jo Anne Roque</td>
<td>Account Representative CA License OC36861</td>
<td>100 Pine Street, # 1100 San Francisco, CA 94111-5101</td>
</tr>
</tbody>
</table>
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Financial Officer, Raj Srinath

SUBJECT: Ticket Vending Machines - Authorization to use Preferred Vendor

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a sole source contract with VenTek Transit, Inc. of Petaluma, California for a not-to-exceed amount of $765,000 for the manufacture and delivery of ten (10) ticket vending machines (TVMs) consistent with VTA’s existing light rail ticket vending system to serve VTA customers including persons transferring from BART to VTA at the Milpitas BART station currently under construction.

BACKGROUND:

VTA’s current system of ticket vending machines was originally installed in the year 2000 subsequent to a two-step competitive bid process. A total of 114 TVMs, the ProVend system management software, and a network master computer were provided at that time by VenTek Transit, Inc. of Petaluma, California. An additional 42 VenTek TVMs were procured in 2004 to support the Tasman East/Capitol and Vasona light rail extensions. In 2012, VTA completed an upgrade of all 156 TVMs to add credit/debit card readers, a credit card authorization server, and support for Clipper® add-value functionality through a project funded by MTC’s Regional Measure 2 program. The TVMs including Clipper® and credit/debit card features have worked well for VTA both for selling paper tickets and as a channel for riders to load monthly passes or cash value onto Clipper® cards. All VTA TVMs need to be part of an integrated system requiring software as well as hardware compatibility.

DISCUSSION:

VTA needs to procure ten additional TVMs to accommodate added ridership to Levi’s Stadium and the increase in ridership anticipated with the opening of the Silicon Valley BART Extension.
Spare TVMs have already been installed at Mountain View, Great Mall, and Great America light rail stations and additional TVMs will be needed at Montague station in Milpitas to serve passengers transferring from BART. New TVMs need to be compatible with the existing TVM system including two computer servers communicating over different networks. The new TVMs must be compatible with the TVM monitoring and reporting protocols, secure debit/credit authorization processes, and the Clipper® add-value network as well as with VTA revenue collection procedures.

Procurement of additional TVMs from a new supplier would be impractical. TVMs provided by a supplier other than VenTek Transit Inc. could not be put into service unless VTA also procured and operated a separate monitoring and reporting system and added new revenue collection equipment to support the revenue modules for these new machines. In addition, a new approach to the secure handling of debit/credit card payments and Clipper® integration would have to be developed at considerable cost.

Delivery of additional TVMs is needed by late 2016 or early 2017 in order to allow for timely installation and testing at the Milpitas BART station. This will not pose a problem for VenTek Transit, but would be difficult for any other supplier because of the development required to provide integration with VTA monitoring and reporting, debit/credit card processing, and Clipper® add-value systems as described above.

**ALTERNATIVES:**

There is no practical alternative to the recommendation because TVMs from a different supplier would not be compatible with VTA’s existing TVM network, reporting systems, or revenue processing equipment and it would be highly impractical to operate and maintain two separate TVM systems.

The Board could reject the recommendation and direct staff to perform a competitive sealed-bid procurement process. However, this is impractical because it will impose significant additional up-front costs as well as recurring maintenance costs associated with managing two incompatible systems. VTA would also bear the risk of software development and ultimately be required to support separate revenue collection systems both from a hardware and software standpoint.

**FISCAL IMPACT:**

This action will authorize up to $765,000 for procurement of ticket vending machines. Appropriation for this expenditure is included in the FY16 Adopted VTA Transit Fund Capital Budget. This contract is funded by VTA Transit and 2000 Measure A funds.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Administration & Finance Committee considered this item on May 19, 2016. The Committee unanimously recommended the item be forwarded to the VTA Board of Directors for approval.

Prepared by: David Sausjord
Memo No. 5586
ATTACHMENTS:

- Attachment A Ticket Vending Machines – Auth Preferred Vendor (DOCX)
Attachment A
Ticket Vending Machines – Authorization to Use Preferred Vendor
List of Contractor(s)

<table>
<thead>
<tr>
<th>Firm Name</th>
<th>Name</th>
<th>Role</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>VenTek Transit, Inc.</td>
<td>Sonny Hogg</td>
<td>President</td>
<td>975 Transport Way Petaluma, CA 94954</td>
</tr>
</tbody>
</table>
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Financial Officer, Raj Srinath

SUBJECT: Tamien Development Request for Proposals

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to issue a developer Request for Proposal (RFP) for joint development proposals at the Tamien station, pursuant to the rezoning application and environmental review as approved by the San Jose City Council.

BACKGROUND:

The Tamien station contains approximately 13.1 acres located immediately east of SR-87, between the Willow Glen and Alma neighborhoods in San Jose, and consists of both a VTA light rail and Caltrain station, with the tracks splitting the station area. The location was previously identified as a joint development priority site. VTA initiated a rezoning application in 2013 for a portion of the property to the east of SR-87. That rezoning application, and its associated environmental review, has recently completed a 30-day public comment period. The San Jose City Council is scheduled to consider the second reading of a rezoning ordinance for the project and certification of the environmental document at its June 28, 2016 meeting.

The proposed development program would allow up to 440 units of multifamily housing, and 3,000 square feet of retail space to serve new residents and transit riders. There is an existing children’s day care center located where new development will occur that has a lease with VTA through mid-2017 and that will need to relocate for the project. VTA staff has been in touch with the center operator who is planning to move.

The City's final approval of the rezoning application will constitute the Development concept pursuant to VTA's Joint Development Policy.
A related project is the City of San Jose’s construction of a 3.5 acre new community park adjacent to the north side of the joint development project that is a long-standing community priority. VTA separately entered into a transaction with the City of San Jose to sell it approximately two acres of land in return for payment to VTA of cash and park development PDO credits that will be used to reduce the park development impact fees to be paid by the joint development project. The land has already been transferred to the City, with the final transaction close occurring after the City Council approves the rezoning.

The proposed development project and replacement parking structure will impact 566 parking spaces that are currently used by VTA and Caltrain patrons. VTA previously completed an environmental review that would allow for construction of a new parking structure at the site that could include from up to 700 to 900 parking spaces. The replacement parking structure for the affected spaces would be located on the west side of the station area, and would need to be built prior to the commencement of construction for the rest of the joint development project.

**DISCUSSION:**

The developer RFP represents the next step in the creation of a joint development project at the Tamien Station. VTA, as set forth in the RFP document to be drafted, will seek a developer who will undertake responsibility for the design, financing, construction, and operation of a residential mixed-use project pursuant to a long-term ground lease of up to 60 years or more. RFP submittals will be required to identify the complete development team, including affordable housing developer, to allow evaluation of the team’s experience and capability. The RFP will seek detailed development proposals that will allow staff to fully evaluate: the proposed site plan, development program and architectural quality; proposed financial terms; and commitments to affordable housing (including number of units, unit mix and size, and affordability); community workforce opportunities; and other VTA goals and requirements.

The RFP will request proposals for residential mixed-use development, with a limited amount of ground floor commercial, pursuant to a long-term ground lease from VTA. The developer will be required to construct a new parking structure to replace all of the existing spaces used for new development (Attachment A to this memorandum shows the General Development Plan for the station area, including the park to be built by the City of San Jose).

A minimum of 20 percent of residential units will be required to be affordable to low-income households (60 percent of Area Median Income or AMI), with half of those units affordable to very-low or extremely-low income households (50 percent AMI or less). A scoring benefit will be provided to proposals whose development team includes an affordable housing developer and/or provides a greater amount of affordable units. The RFP will request DBE and M/WBE participation consistent with VTA’s existing requirement, as well as community workforce opportunities, including apprenticeship training.

Staff will evaluate developer proposals received in response to the RFP, and provide its evaluation to the Board, along with a recommendation for the developer to be selected for an Exclusive Negotiations Agreement (ENA).

Developers will be asked to submit proposed project plans that maximize the benefits from new
development while being consistent with City and VTA requirements (i.e. developers will be allowed to recommend what they consider to be the optimal project within the framework of the approved rezoning and certified environmental document), in order to allow developers to apply their market-based expertise and insight. Developers will be required to demonstrate that their required sources of project financing are available, and provide a comprehensive financial proposal that identifies proposed ground rent payments with periodic increases, participation rents, proposed lease term, and so on. Submittals will require payment of a deposit of up to $100,000 towards VTA transaction costs (deposits will be returned to unsuccessful proposers).

Developer submittals will identify the total number of affordable housing units that would be provided, by income level and by unit size. Affordable units will be required to remain affordable for the entire term of the ground lease. The proposals will need to describe in detail how the specific types of apprenticeships, training programs, and any other community workforce opportunities that would be created, along with identification of a commitment to creating contracting opportunities for disabled and minority- and women-owned businesses (DBE and M/WBE). All construction workers on the project will be paid prevailing wages.

RFP Process and Evaluations

The RFP document will be released for a 120-day offering period following the Board of Directors’ authorization to release the RFP. Distribution will include local, regional, and national multifamily residential developers and affordable housing developers, and firms and individuals on the interest list maintained by VTA.

VTA staff will conduct a pre-proposal meeting to answer questions from interested developers and will be available throughout the RFP process to answer questions.

Following the submittal deadline, an evaluation panel consisting of VTA staff and consultants will meet to review all aspects of the proposals against evaluation criteria that include the capability of the development team, the quality of the development proposal, the proposed financial and ground lease terms, the amount and affordability of affordable housing units, and community workforce and DBE and M/WBE commitments. The panel will conduct interviews as it deems appropriate. Following interviews, the panel will formulate a recommendation as to the development proposal that it feels represents the best overall proposal to VTA. That recommendation, and the individual proposal evaluations, will be presented to the Board of Directors for authorization to enter into an Exclusive Negotiations Agreement (ENA). The ENA would lead to a Joint Development Agreement specifying all terms and conditions of the project, including the ground lease, that would be presented to the Board of Directors for its approval.

**ALTERNATIVES:**

The Board may provide additional specific guidance on RFP terms and conditions, and/or the RFP process.

An alternative process would be to first issue a Request for Qualifications to first identify a short-list of eligible developers to participate in a subsequent Request for Proposals.
**FISCAL IMPACT:**

A developer RFP would involve obtaining assistance from VTA consultants to assist with the offering and evaluation of proposals, with an expenditure from the Joint Development Fund.

The result of the developer RFP process would be selection of a single developer for exclusive negotiations. Assuming successful completion of subsequent negotiations and execution of a long-term ground lease, VTA would receive substantial on-going payments from the developer that would add to the Joint Development Fund.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

This item was presented to the Administration and Finance Committee on May 19, 2016. The Committee unanimously recommended Board approval.

Prepared by: Ron Golem
Memo No. 5597

**ATTACHMENTS:**

- Tamien RFP Attachment A (PDF)
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Financial Officer, Raj Srinath

SUBJECT: Contract Award to OUTFRONT Media Group, LLC for Transit Advertising Services

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a contract with OUTFRONT Media Group, LLC to sell, display and manage the advertising program on VTA Bus and Light Rail Vehicles; on Light Rail Stations platforms and Light Rail digital signs for a five-year term beginning on July 1, 2016 and running through June 30, 2021, with an option for VTA to extend the contract for one five-year period.

BACKGROUND:

VTA, like many public transportation agencies in the United States, contracts with one firm to manage, sell and post advertisements on the interiors and exteriors of its transit vehicles. The firm under contract has the exclusive right to sell the advertising space on behalf of VTA. VTA has contracted with Lamar Corporation since January 1, 2010 and its contract expires on June 30, 2016. An RFP was issued on February 25, 2016 to request firms that specialize in Out-of-Home advertising to provide transit advertising services utilizing VTA’s fleet of buses, light rail vehicles and other transit assets to maximize advertising income for VTA.

VTA has a separate contract with Clear Channel Outdoor for the installation, maintenance, cleaning and repairing of VTA bus shelters in exchange for the right to sell and post advertising on 75% of the shelters. The remaining 25% of the shelters do not have advertising. The current contract with Clear Channel expires October 31, 2017 and a Request for Proposal will be published in early 2017 to address this expiring contract.
DISCUSSION:

A Request for Proposals (RFP) was issued on February 25, 2016. Responses were received from four firms and reviewed by a panel consisting of the Deputy Director, Real Estate and Joint Development; the Manager, Real Estate and Project Administration; and Manager, Market Development.

The evaluation criteria for the RFP were:

- Qualifications of the Firm
- Revenue
- Staffing and Project Organization
- Work Plan/Project Understanding

Proposals were received from Lamar Transit Advertising, OUTFRONT Media Group, LLC, Signal Outdoor Advertising and Creative Outdoor. Creative Outdoor’s proposal did not fully cover and address the scope of work as stated in the RFP and was therefore not evaluated on the same basis as the other three submittals. The results of the revenue proposals of the three remaining qualified proposers are as follows:

<table>
<thead>
<tr>
<th>Proposer</th>
<th>Guaranteed Income for Five Years</th>
<th>Revenue Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>OUTFRONT Media Group, LLC</td>
<td>$12,250,000</td>
<td>65%</td>
</tr>
<tr>
<td>Lamar Corporation</td>
<td>$10,500,000</td>
<td>65%</td>
</tr>
<tr>
<td>Signal Outdoor Advertising</td>
<td>$8,825,000</td>
<td>62.5% (5-year average)</td>
</tr>
</tbody>
</table>

The revenue to be received by VTA is calculated as the greater of the Guaranteed Income or 65% of the firm’s net sales. By comparison, the five-year guaranteed income received by VTA from the 2010 Board-approved contact with Lamar totaled $7,400,000.

OUTFRONT Media Group’s proposal was deemed by the review panel to be the most responsive to the RFP in terms of offering the highest revenue and the strongest expertise and qualifications of their team members. OUTFRONT Media Group is the largest out-of-home advertising company in North America and the second largest overall. Currently, the company provides transit advertising services to other transit agencies, including:

- Metropolitan Transportation Authority (MTA)
- Washington Metropolitan Area Transit Authority (WMATA)
- Los Angeles County MTA
- Orange County Transportation Authority
- Metropolitan Atlanta Rapid Transit Authority (MARTA)
• SamTrans/Caltrain

OUTFRONT Media Group and its predecessor companies have been in operation for nearly 80 years, and have established national, regional and local sales team. Prior to its recent listing as an independent public company, OUTFRONT was formerly known as CBS Outdoor. OUTFRONT Media Group’s staff will focus on increasing local market advertisements sales, as well as using its regional and national network to better present the Santa Clara County advertising market and VTA in forthcoming media buys. Based on discussions with Caltrain staff, OUTFRONT has surpassed sales expectations and has brought in revenues that exceed the annual guarantee, and Staff will work with OUTFRONT to accomplish this outcome for VTA.

ALTERNATIVES:

The Board could decide on the alternative courses of action that include: approve the selection of OUTFRONT and request staff to negotiate other contract terms and conditions; request staff to reissue the RFP and temporarily extend the Lamar contract; or select a different Proposer.

FISCAL IMPACT:

Under the terms of the recommended action, OUTFRONT Media Group would provide to VTA at least $12.25 Million in advertising revenue over the five-year term of the contract.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

The Administration and Finance Committee considered this item as part of their consent agenda on May 19, 2016. The committee unanimously recommended approval of this item and placed it on the Board's consent agenda.

Prepared by: Dino Guevarra
Memo No. 5598

ATTACHMENTS:
• Transit Advertising RFP Attachment A(PDF)
Attachment A

Transit Advertising Request for Proposal
List of Consultant(s)/Contractor(s)

<table>
<thead>
<tr>
<th>Firm Name</th>
<th>Name</th>
<th>Role</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>OUTFRONT Media Group, LLC</td>
<td>Steve Hillwig</td>
<td>EVP, National Operations</td>
<td>Lakewood, New Jersey</td>
</tr>
</tbody>
</table>
ACTION ITEM

RECOMMENDATION:

Review and accept the Fiscal Year 2016 Statement of Revenues and Expenses for the period ending March 31, 2016

DISCUSSION:

This memorandum provides a brief discussion of significant items and trends on the attached Statement of Revenues and Expenses through March 31, 2016. The schedule has been designed to follow the same company-wide line item rollup as included in the adopted budget. The columns have been designed to provide easy comparison of actual to budget activities for the current fiscal year including year-to-date dollar and percentage variances from budget. The current staff projections of Revenues and Expenses for Fiscal Year 2016 are also included.

The following are highlights of the current Statement of Revenues and Expenses:

Revenues

Fiscal year-to-date Total Revenues (line 14) are above budget estimates by $1.3M, primarily due to favorable variances in Sales Tax based accounts, including 1976 Half-Cent Sales Tax (line 2), TDA (line 3) and Measure A Sales Tax Operating Assistance (line 4); Investment Earnings (line 8); and Other Income (line 11). This positive variance was partially offset by an unfavorable variance in Fares (line 1) and State Transit Assistance (STA) (line 5).
Sales Tax based revenues, including 1976 Half-Cent Sales Tax (line 2), TDA (line 3), and Measure A Sales Tax Operating Assistance (line 4), accounted for a collective surplus of $2.6M over budget estimates. Based on current projections, there would be no year-end transfer to or from the Sales Tax Stabilization Fund as the Fund is currently at its maximum limit of $35.0M.

Investment Earnings (line 8) reflects a positive variance of $0.7M due primarily to a higher than anticipated portfolio balance.

Other Income (line 11) has a positive variance of $0.5M due to receipt of an underground storage remediation payment and increased permit activities.

Fares (line 1) shows a negative variance of $2.0M. This variance is due to a combination of lower ridership than budgeted and an increase in the number of riders using pre-paid fare media such as monthly passes, day passes, and Eco-Pass.

STA (line 5) reflects an unfavorable variance of $0.6M due to the continued reduction in the price of diesel fuel. STA revenues are derived entirely from the sales tax on diesel fuel.

**Expenses**

Overall, Fiscal year-to-date Total Expenses (line 43) were $3.3M under budget driven primarily by favorable variances in Labor (line 15), Professional & Special Services (line 18) and Fuel (line 20) offset somewhat by unfavorable variances in Materials & Supplies (line 16) and Reimbursements (line 31).

Labor (line 15) shows a positive variance of $1.5M due primarily to savings related to health insurance premiums and a higher than budgeted vacancy rate.

Professional & Special Services (line 18) has a positive variance of $1.8M due primarily to timing of planned activities.

Fuel (line 20) reflects a favorable variance of $3.7M due to lower per gallon costs than budgeted. Average diesel price per gallon paid year-to-date through March was $1.72 versus a budgeted price of $2.75.

Materials & Supplies (line 16) reflects an unfavorable variance of $3.2M due primarily to increased preventive maintenance costs on an aging Light Rail Vehicle fleet.

Reimbursements (line 31) has a negative variance of $2.2M due primarily to timing of reimbursable project activities.

**Projections**

Current staff projections for the fiscal year reflect a positive Operating Balance (line 44) of $2.4M. This increase over the budgeted Operating Balance is due primarily to projected savings in labor, professional services, fuel and data processing. These positive impacts are offset
somewhat by lower fares, STA, and reimbursements as well as higher than budgeted materials & supplies.

**SUMMARY:**

Through the first nine months of the year, revenues were higher than budget projections by $1.3M while expenses were $3.3M lower than budget, for an overall positive variance of revenues over expenses (line 44) of $4.6M. Current staff projections for the fiscal year reflect a positive Operating Balance of $2.4M.

**FISCAL IMPACT:**

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

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Administration and Finance Committee considered this item as part of its May 19, 2016 Consent Agenda and unanimously recommended Board approval.

Prepared by: Carol Lawson, Fiscal Resources Manager
Memo No. 5255

**ATTACHMENTS:**

- FY16 3Q Rev Exp Attachment (PDF)
## SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

### STATEMENT OF REVENUES AND EXPENSES

**Fiscal Year 2016**

**through March 31, 2016**

(Dollars in Thousands)

<table>
<thead>
<tr>
<th>Line</th>
<th>Category</th>
<th>Fiscal Year-to-Date Actual</th>
<th>Fiscal Year-to-Date Budget</th>
<th>Year-to-Date Variance</th>
<th>FY 2016 Current Budget¹</th>
<th>FY 2016 Projection²</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fares</td>
<td>28,492</td>
<td>30,461</td>
<td>(1,969)</td>
<td>-6.5%</td>
<td>40,618</td>
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<td>2</td>
<td>1976 Half-Cent Sales Tax</td>
<td>155,034</td>
<td>154,610</td>
<td>424</td>
<td>0.3%</td>
<td>207,439</td>
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<td>3</td>
<td>TDA</td>
<td>74,680</td>
<td>72,667</td>
<td>2,013</td>
<td>2.8%</td>
<td>98,055</td>
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<td>4</td>
<td>Measure A Sales Tax-Oper Asst</td>
<td>28,720</td>
<td>28,536</td>
<td>184</td>
<td>0.6%</td>
<td>38,287</td>
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<tr>
<td>5</td>
<td>STA</td>
<td>10,464</td>
<td>11,072</td>
<td>(608)</td>
<td>-5.5%</td>
<td>14,765</td>
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<tr>
<td>6</td>
<td>Federal Operating Grants</td>
<td>3,046</td>
<td>2,778</td>
<td>268</td>
<td>9.6%</td>
<td>11,704</td>
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<tr>
<td>7</td>
<td>State Operating Grants</td>
<td>1,402</td>
<td>1,667</td>
<td>(265)</td>
<td>-15.9%</td>
<td>2,232</td>
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<td>8</td>
<td>Investment Earnings</td>
<td>1,758</td>
<td>1,069</td>
<td>689</td>
<td>64.5%</td>
<td>1,425</td>
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<tr>
<td>9</td>
<td>Advertising Income</td>
<td>1,863</td>
<td>1,586</td>
<td>277</td>
<td>17.5%</td>
<td>2,115</td>
</tr>
<tr>
<td>10</td>
<td>Measure A Repayment Obligation</td>
<td>3,632</td>
<td>3,855</td>
<td>(223)</td>
<td>-5.8%</td>
<td>15,306</td>
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<tr>
<td>11</td>
<td>Other Income</td>
<td>2,380</td>
<td>1,834</td>
<td>546</td>
<td>29.7%</td>
<td>2,446</td>
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<tr>
<td>12</td>
<td>Transfer for Capital</td>
<td>(25,200)</td>
<td>(25,200)</td>
<td>0</td>
<td>0.0%</td>
<td>(33,600)</td>
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<tr>
<td>13</td>
<td>Debt Reduction Fund Contribution</td>
<td>14,973</td>
<td>14,973</td>
<td>0</td>
<td>0.0%</td>
<td>19,965</td>
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<tr>
<td>14</td>
<td><strong>Total Revenues</strong></td>
<td><strong>301,244</strong></td>
<td><strong>299,908</strong></td>
<td><strong>1,336</strong></td>
<td><strong>0.4%</strong></td>
<td><strong>420,189</strong></td>
</tr>
<tr>
<td>15</td>
<td>Labor Costs</td>
<td>230,994</td>
<td>232,536</td>
<td>1,542</td>
<td>0.7%</td>
<td>310,073</td>
</tr>
<tr>
<td>16</td>
<td>Materials &amp; Supplies</td>
<td>17,714</td>
<td>14,556</td>
<td>(3,158)</td>
<td>-21.7%</td>
<td>19,408</td>
</tr>
<tr>
<td>17</td>
<td>Security</td>
<td>8,778</td>
<td>9,353</td>
<td>575</td>
<td>6.1%</td>
<td>12,473</td>
</tr>
<tr>
<td>18</td>
<td>Professional &amp; Special Services</td>
<td>3,815</td>
<td>5,592</td>
<td>1,777</td>
<td>31.8%</td>
<td>7,628</td>
</tr>
<tr>
<td>19</td>
<td>Other Services</td>
<td>5,564</td>
<td>5,644</td>
<td>81</td>
<td>1.4%</td>
<td>7,693</td>
</tr>
<tr>
<td>20</td>
<td>Fuel</td>
<td>5,795</td>
<td>9,480</td>
<td>3,685</td>
<td>38.9%</td>
<td>12,573</td>
</tr>
<tr>
<td>21</td>
<td>Traction Power</td>
<td>3,246</td>
<td>2,789</td>
<td>(457)</td>
<td>-16.4%</td>
<td>3,819</td>
</tr>
<tr>
<td>22</td>
<td>Tires</td>
<td>1,520</td>
<td>1,594</td>
<td>74</td>
<td>4.6%</td>
<td>2,114</td>
</tr>
<tr>
<td>23</td>
<td>Utilities</td>
<td>2,231</td>
<td>2,171</td>
<td>(59)</td>
<td>-2.7%</td>
<td>2,895</td>
</tr>
<tr>
<td>24</td>
<td>Insurance</td>
<td>4,570</td>
<td>4,287</td>
<td>(283)</td>
<td>-6.6%</td>
<td>5,716</td>
</tr>
<tr>
<td>25</td>
<td>Data Processing</td>
<td>2,756</td>
<td>3,607</td>
<td>851</td>
<td>23.6%</td>
<td>4,779</td>
</tr>
<tr>
<td>26</td>
<td>Office Expense</td>
<td>318</td>
<td>304</td>
<td>(13)</td>
<td>-4.3%</td>
<td>426</td>
</tr>
<tr>
<td>27</td>
<td>Communications</td>
<td>1,145</td>
<td>1,132</td>
<td>(13)</td>
<td>-1.2%</td>
<td>1,606</td>
</tr>
<tr>
<td>28</td>
<td>Employee Related Expense</td>
<td>544</td>
<td>774</td>
<td>230</td>
<td>29.7%</td>
<td>1,045</td>
</tr>
<tr>
<td>29</td>
<td>Leases &amp; Rents</td>
<td>655</td>
<td>440</td>
<td>(214)</td>
<td>-48.7%</td>
<td>776</td>
</tr>
<tr>
<td>30</td>
<td>Miscellaneous</td>
<td>758</td>
<td>764</td>
<td>6</td>
<td>0.8%</td>
<td>952</td>
</tr>
<tr>
<td>31</td>
<td>Reimbursements</td>
<td>(26,925)</td>
<td>(29,129)</td>
<td>(2,204)</td>
<td>7.6%</td>
<td>(38,838)</td>
</tr>
<tr>
<td>32</td>
<td><strong>Subtotal Operating Expense</strong></td>
<td><strong>263,478</strong></td>
<td><strong>265,897</strong></td>
<td><strong>2,419</strong></td>
<td><strong>0.9%</strong></td>
<td><strong>355,136</strong></td>
</tr>
<tr>
<td>33</td>
<td>Paratransit</td>
<td>14,531</td>
<td>14,861</td>
<td>329</td>
<td>2.2%</td>
<td>19,817</td>
</tr>
<tr>
<td>34</td>
<td>Caltrain</td>
<td>6,310</td>
<td>6,291</td>
<td>(19)</td>
<td>-0.3%</td>
<td>8,390</td>
</tr>
<tr>
<td>35</td>
<td>Altamont Corridor Express</td>
<td>3,597</td>
<td>3,767</td>
<td>170</td>
<td>4.5%</td>
<td>5,023</td>
</tr>
<tr>
<td>36</td>
<td>Highway 17 Express</td>
<td>188</td>
<td>274</td>
<td>87</td>
<td>31.7%</td>
<td>366</td>
</tr>
<tr>
<td>37</td>
<td>Monterey-San Jose Express Service</td>
<td>26</td>
<td>26</td>
<td>(0)</td>
<td>0.0%</td>
<td>35</td>
</tr>
<tr>
<td>38</td>
<td>Contribution to Other Agencies</td>
<td>656</td>
<td>725</td>
<td>69</td>
<td>9.5%</td>
<td>8,699</td>
</tr>
<tr>
<td>39</td>
<td>Debt Service</td>
<td>5,294</td>
<td>5,537</td>
<td>243</td>
<td>4.4%</td>
<td>21,686</td>
</tr>
<tr>
<td>40</td>
<td><strong>Subtotal Other Expense</strong></td>
<td><strong>30,603</strong></td>
<td><strong>31,482</strong></td>
<td><strong>879</strong></td>
<td><strong>2.8%</strong></td>
<td><strong>63,998</strong></td>
</tr>
<tr>
<td>41</td>
<td>Operating &amp; Other Expenses</td>
<td>294,080</td>
<td>297,378</td>
<td>3,298</td>
<td>1.1%</td>
<td>419,134</td>
</tr>
<tr>
<td>42</td>
<td>Contingency</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>1,845</td>
</tr>
<tr>
<td>43</td>
<td><strong>Total Expenses</strong></td>
<td><strong>294,080</strong></td>
<td><strong>297,378</strong></td>
<td><strong>3,298</strong></td>
<td><strong>1.1%</strong></td>
<td><strong>420,979</strong></td>
</tr>
<tr>
<td>44</td>
<td>Operating Balance</td>
<td>7,163</td>
<td>2,530</td>
<td>4,634</td>
<td>(790)</td>
<td>(2,442)</td>
</tr>
</tbody>
</table>

Note: Totals and percentages may not be precise due to independent rounding.

¹ Reflects Adopted Budget approved by the Board on June 4, 2015 and $1.4M augmentation approved by the Board on October 1, 2015

² Reflects current staff projection as of April 19, 2016
### SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
### SOURCES AND USES OF FUNDS SUMMARY
### Fiscal Year 2016
### through March 31, 2016
### (Dollar in Thousands)

<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>FY16 Adopted Budget</th>
<th>FY16 Current Budget</th>
<th>FY16 Projected Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>FY16</td>
<td>FY16</td>
<td>FY16</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Current</td>
<td>Actual</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Budget</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Total Operating Revenues</td>
<td>420,189</td>
<td>420,189</td>
<td>409,398</td>
</tr>
<tr>
<td>2</td>
<td>Total Operating Expenses</td>
<td>(419,579)</td>
<td>(420,979)</td>
<td>(406,956)</td>
</tr>
<tr>
<td>3</td>
<td>Operating Balance</td>
<td>610</td>
<td>(790)</td>
<td>2,442</td>
</tr>
<tr>
<td>4</td>
<td>Operating Balance Transfers</td>
<td>610</td>
<td>(790)</td>
<td>2,442</td>
</tr>
<tr>
<td>5</td>
<td>Transfer From/(To) Sales Tax Stabilization Fund</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>6</td>
<td>Transfer From/(To) Operating Reserve</td>
<td>(610)</td>
<td>790</td>
<td>(1,210)</td>
</tr>
<tr>
<td>7</td>
<td>Transfer to Debt Reduction Fund for Future Capital</td>
<td>0</td>
<td>0</td>
<td>1,232</td>
</tr>
<tr>
<td>8</td>
<td>Beginning Operating Reserve</td>
<td>62,937</td>
<td>62,937</td>
<td>62,937</td>
</tr>
<tr>
<td>9</td>
<td>Transfer From/(To) Operating Balance</td>
<td>610</td>
<td>(790)</td>
<td>1,210</td>
</tr>
<tr>
<td>10</td>
<td>Ending Operating Reserves</td>
<td>63,547</td>
<td>62,147</td>
<td>64,147</td>
</tr>
<tr>
<td>11</td>
<td>Operating Reserve %</td>
<td>15.0%</td>
<td>14.7%</td>
<td>15.0%</td>
</tr>
</tbody>
</table>

Note: Totals may not be precise due to independent rounding.

---

1. Adopted Budget approved by the Board on June 4, 2015
2. Reflects $1.4M augmentation approved by the Board on October 1, 2015
3. Staff Projection as of April 19, 2016
4. Line 18 divided by Budgeted Operating Expenses
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Operating Officer, Inez Evans

SUBJECT: Contract Amendment for Gillig Sole Source Parts Contract

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to increase the existing five year bus parts contract (VTA13-016-P03) with Gillig LLC (Gillig) by $634,991 for a total of $1,765,254.

BACKGROUND:

VTA operates a bus fleet of 453 buses, of which 368 are Gillig Buses. VTA maintenance personal inspect and repair the buses to keep the fleet running safely and reliably. VTA personnel will replace parts as small as decals to as large as diesel engines. The parts are replaced due to normal wear and tear as well as unusual occurrences such as accidents. Many of these parts are available through various sources. However, this is not the case for all bus parts.

To assure proper availability of parts that are only available through the original equipment manufacturer (Gillig), in 2014, VTA established a sole source contract with Gillig in the amount of $1,130,263. Due to further parts identification, the contract was increased in the amount of $171,985 by amendment. Since then, staff has identified other parts that can only be provided by Gillig and has found that the parts usage has been greater than was originally estimated. Therefore, staff is requesting an authorization to increase the value of the contract by $463,006. Since this increase exceeds the 15% allowance for General Manager’s discretion, Board approval is requested.

DISCUSSION:

Routine wear and tear of parts on VTA’s buses is a normal part of operating the fleet. The
scheduled and unscheduled replacement of various parts is ongoing and will always be needed to maintain the vehicles and to assure a safe and comfortable ride.

Unlike the automobile market, the transit bus market is much smaller and more customized. VTA staff strives to find multiple sources to bid on bus parts contract. However, there are some parts that only have one supplier due to contract or patent obligations, these suppliers only provide parts to the original equipment manufacturer (OEM) for resale. VTA staff has worked diligently to find approved equivalent parts from other sources whenever possible. A number of other parts, such as body panels and structural elements, are of OEM design and not available from other sources. Hence, VTA had established a sole source contract with Gillig for such parts in 2014 valued at $1,130,263.

Subsequent to contract approval by the board in 2014, additional Gillig sole source parts were identified. To accommodate these parts, the contract was modified in the amount of $171,985. However additional sole source parts have been identified. Furthermore, staff has seen current parts usage running 30% higher than the original estimates. Based on the increased use and the new identified parts, it is estimated that an additional $463,006 is required. Thus an increase of $634,991 from the original contract amount, bringing the total contract amount to $1,765,254. The increase exceeds the 15% allowance for General Manager’s approval and thus Board approval is requested.

**Contract Summary**

<table>
<thead>
<tr>
<th>Vendor Name:</th>
<th>Gillig LLC</th>
<th>Original Contract Amount:</th>
<th>$1,130,263</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Number:</td>
<td>VTA13-016-P03</td>
<td>Prior Modifications:</td>
<td>$171,985</td>
</tr>
<tr>
<td>Contract Term(s):</td>
<td>5 Years</td>
<td>Amount Requested:</td>
<td>$463,006</td>
</tr>
<tr>
<td>Procurement Type:</td>
<td>Sole Source</td>
<td>Total Amount Including</td>
<td>$1,765,254</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Request:</td>
<td></td>
</tr>
<tr>
<td>Small Business Enterprise Goal:</td>
<td>None</td>
<td>% of Request to Current</td>
<td>36%</td>
</tr>
<tr>
<td>Funding Source(s):</td>
<td>Local with potential Federal funding in the future</td>
<td>Amount:</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>% Modifications including</td>
<td>56%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>request to original contract:</td>
<td></td>
</tr>
</tbody>
</table>

**ALTERNATIVES:**

The only known source for replacement parts listed is Gillig LLC. The safety and reliability of VTA’s bus fleet is critical. Maintaining a contract to ensure an adequate supply of parts is essential to VTA’s core function as a transit provider. There are no alternatives due to sole-source and proprietary rights nature of these parts.

**SMALL BUSINESS ENTERPRISE (SBE) PARTICIPATION:**

Based on the limited scope of work and no subcontracting opportunities, no specific goal has been established for this contract. Contractor is encouraged to make reasonable efforts to utilize SBEs in its procurement of ancillary services and products associated with the performance of this contract.
FISCAL IMPACT:

This action will authorize an additional $463,006 for the procurement of Gillig bus replacement parts for a period of up to 5 years on present contract: VTA13-016-P03. Appropriation for this contract through June 30, 2017 is included in the FY16 and FY17 adopted VTA Transit Fund Operating Budgets. Appropriation for the remainder of the contract period will be included in subsequent Biennial Operating Budget requests.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

The Administration & Finance Committee considered this item on May 19, 2016. The Committee unanimously recommended the item be forwarded to the VTA Board of Directors for approval.

Prepared by: Christian Reif
Memo No. 5544

ATTACHMENTS:

- Government Section Code 84308_Gillig Principals (PDF)
## Attachment A

### Contract Amendment for Gillig Sole Source Parts Contract

<table>
<thead>
<tr>
<th>Contractor Firm</th>
<th>Contractor Role</th>
<th>Name</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gillig</td>
<td>CEO</td>
<td>Dennis L. Howard</td>
<td>P.O. Box 3008 Hayward, California 94540-3008</td>
</tr>
<tr>
<td>Gillig</td>
<td>President</td>
<td>Derek Maunus</td>
<td>P.O. Box 3008 Hayward, California 94540-3008</td>
</tr>
<tr>
<td>Gillig</td>
<td>Vice President</td>
<td>Joseph Policarpio</td>
<td>P.O. Box 3008 Hayward, California 94540-3008</td>
</tr>
</tbody>
</table>
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Operating Officer, Inez Evans

SUBJECT: Balance Point Contract Amendment

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to extend the current contract with BalancePoint Strategic Services for three years in the amount of $750,000, for a total contract value of $2,672,505, to provide ongoing professional services in support of the Joint Workforce Investment (JWI) project. The term of the extended contract would be from July 1, 2016 through June 30, 2019.

BACKGROUND:

The Joint Workforce Investment (JWI), established in 2006, is a partnership between the Santa Clara Valley Transportation Authority (VTA) and the Amalgamated Transit Union, Local 265 (ATU) dedicated to creating a work environment that supports the long-term professional development and health and wellness of employees. BalancePoint Strategic Services was instrumental in establishing JWI and is a critical partner in its on-going success.

In 2015, the Transit Cooperative Research Program (TCRP), sponsored by the Federal Transit Administration (FTA) concluded a survey of Labor-Management Partnership for Public Transportation. The subsequent TCRP report included case studies of transit properties which seemed to have extensive labor-management cooperative activities. JWI was the first of six properties included as case studies in the report. According to the report, three factors were responsible for the successful design and operation of JWI:

1. A very committed and capable neutral facilitator/administrator;
2. State and local resources available to sustain workplace jobs initiatives;
3. A clear separation between JWI and collective bargaining activities (discussion in the
JWI’s goals overall are to:

- Assure high employee performance, job satisfaction and well-being through professional development and training;
- Equip employees with the skills and support necessary to move up the career ladder;
- Attract well-qualified recruits to entry level careers in public transit;
- Meet VTA’s need to enhance the responsiveness, reliability and attractiveness of public transit service in Santa Clara County;
- Address the shortage of skilled workers in an ever-increasingly technology-driven industry;
- Solve operational problems more effectively at the lowest possible level.

In August 2005, VTA and ATU executed a Memorandum of Understanding to enhance Operator/Passenger relations and improve Operator well-being. ATU recommended and VTA engaged BalancePoint Strategic Services to conduct a needs assessment, the results of which became the JWI project. BalancePoint Strategic Services has a strong track record of designing and implementing effective labor-management joint projects. The initial contract with BalancePoint Strategic Services had a value of $81,150 and expired in October 2007.

In November 2007, VTA entered into a new contract with BalancePoint Strategic Services to continue JWI activities in the amount of $249,000. This contract was amended to add $50,000 in October 2008 to continue JWI activities through 2008, pending consideration of this contract request. Major tasks included in this contract were development and implementation of the Maintenance Career Ladder Training Program (MCLTP), the New Operator/Mentor Pilot Project, and development of the Transit Career Ladder Project (TCLP).

In January 2009, VTA executed another contract with BalancePoint Strategic Services, to continue JWI activities through June 2011. Major tasks included in this $462,355 contract included expanding the New Operator/Mentor program with emphasis on health, wellness, and customer service strategies for operators; incorporating Mentors in VTA’s Verification of Transit Training (VTT) program; completing Introduction to Transit training modules in conjunction with San Jose City College; pursuing and obtaining external funding opportunities for bus operators and maintenance personnel; and generating metrics to gauge success of the program and develop strategies to promote JWI objectives. The contract included a provision for a one-year extension. On June 30, 2011, VTA executed a temporary 90-day extension in the amount of $69,353, while negotiating the the next agreement. This next $550,000 agreement was approved at the August 4, 2011 Board of Directors meeting, and expires on June 30, 2014.

In December 2013, the VTA extended the BalancePoint contract, to add $30,000 to the then existing contract in fiscal year 2014 for additional leadership development activities, and to extend the contract another two years and for additional transit leadership development and exploring and develop apprenticeship programs for difficult to fill positions in Light Rail Maintenance. This extension provided an additional $500,000 in funding for fiscal year 2015 and 2016. The total contract value of the contract, including this extension, was $1,611,708.
DISCUSSION:

BalancePoint Strategic Services serves as the neutral facilitator/administrator of JWI and is strongly endorsed by both ATU and VTA. This sole-source, fixed-fee contract engages BalancePoint Strategic Services to leverage and build upon previous JWI initiatives mentioned above. Sole-source procurement is justified based on BalancePoint’s credibility with strategic funding alliances and its ability to leverage its institutional contacts to search and obtain grant funding opportunities at the state and federal level (over $2.6 million to date. See Attachment A) to support operator and mechanic career advancement and skills training programs. The fees charged by BalancePoint for this work are fair and reasonable based on an independent cost analysis conducted by staff. Additionally, BalancePoint has:

1. Established relationships of mutual understanding and trust within JWI;
2. Maintained a high level of credibility within ATU and VTA Operations management.

BalancePoint has developed a strong track record of successfully building strong relationships with key ATU and VTA staff. BalancePoint is fully endorsed by ATU, and serves as a third-party neutral facilitator capable of serving as a liaison and coordinator between ATU and VTA management. In addition, because JWI uses a bottom-up approach to organizational optimization, the effectiveness of its programs depends on the strength of these relationships. Key activities in the JWI work plan facilitated by BalancePoint include:

- Institutionalize JWI programs by facilitating VTA/ATU meetings to provide program leadership and policy development.
- Develop baseline metrics for all programs including Maintenance Foreperson/Leads Leadership Academy, Transportation Mentor Leadership Academy for division and OCC Dispatchers, and building the JWI apprenticeship training program called for in the collective bargaining agreement with ATU.
- Expand the New Operator/Mentor Program across three bus operating divisions and to the light rail operating division, including the Operations Control Center (OCC) and other levels of Supervision.
- Develop focused approaches to multi-department communications and problem solving such as on-going focus groups, VTT presentations, and other multi department presentations.
- Facilitating programs to support new service plans.
- Conduct strategic planning and mission readiness training to support maintenance skills enhancement and leadership training.
- Develop structure for new apprenticeship programs including new operators, service mechanics, track workers, and overhead line workers.

We have included funding in the current budget cycle and will request funding in the next two-year budget cycle, in amounts consistent with the scope and effort expended on JWI activities under the current BalancePoint contract and proposed extension. The project will focus on building on the success we have already seen. Initiatives will include expanding the Operator Mentor Program; the Transit Leadership Academy to prepare first-line supervisors for increased supervisory responsibility; expanding employee health and wellness initiatives including stress...
reduction, physical fitness education, smoking cessation programs, and customer service training; and implementing and expanding apprenticeship programs that provide career ladder opportunities for incumbent employees.

**ALTERNATIVES:**

The Board could choose not to approve the recommended contract for these professional services. However, BalancePoint is endorsed by both VTA staff and by ATU. VTA requires these services to fully develop and implement the JWI project and fulfill the ongoing requirements of the Department of Labor (DOL) and California Employment Training Panel (ETP) grants. BalancePoint is a critical partner necessary for JWI to continue to achieve its goals.

**SMALL BUSINESS ENTERPRISE (SBE) PARTICIPATION:**

Based on the scope of work and no subcontracting opportunities, no specific SBE goal has been established for this project. However, contractor is an SBE and no subcontractors were utilized. SBE commitment for this contract is 100%.

**FISCAL IMPACT:**

This action will authorize $750,000 for professional services in support of the Joint Workforce Investment (JWI) project for a three-year period. Appropriation for the first year of the contract extension is included in the FY 2017 Adopted VTA Transit Fund Operating Budget. Appropriation for the second and third year will be included in the FY 2018 and FY 2019 VTA Transit Fund Operating Budgets.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Administration & Finance Committee considered this item on May 19, 2016. The Committee unanimously recommended the item be forwarded to the VTA Board of Directors for approval.

Prepared by: Stephen Johnstone
Memo No. 5556

**ATTACHMENTS:**

- Attachment A - BalancePointContract 2016 Funding (PDF)
- Attachment B - BalancePoint 84308 (PDF)
Attachment A

BalancePoint Initiated Outside Funding Sources for the Joint Workforce Investment

Governor’s 15% Discretionary Workforce Investment Act (WIA) grant: 2007-2008 (in partnership with the California Labor Federation (CLF); a regional consortium of VTA and Sacramento Regional Transit)

- $600,000 (VTA share $247,934.80 - the rest went to CLF and SacRT)

Job Development Incentive Fund (JDIF) grant from the California Community College Chancellor’s Office (CCCCO): 2008-2010 (in partnership with San José City College)

- $599,998 (reduced by $151,000 in year 2 due to state budget cuts, but VTA subcontract was unchanged) (VTA direct subcontract + SJCC instructors who developed/taught curriculum for VTA) – Final amount to VTA was $357,472.


- $214,000 (direct to VTA)

California Employment Training Panel (ETP)/AB118 grant: 2011-2012 and 2013 - 2015 (in partnership with the California Labor Federation; a statewide consortium of VTA, Sacramento Regional Transit, and Los Angeles Metropolitan Transportation Authority)

- $999,460 (VTA share up to $256,000)
- $999,768 (VTA share up to $300,000)
- $1,341,300 (VTA share up to $447,000)

California Community College Chancellor’s Office (CCCCO): 2016-2018 (in partnership with Mission College)

- $1,000,000 (VTA share $773,960)

Summary: VTA share/direct beneficiary of grants

$ 247,935 WIA
$ 357,472 JDIF/CCCCO
$ 214,000 DOL
$ 256,000 ETP/AB118
$ 300,000 ETP/AB118
$ 447,000 ETP/AB118
$ 773,960 CCCCCO/Mission College
$2,596,637 Total
## Attachment B

**BalancePoint Contract Amendment**

**List of Consultant(s)**

<table>
<thead>
<tr>
<th>Contractor Firm</th>
<th>Contractor Role</th>
<th>Name</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>BalancePoint Strategic Services</td>
<td>Principal Partner</td>
<td>Deborah Moy</td>
<td>1777 Borel Place, Suite 312, San Mateo, CA</td>
</tr>
<tr>
<td>BalancePoint Strategic Services</td>
<td>Principal Partner</td>
<td>Daniel Johnson</td>
<td>1777 Borel Place, Suite 312, San Mateo, CA</td>
</tr>
</tbody>
</table>
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Planning and Program Development, John Ristow

SUBJECT: Mathilda Avenue Improvements at SR 237 and US 101 - Contract Amendment

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute a contract amendment with WMH Corporation in an amount not-to-exceed $1,244,970, increasing the not-to-exceed total contract value to $2,644,551 and extend the contract term to December 31, 2017 to complete the environmental scope of services and begin Final Design and Right-Of-Way Engineering services for Mathilda Avenue Improvements at SR 237 and US 101 project.

BACKGROUND:

The Santa Clara Valley Transportation Authority (VTA), California Department of Transportation (Caltrans), and City of Sunnyvale are partnering on the development of the Mathilda Avenue Improvements at SR 237 and US 101. The project proposes to improve local roadway operations on Mathilda Avenue in the City of Sunnyvale from Almanor Avenue to Innovation Way, including on- and off-ramp improvements at the SR 237/Mathilda Avenue and US 101/Mathilda Avenue interchanges. The purpose of the project is to reduce congestion on Mathilda Avenue, improve mobility for all travel modes, and provide better access to local destinations. These outcomes are proposed to be achieved by addressing several issues in the project area including closely spaced intersections, uncontrolled ramp movements, lack of or discontinuous bicycle and pedestrian access, and less than satisfactory access to existing and future economic development.

In December 2012, the VTA Board of Directors authorized the General Manager to execute a cooperative agreement with the City of Sunnyvale to define the roles and responsibilities of each party in funding and for project development. The cooperative agreement was executed in April 2013. Per the cooperative agreement, VTA’s funding contribution is $250,000 and the City of
Sunnyvale’s funding contribution is $3,750,000 for a total of $4,000,000 in available funding for the project.

On March 29, 2013, VTA issued a Request for Proposals (RFP 13-08) to nine pre-qualified firms from the On-Call Highway Planning and Engineering list (RFQ 11-04) to perform planning, preliminary engineering and environmental documentation work for the SR 237/US 101/Mathilda Avenue Interchange Improvements project. Based on the results of this selection process, VTA staff recommended the award of the contract for the planning, preliminary engineering and environmental documentation services for the SR237/US 101/Mathilda Avenue Interchange Improvements project to WMH Corporation.

This procurement provided for the ability for contract amendments to the WMH Corporation contract for final design services.

On June 6, 2013, the VTA Board authorized the General Manager to execute a cost plus fixed fee contract with WMH Corporation in an amount not to exceed $1,400,000 for an initial term of three years to perform planning, preliminary engineering and environmental documentation services for the SR 237/US 101/Mathilda Avenue Interchange Improvements project. Contract No. S13089 was subsequently issued to WMH Corporation on August 19, 2013 in the amount of $1,399,581.

**DISCUSSION:**

The project development team (PDT) has completed the Alternatives Analysis and Project Initiation Document phases of the project. Caltrans approved the Project Study Report-Project Development Support document in February 2015 that allowed the project to move to the environmental phase. The original scope of services assumed the environmental phase would include the study of one Build Alternative and a No Build Alternative. After further analysis of the potential project impacts and significance of the project, the environmental scope was expanded to include the study of two Build Alternatives and a No Build Alternative. In addition, it was determined that an Environmental Impact Report (EIR) under the California Environmental Quality Act (CEQA) was the appropriate environmental document for the Project instead of the originally scoped Initial Study (IS). Due to these two modifications to the original scope, additional scope of services is needed to complete PA/ED.

This Project is a high priority for the City of Sunnyvale as it is needed to address existing roadway congestion and improve mobility for all travel modes in the area. Providing efficient access between downtown Sunnyvale and developments to the north of SR 237 is critical to the economic vitality of the City. As such, it is important to keep this project moving forward and begin the next phases of work which includes Final Design and Right-Of-Way Engineering. The current project funding of $4,000,000 is not sufficient to complete Final Design and Right-Of-Way Engineering. However, VTA staff proposes to commence the initial phases of work for Final Design and Right-Of-Way (ROW) Engineering to advance the project in readiness for future funds to complete Final Design and Right-Of-Way Engineering.
VTA staff is recommending to amend the scope of the existing WMH Corporation contract for additional services to complete the PA/ED scope mentioned above, advance Final Design to 35% complete plans, specifications and estimates (PS&E), and begin ROW engineering. The recommendation to amend the existing contract with WMH Corporation is based on the consultant's excellent performance to date on this project.

The existing contract is $1,399,581. The additional scope of work would require an additional $1,244,970, for a new contract amount not to exceed $2,644,551. The recommended contract amendment would extend the term to December 31, 2017.

The WMH Corporation contract will need to be amended in the future to complete Final Design and ROW Engineering once this funding is identified. The authorization for these services would be brought to the VTA Board of Directors for review and approval.

**Contract Summary**

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<th>Vendor Name: WMH Corporation</th>
<th>Original Contract Amount:</th>
<th>$1,399,581</th>
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<td>Contract Number: S15089</td>
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<td>Contract Term(s): December 31, 2017</td>
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<tr>
<td>Procurement Type: Competitive</td>
<td>Total Amount Including Request:</td>
<td>$2,644,551</td>
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<tr>
<td>Small Business Enterprise Goal: 11.71% (goal of existing contract)</td>
<td>% of Request to Current Amount:</td>
<td>88.95%</td>
</tr>
<tr>
<td>Funding Source(s): City of Sunnyvale &amp; VTA Local Program Reserve</td>
<td>% Modifications including request to original contract:</td>
<td>88.95%</td>
</tr>
</tbody>
</table>

**ALTERNATIVES:**

The Board of Directors could elect not to authorize amending the contract. However, that action would delay the completion of the project.

**FISCAL IMPACT:**

This action will authorize up to $1,244,970 for environmental scope of services, final design and right-of-way engineering services. There is sufficient appropriation for these expenditures in the FY16 Adopted VTP Highway Improvement Program Fund Capital Budget. This contract will be funded by City of Sunnyvale funds and VTA Local Program Reserve.

**SMALL BUSINESS ENTERPRISE (SBE) PARTICIPATION:**

A Small Business Enterprise (SBE) goal of 11.71% has been established for this contract. WMH Corporation has met the established goal and has committed to the 11.71% SBE participation on this contract. This amendment does not change the SBE requirements for this contract.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Administration and Finance Committee considered this item as part of its May 19, 2016 Consent Agenda and recommended the item for VTA Board of Directors' approval.
ATTACHMENTS:
- Attachment A  (PDF)
- Attachment B  (PDF)
Attachment A
Mathilda Avenue Improvements at SR 237 and US 101 - Contract Amendment
Location Map
## Attachment B

**Mathilda Avenue Improvements at SR 237 and US 101 - Contract Amendment**

**List of Consultants**

<table>
<thead>
<tr>
<th>FIRM NAME</th>
<th>NAME</th>
<th>ROLE</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>WMH Corporation (Prime Consultant)</td>
<td>William Hadaya</td>
<td>President</td>
<td>San Jose, CA</td>
</tr>
<tr>
<td>BASELINE Environmental Consulting</td>
<td>Yane Nordhav</td>
<td>Principal</td>
<td>Emeryville, CA</td>
</tr>
<tr>
<td>(Sub-Consultant)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fehr &amp; Peers (Sub-Consultant)</td>
<td>Matthew Haynes</td>
<td>Sr. Associate</td>
<td>San Jose, CA</td>
</tr>
<tr>
<td>Haygood Associates (Sub-Consultant)</td>
<td>Leah Haygood</td>
<td>President</td>
<td>Albany, CA</td>
</tr>
<tr>
<td>ICF International (Sub-Consultant)</td>
<td>Mike Davis</td>
<td>Sr. Vice President</td>
<td>San Jose, CA</td>
</tr>
<tr>
<td>Parikh Consultants (Sub-Consultant)</td>
<td>Gary Parikh</td>
<td>President</td>
<td>San Jose, CA</td>
</tr>
<tr>
<td>RBF Consulting (Sub-Consultant)</td>
<td>Paul Klein</td>
<td>Executive Vice President</td>
<td>San Jose, CA</td>
</tr>
<tr>
<td>RSE, Inc (Sub-Consultant)</td>
<td>Nasser Ashrafi</td>
<td>Vice President</td>
<td>Belmont, CA</td>
</tr>
<tr>
<td>Wreco (Sub-Consultant)</td>
<td>Han-Bin Liang</td>
<td>President</td>
<td>Walnut Creek, CA</td>
</tr>
<tr>
<td>Y&amp;C Transportation (Sub-Consultant)</td>
<td>Dan Yau</td>
<td>President</td>
<td>Sacramento, CA</td>
</tr>
</tbody>
</table>
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Planning and Program Development, John Ristow

SUBJECT: FY2016/17 TDA3 Project Priorities

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

Resolution

ACTION ITEM

RECOMMENDATION:

(1) Adopt a resolution approving the project priorities for the FY2016/17 Countywide Transportation Development Act Article 3 program; and (2) Modify VTA policy regarding the banking of TDA3 funds.

BACKGROUND:

Transportation Development Act (TDA) funds are derived from a ¼-cent of the State's general sales tax. Article 3 of the TDA makes a portion of these funds available for use on bicycle and pedestrian projects.

The Metropolitan Transportation Commission (MTC) programs TDA Article 3 funds in the nine Bay Area counties. Each year, MTC requests that the Congestion Management Agency (CMA) in each Bay Area county coordinate and submit annual TDA Article 3 program funding priorities for their respective counties. VTA, as the CMA for Santa Clara County, develops the countywide program. After the VTA Board adopts the projects, the list is forwarded to MTC for approval and project sponsors apply for reimbursement directly to MTC.

On December 9, 2004, the VTA Board of Directors dedicated 25% of Santa Clara County’s TDA Article 3 funds to projects on the countywide Bicycle Expenditure Program (BEP) list through 2030. Under subsequent revisions to BEP policy in March 2013, only BEP Category 1 projects are eligible for this set-aside. The remaining 75% of the annual allocation is guaranteed to Member Agencies based on the most recent California Department of Finance population estimates. These funds may be used for any eligible project and are referred to as the Guarantee.
On November 5, 2009, the VTA Board of Directors adopted a funding program for County Expressway Pedestrian Projects and dedicated up to $150,000 per year from the TDA3 BEP set-aside to help fund such projects.

If a Member Agency is unable to complete a TDA Article 3 funded project within the two-year period, the agency may rescind the project. When a project is rescinded, the funds are reallocated to the agency as part of its guarantee in the following cycle instead of reverting back to the countywide pool. In the event that an agency fails to rescind a project and funds lapse, the funds revert back to the countywide pool.

VTA policy also allows TDA Article 3 funds to be banked for up to two years plus one year to program funds. Banked funds are added to an agency’s Guarantee Fund amount in the following year. A Member Agency must inform VTA in writing of its intent to either claim or bank its TDA3 guarantee funds; failure to do so means that the funds revert to the countywide pool in the next cycle.

**DISCUSSION:**

The total TDA Article 3 funding available for programming this year is $2,452,115. Attachment A lists the VTA staff recommendations for the entire Santa Clara County TDA Article 3 program as discussed below and Attachment B contains a brief description of each project. The TDA Article 3 program was developed in accordance with MTC’s Local Process Resolution, MTC’s project requirements and the VTA board-adopted policies discussed above. The following paragraphs explain the staff recommendation for programming these funds:

**Guarantee Fund:**

This year, a total of $1,962,399 is available to the cities and the County for the Guarantee Fund. This total includes funds that were banked or rescinded in prior years. Member Agencies claimed $1,655,877 of their Guarantee Funds this year. Per attachment A, six agencies are collectively banking $456,520 of their guaranteed funds and this total is not being added to the amount claimed.

**BEP Fund:**

This year, there is $339,716 available for BEP projects. Last year, VTA received 2 applications for BEP projects requesting the entire amount: Santa Clara County’s Montague Expressway Bicycle Detection/Adaptive Signal Timing Project and San Jose’s Hedding Street bicycle lane project. Although both projects were “ready to go,” county staff indicated that they could defer their project until this year. To honor this commitment, staff recommends that this year’s BEP set-aside funds be dedicated to the Montague Expressway Bicycle Detection/Adaptive Signal Timing Project.
County Expressway Pedestrian Projects:

VTA staff concurs with Santa Clara County staff’s request that the $150,000 set aside for Expressway Pedestrian Improvements be banked this year. It will be combined with next year's funding for a $300,000 allocation to a project.

During the preparation of the project list, one of the smaller member agencies approached VTA staff with a proposal to relax the current TDA Article 3 banking policy which states “VTA policy also allows TDA Article 3 funds to be banked for up to two years plus one year to program funds.” Some smaller agencies feel that allowing additional time to bank funds will allow more flexibility for agencies to save for a larger, more expensive, project. After a discussion at the April 26, 2016 Capital Improvement Program Working Group (CIPWG) meeting, they recommended that the policy be changed to “VTA policy also allows TDA Article 3 funds to be banked for up to four years plus one year to program funds.” VTA staff concurs with the CIPWG recommendation and notes that this change is compatible with MTC policy and TDA law.

ALTERNATIVES:

The VTA Board may recommend an alternative list of project priorities. However, all projects submitted for TDA Article 3 funds must adhere to TDA law and MTC’s TDA Article 3 Rules and Procedures.

FISCAL IMPACT:

Approximately $2 million in TDA Article 3 funds will be made available to projects in Santa Clara County. The projects and programming described in this memorandum are not included in the VTA Capital Budget because VTA’s role in the TDA Article 3 process is limited to prioritizing the annual program of projects. Project sponsors apply for reimbursement directly to MTC. The appropriation for costs of VTA staff support of this program is included in the current Congestion Management Program Fund Operating Budget.

ADVISORY COMMITTEE DISCUSSION/RECOMMENDATIONS:

The Bicycle and Pedestrian Advisory Committee (BPAC), Technical Advisory Committee (TAC) and Policy Advisory Committee (PAC) reviewed this item at their respective meetings on May 11 and May 12, 2016. The Committees recommended the program for approval as part of their respective Consent Agendas.

STANDING COMMITTEE DISCUSSION/RECOMMENDATIONS:

The Congestion Management Program Planning Committee approved this item as part of its May 19, 2016 consent agenda.

Prepared by: Bill Hough
Memo No. 5242
ATTACHMENTS:

- Attachment A -- FY 2016-17 TDA Article 3 (PDF)
- Attachment B -- FY 2016-17 TDA Article 3 projects (PDF)
- Attachment 0 -- 2016 TDA3 Resolution.doc (DOCX)
## Attachment A: Submittal of Countywide Coordinated Claim to MTC for the Allocation of FY2016/17 Funds to Claimants in Santa Clara County

<table>
<thead>
<tr>
<th>Project Sponsor</th>
<th>Project Name</th>
<th>Guarantee Request</th>
<th>BEP Project Request</th>
<th>Expressway Pedestrian Imps.</th>
<th>Total Request</th>
<th>Banked Funds</th>
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<tr>
<td>Campbell</td>
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<td>Morgan Hill</td>
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<td>Palo Alto</td>
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<td>S. C. County</td>
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<td><strong>Totals</strong></td>
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<td><strong>$0</strong></td>
<td><strong>$1,995,593</strong></td>
<td><strong>$456,520</strong></td>
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</tbody>
</table>
Attachment B
Santa Clara County FY 2016/17 TDA3 Program
Project Descriptions

**Campbell**  
Citywide Bicycle & Pedestrian Project  
City will design and construct bike/ped improvements at seven locations throughout Campbell and install shared lane markings and construct ADA traffic signal improvements at several locations.

**Cupertino**  
McClellan Road Sidewalk Construction Project  
City will construct a sidewalk along the south side of McClellan Road between Orange and San Leandro Avenues.

**Cupertino**  
Pedestrian Master Plan  
City will develop a Pedestrian Master Plan identifying critical pedestrian networks, systemic issues, enhancement opportunities, and setting of priority for projects that improve safety, connectivity, and increased mobility and access.

**Los Altos**  
Crosswalk Improvements at Edith/University  
City will construct crosswalk improvements at the West Edith/University Avenue intersection to improve pedestrian safety.

**Los Gatos**  
Bicycle & Pedestrian Master Plan  
City will update its Bicycle & Pedestrian Master Plan.

**Milpitas**  
Construction of ADA ramps  
City will construct ADA ramps at various locations throughout Milpitas.

**Morgan Hill**  
Green Bike Lane Striping at Major Intersections  
City will provide green bike lane striping at the Dunne/Monterey and Tennant/Monterey intersections.

**Palo Alto**  
Implementation of Bicycle Boulevards  
City will construct bicycle boulevards on Bryant Street, Maybell Avenue, Park Boulevard and Wilkie Way in Palo Alto.

**San Jose**  
Citywide Bikeway Implementation  
City will install approximately 60 miles of new bikeways throughout the City.

**San Jose**  
Install ADA curb ramps on public sidewalks at various locations  
City will install ADA Curb ramps on public sidewalks at locations throughout the City of San Jose.

**San Jose**  
Citywide Bike Plan  
City will develop a citywide bicycle master plan.

**Saratoga**  
Saratoga Avenue Pathway  
City will install a concrete/cement walkway along Saratoga Avenue from Park Place to just past La Paloma Avenue on the north side.

**Sunnyvale**  
Mary Avenue Bike Lanes  
City will install bicycle lane treatments along Mary Avenue between Iowa Avenue and Maude Avenue.
**Santa Clara County  Montague Expressway Bicycle Detection/Adaptive Signal Timing**
County will install bicycle detection and adaptive signal timing at Montague Expressway intersections.

**Santa Clara County  East San Jose Pedestrian Improvements**
County will construct sidewalks along various roads in East San Jose and will include ADA curb ramps and curbs/gutters.
Resolution No. **INSERT NUMBER**

Re: **Submittal of Countywide Coordinated Claim to the Metropolitan Transportation Commission for the Allocation of Fiscal Year 2016/17 TDA Article 3 Pedestrian/Bicycle Project Funds to Claimants in SANTA CLARA COUNTY.**

WHEREAS, Article 3 of the Transportation Development Act (TDA), Public Utilities Code (PUC) Section 99200 et seq., authorizes the submission of claims to a regional transportation planning agency for the funding of projects exclusively for the benefit and/or use of pedestrians and bicyclists; and

WHEREAS, the Metropolitan Transportation Commission (MTC), as the regional transportation planning agency for the San Francisco Bay region, has adopted MTC Resolution No. 4108, which delineates procedures and criteria for submission of requests for the allocation of TDA Article 3 funds; and

WHEREAS, MTC Resolution No. 4108 requires that requests from eligible claimants for the allocation of TDA Article 3 funds be submitted as part of a single, countywide coordinated claim, composed of certain required documents; and

WHEREAS, the **SANTA CLARA VALLEY TRANSPORTATION AUTHORITY** has undertaken a process in compliance with MTC Resolution No. 4108 for consideration of project proposals submitted by eligible claimants of TDA Article 3 funds in SANTA CLARA COUNTY, and a prioritized list of projects, included as Attachment A of this resolution, was developed as a result of this process; and

WHEREAS, each claimant in SANTA CLARA COUNTY whose project or projects have been prioritized for inclusion in the fiscal year 2016/17 TDA Article 3 countywide coordinated claim, has forwarded to the **SANTA CLARA VALLEY TRANSPORTATION AUTHORITY** a certified copy of its governing body resolution for submittal to MTC requesting an allocation of TDA Article 3 funds; now, therefore, be it

RESOLVED, that the **SANTA CLARA VALLEY TRANSPORTATION AUTHORITY** approves the prioritized list of projects included as Attachment A to this resolution; and furthermore, be it

RESOLVED, that the **SANTA CLARA VALLEY TRANSPORTATION AUTHORITY** approves the submittal to MTC, of the SANTA CLARA COUNTY fiscal year 2016/17 TDA Article 3 countywide, coordinated claim, composed of the following required documents:

A. transmittal letter
B. a certified copy of this resolution, including Attachment A;
C. one copy of the governing body resolution and required attachments, for each claimant whose project or projects are the subject of the coordinated claim;
D. a description of the process for public and staff review of all proposed projects submitted by eligible claimants for prioritization and inclusion in the countywide, coordinated claim;

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors on this second day of June, 2016 by the following vote:

AYES:

NOES:

ABSENT:

_________________________
Cindy Chavez, Chairperson
Board of Directors

I HEREBY CERTIFY AND ATTEST that the foregoing resolution was duly and regularly introduced, passed and adopted by the Board of Directors of the Santa Clara Valley Transportation Authority, California, at a meeting of said Board of Directors on the date indicated, as set forth above.

ATTEST:

_________________________
Elaine F. Baltao
Board Secretary

APPROVED AS TO FORM:

_________________________
Robert R. Fabela
General Counsel
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Planning and Program Development, John Ristow

SUBJECT: 2016 TFCA Program Manager Fund

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

ACTION ITEM

RECOMMENDATION:

Approve the programming of FY 2016/17 Transportation Fund for Clean Air Program Manager (TFCA 40%) funds to projects.

BACKGROUND:

The Transportation Fund for Clean Air (TFCA) is generated by a $4.00 surcharge on vehicle registrations in the nine-county Bay Area. The Bay Area Air Quality Management District (BAAQMD) administers the funds; money is available for allocation to alternative fuels, arterial management, bicycle, and trip-reduction projects that reduce vehicle emissions. State law is very specific as to how the funds may be spent.

BAAQMD returns 40% of TFCA funds to the county in which they are collected for allocation by a “program manager.” This fund is called the TFCA County Program Manager Fund (TFCA 40%). VTA is the program manager for Santa Clara County and project sponsors apply directly to VTA for funding. The VTA Board of Directors allocates these funds to projects in Santa Clara County, subject to approval by BAAQMD. To be approved by BAAQMD, all TFCA projects must conform to BAAQMD’s board-adopted policies, cost-effectiveness requirements, and the County Program Manager Fund Expenditure Plan Guidance-Fiscal Year Ending 2017.

The VTA Board of Directors set aside up to 25% of the annual TFCA 40% allocation to bicycle projects in the Countywide Bicycle Expenditure Program (BEP) for FY 2010/11-FY 2029/30 at its December 9, 2004 meeting. Under subsequent revisions to BEP policy in March 2013, only BEP Category 1 projects are eligible for this set-aside. Eligible BEP projects are funded "off the
"top" subject to VTA Board-adopted screening criteria and BAAQMD policies cited above. Since TFCA 40% funds cannot be "banked" from year to year, if less than the set-aside amount can be programmed to qualified BEP projects, the remainder is programmed via the competitive process and the difference does not carry over to the following years.

Unless the program is undersubscribed, the competitive projects are evaluated by a scoring working group of the Technical Advisory Committee's Capital Improvement Program Working Group. The scoring group consists of transportation professional staff members from VTA's Member Agencies, and they serve on a volunteer basis. If necessary, this group meets, reviews project applications and ranks the projects subject to the BAAQMD policies and the VTA Board’s TFCA 40% Screening/Scoring Criteria, as adopted on December 11, 2014.

**DISCUSSION:**

There is a total of $2,936,201 available for TFCA 40% projects this year and VTA received 13 applications from project sponsors requesting a total of $3,602,677.

**BEP Projects:**

Sunnyvale and Santa Clara County submitted two BEP projects, for a total amount of $370,000. Staff recommends funding these projects out of the BEP set-aside. The remaining 11 project applications went through the competitive review process described below:

**Competitive Projects:**

The total grant request for the 11 competitive project applications was $3,217,301, significantly greater than the amount available. On March 22, 2016, a scoring subcommittee of the Technical Advisory Committee's Capital Improvement Program Working Group met to evaluate these applications. The committee evaluated and ranked these projects, which are listed in Attachment A. Staff recommends approval of these projects, which are briefly described in Attachment B. Nine projects received full funding and the remaining two projects received partial funding: Santa Clara’s County’s Weekend Expressway Signal Timing Coordination project was only eligible for $180,000 in TFCA funds due to BAAQMD’s cost-effectiveness requirements and Sunnyvale’s Pedestrian Infrastructure Improvements-Phase 2 grant was reduced to the available $45,961. VTA staff recommended that Sunnyvale consider future funding opportunities such as the upcoming OBAG or VERBS cycles.

**ALTERNATIVES:**

The VTA Board may request other programming alternatives. However, all projects submitted for consideration in the TFCA program must adhere to state law and the BAAQMD policies cited above.

**FISCAL IMPACT:**

As the program manager for Santa Clara County, VTA distributes the TFCA 40% grant funds directly to the project sponsors, retaining 5% to cover administrative expenses. The projected
administrative expense and revenue reimbursement are included in the FY17 Adopted Congestion Management Program Fund Operating Budget. The grant revenue for the DASH Shuttle project, for which VTA is the project sponsor, is reflected in the FY17 Adopted VTA Transit Fund Operating Budget.

**ADVISORY COMMITTEE DISCUSSION/RECOMMENDATIONS:**

The Bicycle and Pedestrian Advisory Committee (BPAC), Technical Advisory Committee (TAC) and Policy Advisory Committee (PAC) reviewed this item at their respective meetings on May 11 and May 12, 2016. The TAC and PAC recommended the program for approval as part of their respective Consent Agendas. The BPAC unanimously approved the staff recommendation after receiving a verbal explanation VTA staff with regards to varied cost-effectiveness results.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATIONS:**

The Congestion Management Program Planning Committee reviewed this item as part of its May 19, 2016 consent agenda. The Committee recommended that this item be placed on the VTA Board of Directors' consent agenda for June 2, 2016.

Prepared by: Bill Hough  
Memo No. 5243

**ATTACHMENTS:**

- Attachment A -- FY16-17 TFCA 40% Program  (PDF)  
- Attachment B -- FY16-17 TFCA 40% Projects  (PDF)
**Attachment A**
Santa Clara County FY 2016/17 TFCA 40% Program

<table>
<thead>
<tr>
<th>Project Sponsor</th>
<th>Project Name</th>
<th>Grant Request</th>
<th>Grant Recommended</th>
<th>TFCA Cost/Ton</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Competitive Projects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VTA</td>
<td>DASH Shuttle</td>
<td>$826,000</td>
<td>$826,000</td>
<td>$174,513</td>
</tr>
<tr>
<td>Santa Clara</td>
<td>Lafayette Street Signal Timing</td>
<td>$210,000</td>
<td>$210,000</td>
<td>$92,329</td>
</tr>
<tr>
<td>Santa Clara</td>
<td>Bowers Avenue Signal Timing</td>
<td>$590,000</td>
<td>$590,000</td>
<td>$93,159</td>
</tr>
<tr>
<td>Santa Clara</td>
<td>SRTS Pedestrian Infrastructure Improvements</td>
<td>$290,000</td>
<td>$290,000</td>
<td>$173,634</td>
</tr>
<tr>
<td>Sunnyvale</td>
<td>Fremont Avenue Signal Timing</td>
<td>$55,321</td>
<td>$55,321</td>
<td>$46,956</td>
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<tr>
<td>Sunnyvale</td>
<td>Mary Avenue Signal Timing</td>
<td>$98,724</td>
<td>$98,724</td>
<td>$59,076</td>
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<tr>
<td>Sunnyvale</td>
<td>Hollenbeck Avenue Signal Timing</td>
<td>$59,869</td>
<td>$59,869</td>
<td>$71,234</td>
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<td>Sunnyvale</td>
<td>Remington Drive Signal Timing</td>
<td>$38,897</td>
<td>$38,897</td>
<td>$49,156</td>
</tr>
<tr>
<td>Palo Alto</td>
<td>Bike Share Expansion</td>
<td>$171,429</td>
<td>$171,429</td>
<td>$484,059</td>
</tr>
<tr>
<td>S.C. County</td>
<td>Weekend Expressway Signal Timing Coordination*</td>
<td>$240,000</td>
<td>$180,000</td>
<td>$59,961</td>
</tr>
<tr>
<td>Sunnyvale</td>
<td>Pedestrian Infrastructure Improvements phase 2**</td>
<td>$591,100</td>
<td>$45,961</td>
<td>$109,949</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td><strong>$3,171,340</strong></td>
<td><strong>$2,566,201</strong></td>
<td></td>
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<tr>
<td><strong>Bicycle Expenditure Program (BEP) Projects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S.C. County</td>
<td>I-280/Page Mill Bike Improvements</td>
<td>$125,000</td>
<td>$125,000</td>
<td>$204,000</td>
</tr>
<tr>
<td>Sunnyvale</td>
<td>Mary Avenue Bike Lanes</td>
<td>$245,000</td>
<td>$245,000</td>
<td>$249,900</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td><strong>$370,000</strong></td>
<td><strong>$370,000</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$3,541,340</strong></td>
<td><strong>$2,936,201</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Santa Clara County was only able to obtain $180,000 of the $240,000 funding requested due to BAAQMD cost-effectiveness rules.

**Grant recommended reduced to the remaining available $45,961. VTA staff anticipates combining this project with last year’s approved 16SC04-Comprehensive Pedestrian Infrastructure Improvements.
DASH Shuttle
VTA will use TFCA funds to help support operations of the Downtown Area Shuttle (DASH) in downtown San Jose.

Lafayette Street Signal Timing
Santa Clara will perform signal timing on Lafayette Street between Lewis Street and Newhall Street.

Bowers Avenue Signal Timing
Santa Clara will perform signal timing on Bowers Avenue between El Camino Real and US-101.

SRTS Pedestrian Infrastructure Improvements
Santa Clara will improve safety for students walking and biking to school. Improvements include enhanced crosswalks, improve signals and traffic calming.

Fremont Avenue Signal Timing
Sunnyvale will perform signal timing on Fremont Avenue between SR 85 and Fieldfair Drive/Rembrandt Drive.

Mary Avenue Signal Timing
Sunnyvale will perform signal timing on Mary Avenue between Homestead Road and Maude Avenue.

Hollenbeck Avenue Signal Timing
Sunnyvale will perform signal timing on Hollenbeck Avenue between Homestead Road and Danforth Drive.

Remington Drive Signal Timing
Sunnyvale will perform signal timing on Remington Drive between Bernardo Avenue and Manet Drive.

Palo Alto Bike Share Expansion
Palo Alto will add three new stations and 30 bikes to its bike share network.

Weekend Expressway Signal Timing Coordination
Santa Clara County will perform signal timing along Foothill, Capitol, and Lawrence Expressways.

Pedestrian Infrastructure Improvements-Phase 2
Sunnyvale will improve safety for students walking and biking to school in Sunnyvale. Improvements include in-pavement lighted crosswalks, raised crosswalks and traffic calming.

I-280/Page Mill Bike Improvements
Santa Clara County will improve bicycle access at the I-280/Page Mill interchange area. Improvements include signing and striping improvements.

Mary Avenue Bike Lanes
Sunnyvale will construct Bike Lanes on Mary Avenue from Iowa Avenue to Maude Avenue.
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

FROM: Auditor General, Bill Eggert

SUBJECT: Grants Management & Compliance Assessment

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

ACTION ITEM

RECOMMENDATION:

Review and receive the Auditor General's report on the Grants Management & Compliance Assessment.

BACKGROUND:

VTA has dual responsibilities regarding grants: (1) perform VTA’s legally-mandated Congestion Management Agency (CMA) responsibilities for programming and monitoring of certain Federal, State and local grants funds; and (2) apply, as a transportation agency, for State and Federal grant funds and administer any funds awarded to the organization.

The grants that VTA programs, monitors and administers include, but are not limited to, the following programs:

- Lifeline
- One Bay Area Grant (OBAG)
- State Transportation Improvement Program (STIP)
- Vehicle Emissions Reductions Based at Schools (VERBS)
- Transportation Development Act (TDA) Article 3
- Transportation Fund for Clean Air (TFCA).

In Fiscal Year 2015, VTA awarded and collected approximately $62.7 million for 20 federal projects, awarded and collected $279.5 million for 14 state projects, and awarded and collected $20.6 million for 64 local projects.
A project contained in the Board-approved FY 2016 Internal Audit Work Plan is this Grants Management & Compliance Assessment. The Auditor General’s Office completed this assessment in April 2016, and this report is the result of that review.

**DISCUSSION:**

The purpose of the assessment was to provide an independent expert assessment of the design and operational effectiveness of internal controls over VTA’s administration and monitoring of grants. This included identifying any potential opportunities for process and control improvements.

Based on our assessment, VTA appears to have a well-designed grants program with sufficient controls in place and operating effectively to help ensure effective administration and monitoring of grants. Our assessment did not result in any observations that merit serious concern but did identify several opportunities for improved performance.

Accordingly, an overall report rating of Moderate was assigned, based on three individual observations: two rated Medium and one rated Low. Our recommendations to improve performance can be summarized as: (1) develop departmental policies and procedures; (2) develop a document repository system; and (3) for certain grant programs, obtain more frequent updates with increased substantiation from project recipients.

VTA management agreed with all the recommendations and committed to implement most corrective actions by the end of 2016, with the remaining portion of one by the end of 2017.

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

**FISCAL IMPACT:**

There is no financial impact associated with acceptance of this report.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Governance & Audit Committee considered this item at its May 5, 2016 meeting as part of its Regular Agenda. The committee unanimously recommended Board approval of this item and placement on the Board’s Consent Agenda.

Prepared by: Bill Eggert, Auditor General & Stephen Flynn, Advisory Committee Coordinator Memo No. 5280

**ATTACHMENTS:**

- A--Grants Management Assessment (PDF)
Grants Management & Compliance Assessment Auditor General Report No. 2016-09

April 26, 2016
EXECUTIVE SUMMARY

Background
A project contained in the Board-approved FY 2016 Internal Audit Work Plan is this Grants Management & Compliance Assessment. The Auditor General’s Office completed this review in April 2016. This project, as are all Auditor General audits, assessments and other projects, was performed in accordance with the Standards for Consulting Services issued by the American Institute of Certified Public Accountants.

VTA’s has dual responsibilities regarding grants: (1) perform VTA’s legally-mandated Congestion Management Agency (CMA) responsibilities for programming and monitoring of certain Federal, State and local grants funds; and (2) submit, as a transportation agency, for State and Federal grant funds and administer funds awarded to VTA. The VTA department responsible for executing these responsibilities is Programming & Grants.

Programming & Grants applies for various grants including, but not limited to, the following programs: Lifeline; One Bay Area Grant (OBAG); State Transportation Improvement Program (STIP); Vehicle Emissions Reductions Based at Schools (VERBS); Transportation Development Act (TDA) Article 3; and Transportation Fund for Clean Air (TFCA).

After being awarded a grant, Programming & Grants evaluates the projects and makes recommendations to the VTA Board on which ones to fund. In addition, Programming & Grants monitors the status of projects that receive grant funding and provides updates to federal, state, or local authorities depending upon grant type.

In fiscal year 2015, the Grants Department awarded and collected approximately $62.7 million for 20 federal projects, awarded and collected $279.5 million for 14 state projects, and awarded and collected $20.6 million for 64 local projects.

Objective and Scope
Due to the magnitude and complexity of VTA’s grant funding and programming responsibilities, the Auditor General’s Office sought to achieve the following objectives in the course of the review:

- Obtain an understanding of VTA’s processes and controls related to receiving and disbursing grants
- Assess the effectiveness of the design and operation of internal controls related to grants administration and monitoring
- Identify potential opportunities for process and control improvements

Overall Summary and Review Highlights
Based on our assessment, VTA appears to have a well-designed grants program with sufficient controls in place and operating effectively to help ensure effective administration and monitoring of grants. Our assessment did not result in any observations that merit serious concern but did identify several opportunities for improved performance.

As part of the assessment, the Auditor General’s Office validated monitoring controls are operational for various types of grants including OBAG, STIP, VERBS, TDA Article 3, and TFCA grants. Appendix B summarizes the testing performed, and Appendix C shows the grant control checklist utilized in this assessment.

Based on the work performed, an overall report rating of Moderate was assigned to help management understand our assessment of the overall design and operating of VTA’s grants management and monitoring processes. This was based on three individual observations: Two rated Medium and one rated Low. Included for each observation is our recommendation to improve performance, which can be summarized as: (1) develop departmental policies and procedures; (2) develop a document file repository system; and (3) obtain more frequent updates with increased substantiation from Vehicle Registration Fee (VRF) 15% project recipients.

VTA management agreed with all the recommendations and committed to implement most corrective actions by the end of 2016, with the remaining portion of one by the end of 2017.

This report was prepared for use by VTA’s Board of Directors, Governance & Audit Committee, and management. Recommendations for improvement are presented for management’s consideration, and management is responsible for the effective implementation of corrective action plans. Questions should be addressed to Bill Eggert in the VTA Auditor General’s Office at Auditor.General@VTA.org.
**Observations Summary**

Following is a summary of observations noted in the areas reviewed. Definitions of the observation rating scale are included in Appendix A.

<table>
<thead>
<tr>
<th>Observation Title</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Departmental Policies and Procedures</td>
<td>Medium</td>
</tr>
<tr>
<td>2. File Retention and Organization</td>
<td>Medium</td>
</tr>
<tr>
<td>3. Annual Updates to the Vehicle Registration Fee 15% Funds</td>
<td>Low</td>
</tr>
</tbody>
</table>
# Detailed Observations

## Lack of Departmental Policies and Procedures

<table>
<thead>
<tr>
<th>Ref. #</th>
<th>Observation:</th>
<th>Recommendation:</th>
<th>Management’s Response and Action Plan:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The Programming &amp; Grants Department does not have formally documented policies and procedures for their various workflows.</td>
<td>We recommend that Programming &amp; Grants develop policies and document procedures to help drive consistency and compliance as well as a useful training tool for employees.</td>
<td></td>
</tr>
</tbody>
</table>

### Observation Rating: Medium

1.1 The Programming & Grants Department works with various other departments within VTA, including Finance & Budget, among others. As noted earlier, Programming & Grants works on several different types of grants both that VTA receives and programs/disburses. Because of these various types of grants, each with their own nuances, we noticed during our review that other departments may not fully understand the processes or timing of the grants.

1.1 The Programming & Grants Department is of vital importance to the VTA. The funding they receive is vital to VTA operations. Because of this, we recommend Programming & Grants develop policies and procedures that cover their various processes. Doing so would help both maintain consistency and compliance as well as serve as a useful training material for new employees and other VTA employees who work closely with that department.

1.1 VTA management concurs with the recommendation. Programming & Grants staff will be developing policies and procedures to document its processes.

**Responsible Party:** Programming & Grants

**Target Date:** 12/31/16
### File Retention and Organization

<table>
<thead>
<tr>
<th>Ref. #</th>
<th>Observation:</th>
<th>Recommendation:</th>
<th>Management’s Response and Action Plan:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Programming &amp; Grants does not have a document repository to house all relevant documents and mostly maintains hard copies of documents. Some documents were not readily available.</td>
<td>A document repository to house all digital or scanned copies of documentation should be developed and maintain, which would enable more efficient and accurate reporting (searching by title, fiscal year, project number, grant number, etc.).</td>
<td></td>
</tr>
</tbody>
</table>

**Observation Rating: Moderate**

2.1 Programming and Grants does not have a repository for all its important and required documents. During our review the section could not find copies of the Board approval memos for several grants within two months of the Audit General Office’s documentation request.

Additionally, we noticed other departments within VTA apply for and receive grants. These grants do not go through nor are monitored by the Programming & Grants Department. One example is the Operations Division applying for and receiving grants for mechanics and electrician training at local colleges. The grant application is very specific, and Operations is the best group to complete the detailed information on the application. These grants are much smaller compared to the ones Programming & Grants typically works on and receives, and although this is currently the standard business process, we feel that the Programming & Grants Department should be responsible for all Grants. Programming and Grants can determine to delegate the application process to a more specialized department to complete the application as needed. All relevant grant documentation should then be forwarded to, housed by, and report upon by the Programming & Grants Department.

2.1 We recommend that the Programming & Grants house all grants and supporting documents in one common place. SAP doesn’t currently have this capability so we suggest a web-based repository. Once this repository is established, all documents should be scanned and uploaded in order to:

1) Reduce the amount of paper on site and in storage.
2) Make documents more easily retrievable and have the ability to be sorted by fiscal year, project number, grant number, etc.
3) Make it much easier to comply with VTA’s document retention policy.

2.1 VTA management concurs with the recommendation. Programming & Grants staff, in combination with IT, is in process of developing a SharePoint (online and shared) site to house all digital and scanned copies of documentation.

Additional but temporary manpower will likely be required to ensure full implementation of this recommendation by the end of 2017.

**Responsible Party:** A partnership of Programming & Grants and Information Technology

**Target Date:**
SharePoint site operational: 12/31/16
Archival documents uploaded: 12/31/17
### Annual Updates to the Vehicle Registration Fee 15% Project Status

<table>
<thead>
<tr>
<th>Ref. #</th>
<th>Observation</th>
<th>Recommendation</th>
<th>Management’s Response and Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Currently, several local cities that receive grants from VTA provide inconsistent annual updates related to Vehicle Registration Fee (VRF) 15% funded projects.</td>
<td>VTA should require grant project progress reports to include an enhanced level of detail in the updates.</td>
<td></td>
</tr>
</tbody>
</table>

**Observation Rating:** Low

3.1 Some cities provide photos and more detail on projects using VRF 15% funds in annual reports to VTA. We selected a random sample and did a validation process on each project to ensure that the updates cities provided to VTA were accurate.

3.1 We recommend VTA require cities to provide more detail and substantiation in their required grant project status reports, especially for future awards. Requiring more substantiation such as photos of project progress gives more transparency on expenditure of VRF 15% funds. In addition, having cities report semi-annually instead of annually gives VTA more detail and timeliness in monitoring the expenditure of public funds.

3.1 VTA management concurs with the recommendation. Programming & Grants staff will include semi-annual reporting and photo documentation of project progress requirements in future funding agreements for VRF 15% projects.

**Responsible Party:** Programming & Grants

**Target Date:** Immediate
## APPENDIX A – RATING DEFINITIONS

<table>
<thead>
<tr>
<th>Observation Risk Rating Definitions</th>
<th>Report Rating Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rating</strong></td>
<td><strong>Explanation</strong></td>
</tr>
<tr>
<td><strong>Definition</strong></td>
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</tr>
<tr>
<td><strong>Low</strong></td>
<td>Adequate internal controls are in place and operating effectively. Few, if any, improvements in the internal control structure are required. Observation should be limited to only low risk observations identified or moderate observations which are not pervasive in nature.</td>
</tr>
<tr>
<td>Process improvements exist but are not an immediate priority for VTA. Taking advantage of these opportunities would be considered best practice for VTA.</td>
<td></td>
</tr>
<tr>
<td><strong>Medium</strong></td>
<td>Certain internal controls are either:</td>
</tr>
<tr>
<td>Process improvement opportunities exist to help VTA meet or improve its goals, meet or improve its internal control structure, and further protect its brand or public perception. This opportunity should be considered in the near term.</td>
<td>- Not in place or are not operating effectively, which in the aggregate, represent a significant lack of control in one or more of the areas within the scope of the review.</td>
</tr>
<tr>
<td><strong>High</strong></td>
<td>- Several moderate control weaknesses in one process, or a combination of high and moderate weaknesses which collectively are not pervasive.</td>
</tr>
<tr>
<td>Significant process improvement opportunities exist to help VTA meet or improve its goals, meet or improve its internal control structure, and further protect its brand or public perception presents. This opportunity should be addressed immediately.</td>
<td>Fundamental internal controls are not in place or operating effectively for substantial areas within the scope of the review. Systemic business risks exist which have the potential to create situations that could significantly impact the control environment.</td>
</tr>
<tr>
<td><strong>Not Rated</strong></td>
<td>- Significant/several control weaknesses (breakdown) in the overall control environment in part of the business or the process being reviewed.</td>
</tr>
<tr>
<td>Opportunity to improve efficiency or profitability of operations, but does not indicate an internal control weakness or a material inefficiency.</td>
<td>- Significant non-compliance with laws and regulations.</td>
</tr>
<tr>
<td></td>
<td>- High risk observations which are pervasive in nature.</td>
</tr>
</tbody>
</table>
Appendix B - Summary of Testing Performed

Vehicle Registration Fee (VRF) 15% fees
- The Audit General’s (AG) Office took a random sample of cities and judgmentally selected one project from each city. For the project, the AG’s Office physically validated that the construction completed matched the project status update that the cities provided VTA.

Grant Applications
- The AG’s Office took a judgmental sample and validated that Programming & Grants Department completed an application that included funding sources. In addition, we validated that the matching portion of the grants were from local funds and not another grant. Further, it was validated that Programming & Grants staff (Senior Transportation Planner) obtained a concurrence letter from the MTC to strengthen the grant application.

Board Approval of Projects
- The Audit General Office took a judgmental sample and validated that the Programming & Grants Manager reviewed the Board memo detailing which projects the department recommend to the VTA Board for approval. In addition, the AG’s Office validated that projects receiving funding had received approval from the VTA Board.

Project Monitoring
- The AG’s Office took a judgmental sample and validated that the Programming & Grants Department obtained updates from the project managers in terms of percentage of construction completed and percentage of funds spent. In addition, the AG’s Office validated that the Programming & Grants staff (Senior Transportation Planner) provided updates to the grantor agency via applications such as TrAMS depending upon the granting agency’s guidelines.
- The AG’s Office also validated that Programming & Grants staff (Transportation Planner III) monitored projects by validating that VTA did not have any projects on the current inactive status list at the Caltrans website.

Project Close Out
- For completed projects funded by FTA grants in the judgmental sample, the AG’s Office validated that the project manager completed a closeout form and that the Programming & Grants staff obtained a closeout amendment from FTA.

Invoice Review and Approval
- The AG’s Office interviewed the Fiscal Resources Manager – Accounting and the Engineering Group Manager - Highways to gain an understanding of the invoicing process. Invoices submitted to VTA are vetted through the Accounts Payable (AP) team. AP enters invoice information into SAP, Project Manager, Task Manager, Project Controls, Contract Administrator, and Project Director will typically review and approve these invoices. Contract Administrators review invoices against contract agreement terms, Projects Control personnel checks invoice against grants language, and the Project Manager and Project Director review all invoice documentation. Once invoices are paid, projects that require reimbursement have invoices created that are submitted to the granting/funding agency for payment. These billing invoices are typically approved by the Fiscal Resources Manager/Deputy Director of Accounting/CFO and Project Director/Project Manager.
- The AG’s Office validated that the invoices related to projects in which grantors reimbursed VTA were properly approved by project managers as well as Fiscal Resources Manager.

Allowable Administrative Cost
- The AG’s Office interviewed Programming & Grants Department administrative staff to gain an understanding of their process in monitoring allowable administrative expense. Currently, the Transportation Fund for Clean Air (TFCA) and Vehicle Registration Fee (VRF) include allowable administrative expense. In short, TFCA and VRF provide VTA with checks and VTA distributes the funds. The allowable administrative expense for these two programs are budgeted in the biennial Congestion Management Agency (CMA) budget. Programming & Grants monitors and tracks grant programs using internal orders within SAP (internal orders are codes for used to track expenses devoted to a specific project), which are then used to charge employee time spent on administering a grant program. (Note that not all grant programs have allowable administrative expenses.) The information can then be extracted into a cost report. Programming & Grants generates this report on a monthly and quarterly basis to verify that the allowable administrative expense is in compliance and within the budgeted range. The group also creates invoices and provides to Finance & Budget Division staff to submit for reimbursement.
- The AG’s Office reviewed both the Board memo and Funding Agreement and validated that allowable administrative expense for TFCA and VRF are in compliance with the maximum allowable five percent administrative cost.
### APPENDIX C – CONTROL ACTIVITIES CHECKLIST FOR GRANT PROGRAMS

**Governmental Unit:** VTA  
**Financial Statement Date:** 2016  
**Completed by:** Auditor General’s Office  
**Date:** 4/15/2016

<table>
<thead>
<tr>
<th>Assertions</th>
<th>Addresses Fraud or Significant Risk?</th>
<th>Control Has Been Implemented?</th>
<th>Effectively Designed?</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>E/O, C, R/O, V, A/CL, CO</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
<td>Control is performed by budget group and is done on quarterly basis.</td>
</tr>
<tr>
<td>E/O, C, A/CL, CO</td>
<td>Significant risk</td>
<td>No</td>
<td>No</td>
<td>According to Programming &amp; Grants Department staff, the group identifies federal, state, and other awards through email distribution list, MPO, regional planning agency, Caltrans, and special request from internal and external organizations. However, the method used to identify federal, state, and other awards does not appear to be formalized in policies and procedures.</td>
</tr>
<tr>
<td>E/O, C, A/CL</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>E/O, C, A/CL</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>E/O, C, A/CL</td>
<td>Fraud</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Assertions</td>
<td>Addressed Fraud or Significant Risk?</td>
<td>Control Has Been Implemented?</td>
<td>Effectively Designed?</td>
<td>Comments</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
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<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Financial reports are prepared for required accounting periods within the time imposed and on the basis of accounting required by the grantor agencies.</td>
<td>E/O, C, A/CL</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Financial reports and claims for advances and reimbursements agree with the supporting financial records and general ledger.</td>
<td>E/O, C, A/CL</td>
<td>Fraud</td>
<td>Yes</td>
<td>Yes  Control is performed by accounting and is done on a monthly basis.</td>
</tr>
</tbody>
</table>

**Processing Program Receipts**

<table>
<thead>
<tr>
<th>Assertions</th>
<th>Addressed Fraud or Significant Risk?</th>
<th>Control Has Been Implemented?</th>
<th>Effectively Designed?</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management reviews the entity’s financial reports on a periodic basis and investigates significant variances from budgets and expected results.</td>
<td>E/O, C, R/O, V, A/CL, CO</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes  Control is performed by budget group and is done on a quarterly basis.</td>
</tr>
<tr>
<td>The VTA has procedures, including cash requirement projections, minimizing the time between the transfer of funds from the grantor agency or primary recipient and disbursement.</td>
<td>E/O, C</td>
<td>Fraud</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Governmental funds are deposited in a separate bank account</td>
<td>E/O, C, A/CL</td>
<td>Fraud</td>
<td>Yes</td>
<td>Yes  Control is performed by accounting and is done ad hoc.</td>
</tr>
<tr>
<td>A responsible official approves requests for advances or reimbursement.</td>
<td>E/O, C, A/CL</td>
<td>Fraud</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>VTA calculation of required funds considers updated estimates of allowable program costs.</td>
<td>E/O, C</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>VTA has a formal approval process for activities generating program income.</td>
<td>E/O, C</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>VTA has accounting procedures, charts of accounts, etc., for identifying and recording receipts and expenditures of program funds separately and in the appropriate cost category for each award or grant.</td>
<td>E/O, C, A/CL</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Financial reports and claims for advances and reimbursements agree with the supporting financial records and general ledger.</td>
<td>E/O, C, A/CL</td>
<td>Fraud</td>
<td>Yes</td>
<td>Yes  Control is performed by accounting and is done on a monthly basis.</td>
</tr>
</tbody>
</table>
## Processing Program Expenditures

<table>
<thead>
<tr>
<th>Description</th>
<th>Responsible</th>
<th>Significant</th>
<th>Risk</th>
<th>Control is Performed By</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management reviews the entity’s financial reports on a periodic basis and investigates significant variances from budgets and expected results.</td>
<td>E/O, R/O, V, A/CL, C</td>
<td>Significant</td>
<td>Yes</td>
<td>Yes</td>
<td>Control is performed by budget group and is done on quarterly basis.</td>
</tr>
<tr>
<td>VTA has established controls to preclude charging federal award programs with unallowable costs and expenditures.</td>
<td>E/O, A/CL</td>
<td>Fraud</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>VTA has procedures for tracking property and equipment purchased with federal award funds.</td>
<td>E/O, C, A/CL</td>
<td>Significant</td>
<td>Yes</td>
<td>Yes</td>
<td>Control is performed in SAP fixed asset module and VTA’s cost report.</td>
</tr>
<tr>
<td>If VTA has awards or grants with matching requirements, levels of effort, and/or earmarking limitations, a responsible member of management monitors activities to ensure that requirements and limitations were met and amounts claimed or used for matching were determined in accordance with applicable laws and regulations (for example, OMB Circular A-87 and the Common Rule).</td>
<td>E/O, C, A/CL</td>
<td>Significant</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>VTA has written personnel policies covering job descriptions, hiring procedures, salary or wage levels, promotions, dismissals, and conflicts of interest.</td>
<td>E/O, C, A/CL</td>
<td>Significant</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>VTA has written policies prohibiting discrimination based on race, sex, age, or marital status in its employment practices.</td>
<td>E/O, C, A/CL</td>
<td>Significant</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>VTA has procedures that provide reasonable assurance that consistent treatment is applied in the distribution of charges as direct or indirect costs to all awards or grants.</td>
<td>E/O, C, A/CL, V</td>
<td>Significant</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>VTA has accounting procedures, charts of accounts, etc., for identifying and recording receipts and expenditures of program funds separately and in the appropriate cost category for each award or grant.</td>
<td>E/O, C, A/CL</td>
<td>Significant</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>A responsible member of management reviews costs charged to direct and indirect cost centers in accordance with applicable grant agreements and applicable governmental management circulars pertaining to cost principles.</td>
<td>E/O, C, V, A/CL</td>
<td>Fraud</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>If VTA provides services under award programs with eligibility requirements, a responsible member of management follows formal process to review and approve the provision of services to ensure that recipients are eligible under specific program requirements.</td>
<td>E/O</td>
<td>Significant</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>VTA’s depreciation policies or methods of computing use allowances are in accordance with the standards outlined in federal circulars or agency regulations.</td>
<td>E/O, C, A/CL</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>If VTA has an indirect cost allocation plan, it is prepared in accordance with the provisions of OMB Circular A-87.</td>
<td>E/O, C, A/CL</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>If VTA has an indirect cost allocation plan, audit cognizance for that plan has been established, and the rates are accepted by all participating federal and state agencies.</td>
<td>E/O, C, A/CL</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>VTA’s employee time allocation method is in accordance with the standards outlined in federal circulars or agency regulations.</td>
<td>E/O, C</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>VTA has a written procurement manual that complies with the applicable grant agreements and government circulars.</td>
<td>E/O, C</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>If VTA has sub recipients, it has policies and procedures for making required communications to the sub recipients and monitoring the sub recipients’ activities as required.</td>
<td>E/O, C</td>
<td>Significant risk</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

**Reporting Grants and Similar Programs**

| Management reviews the entity’s financial reports on a periodic basis and investigates significant variances from budgets and expected results. | E/O, C, R/O, V, A/CL, CO | Significant risk | Yes | Yes | Control is performed by budget group and is done on quarterly basis. |
| VTA has a documented time schedule for filing financial reports with grantors and policies for identifying special requirements of grants. | A/CL | Significant risk | Yes | Yes |
| The appropriate level of management or another appropriate person reviews reports from audits of the government’s awards or grants prepared by other auditors. | E/O, C, A/CL | Significant risk | Yes | Yes | Control is performed by accounting and relevant project managers. |
| Reconciliations of grant financial reports with supporting accounting records are prepared, reviewed, and approved by a responsible official before filing. | E/O, C, A/CL | Significant risk | Yes | Yes |
| Financial reports are prepared for required accounting periods within the time imposed and on the basis of accounting required by the grantor agencies. | E/O, C, A/CL | Significant risk | Yes | Yes |
| Financial reports and claims for advances and reimbursements agree with the supporting financial records and general ledger. | E/O, C, A/CL | Fraud | Yes | Yes | Control is performed by accounting and is done on a Monthly basis. |
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

FROM: Auditor General, Bill Eggert

SUBJECT: Report on Follow-Up on the Procurement & Contracting Process Assessment

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

ACTION ITEM

RECOMMENDATION:

Review and receive the Auditor General's follow-up report on the implementation status of management's action plans contained in the Procurement & Contracting Process Assessment.

BACKGROUND:

VTA’s Auditor General’s Office is responsible for conducting the internal audits specified in the Board-approved Internal Audit Work Plan. It is also responsible for determining the implementation status, adequacy and timeliness of corrective actions that VTA management committed to implement on reported observations and recommendations contained in these internal audits.

In April 2014, the Auditor General’s Office completed the Procurement and Contracting Process Assessment. This project evaluated whether the procurement and contracting processes were operating at optimal levels, if reasonable safeguards were in place to minimize VTA risk exposure, and whether key controls over the process had been designed and were operating effectively.

Based on the work performed, an overall Medium level of risk was issued, based on seven identified areas of potential process improvement: one judged as High potential, three Medium and three Low.

VTA management agreed with all Auditor General’s Office recommendations. It committed to implement all recommendations by the end of 2014 except for automating the process, which
required portions of the work to be completed mid-2015.

Recommendations of opportunities for improvement contained in that report were presented by the Auditor General for consideration by the VTA Board of Directors, Governance & Audit Committee and management, which are solely responsible for the effective implementation of any recommendation.

**DISCUSSION:**

In April 2016, the Auditor General’s Office completed its follow-up process to assess if the management action plans specified in the Procurement and Contracting Process Assessment had been completed. The results of this follow-up, as well as a summary of the findings, recommendations and VTA management responses from the subject report, are included on Attachment A.

Based on the evidence submitted by VTA, we have confirmed that the recommendations have been successfully implemented. However, it should be noted that due to the significance, complexity and interrelatedness of several of the recommended actions, although judged to be substantially complete several will be subject to ongoing process improvement.

**FISCAL IMPACT:**

There is no financial impact associated with acceptance of this report.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Governance & Audit Committee considered this item at its May 5, 2016 meeting as part of its Regular Agenda. The committee unanimously recommended Board approval of this item and placement on the Board’s Consent Agenda.

Prepared by: Bill Eggert, Auditor General and Stephen Flynn, Audit Committee Coordinator Memo No. 5566

**ATTACHMENTS:**

- A--Followup - Procurement and Contracts Assessment (PDF)
<table>
<thead>
<tr>
<th>#</th>
<th>Observation</th>
<th>Recommendation</th>
<th>Management Response</th>
<th>Recommendation Implementation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><a href="#">Observation</a></td>
<td>We strongly recommend Management explore fully implementing and using the SAP procurement and contracts module. Utilizing the system to its full capabilities would streamline the process, reduce paperwork, allow for online signatures/approvals, simplify workflow and reduce procurement turnaround time.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.0</td>
<td><strong>Communicate Roles and Responsibilities</strong></td>
<td>As a part of recommendation Number 1.0, we recommend that Management re-evaluate and determine the purpose and function of the contracts and purchasing functions within CAMM. With this, management should: (1) Decide if the CAMM group is a true service department that supports VTA customers; (2) Clearly communicate and train all appropriate VTA personnel on the roles and responsibilities; and (3) Include tracking and reporting of metrics, (timeframes, budget vs. actual dollars used, renegotiation, etc.)</td>
<td>Concur. CAMM will obtain assistance from VTA's Organizational Development and Training staff and will develop a training plan that will communicate and train all appropriate VTA personnel so there is a clear understanding of requirements. Due 10/31/2014</td>
<td>Auditor General's Office: Substantially completed with on-going process improvements.</td>
</tr>
<tr>
<td></td>
<td><a href="#">Observation</a></td>
<td>We recommend Management consider increasing the limits to help streamline the procurement and contracting process.</td>
<td>Concur. Will conduct a review of similar government agencies to assess standards. Due 08/31/2014</td>
<td></td>
</tr>
</tbody>
</table>

Auditor General's Office: Completed. After doing analysis of other transit agencies, the GM's approval limit was raised to $500K. The Board approved this change to the VTA Admin Code effective 1/1/15.
<table>
<thead>
<tr>
<th>#</th>
<th>Observation</th>
<th>Recommendation</th>
<th>Management Response</th>
<th>Recommendation Implementation Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.0</td>
<td><strong>Create Customer-Friendly Users Guide</strong>&lt;br&gt;Review and evaluate from customer's perspective existing policies and procedures. Create a short &quot;user guide&quot; that describes how to submit required documents and how to use SAP functionality.</td>
<td>We recommend management thoroughly review and evaluate from the customer’s perspective existing policies and procedures. Additionally, CAMM should create a short, easy-to-use &quot;users guide&quot; that clearly describes how to submit the required documents and how to use the SAP functionality.</td>
<td>Concur. Will review existing Policies and Procedures to update and simplify, and will develop short &quot;user guides&quot; to clearly describe how to submit required documents and how to use SAP functionality. Due 12/31/2014</td>
<td>Auditor General's Office: &lt;br&gt;Substantially completed with on-going process improvements. This recommendation is highly dependent upon the first recommendation. Once #1 is implemented this will soon follow. The User guide is created but not yet implemented. The AG feels this is mostly complete with a few items that are on-going process improvement.</td>
</tr>
<tr>
<td>5.0</td>
<td><strong>Legal Review</strong>&lt;br&gt;Consider developing standardized contract templates for routine contracts. Work on a new set of requirements a contract must meet before it is sent to legal for review.</td>
<td>We recommend Legal and CAMM Management consider developing a series of standardized contract templates, if not already developed for simple and routine contracts which will require minimal Legal review.</td>
<td>Concur. Will work with General Counsel to develop a process that allows a one-time review of frequently used standard contract documents by August 2014.</td>
<td>Auditor General's Office: Not fully completed. This recommendation was to improve the turn around time of contracts by establishing standard templates. However, as a precaution, Legal still reviews all contracts. This is an on-going process and small improvements continue to be made.</td>
</tr>
<tr>
<td>6.0</td>
<td><strong>Certified Purchase Manager</strong>&lt;br&gt;Consider having all CAMM personnel become certified in transportation purchasing and contracting.</td>
<td>We recommend Management consider having all CAMM personnel become certified in transportation purchasing and contracting through a national accreditation organization.</td>
<td>Concur. VTA will determine requirements to obtain the Certified Purchasing Manager certification. Due 08/31/2014</td>
<td>Auditor General's Office: On going. Several staff have been identified and are in the process of taking relevant courses to achieve certification.</td>
</tr>
<tr>
<td>7.0</td>
<td><strong>Succession Planning</strong>&lt;br&gt;CAMM management and VTA General Manager should develop a succession plan for key CAMM purchasing and contracts-related positions that cover the next 3-5 years.</td>
<td>We recommend that CAMM management work to develop a succession plan for key CAMM purchasing and contracts-related positions that covers the next 3-5 years.</td>
<td>Concur. VTA is developing a formal, agency-wide Succession Planning program. Due 12/31/2014</td>
<td>Auditor General's Office: On going. CAMM is dependent upon the VTA succession plan that is currently in development. Once rolled out, CAMM will proceed according to plan.</td>
</tr>
</tbody>
</table>
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Financial Officer, Raj Srinath

SUBJECT: VTA-ATU Pension Plan Actuarial Valuation as of January 1, 2016

FOR INFORMATION ONLY

BACKGROUND:

In accord with state law applicable to all public pension plans and as required by the collectively bargained terms of the VTA-ATU Pension Plan (Plan), Cheiron has prepared the actuarial valuation report of the Plan as of January 1, 2016. The actuarial valuation is performed annually to determine the financial condition and contribution requirements of the Plan. A separate report is prepared to present those items required for disclosure by the Governmental Accounting Standards Board (GASB).

DISCUSSION:

Cheiron has recommended that the Plan contribution amount be increased from $25.7 million in FY 2016 to $27.4 million in FY 2017. The contribution rate decreased from 22.2% of payroll in FY16 to 21.7% in FY17. The primary reason for the decline in the contribution rate was the increase in the payroll base due to wage growth. The valuation also takes into consideration employee contributions effective October 2016.

The Plan had Actuarial assets of $489.8 million and Actuarial Accrued Liability of $638.6 million. The Unfunded Actuarial Accrued Liability (UAAL) increased by $13 million from $135.6 million in the previous year to $148.8 million primarily due to changes in the economic assumptions. The rate of return assumption was reduced from 7.5% to 7.25% and cost of living assumption was reduced from 3.5% to 3%. The funded ratio of the plan on an actuarial basis was 76.7%, and decreased by .7% over the previous year. The funded ratio of the plan on a market value basis was 73.9% and decreased by 6.6% over the previous year. The market value of the Plan’s assets was $472 million resulting in a ratio of Actuarial Value to Market Value (assets) of 103.75%. The chart on the following page depicts the funded status of the pension plan on an actuarial value as well as market value basis for the past 10 years.
The Board of Pensions elected to continue to amortize the UAAL as a level dollar amount over a period of 20 years. The required pension contribution was prepaid at the start of the fiscal year 2016.

**DEFINITIONS:**

*Actuarial Value of Assets:*

The Actuarial Value of Assets, used for funding purposes, is computed using an asset smoothing technique in which investment gains and losses are not fully recognized in the year they occur, but are spread over future years.

*Market Value of Assets:*

The market value of investments as of the valuation date. Gains and losses are recognized immediately.

*Unfunded Actuarial Accrued Liability (UAAL):*

The excess of the Actuarial Accrued Liability over Plan assets.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**
The Administration and Finance reviewed this item as part of their consent agenda on May 19, 2016. The committee recommended that this item be placed as part of the VTA Board of Directors’ consent agenda for June 2, 2016.

Prepared By: Ali Hudda
Memo No. 5595
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Financial Officer, Raj Srinath


FOR INFORMATION ONLY

BACKGROUND:

The investment activities of the Santa Clara Valley Transportation Authority are in compliance with the Investment of Non-Trust Held Funds Investment Policy, the VTA Retirees’ Other Post-Employment Benefits Trust Investment Policy and the ATU, Local 265 Pension Plan’s Investment Policy.

DISCUSSION:

Economic Watch

Real gross domestic product (GDP) increased at an annual rate of 0.5% in the first quarter of 2016 according to the “advance” estimate released by the Bureau of Economic Analysis. The expansion was the result of positive contributions from personal consumption expenditures, residential fixed investment, and state and local government spending that were partly offset by negative contributions from nonresidential fixed investment, private inventory investment, exports, and federal government spending.

Headline consumer prices, as measured by the consumer price index (CPI), rose 0.9% year over year as of March 2016. Core CPI, which excludes volatile food and energy prices increased at a rate of 2.2% year over year as of March 2016. The Federal Reserve continues to target an inflation rate of 2.00%.

The unemployment rate in the San Jose-Sunnyvale-Santa Clara MSA was 3.9% in March 2016, up from a revised 3.8% in February 2016, and below the year-ago estimate of 4.5%. This compares with an unadjusted unemployment rate of 5.6% for California and 5.0% for the nation during the same period.
**Market Watch**

The S&P 500 Index returned 6.78% in March 2016. Large cap stocks returned 6.97% and small cap stocks returned 7.98%. Within the large cap space, growth stocks underperformed value stocks, returning 6.74% and 7.20% respectively. The top-performing sectors were energy, technology, and materials/processing. The worst-performing sectors were consumer discretionary, consumer staples, and health care.

The Barclays Aggregate index returned 0.92% in March 2016. At the end of March, the yield on the benchmark 10-year Treasury was 1.77%, up from 1.73% at the end of February. For the month of March treasuries returned 0.16% and government related securities returned 0.99%, investment grade corporate debt returned 2.77% and high yield corporate debt returned 3.50%.

In global markets, the European 10-year government bond yield ended the month at 0.15% compared to 0.11% at the end of February. The Japanese 10-year government bond was -0.03%, investors pay the Bank of Japan to hold their excess reserves.

**VTA Enterprise Funds**

VTA Enterprise Funds are invested in portfolios managed by Payden & Rygel and in the LAIF investment account or an interest bearing checking account. Investment performance for the Payden & Rygel managed accounts is included in the table below.

The Payden & Rygel composite portfolio outperformed its policy benchmark by 0.12% in the current month, but underperformed its policy benchmark by 0.08% calendar year-to-date. The current yield for the Payden long-term portfolio is 1.59%, the mid-term portfolio is 1.07%, and the short-term portfolio is 0.68%.

The current yield for funds invested in LAIF is 0.51% and VTA’s checking accounts is 0.30%.

Market performance for each Payden & Rygel account is summarized in the following table:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Fund Manager</th>
<th>Mar</th>
<th>3 Mo</th>
<th>Y-T-D</th>
<th>1 Yr</th>
<th>3 Yr</th>
<th>5 Yr</th>
<th>10 Yr</th>
<th>I-T-D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-Term Fixed Income</td>
<td>Payden &amp; Rygel</td>
<td>0.36%</td>
<td>2.12%</td>
<td>2.12%</td>
<td>2.20%</td>
<td>1.60%</td>
<td>2.65%</td>
<td>3.95%</td>
<td>4.29%</td>
</tr>
<tr>
<td>Barclays Cap US Govt. Intermediate Index</td>
<td></td>
<td>0.19%</td>
<td>2.28%</td>
<td>2.28%</td>
<td>2.21%</td>
<td>1.52%</td>
<td>2.48%</td>
<td>3.96%</td>
<td>4.25%</td>
</tr>
<tr>
<td>Mid-Term Fixed Income 1</td>
<td>Payden &amp; Rygel</td>
<td>0.26%</td>
<td>0.72%</td>
<td>0.72%</td>
<td>0.96%</td>
<td>0.88%</td>
<td>1.06%</td>
<td>-</td>
<td>1.45%</td>
</tr>
<tr>
<td>Merrill Lynch 1-3 Year Treasury Index</td>
<td></td>
<td>0.17%</td>
<td>0.90%</td>
<td>0.90%</td>
<td>0.92%</td>
<td>0.77%</td>
<td>0.87%</td>
<td>-</td>
<td>1.09%</td>
</tr>
<tr>
<td>Short-Term Fixed Income 2</td>
<td>Payden &amp; Rygel</td>
<td>0.17%</td>
<td>0.33%</td>
<td>0.33%</td>
<td>0.55%</td>
<td>0.44%</td>
<td>0.45%</td>
<td>1.65%</td>
<td>1.74%</td>
</tr>
<tr>
<td>iMoneynet Money Market Index</td>
<td></td>
<td>0.02%</td>
<td>0.06%</td>
<td>0.06%</td>
<td>0.07%</td>
<td>0.03%</td>
<td>0.04%</td>
<td>1.19%</td>
<td>1.27%</td>
</tr>
<tr>
<td>Composite Portfolio Returns</td>
<td></td>
<td>0.26%</td>
<td>0.97%</td>
<td>0.97%</td>
<td>1.17%</td>
<td>0.92%</td>
<td>1.57%</td>
<td>2.77%</td>
<td>3.58%</td>
</tr>
<tr>
<td>Policy Benchmark Returns</td>
<td></td>
<td>0.14%</td>
<td>1.05%</td>
<td>1.05%</td>
<td>1.05%</td>
<td>0.75%</td>
<td>1.33%</td>
<td>2.57%</td>
<td>3.43%</td>
</tr>
</tbody>
</table>

1 Implemented February 11, 2009  
2 Implemented February 14, 2003
VTA Retirees’ Other Post-Employment Benefits (OPEB) Trust

The VTA Retirees’ OPEB Trust Investment Policy requires the following asset allocation:

<table>
<thead>
<tr>
<th>Asset Allocation</th>
<th>Range</th>
<th>Target</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Fixed Income</td>
<td>15-30%</td>
<td>26%</td>
<td>26%</td>
</tr>
<tr>
<td>Domestic Large Cap Index</td>
<td>35-70%</td>
<td>54%</td>
<td>55%</td>
</tr>
<tr>
<td>Private Real Estate</td>
<td>6-16%</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Absolute Return</td>
<td>0-10%</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Cash</td>
<td>0-05%</td>
<td>1%</td>
<td>0%</td>
</tr>
</tbody>
</table>

The Retirees’ OPEB composite portfolio outperformed its policy benchmark by 0.37% in the current month, but underperformed its policy benchmark by 0.36% calendar year-to-date. The current yield for the fixed income portfolio is 4.54%.

Market performance for each money manager is summarized in the following table:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Fund Manager</th>
<th>Mar</th>
<th>3 Mo</th>
<th>Y-T-D</th>
<th>1 Yr</th>
<th>3 Yr</th>
<th>5 Yr</th>
<th>10 Yr</th>
<th>I-T-D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Cap Index</td>
<td>State Street</td>
<td>6.76%</td>
<td>1.36%</td>
<td>1.36%</td>
<td>1.82%</td>
<td>11.79%</td>
<td>11.55%</td>
<td>7.03%</td>
<td>4.36%</td>
</tr>
<tr>
<td>S&amp;P 500 Index</td>
<td>State Street</td>
<td>6.78%</td>
<td>1.35%</td>
<td>1.35%</td>
<td>1.80%</td>
<td>11.84%</td>
<td>11.59%</td>
<td>7.01%</td>
<td>4.23%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>Dodge &amp; Cox</td>
<td>2.17%</td>
<td>2.68%</td>
<td>2.68%</td>
<td>0.98%</td>
<td>2.73%</td>
<td>3.98%</td>
<td>5.52%</td>
<td>5.98%</td>
</tr>
<tr>
<td>Barclays Cap US Aggregate Bond</td>
<td>Dodge &amp; Cox</td>
<td>0.92%</td>
<td>3.04%</td>
<td>3.04%</td>
<td>1.99%</td>
<td>2.50%</td>
<td>3.79%</td>
<td>4.90%</td>
<td>5.48%</td>
</tr>
<tr>
<td>US Core Real Estate</td>
<td>UBS ¹⁰</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NCREIF NFI-ODCE</td>
<td>Lighthouse ⁹</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Absolute Return</td>
<td>Sky Bridge ⁹</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HFRI FoF Index</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Composite Portfolio Returns</td>
<td></td>
<td>4.27%</td>
<td>1.60%</td>
<td>1.60%</td>
<td>1.44%</td>
<td>8.36%</td>
<td>8.76%</td>
<td>7.09%</td>
<td>6.36%</td>
</tr>
<tr>
<td>Policy Benchmark Returns</td>
<td></td>
<td>3.90%</td>
<td>1.61%</td>
<td>1.61%</td>
<td>1.47%</td>
<td>7.02%</td>
<td>7.70%</td>
<td>6.20%</td>
<td>5.18%</td>
</tr>
</tbody>
</table>

⁹ Funded January 28, 2016
¹⁰ Funded January 4, 2016

DODGE & COX - The Fixed Income portfolio manager outperformed its benchmark in March 2016 by 1.25%, but underperformed its policy benchmark by 0.36% calendar year-to-date. Contributors to relative performance for the month included the portfolios’ overweight to corporate bonds, positive corporate security selection, and strong performance from the portfolios’ commodity-related credit holdings.
A 7.00% rate of return assumption is used in the annual actuarial analysis for the Retirees’ OPEB. The results of the actuarial analysis determine VTA’s annual contribution rates. Any difference between actual investment returns and the 7.00% assumed annual return is recognized in the same year. The annual returns for the Retirees’ OPEB portfolio have been equivalent to or exceeded the 7.00% assumed rate of return in 8 out of 14 years.

Historic Portfolio Performance for the last six calendar years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Performance</th>
<th>Year</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>12.5%</td>
<td>2013</td>
<td>18.9%</td>
</tr>
<tr>
<td>2011</td>
<td>4.0%</td>
<td>2014</td>
<td>10.8%</td>
</tr>
<tr>
<td>2012</td>
<td>12.4%</td>
<td>2015</td>
<td>1.1%</td>
</tr>
</tbody>
</table>

SCVTA-ATU, Local 265 Pension Plan Assets

It is the policy of the SCVTA-ATU Board of Pensions to have a well-managed investment program that provides for the financial needs of the pension plan and allows the investments to be appropriately diversified and prudently invested to protect the safety of the principal while maintaining a reasonable return. Assets are invested within the following investment guidelines:

<table>
<thead>
<tr>
<th>Asset Allocation</th>
<th>Range</th>
<th>Target</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Fixed Income</td>
<td>20-35%</td>
<td>27%</td>
<td>25%</td>
</tr>
<tr>
<td>Domestic Large-Cap Value</td>
<td>12-22%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Domestic Large-Cap Index</td>
<td>7-17%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Domestic Small-Cap Value</td>
<td>5-15%</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>Int’l Equity Developed Markets</td>
<td>10-20%</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>Int’l Equity Emerging Markets US</td>
<td>0-10%</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Core Real Estate</td>
<td>5-15%</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>Absolute Return</td>
<td>4-10%</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>Cash</td>
<td>0-5%</td>
<td>1%</td>
<td>4%</td>
</tr>
</tbody>
</table>

The SCVTA-ATU Pension Plan composite portfolio underperformed its policy benchmark in March 2016 by 0.44%, and also by 0.42% calendar year-to-date. The current yield of the Dodge & Cox Fixed Income portfolio is 4.41%.

Market performance for each money manager is summarized in the following table:
### Investment Performance as of March 2016

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Fund Manager</th>
<th>Mar</th>
<th>3 Mo</th>
<th>Y-T-D</th>
<th>1 Yr</th>
<th>3 Yr</th>
<th>5 Yr</th>
<th>10 Yr</th>
<th>I-T-D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Income</td>
<td>Dodge &amp; Cox</td>
<td>2.14%</td>
<td>2.74%</td>
<td>2.74%</td>
<td>1.10%</td>
<td>2.75%</td>
<td>4.04%</td>
<td>5.58%</td>
<td>6.27%</td>
</tr>
<tr>
<td>Barclays Cap US Aggregate Bond Index</td>
<td></td>
<td>0.92%</td>
<td>3.04%</td>
<td>3.04%</td>
<td>1.99%</td>
<td>2.50%</td>
<td>3.79%</td>
<td>4.90%</td>
<td>5.06%</td>
</tr>
<tr>
<td>Large-Cap Value Stocks</td>
<td>Boston Partners</td>
<td>6.56%</td>
<td>-0.22%</td>
<td>-0.22%</td>
<td>-4.68%</td>
<td>9.43%</td>
<td>10.78%</td>
<td>7.55%</td>
<td>8.91%</td>
</tr>
<tr>
<td>Russell 1000 Value Index</td>
<td></td>
<td>7.20%</td>
<td>1.63%</td>
<td>1.63%</td>
<td>-1.56%</td>
<td>9.38%</td>
<td>10.24%</td>
<td>5.66%</td>
<td>6.31%</td>
</tr>
<tr>
<td>Large-Cap Index</td>
<td>State Street</td>
<td>6.76%</td>
<td>1.36%</td>
<td>1.36%</td>
<td>1.82%</td>
<td>11.79%</td>
<td>11.55%</td>
<td>7.03%</td>
<td>6.21%</td>
</tr>
<tr>
<td>S&amp;P 500 Index</td>
<td></td>
<td>6.78%</td>
<td>1.35%</td>
<td>1.35%</td>
<td>1.80%</td>
<td>11.84%</td>
<td>11.59%</td>
<td>7.01%</td>
<td>6.11%</td>
</tr>
<tr>
<td>Small-Cap Value Stocks</td>
<td>Wedge ⁴</td>
<td>8.74%</td>
<td>4.28%</td>
<td>4.28%</td>
<td>-2.06%</td>
<td>9.66%</td>
<td>9.96%</td>
<td>5.74%</td>
<td>9.70%</td>
</tr>
<tr>
<td>Russell 2000 Value Index</td>
<td></td>
<td>8.29%</td>
<td>1.70%</td>
<td>1.70%</td>
<td>-7.73%</td>
<td>5.72%</td>
<td>6.66%</td>
<td>4.42%</td>
<td>8.78%</td>
</tr>
<tr>
<td>Int’l Equity Dev. Markets Growth</td>
<td>MFS ⁵</td>
<td>7.27%</td>
<td>1.81%</td>
<td>1.81%</td>
<td>-2.16%</td>
<td>2.60%</td>
<td>3.95%</td>
<td>-</td>
<td>2.51%</td>
</tr>
<tr>
<td>MSCI AC World ex-US Growth Index</td>
<td></td>
<td>7.57%</td>
<td>-0.34%</td>
<td>-0.34%</td>
<td>-6.08%</td>
<td>1.92%</td>
<td>1.60%</td>
<td>-</td>
<td>-0.55%</td>
</tr>
<tr>
<td>US Core Real Estate</td>
<td>UBS ⁶</td>
<td>3.02%</td>
<td>12.94%</td>
<td>12.94%</td>
<td>11.68%</td>
<td>11.68%</td>
<td>-</td>
<td>12.32%</td>
<td></td>
</tr>
<tr>
<td>NCREIF NFI-ODCE</td>
<td></td>
<td>3.34%</td>
<td>15.00%</td>
<td>15.00%</td>
<td>13.82%</td>
<td>13.67%</td>
<td>-</td>
<td>14.45%</td>
<td></td>
</tr>
<tr>
<td>Emerging Market</td>
<td>ROBECO E.M. ⁷</td>
<td>2.91%</td>
<td>-5.26%</td>
<td>-5.26%</td>
<td>-20.93%</td>
<td>-7.82%</td>
<td>-6.36%</td>
<td>-4.42%</td>
<td></td>
</tr>
<tr>
<td>MCSI World Emerging Market</td>
<td></td>
<td>13.26%</td>
<td>5.75%</td>
<td>5.75%</td>
<td>-11.99%</td>
<td>-4.50%</td>
<td>-4.13%</td>
<td>-2.25%</td>
<td></td>
</tr>
</tbody>
</table>

### Contributions to Relative Performance

DODGE & COX - The Fixed Income portfolio manager outperformed its benchmark in March 2016 by 1.22%, but underperformed its policy benchmark by 0.30% calendar year-to-date. Contributors to relative performance for the month included the portfolios’ overweight to corporate bonds, positive corporate security selection, and strong performance from the portfolios’ commodity-related credit holdings.
BOSTON PARTNERS - The Domestic Large Cap Value Equity manager underperformed its policy benchmark in March 2016 by 0.64%, and by 1.85% calendar year-to-date. Underperformance was primarily a result of an underweight allocation to the utilities sector.

WEDGE - The Domestic Small Cap Value Equity manager outperformed its policy benchmark in March 2016 by 0.45% and calendar year-to-date by 2.58%. Stock selection in the banking and retail sectors contributed positively to relative performance.

MFS - The International Equity manager underperformed its policy benchmark in March 2016 by 0.30% but outperformed its policy benchmark calendar year-to-date by 2.15%. An underweight allocation to financial services and stock selection in the leisure sector both detracted from relative performance.

ROBECO - The Emerging Markets Equity manager underperformed its policy benchmark in March 2016 by 10.35% and by 11.01% calendar year-to-date. Underperformance relative to the benchmark was the result of the account being liquidated. The Board called a special meeting on February 18, 2016 at which time Robeco notified the Investment Committee and Staff that it was closing the Emerging Markets commingled trust and that the cash would be distributed to investors as funds became available in March and April of 2016.

Callan Associates is conducting a manager search to replace Robeco and will bring forward candidates for consideration at the May 3, 2016 ATU Investment Committee meeting.

A 7.25% rate of return assumption is used in the annual actuarial analysis for the ATU Pension Plan. The results of the actuarial analysis determine VTA’s annual contribution rates. The annual returns for the ATU Pension Plan portfolio have been equivalent to or exceeded the 7.25% assumed rate of return 7 out of 14 years.

Historic Portfolio Performance (calendar year) for the last six calendar years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Performance</th>
<th>Year</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>14.0%</td>
<td>2013</td>
<td>16.5%</td>
</tr>
<tr>
<td>2011</td>
<td>1.7%</td>
<td>2014</td>
<td>7.2%</td>
</tr>
<tr>
<td>2012</td>
<td>14.5%</td>
<td>2015</td>
<td>0.5%</td>
</tr>
</tbody>
</table>
ATU Spousal Medical Trust Fund, Dental, and Vision Plan

Asset allocation for the ATU Spousal Medical Trust Fund (including funds for dental and vision plans) is provided for in the SCVTA-ATU Pension Plan Investment Policy.

<table>
<thead>
<tr>
<th>Asset Allocation</th>
<th>Range</th>
<th>Target</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Fixed Income</td>
<td>30-50%</td>
<td>38%</td>
<td>37%</td>
</tr>
<tr>
<td>Domestic Large Cap Index</td>
<td>50-70%</td>
<td>60%</td>
<td>61%</td>
</tr>
<tr>
<td>Cash</td>
<td>0-5%</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>

The ATU Spousal Medical Trust Fund composite portfolio outperformed its policy benchmark in the current month by 0.64%, but underperformed its policy benchmark by 0.27% calendar year-to-date. The current yield for the fixed income portfolio is 4.41%

Market performance for each money manager is summarized in the following table:

<table>
<thead>
<tr>
<th>Investment Performance as of March 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Class</td>
</tr>
<tr>
<td>Fixed Income</td>
</tr>
<tr>
<td>Barclays Cap US Aggregate Bond Index</td>
</tr>
<tr>
<td>Large-Cap Index</td>
</tr>
<tr>
<td>S&amp;P 500 Index</td>
</tr>
<tr>
<td>Composite Portfolio Returns</td>
</tr>
<tr>
<td>Policy Benchmark Returns</td>
</tr>
</tbody>
</table>

DODGE & COX - The Fixed Income portfolio manager outperformed its benchmark in March 2016 by 1.37% but underperformed its policy benchmark by 0.68% calendar year-to-date. Contributors to relative performance for the month included the portfolios’ overweight to corporate bonds, positive corporate security selection, and strong performance from the portfolios’ commodity-related credit holdings.

Other Data

The valuation of VTA’s securities is provided by Interactive Data Corporation (IDC), Merrill Lynch Securities Pricing Service and Bloomberg Generic Pricing Service. These firms are the leading providers of global securities data. They offer the largest information databases with current and historical prices on securities traded in all major markets.

This report complies with VTA’s adopted investment policies. Based on budgeted revenues and expenditures as well as actual transfers to/from reserves, there are sufficient funds available to meet expenditure requirements for the six months ending September 30, 2016.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

The Administration and Finance reviewed this item as part of their consent agenda on May 19,
2016. The committee recommended that this item be placed as part of the VTA Board of Directors’ consent agenda for June 2, 2016.

Prepared By: Sean Bill, Investment Program Manager
Memo No. 5348
### VTA INVESTMENT COMPOSITE PORTFOLIO PERFORMANCE.

**PER GENERAL LEDGER BALANCE - SETTLEMENT DATE**

**FOR THE MONTH OF MARCH 2016**

**SUMMARY: MARCH 31, 2016**

<table>
<thead>
<tr>
<th>Description</th>
<th>(1) Book Value /Cost</th>
<th>(2) Book Value /Cost</th>
<th>Fiscal 16 Year-to-Date Earnings - $</th>
<th>Fiscal 16 Year-to-Date Mar 16 Realized Earnings - $</th>
<th>Change for the Month Realized Earnings - $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>VTA FUNDS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 - Fixed Income - Long-Term Investment Pool</td>
<td>254,541,568 /255,021,385</td>
<td>255,021,385 /2,582,552</td>
<td>2,907,637 /325,085</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 - Fixed Income - Mid-Term Investment Pool</td>
<td>605,563,355 /606,001,217</td>
<td>606,001,217 /2,945,319</td>
<td>3,440,281 /494,962</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 - Fixed Income - Short-Term Investment Pool</td>
<td>236,924,476 /237,071,576</td>
<td>237,071,576 /694,007</td>
<td>847,660 /153,653</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 - Fixed Income - Collateral</td>
<td>1,688,954 /1,689,053</td>
<td>1,689,053 /264</td>
<td>376 /112</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 - VTA Bond Funds with Fiscal Agent (2)</td>
<td>102,177,143 /110,208,370</td>
<td>110,208,370 /61,105</td>
<td>68,183 /7,078</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 - Funds with LAIF Investment Pool</td>
<td>57,000,000 /65,000,000</td>
<td>65,000,000 /98,017</td>
<td>110,473 /12,456</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 - Funds with Union Bank-Congestion Management</td>
<td>13,415,735 /14,712,271</td>
<td>14,712,271 /5,626</td>
<td>5,750 /124</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 - Funds with Union Bank-Measure B</td>
<td>2,579,724 /2,565,036</td>
<td>2,565,036 /4,137</td>
<td>4,159 /22</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 - Funds with Union Bank Pooled DDA account</td>
<td>19,779,678 /7,207,713</td>
<td>7,207,713 /11,919</td>
<td>17,411 /5,492</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total VTA Funds</strong></td>
<td>1,293,670,633 /1,299,476,621</td>
<td>1,299,476,621 /6,402,946</td>
<td>7,401,930 /998,984</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>RETIREE'S OPEB FUNDS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 - Retirees' OPEB -Fixed Income</td>
<td>67,344,716 /67,731,818</td>
<td>67,731,818 /3,039,864</td>
<td>3,396,328 /356,464</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 - Retirees' OPEB -State Street - Index</td>
<td>69,802,619 /69,802,619</td>
<td>69,802,619 /19,115,540</td>
<td>19,807,906 /692,366</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 - Retirees' OPEB -US Core Real Estate - UBS</td>
<td>30,000,000 /30,000,000</td>
<td>30,000,000 /0</td>
<td>0 /0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 - Retirees' OPEB -Sky Bridge Capital</td>
<td>11,000,000 /11,000,000</td>
<td>11,000,000 /0</td>
<td>0 /0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 - Retirees' OPEB -Lighthouse Partners</td>
<td>11,000,000 /11,000,000</td>
<td>11,000,000 /0</td>
<td>0 /0</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Retirees' OPEB Funds</strong></td>
<td>189,147,335 /189,534,437</td>
<td>189,534,437 /22,155,404</td>
<td>23,204,234 /1,048,830</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ATU PENSION FUNDS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 - VTA/ATU Pension Fund -Fixed Income</td>
<td>116,598,627 /116,855,940</td>
<td>116,855,940 /5,093,721</td>
<td>5,481,529 /387,808</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 - VTA/ATU Pension Fund -Stock Large Cap Value - BOSTON</td>
<td>64,147,461 /65,252,590</td>
<td>65,252,590 /3,369,174</td>
<td>4,474,326 /1,105,152</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 - VTA/ATU Pension Fund -State Street - Index</td>
<td>18,782,135 /18,782,135</td>
<td>18,782,135 /7,746,079</td>
<td>7,746,079 /0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 - VTA/ATU Pension Fund -Stock Small Cap Value - WEDGE</td>
<td>43,840,203 /43,426,085</td>
<td>43,426,085 /2,903,829</td>
<td>2,489,784 /-414,045</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 - VTA/ATU Pension Fund -Int'l - Equity Growth - MFS</td>
<td>47,574,856 /47,574,856</td>
<td>47,574,856 /727,260</td>
<td>727,260 /0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 - VTA/ATU Pension Fund -Emerging Markets - CASH</td>
<td>28,500,000 /23,543,756</td>
<td>23,543,756 /0</td>
<td>-5,046,244 /-5,046,244</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 - VTA/ATU Pension Fund -US Core Real Estate - UBS</td>
<td>35,000,000 /35,000,000</td>
<td>35,000,000 /0</td>
<td>0 /0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 - VTA/ATU Pension Fund -Sky Bridge Capital</td>
<td>22,000,000 /22,000,000</td>
<td>22,000,000 /0</td>
<td>0 /0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 - VTA/ATU Pension Fund -Lighthouse Partners</td>
<td>22,000,000 /22,000,000</td>
<td>22,000,000 /0</td>
<td>0 /0</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total ATU Pension Funds</strong></td>
<td>398,443,282 /394,435,362</td>
<td>394,435,362 /19,840,063</td>
<td>15,872,734 /-3,967,329</td>
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<td></td>
</tr>
<tr>
<td><strong>ATU SPOUSAL MEDICAL PLAN FUNDS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 - ATU Spousal Med Fund -Dodge &amp; Cox - Index</td>
<td>5,927,234 /5,927,234</td>
<td>5,927,234 /0</td>
<td>0 /0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 - ATU Spousal Med Fund -State Street - Index</td>
<td>7,607,187 /7,607,187</td>
<td>7,607,187 /0</td>
<td>0 /0</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total ATU Spousal Plan Funds</strong></td>
<td>13,534,421 /13,534,421</td>
<td>13,534,421 /0</td>
<td>0 /0</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Investments</strong></td>
<td>1,894,795,671 /1,896,980,841</td>
<td>1,896,980,841 /48,398,413</td>
<td>46,478,898 /-1,919,515</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Legend:**
(1) Total includes contributions / withdrawals made during current month.
(2) Bonds Reserves and/or Debt Service Funds
## VTA INVESTMENT COMPOSITE PORTFOLIO PERFORMANCE
### MONEY MANAGERS’ TOTAL MARKET RETURN - TRADE DATE
#### FOR THE MONTH OF MARCH 2016

### SUMMARY: March 31, 2016

<table>
<thead>
<tr>
<th>Description</th>
<th>Total Market Value</th>
<th>Mar Total Market Return</th>
<th>Total Market Return</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Prior Month</td>
<td>Current Month</td>
<td>$Unrealized Gain/Loss</td>
</tr>
<tr>
<td>1 - Fixed Income Long-Term Investment Pool</td>
<td>257,487,499</td>
<td>258,401,591</td>
<td>914,092</td>
</tr>
<tr>
<td>1 - Fixed Income Mid-Term Investment Pool</td>
<td>606,601,085</td>
<td>608,194,427</td>
<td>1,593,342</td>
</tr>
<tr>
<td>2 - Fixed Income Short-Term Investment Pool</td>
<td>236,947,881</td>
<td>237,343,727</td>
<td>395,846</td>
</tr>
<tr>
<td>3 - Fixed Income Collateral Investment Pool (2)</td>
<td>1,688,954</td>
<td>1,689,053</td>
<td>1,098</td>
</tr>
<tr>
<td>4 - VTA Bond Funds with Fiscal Agents</td>
<td>102,177,143</td>
<td>110,208,370</td>
<td>7,031,237</td>
</tr>
<tr>
<td>5 - Funds with LAIIF Investment Pool</td>
<td>57,000,000</td>
<td>65,000,000</td>
<td>8,000,000</td>
</tr>
<tr>
<td>6 - Funds with Union Bank-Congestion Management</td>
<td>13,415,735</td>
<td>14,712,271</td>
<td>12,996,542</td>
</tr>
<tr>
<td>7 - Funds with Union Bank-Measure B</td>
<td>2,579,724</td>
<td>2,565,036</td>
<td>1,258</td>
</tr>
<tr>
<td>8 - Funds with Union Bank DDA account</td>
<td>19,779,678</td>
<td>7,207,713</td>
<td>-12,571,965</td>
</tr>
<tr>
<td><strong>Total VTA Funds</strong></td>
<td><strong>1,297,677,699</strong></td>
<td><strong>1,305,322,188</strong></td>
<td><strong>7,644,493</strong></td>
</tr>
<tr>
<td>1 - Retirees' OPEB - Fixed Income</td>
<td>67,344,634</td>
<td>68,841,995</td>
<td>1,497,361</td>
</tr>
<tr>
<td>2 - Retirees' OPEB - State Street - Index</td>
<td>137,473,739</td>
<td>146,815,418</td>
<td>9,341,679</td>
</tr>
<tr>
<td>3 - Retirees' OPEB - US Core Real Estate (3)</td>
<td>30,000,000</td>
<td>30,000,000</td>
<td>0</td>
</tr>
<tr>
<td>4 - Retirees' OPEB - Sky Bridge</td>
<td>11,000,000</td>
<td>11,000,000</td>
<td>0</td>
</tr>
<tr>
<td>5 - Retirees' OPEB - Lighthouse</td>
<td>11,000,000</td>
<td>10,972,441</td>
<td>27,569</td>
</tr>
<tr>
<td><strong>Total Retirees' OPEB Funds</strong></td>
<td><strong>256,818,373</strong></td>
<td><strong>267,629,854</strong></td>
<td><strong>10,811,481</strong></td>
</tr>
<tr>
<td>1 - VTA/ATU Pension Fund-Fixed Income</td>
<td>116,368,618</td>
<td>118,859,006</td>
<td>2,490,388</td>
</tr>
<tr>
<td>2 - VTA/ATU Pension Fund-Stock Large Cap Value</td>
<td>69,048,400</td>
<td>73,580,217</td>
<td>4,531,817</td>
</tr>
<tr>
<td>3 - VTA/ATU Pension Fund-State Street - Index</td>
<td>46,785,716</td>
<td>49,948,867</td>
<td>3,163,151</td>
</tr>
<tr>
<td>4 - VTA/ATU Pension Fund-Stock Small Cap Value</td>
<td>47,707,545</td>
<td>51,877,285</td>
<td>4,169,740</td>
</tr>
<tr>
<td>5 - VTA/ATU Pension Fund- Int'l - Equity Growth</td>
<td>60,564,533</td>
<td>64,970,074</td>
<td>4,405,541</td>
</tr>
<tr>
<td>6 - VTA/ATU Pension Fund- Emerging Markets Cash (4)</td>
<td>22,789,511</td>
<td>23,453,756</td>
<td>664,245</td>
</tr>
<tr>
<td>7 - VTA/ATU Pension Fund- US Core Real Estate (3)</td>
<td>56,738,649</td>
<td>56,738,649</td>
<td>0</td>
</tr>
<tr>
<td>8 - VTA/ATU Pension Fund- Sky Bridge</td>
<td>22,000,000</td>
<td>22,000,000</td>
<td>0</td>
</tr>
<tr>
<td>9 - VTA/ATU Pension Fund- Lighthouse</td>
<td>22,000,000</td>
<td>21,944,882</td>
<td>55,118</td>
</tr>
<tr>
<td><strong>Total Pension Fund</strong></td>
<td><strong>464,002,972</strong></td>
<td><strong>483,372,736</strong></td>
<td><strong>19,370,764</strong></td>
</tr>
<tr>
<td>1 - ATU Spousal Med Fund - Dodge &amp; Cox - Index</td>
<td>8,260,607</td>
<td>8,449,855</td>
<td>189,248</td>
</tr>
<tr>
<td>2 - ATU Spousal Med Fund-State Street - Index</td>
<td>13,139,212</td>
<td>14,027,546</td>
<td>888,334</td>
</tr>
<tr>
<td><strong>Total ATU Spousal Funds</strong></td>
<td><strong>21,399,819</strong></td>
<td><strong>22,477,401</strong></td>
<td><strong>1,077,582</strong></td>
</tr>
<tr>
<td><strong>Total Investments</strong></td>
<td><strong>2,039,898,863</strong></td>
<td><strong>2,078,802,179</strong></td>
<td><strong>38,903,316</strong></td>
</tr>
</tbody>
</table>

### Legend:

1. Total includes contributions / withdrawals made during current month.
2. Funded 7/23/2012 $202,149.96 and $2,840,114.82 on 7/15/2013; withdraw $414,890.44 on 8/8/2014; withdraw $944,706.75 on 8/7/2015
3. Performance reported quarterly.
4. Liquidate March 2016 received cash 3/7/2016 $21,206,214.01, 3/9/2016 $1,178,123.00, 3/16/2016 $1,069,419.27. Last payment anticipated in April 2016.
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Government Affairs, Jim Lawson

SUBJECT: Legislative Update Matrix

FOR INFORMATION ONLY

BACKGROUND:

The Legislative Update Matrix describes the key bills that are being considered by the California State Legislature during the second year of the 2015-2016 regular session, as well as during the special session called by Gov. Jerry Brown to address issues related to transportation funding. The matrix indicates the status of these measures and any VTA positions with regard to them.

DISCUSSION:

The purpose of this report is to provide an update on recent developments concerning important transportation issues facing lawmakers in Sacramento.

Transportation Funding Special Session: On April 22, Senate Transportation & Housing Committee Chairman Jim Beall (D-San Jose) released an amended version of SBX1-1, which calls for providing approximately $5.5 billion per year in new, ongoing revenues and $1 billion in one-time funding for transportation purposes. The money would be used to: (1) address the significant funding shortfalls that currently exist for maintaining and rehabilitating state highways and local streets/roads; (2) fund mobility improvements in key goods movement corridors; and (3) invest in public transit.

SBX1-1 establishes the Road Maintenance and Rehabilitation Account to be funded with revenues derived from the following sources:

- Increase in the gasoline excise tax of 12 cents per gallon, which would be indexed to inflation.
- Increase of 22 cents per gallon in the diesel excise tax, which would be indexed to...
inflation. Under the provisions of SBX1-1, the revenues derived from 12 cents of this increase would be deposited into the existing Trade Corridors Improvement Fund and used for goods movement projects programmed by the California Transportation Commission (CTC). The revenues generated from the remaining 10 cents would be deposited into the Road Maintenance and Rehabilitation Account.

- Registration surcharge of $35 per year imposed on all motor vehicles, which would be indexed to inflation.

- Registration surcharge of $100 per year imposed on zero-emission vehicles.

- Road access charge of $35 per year imposed on all motor vehicles to be collected by the Department of Motor Vehicles (DMV) as part of the annual vehicle registration process. This charge would be indexed to inflation.

- Repayment by June 30, 2016, of approximately $1 billion in outstanding loans owed by the General Fund to the State Highway Account, the Motor Vehicle Fuel Account, the Highway Users Tax Account (HUTA), and the Motor Vehicle Account.

SBX1-1 calls for distributing the revenues deposited into the new Road Maintenance and Rehabilitation Account in the following manner:

- 5 percent would be taken off the top for allocation to counties that currently do not have a local transportation sales tax, but gain voter approval of one after July 1, 2016. SBX1-1 requires the CTC to develop guidelines to define the specific methodology that would be used to distribute these funds to eligible counties and to cities within those counties. The funds must be expended for road maintenance and rehabilitation purposes.

- Of the amount remaining in the Road Maintenance and Rehabilitation Account after the 5-percent set-aside, 50 percent would be allocated to Caltrans for maintenance of the state highway system, and for projects programmed in the State Highway Operation and Protection Program (SHOPP). The other 50 percent would be provided to cities and counties for maintenance and rehabilitation work on their local roadway systems. In the latter case, the funds would be equally divided between cities and counties, with the cities’ portion being allocated by a formula based on population, and the counties’ share by a formula based on vehicle registrations and miles of maintained county roads.

The amended version of SBX1-1 includes new funding for public transit, which would be derived from the following sources:

- Increase in the percentage of cap-and-trade auction proceeds continuously appropriated to the Transit and Intercity Rail Capital Program from 10 percent to 20 percent. Assuming that the total amount of cap-and-trade revenues raised through the allowance auctions held by the California Air Resources Board (CARB) is $2 billion per year, as projected in the Governor’s FY 2017 budget, this program would receive $400 million, as opposed to $200 million under current law.
• Increase in the percentage of cap-and-trade auction proceeds continuously appropriated to the Low Carbon Transit Operations Program (LCTOP) from 5 percent to 10 percent. This means the amount distributed to this program on an annual basis would grow from $100 million to $200 million, again assuming that cap-and-trade auction proceeds are $2 billion a year.

• Requirement that a total of $550 million in cap-and-trade auction proceeds currently dedicated to high-speed rail be set aside for allocation to intercity, commuter and urban rail systems through a competitive process administered by the CTC for projects that enhance connectivity to the state’s planned high-speed rail system.

• Increase in the diesel sales tax rate to provide additional funding for the State Transit Assistance Program (STA). SBX1-1 requires public transit agencies to expend these new revenues for activities related to: (1) repairing, maintaining, rehabilitating, or modernizing their existing vehicles or facilities; or (2) designing, acquiring or construction new vehicles or facilities that would improve existing services or allow for the implementation of future planned services.

In addition to raising new revenues for transportation purposes, the amended version of SBX1-1 would:

• Address the volatility of the variable portion of the state’s gasoline excise tax by: (1) ending the Board of Equalization’s annual adjustments; (2) converting the variable rate to a fix rate of 17.3 cents per gallon; and (3) indexing the fixed rate to inflation to maintain purchasing power.

• End the erosion of purchasing power of the existing 18-cent-per-gallon gasoline and 13-cent-per-gallon diesel excise taxes by indexing them to inflation.

• Retain half of the revenues generated annually from vehicle weight fees (approximately $500 million) in the State Highway Account for transportation purposes, rather than transferring these dollars to the General Fund for bond debt service. In addition, SBX1-1 requires the Department of Finance to develop a plan to ensure that all vehicle weight fee revenues are being spent for transportation purposes no later than FY 2022.

• Require Caltrans to submit a plan for increasing its efficiency by up to 30 percent over the next three fiscal years to the CTC. SBX1-1 also requires Caltrans to present to the CTC a five-year plan for generating additional income from properties that the department owns.

• Create the Division of Active Transportation within Caltrans to administer the state’s Active Transportation Program (ATP). In addition, SBX1-1 requires $100 million per year in cap-and-trade auction proceeds to be allocated to the ATP.

• Require gas tax revenues derived from boats, agricultural vehicles and off-road vehicles
to be deposited into HUTA, rather than the General Fund, and distributed to cities and counties for local roadway purposes.

- Require any reduction in debt service costs resulting from a refunding of transportation-related general obligation bonds to be transferred from the General Fund to the CTC for allocation to high-priority state highway and local street/road maintenance and rehabilitation projects.

The amended version of SBX1-1 incorporates a number of policy proposals that were included in the Governor’s transportation funding package, or that were suggested by the Assembly and Senate Republican caucuses. These policy measures include:

- Making the existing statutory authority for using public-private partnerships for transportation projects permanent, as well as amending current law to allow VTA to take advantage of this project delivery tool.

- Creating an Office of the Transportation Inspector General to ensure that Caltrans, the California High-Speed Rail Authority and other state agencies expending state transportation funds are operating efficiently, effectively, and in compliance with applicable federal and state laws.

- Providing an exemption from the California Environmental Quality Act (CEQA) for roadway maintenance projects occurring within existing rights-of-way.

- Pulling the CTC out from under the California State Transportation Agency (CalSTA) and re-establishing it as a separate state government entity.

- Establishing an Advanced Transportation Project Mitigation Program administered by the state Natural Resources Agency to accelerate project delivery and improve the outcomes of environmental mitigation through the use of mitigation banks, mitigation credits, conservation easements, and other tools.

- Extending indefinitely the statutory authorization for Caltrans to participate in a federal program that allows states to assume the responsibilities of the Federal Highway Administration (FHWA) under the National Environmental Policy Act (NEPA).

SBX1-1 is currently pending before the Senate Appropriations Committee. If approved by this committee, the bill would move to the Senate Floor, where a two-thirds majority vote is required for passage.

**State Transportation Improvement Program:** The CTC is poised to approve the 2016 State Transportation Improvement Program (STIP), which will cover FY 2017 through FY 2021. Because of an anticipated funding shortfall, the recommended 2016 STIP reflects the following: (1) no new projects; (2) project deletions and delays proposed by Caltrans and regional transportation agencies; and (3) additional project deletions and delays proposed by CTC staff that take into consideration geographic balance and other factors to ensure that the STIP stays
within the amount of funding expected to be available.

Currently, the only source of funding for the STIP is the variable gas tax. The variable gas tax is a product of the complex transportation funding swap that was enacted by the Legislature in 2010-2011. Under the swap, the state’s share of the sales tax on gasoline was eliminated and replaced with a variable excise tax that the Board of Equalization is required to adjust annually to ensure that the same amount of money is being generated as by the former sales tax. Revenues derived from the variable gas tax are allocated 44 percent to cities and counties for local streets/roads; 44 percent to the STIP; and 12 percent to the SHOPP.

Originally established at 17.3 cents per gallon in 2010, the variable gas tax rate has been adjusted annually since then. Earlier this year, the Board of Equalization announced that because of a continuing decline in fuel prices, the rate will be reduced to 9.8 cents per gallon, effective July 1, 2016. This action will be the third fiscal year in a row in which the Board of Equalization has adjusted the rate downward.

The CTC is required by law to estimate the amount of funding expected to be available over the five-year STIP period. The Fund Estimate for the 2016 STIP, which was adopted by the commission in January, takes into account the loss of revenues resulting from current and potentially future downward adjustments to the variable gas tax rate. The Fund Estimate shows a $1.5 billion shortfall in the amount of money needed to meet project commitments made in the 2014 STIP for FY 2017 through FY 2019. This marks the largest scaling back of the STIP since the creation of its current funding structure nearly 20 years ago. As a result, there is no capacity to add any new projects to the 2016 STIP. Instead, 98 projects totaling $754 million are recommended for full or partial deletion from the STIP, while another 90 projects totaling $755 million are recommended to be delayed to FY 2020 and FY 2021.

The variable gas tax problem is one of a myriad of issues being discussed as the Legislature grapples with trying to put together a comprehensive transportation funding package. The three major proposals that have been put forth -- SBX1-1, AB 1591 (Frazier) and Gov. Brown’s plan -- all address the volatility of the variable gas tax in the same way. They call for converting the variable rate to a fix rate (18 cents per gallon under the Governor’s plan versus 17.3 cents per gallon under SBX1-1 and AB 1591) and indexing the fixed rate to inflation to maintain purchasing power. However, this approach has not gained the support of Assembly or Senate Republicans, who consider it to be a tax increase.

Meanwhile, SB 321 (Beall) continues to linger on the Senate Floor. Addressing the problem in a completely different way, this bill changes the methodology used by the Board of Equalization to set the rate for the variable gas tax. While SB 321 would not eliminate downward adjustments to the rate, it would substantially “smooth out” the impact of any adjustments and, thus, reduce the volatility of this revenue stream.

**High-Speed Rail:** During the week of April 25, the California High-Speed Rail Authority formally adopted its 2016 business plan, which signals a major shift in the proposed planning and construction of the state’s high-speed rail project. Rather than pursuing a south-oriented Initial Operating Segment (IOS) from the city of Merced in the Central Valley through the
Tehachapi Mountains to the San Fernando Valley in Los Angeles County, the High-Speed Rail Authority is now proposing a north-oriented IOS running from the Central Valley to San Jose. The authority expects construction of the north-oriented IOS to be completed by 2024 and service to begin in 2025. The estimated cost is $20.8 billion, and encompasses everything needed to construct the line and start revenue service, including rolling stock, maintenance facilities, stations, and all necessary rail systems. The business plan indicates that the north-oriented IOS can be completed using Proposition 1A bond revenues, federal funds already committed to the high-speed rail project, continued annual appropriations of cap-and-trade auction proceeds, and financing to be repaid with cap-and-trade money expected to be available from 2025 through 2050.

In addition, the 2016 business plan presents a fiscally constrained funding strategy for proceeding with an extension of the IOS to Bakersfield and to San Francisco, as well as corridor improvements between Burbank and Anaheim.

Finally, the plan updates the capital costs and schedule for the entire Phase I of the high-speed rail system (San Francisco to Anaheim), and assumes additional funding will become available, so that Phase I would be completed and operational by 2029. However, while the business plan discusses potential revenue sources that might be able to partially pay for additional portions of Phase I, it does not include a full funding plan.

**State Transit Assistance Program:** STA funding is derived solely from the sales tax on diesel fuel. The amount of money available for public transit agencies under this program varies from year to year based on the ups and downs of diesel fuel prices. The State Controller’s Office is responsible for allocating STA dollars to the 26 regional transportation agencies in California, which subsequently suballocate the funds to public transit operators within their respective jurisdictions.

STA was created through the enactment of the Transportation Development Act in the early 1970s. For most of the life of this program, public transit operators and regional transportation agencies have understood the following:

- 50 percent of all STA funding flows from the State Controller’s Office to regions based on the ratio of the population of each region to the population of the state. Each regional transportation agency has the discretion to determine how to suballocate these population-based dollars to public transit operators within its jurisdiction.

- 50 percent of all STA funding flows from the State Controller’s Office to regions based on the ratio of the locally generated revenues of each public transit operator in each region to the locally generated revenues of all public transit operators in the state. Each regional transportation agency is required to suballocate these revenue-based dollars to public transit operators within its jurisdiction based on the specific ratios published by the Controller’s Office.

- The definition of “transit operator” used by the Controller’s Office to generate a list of eligible STA recipients each year means an agency providing transportation services to
the general public for which a fare is collected.

Late last year, the State Controller’s Office reinterpreted the statutes and regulations governing STA, and implemented significant changes to how STA revenue-based funds are to be distributed without any opportunity for legislative or public review and comment. In general, the Controller’s Office broadened the definition of “transit operator,” adding more than 100 new entities to the list of eligible recipients of STA revenue-based funds, and expanded the types of locally generated revenue sources that could be used to calculate a public transit operator’s revenue-based share. These controversial changes went into effect starting with the first quarter allocations for FY 2016, which were issued in January 2016.

The changes have resulted in a shifting of STA revenue-based funds not only between different regions of the state, but also between different public transit operators within each region, thereby creating winners and losers up and down the state. Moreover, the Controller’s Office has stated that public transit operators are no longer guaranteed their share of STA revenue-based funds. Instead, the Controller’s Office intends to calculate the total amount of STA revenue-based funding that would be allocated to each region, and then leave it up to each regional transportation agency to determine the suballocations to the public transit operators within its jurisdiction.

In response, the California Transit Association is pursuing a two-pronged legislative strategy to address this situation. First, in the short-term, the Association is pushing for the enactment of FY 2017 budget trailer bill language that would require the State Controller’s Office to use the longstanding STA methodology for distributing any unallocated FY 2016 and all FY 2017 revenue-based funds. Second, the Association is planning to develop a subsequent policy bill to take effect beginning in FY 2018 that would fix the ambiguities in the current STA statutory and regulatory framework that caused the Controller’s Office to depart from the longstanding methodology for distributing revenue-based funds.

In order to maintain STA as a stable source of public transit funding, it has become apparent that statutory changes clarifying how STA revenue-based dollars should be allocated are necessary. Making these changes through the policy bill process, however, may take some time. The California Transit Association’s proposed budget trailer bill language is intended to prevent the State Controller’s Office from using its reinterpreted allocation methodology until the appropriate statutory clarifications can be enacted. In other words, for the time being, the Controller’s Office, under the budget trailer bill language, would be required to use the same list of eligible recipients and the same proportional revenue-based shares that were used for the fourth quarter of FY 2015.

Prepared By: Kurt Evans, Government Affairs Manager
Memo No. 5392
# 2016 Regular Session Calendar

**DAY** | **JANUARY** | **DEC** | **MAY** | **JUNE** | **JULY** | **AUG** | **SEP** | **OCT** | **NOV** | **DEC**
---|---|---|---|---|---|---|---|---|---|---
1 | Statutes signed into law in 2015 take effect. | 30 | Last day for legislative measures to qualify for placement on November 8 general election ballot. | 2 | 30 | Last day for bills introduced in 2016 to be passed out of their house of origin. | 3 | Last day for bills introduced in 2016 to be passed out of their house of origin. | 4 | Last day for fiscal committees to hear and report to the floor bills introduced in the other house. | 5 | 2017-2018 Regular Session convenes. |
4 | Legislature reconvenes. | | | | | | | | | |
10 | Budget must be submitted by the Governor to the Legislature on or before this date. | | | | | | | | | |
15 | Last day for policy committees to hear and report fiscal bills introduced in their house of origin in 2015. | | | | | | | | | |
22 | Last day for any committee to hear and report to the floor bills introduced in their house of origin in 2015. | | | | | | | | | |
22 | Last day to submit bill requests to the Legislative Counsel’s Office. | | | | | | | | | |
31 | Last day for bills introduced in 2015 to be passed out of their house of origin. | | | | | | | | | |
19 | Last day for new bills to be introduced. | | | | | | | | | |
17 | Spring Recess begins upon adjournment. | | | | | | | | | |
28 | Legislature reconvenes from Spring Recess. | | | | | | | | | |
22 | Last day for policy committees to hear and report fiscal bills introduced in their house of origin in 2016. | | | | | | | | | |
30 | Last day for the Governor to sign or veto bills passed by the Legislature before September 1, and in his possession on or after September 1. | | | | | | | | | |
5 | 2017-2018 Regular Session convenes. | | | | | | | | | |
## State Assembly Bills

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<th>State Assembly Bills</th>
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<tr>
<td><strong>AB 12</strong> (Cooley) State Agency Regulations</td>
<td>By January 1, 2018, requires each state agency to do all of the following: (1) review all provisions of the California Code of Regulations adopted by that state agency; (2) identify any regulations that are duplicative, overlapping, inconsistent, or out-of-date; and (3) adopt, amend or repeal regulations to reconcile or eliminate any duplication, overlap, inconsistencies, or out-of-date provisions.</td>
<td>8/19/15</td>
<td>Senate Appropriations Committee</td>
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<td><strong>AB 51</strong> (Quirk) Motorcycles: Lane Splitting</td>
<td>Allows a motorcycle that has two wheels in contact with the ground to be driven between rows of stopped or moving vehicles in the same lane, including both divided and undivided streets, roads or highways, if both of the following conditions are present: (1) the motorcycle is not driven at a speed of more than 50 miles per hour (mph); and (2) the motorcycle is not driven more than 15 mph faster than the speed of traffic moving in the same direction. Specifies that the provisions of the bill do not authorize a motorcycle to be driven in contravention of other laws relating to the safe operation of a vehicle.</td>
<td>5/22/15</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td><strong>AB 156</strong> (Perea) Cap-and-Trade: Disadvantaged Communities Technical Assistance Program</td>
<td>Requires the California Air Resources Board (CARB) to prepare and post on its Internet Web site a report on the projects being funded with cap-and-trade auction proceeds from the Greenhouse Gas Reduction Fund. Requires this report to include all of the following: (1) a general description of each project; (2) the location where each project will be implemented; (3) the estimated date of completion of each project; (4) the amount awarded to each project; and (5) the status of any revenues in the Greenhouse Gas Reduction Fund not awarded to projects and the reasons why those moneys have not been awarded. Upon an appropriation of cap-and-trade auction proceeds from the Greenhouse Gas Reduction Fund, requires CARB to establish a comprehensive technical assistance program for eligible applicants assisting disadvantaged communities that CARB determines require technical assistance in accessing programs funded with cap-and-trade auction proceeds. Requires this program to provide assistance to eligible applicants with regard to any of the following: (1) identifying state agencies with appropriate grant programs; (2) developing competitive project proposals to apply for cap-and-trade funding available through state agencies; (3) coordinating existing local programs to reduce greenhouse gas emissions with new programs receiving cap-and-trade funding; or (4) conducting community outreach to residents of disadvantaged communities that CARB determines require such assistance. Requires the technical assistance provided pursuant to the bill to promote programs that reduce greenhouse gas emissions and demonstrate a direct, meaningful benefit to disadvantaged communities.</td>
<td>8/18/15</td>
<td>Senate Appropriations Committee</td>
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<td>AB 318 (Chau)</td>
<td>If a lost or unclaimed item worth $100 or more in value is found on a vehicle or the property of a public transit agency, requires the person who found the item to turn it in to the public transit agency, rather than to law enforcement. Provides 90 days for the owner of the item to reclaim it from the public transit agency. Allows the public transit agency to require payment by the owner of a reasonable charge to defray the costs of storage and care of the property. If the reported value of the item is $250 or more, and no owner appears and proves his or her ownership of the item within 90 days, requires the public transit agency to cause notice of the item to be published at least once in a newspaper of general circulation. If, after seven days, no owner appears and proves his or her ownership of the item, and the person who found or saved the item pays the cost of the publication, provides that the title shall vest in that person. If the item was found in the course of employment by an employee of the public transit agency, requires the item to be sold at public auction. If the reported value of the item is less than $250, and no owner appears and proves his or her ownership of the item within 90 days, provides that the title shall vest in the person who found the item. If the item was found in the course of employment by an employee of the public transit agency, requires the item to be sold at public auction. Applies all of the following with respect to lost or unclaimed bicycles turned in to or held by a public transit agency: (1) if the owner of a bicycle appears within 45 days after receipt by the public transit agency, proves his or her ownership, and pays all reasonable charges, requires the public transit agency to restore the bicycle to the owner; (2) if the bicycle remains unclaimed after 45 days, allows the public transit agency to dispose of it by sale at a public auction to the highest bidder; (3) requires the public transit agency to give notice of the sale at least five days prior to the auction by publication in a newspaper of general circulation in the county in which the bicycle was found; (4) if a bicycle remains unsold after the auction, allows the public transit agency to destroy or otherwise dispose of it; and (5) allows a public transit agency to donate an unclaimed bicycle after 45 days to a charitable organization if the agency’s board of directors holds a public hearing to determine the organization that would receive the bicycle and the agency provides notice at least five days prior to the donation by publication in a newspaper of general circulation in the county in which the agency operates. Prohibits a public transit agency from donating unclaimed bicycles more than two times per calendar year. Provides that the number of bicycles donated shall not exceed 25 percent of the total number of lost or unclaimed bicycles found or saved by the public transit agency during the prior six months. Requires any public transit agency that donates unclaimed bicycles to a charitable organization pursuant to the provisions of this bill to submit a report, as specified, to the Assembly and Senate Judiciary Committees by January 1, 2020. Repeals all of the provisions of the bill on January 1, 2021.</td>
<td>6/11/15</td>
<td>Senate Judiciary Committee</td>
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<td>AB 338 (R. Hernandez) LA Metro: Local Transportation Sales Taxes</td>
<td>In addition to any other tax that it is authorized to impose or has imposed, allows the Los Angeles County Metropolitan Transportation Authority (LA Metro) to impose a transactions and use tax at the rate of 0.5 percent for a period not to exceed 30 years that would be applicable in the incorporated and unincorporated areas of Los Angeles County. Requires the ordinance imposing the tax to contain the following: (1) an expenditure plan that lists the transportation projects and programs to be funded from net revenues from the tax; (2) a requirement that the expenditure plan include measures to ensure that net revenues are share equitably between regions of the county; (3) a provision limiting LA Metro’s costs of administering the ordinance and the net revenues from the tax to 1.5 percent of the total tax revenues; (4) a requirement that the net revenues from the tax, defined to mean the total tax revenues less any refunds, costs of administration by the state Board of Equalization and LA Metro’s administrative costs, be used to fund the transportation projects and programs identified in the expenditure plan; (4) a requirement that LA Metro, during the period that the ordinance is operative, allocate 20 percent of all net revenues from the tax for operating costs associated with bus service provided by LA Metro and the municipal transit operators in Los Angeles County; and (5) a requirement that LA Metro, during the period that the ordinance is operative, allocate 5 percent of all net revenues from the tax for rail operations. Requires LA Metro to notify the Legislature prior to taking action on any amendments to the adopted expenditure plan. Provides that the ordinance shall become operative if approved by a two-thirds vote of the electorate in Los Angeles County. Authorizes LA Metro to incur bonded indebtedness payable from the net revenues of the tax.</td>
<td>4/13/15</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<p>| AB 516 (Mullin) Temporary License Plates | No later than January 1, 2018, requires the Department of Motor Vehicles to develop and implement an operational system that allows a vehicle dealer or lessor-retailer to electronically report the sale of a vehicle and provide a temporary license plate. Requires the dealer or lessor-retailer to attach a temporary license plate at the point of sale. Allows a vehicle to operate with temporary license plates until either: (1) the permanent license plates and registration card are received by the vehicle owner; or (2) 90 days have lapsed from the vehicle’s selling date. Allows a vehicle to continue to display a report-of-sale form or temporary license plates after 90 days if the owner has not yet received the permanent license plates, and provides proof that he or she has submitted an application to the DMV. Requires the DMV to assess a fee for the recording of notices of delinquent parking and toll evasion violations given to the department by a processing agency that is sufficient to provide a total amount equal to at least its actual costs related to administering the electronic report-of-sale and temporary license plate system. Beginning January 1, 2018, authorizes vehicle dealers to raise their document processing fees by $10. In addition, allows vehicle dealers to impose an electronic filing charge for reporting vehicle sales and producing temporary license plates. Specifies that it is a felony for a person to alter, forge, counterfeit, or falsify a temporary license plate. | 7/16/15 | Senate Floor | Support |</p>
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| **AB 590** (Dahle)  
Cap-and-Trade: Biomass Power Generation | Allows cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund to be made available to the State Energy Resources Conservation and Development Commission, upon appropriation by the Legislature, for purposes related to maintaining the current level of biomass power generation and geothermal energy generation in California, and revitalizing currently idle facilities in strategically located regions. To be eligible for funding, requires a generation facility to satisfy all of the following: (1) the energy is generated on and after January 1, 2016; (2) the energy is generated using biomass wood wastes and residues or geothermal resources, and is sold to a load-serving entity; (3) the energy is generated at a facility with a generation capacity of more than three megawatts; and (4) the energy is generated within California and sold to customers within the state. In prioritizing projects for funding, requires the State Energy Resources Conservation and Development Commission to maximize the reduction of greenhouse gas emissions achieved by a project for each dollar awarded. Working in consultation with the California Air Resources Board (CARB), requires the State Energy Resources Conservation and Development Commission to ensure that projects receiving funding achieve net reductions in greenhouse gas emissions. | 7/9/15 | Senate Appropriations Committee |
| **AB 620** (R. Hernandez)  
LA Metro Express Lanes: Low-Income Assistance Program | Requires the Los Angeles County Metropolitan Transportation Authority (LA Metro) to take additional steps to increase enrollment and participation in its existing low-income assistance program related to its I-10 and I-110 express lanes. In this regard, requires LA Metro to improve the awareness of the program through advertising, and by working with local community groups and social service agencies to distribute information about the program. Requires LA Metro to consider offering greater incentives to encourage participation in the program. | 1/27/16 | Senate Transportation & Housing Committee |
| **AB 645** (Williams)  
Electricity: California Renewables Portfolio Standard | Pursuant to the California Renewables Portfolio Standard, requires the California Public Utilities Commission (CPUC), by January 1, 2017, to establish the quantity of electricity products from eligible renewable energy resources to be procured by each retail seller for specified compliance periods sufficient to ensure that the procurement of electricity products from these resources achieves 50 percent of retail sales by December 31, 2030. Requires the quantities to reflect reasonable progress in each of the intervening years sufficient to ensure that the procurement of electricity products from eligible renewable energy resources achieves 25 percent of retail sales by December 31, 2016; 33 percent by December 31, 2020; 38 percent by December 31, 2023; 44 percent by December 31, 2026; and 50 percent by December 31, 2030. Requires the CPUC to require retail sellers to procure not less than 50 percent of retail sales of electricity products from eligible renewable energy resources in all subsequent years. | As Introduced | Senate Appropriations Committee |
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<td>AB 678 (O’Donnell)</td>
<td>Requires the California Air Resources Board (CARB), in conjunction with the State Energy Resources Conservation and Development Commission, to develop and implement an Energy Efficiency and Greenhouse Gas Reductions Ports Program. Provides that the purpose of this program is to fund energy efficiency upgrades and investments at public ports that help reduce the emissions of criteria pollutants, toxic air contaminants and greenhouse gases. Authorizes CARB to expend cap-and-trade auction proceeds that it receives from an appropriation from the Greenhouse Gas Reduction Fund to implement the program. In order to receive funding from the program for energy-related projects, requires a port to develop and adopt, in consultation with the respective electric utility providing service to the port, an energy plan. Requires a port’s energy plan to be approved by the State Energy Resources Conservation and Development Commission. Provides that the plan shall: (1) adhere to the state’s preferred energy loading order; and (2) require benchmarking for energy retrofit projects and reporting of measurable energy savings. In prioritizing projects for funding, requires CARB to consider the extent to which a project would reduce greenhouse gas emissions, and provide environmental and public health co-benefits, including improved air and water quality.</td>
<td>8/18/15</td>
<td>Senate Appropriations Committee</td>
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<td>AB 779 (Garcia) Congestion Management Programs</td>
<td>Makes a number of modifications to state statutes pertaining to congestion management programs (CMPs). Eliminates the requirement that an infill opportunity zone must be located within one-half mile of a major transit stop and, instead, allows a city or county to designate an area as an infill opportunity zone if it is a transit priority area within a sustainable communities strategy or alternative planning strategy adopted by the applicable metropolitan planning organization (MPO). Replaces traffic level of service standards within a CMP with “measures of effectiveness” established for a system of highways and roadways designed by the congestion management agency (CMA). Requires the performance element of a CMP to include performance measures that support greenhouse gas emissions reduction objectives, as well as mobility, air quality, land-use, and economic objectives. Requires the land-use element of a CMP to analyze the relationship between land-use decisions made by local jurisdictions and regional transportation systems, instead of analyzing the impacts of local land-use decisions on regional transportation systems. If the capital improvement program (CIP) element of a CMP includes capacity enhancement projects, requires the CIP to evaluate the potential for those enhancement projects to induce additional travel. Requires a CMA to develop a uniform data base on transportation conditions for use in a countywide transportation computer model, instead of a uniform data base on traffic impacts. At least biennially, requires a CMA to determine if the applicable county and cities are conforming to its CMP, including, but not limited to, the following: (1) achieving performance standards for the transportation system as provided in the performance element of the CMP; (2) adoption and implementation of a program to analyze the relationship between land-use decisions and the regional transportation system; and (3) adoption and implementation of a deficiency plan, if required. Requires a city or county to prepare a deficiency plan if the CMA determines that it is not conforming with the CMP. Regarding the preparation of a deficiency plan, adds the following to the list of exclusions from an analysis of the cause of a deficiency: (1) traffic generated by any mixed-use development located within a transit priority project area or infill opportunity zone; (2) traffic generated by any transit priority project, as defined; and (3) improvements to facilities for bicyclists, pedestrians and public transportation. Specifies that the CMP statutes shall not be interpreted to require a local agency to implement improvements to reduce delay at intersections or roadway segments that the local agency determines would impede the development of a balanced, multimodal transportation network that meets the needs of all users of streets, roads and highways for safe and convenient travel in a manner set forth in the circulation element of the local agency’s general plan.</td>
<td>8/19/15</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td>AB 828 (Low) Regulated Transportation Services</td>
<td>Until January 1, 2018, excludes any motor vehicle operated in connection with a transportation network company from the definition of “commercial vehicle” if the vehicle: (1) is operated only for passenger service; (2) is limited to seven passengers, not including the driver; (3) is operated exclusively by the person to whom it is registered or insured; (4) is not a paratransit vehicle; (5) is not operated for public transit services; and (6) is not operated for school bus services. Requires the California Public Utilities Commission (CPUC) to conduct an investigation to consider whether existing statutes and regulations relating to transportation services meet the public interest, encourage innovation, and create a fair and competitive transportation market between companies that provide regulated transportation services. Requires the CPUC to complete this investigation, and report its conclusions and recommendations to the Legislature by January 1, 2017.</td>
<td>7/14/15</td>
<td>Senate Energy, Utilities &amp; Communications Committee</td>
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<td>AB 869 (Cooper)</td>
<td>Fare Evasion and Prohibited Conduct on Transit Vehicles</td>
<td>For those public transit agencies that use an administrative adjudication process for fare evasion and passenger misconduct violations, provides that a person who fails to pay the administrative penalty when due or to have the violation dismissed may be subject to criminal penalties. Requires the public transit agency to include in the notice of fare evasion or passenger misconduct a printed statement indicating that the person may be charged with an infraction or misdemeanor if the administrative penalty is not paid when due or is not dismissed. Requires the public transit agency to dismiss the original notice of fare evasion or passenger misconduct, and to make no further attempts to collect the administrative penalty if the person is charged with an infraction or misdemeanor after failing to pay the administrative penalty or failing to successfully complete the administrative adjudication process. Requires the public transit agency to serve the person charged with an infraction or misdemeanor with a new notice of fare evasion or passenger misconduct that sets forth the criminal violation.</td>
<td>6/18/15</td>
<td>Senate Floor</td>
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<td>AB 1030 (Ridley-Thomas)</td>
<td>Cap-and-Trade: Disadvantaged Workers</td>
<td>For projects involving hiring that are seeking an allocation of cap-and-trade auction proceeds from the Greenhouse Gas Reduction Fund, requires priority to be given to those projects that support the targeted training and hiring of workers from disadvantaged communities for career-track jobs.</td>
<td>7/7/15</td>
<td>Senate Appropriations Committee</td>
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<td>AB 1169 (Gomez)</td>
<td>Strategic Growth Council: Signs for Project Funding</td>
<td>Requires recipients of state grant funding from the Strategic Growth Council or any of its member state agencies for a project located in a public place and that provides public benefits to post signs acknowledging the sources of funds for the project pursuant to guidelines adopted by the council. If the state funding equals 50 percent or more of the total cost of the project, requires the state funding sources to be listed first on the signs.</td>
<td>9/4/15</td>
<td>Senate Floor</td>
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<td>AB 1176 (Perea)</td>
<td>Advanced Low-Carbon Diesel Fuels Access Program</td>
<td>Establishes the Advanced Low-Carbon Diesel Fuels Access Program to be administered by the State Energy Resources Conservation and Development Commission, in consultation with the California Air Resources Board (CARB). Specifies that the purpose of the program is to reduce greenhouse gas emissions of diesel motor vehicles by providing capital assistance for projects that expand advanced low-carbon diesel fueling infrastructure in communities that are disproportionately impacted by environmental hazards and where the greatest air quality impacts can be identified. Requires cap-and-trade auction proceeds from the Greenhouse Gas Reduction Fund to be available, upon appropriation by the Legislature, for implementing this program.</td>
<td>8/18/15</td>
<td>Senate Appropriations Committee</td>
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<td>AB 1360 (Ting)</td>
<td>Transportation Network Companies: Ridesharing</td>
<td>Allows a transportation network company or a charter-party carrier of passengers that prearranges a ride among multiple passengers who share the ride in whole or in part to charge an individual fare, rather than a vehicle-mileage or time-of-use fare, provided that all of the following conditions are met: (1) the vehicle seats no more than seven passengers, not including the driver; (2) the driver is a participating driver, as defined; (3) the vehicle is not used to provide public transit services or to carry passengers over a fixed route; (4) the vehicle is not used to provide pupil transportation or public paratransit services; and (5) the individual fare for each passenger is less than the fare that would be charged for the same ride to a passenger traveling alone.</td>
<td>7/2/15</td>
<td>Senate Energy, Utilities &amp; Communications Committee</td>
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| **AB 1364**
(Linder)
California Transportation Commission | Excludes the California Transportation Commission (CTC) from the California State Transportation Agency (CalSTA), and establishes it as a separate and independent entity in state government. | As Introduced | Senate Transportation & Housing Committee | |
| **AB 1549**
(Wood)
State Highway Rights-of-Way: Fiber-Optic Cables | Requires Caltrans to maintain an inventory of all conduits owned by the department that: (1) house fiber optic communication cables; (2) are located in state highway rights-of-way; and (3) were installed on or after January 1, 2017. | 1/14/16 | Senate Transportation & Housing Committee | |
| **AB 1550**
(Gomez)
Greenhouse Gas Reduction Fund: Investment Plan | Requires the three-year investment plan prepared by the Department of Finance for the expenditure of cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund to do the following: (1) allocate a minimum of 25 percent of available dollars in the fund to projects located within the boundaries of, and benefitting individuals living in, disadvantaged communities; and (2) allocate an unspecified percentage to projects that benefit low-income households, which must be separate from the minimum 25 percent required for disadvantaged communities. Defines “low-income households” to mean those with household incomes at or below 80 percent of the statewide median income, or with medium incomes at or below the threshold designated as low income by the Department of Housing and Community Development’s list of state income limits. | 4/11/16 | Assembly Appropriations Committee | |
| **AB 1555**
(Gomez)
Cap-and-Trade Auction Proceeds: FY 2017 Funds | For FY 2017, appropriates $800 million in cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund for the following: (1) $290 million to the California Air Resources Board (CARB) for low carbon transportation and infrastructure programs; (2) $10 million to CARB for active transportation and transit pass investments; (3) $100 million to the Department of Community Services and Development, and the California Conservation Corps for weatherization and low-income solar rooftop programs; (4) $100 million to the State Energy Resources Conservation and Development Commission, and the Department of Water Resources for equipment and other replacement programs; (5) $10 million to the Department of Water Resources for energy efficient groundwater pump replacement grant programs; (6) $5 million to the Department of Food and Agriculture, and $15 million to the Department of Resources Recycling and Recovery to provide incentive programs for water diversion, biogas development and compost programs; (7) $10 million to the Department of Food and Agriculture for on-farm energy and water efficiency programs; (8) $100 million to the Department of Fish and Wildlife for wetland development, rehabilitation and enhancement; (9) $85 million to the California Coastal Conservancy for wetland and watershed restoration, and carbon sequestration; (10) $15 million to the Natural Resources Agency for riparian and revegetation programs; (11) $25 million to the Natural Resources Agency for local-climate-beneficial projects for urban greening, urban canopies, urban brownfield conversion, and other related projects; (12) $10 million to the Natural Resources Agency for agricultural and rangeland carbon sequestration programs; and (13) $25 million to the Department of Forestry and Fire Protection for urban forestry. States the intent of the Legislature to set aside and reserve $150 million in future cap-and-trade auction proceeds for legislative priorities. | 3/28/16 | Assembly Budget Committee | |
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<td><strong>AB 1569</strong>&lt;br&gt;(Steinorth)&lt;br&gt;CEQA: Exemption for Certain Transportation Projects</td>
<td>Exempts from the California Environmental Quality Act (CEQA) a project that consists of the inspection, maintenance, repair, rehabilitation, replacement, or removal of existing transportation infrastructure, including highways, roadways, bridges, tunnels, culverts, public transit systems, bikeways, paths and sidewalks serving bicycles or pedestrians, and the addition of auxiliary lanes or bikeways to existing transportation infrastructure, if the project meets all of the following conditions: (1) the project is located within an existing right-of-way; (2) any area surrounding the right-of-way that is to be altered as a result of construction activities that are necessary for the completion of the project will be restored to its condition before the project; and (3) the project does not add additional motor vehicle lanes, except auxiliary lanes.</td>
<td>3/28/16</td>
<td>Assembly Natural Resources Committee</td>
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<td><strong>AB 1572</strong>&lt;br&gt;(Campos)&lt;br&gt;School Transportation</td>
<td>Provides that a pupil attending a public, non-charter school that receives Title 1 federal funding shall be entitled to free transportation to and from school if either of the following conditions are met: (1) the pupil resides more than one-half mile from the school; or (2) the neighborhood through which the pupil must travel to get to school is unsafe due to such factors as stray dogs, lack of sidewalks, known gang activity, presence of environmental problems and hazards, required crossings of freeways or busy intersections, or other reasons as documented by stakeholders. Requires a school district not currently providing transportation to all pupils attending schools that receives Title 1 federal funding to implement a plan to ensure that all pupils entitled to free transportation pursuant to this bill receive it. Requires the plan to be developed in consultation with teachers, school administrators, regional and local transit authorities, local air districts, Caltrans, parents, pupils, and other stakeholders. Specifies that if free, dependable and timely transportation is currently not already available to pupils who are entitled to it pursuant to this bill, the school district must ensure that such pupils are provided free transportation. Allows a school district to partner with a municipality owned transit system to provide the transportation required pursuant to this bill to middle school and high school pupils if all of the following conditions are met: (1) all drivers of the municipality owned transit system are public employees; and (2) the municipality owned transit system can certify that the transit system can ensure consistent, adequate routes and schedules to enable pupils to get home, to school and back, and does not charge the school district more than marginal cost for each transit pass. Creates the Transportation and Access to Public School Fund. Requires all transportation provided pursuant to this bill to be reimbursed by the Transportation and Access to Public School Fund. Upon appropriation by the Legislature, requires revenues distributed to the Transportation and Access to Public School Fund to be allocated to local educational agencies pursuant to a process established by the Department of Education.</td>
<td>4/21/16</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 1591 (Frazier) Transportation Funding</td>
<td>Proposes to generate new revenues for transportation purposes from the following sources: (1) an increase in the gasoline excise tax of 22.5 cents per gallon; (2) an increase in the diesel excise tax of 30 cents per gallon; (3) a registration surcharge of $38 per year imposed on all motor vehicles; and (4) a registration surcharge of $165 per year imposed on zero-emission vehicles. Requires the repayment over the next two years of approximately $879 million in outstanding loans owed by the General Fund to the State Highway Account, the Motor Vehicle Fuel Account, the Highway Users Tax Account (HUTA), and the Motor Vehicle Account. Beginning July 1, 2019, and every three years thereafter, indexes the gas tax and the diesel excise tax to inflation. Calls for the revenues derived from the 30-cent-per-gallon increase in the diesel excise tax to be deposited into the Trade Corridors Improvement Fund and used for goods movement projects programmed by the California Transportation Commission (CTC). Requires the revenues derived from the 22.5-cent-per-gallon increase in the gas tax and the two vehicle registration surcharges to be deposited into a new Road Maintenance and Rehabilitation Account. Requires the revenues in the account to be used for the following purposes: (1) road maintenance and rehabilitation; (2) safety projects; (3) railroad grade separations; and (4) active transportation and pedestrian/bicycle safety projects in conjunction with any other allowable project. Requires 5 percent of the funds in the Road Maintenance and Rehabilitation Account to be set aside for counties that currently do not have a local transportation sales tax, but gain voter approval for one after July 1, 2016. Allocates the remaining balance in the account after the 5-percent set-aside as follows: (1) 50 percent to Caltrans for state highway maintenance, or State Highway Operation and Protection Program (SHOPP) projects; and (2) 50 percent to cities and counties for their local roadway systems. In the latter case, equally divides the funds between cities and counties, with the cities’ portion being allocated by a formula based on population, and the counties’ share by a formula based on vehicle registrations and miles of maintained county roads. Requires cities and counties to use their formula shares for any of the following: (1) improvements to transportation facilities that will assist in reducing further deterioration of the existing roadway system; (2) to satisfy a local match requirement for federal or state funds for similar purposes; or (3) an active transportation or pedestrian/bicycle safety project that is done in conjunction with any other eligible project. Allows a city or county to spend its formula share for other priorities only if it has an average Pavement Condition Index that meets or exceeds 85. In order to remain eligible for an allocation from the Road Maintenance and Rehabilitation Account, requires cities and counties to maintain their historic commitment of local funds for street/road purposes by annually spending not less than the average of its expenditures from FY 2010, FY 2011 and FY 2012. Increases the percentage of cap-and-trade auction proceeds distributed to the Transit and Intercity Rail Program from 10 percent to 20 percent. Requires 20 percent of cap-and-trade auction proceeds to be distributed to the Trade Corridors Improvement Fund. Converts the variable gas tax rate to a fixed rate of 18 cents per gallon and indexes it to inflation every three years, beginning July 1, 2019. Eliminates the Board of Equalization’s annual adjustments to the diesel excise tax rate pursuant to the 2010-2011 transportation funding swap. Prohibits vehicle weight fee revenues from being used to pay debt service on transportation general obligation bonds or from being loaned to the General Fund.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td><strong>AB 1592</strong>&lt;br&gt;(Bonilla)&lt;br&gt;Contra Costa Transportation Authority: Autonomous Vehicles Pilot Project</td>
<td>Authorizes the Contra Costa Transportation Authority (CCTA) to conduct a pilot project for the testing of autonomous vehicles that do not have an operator, and that are not equipped with a steering wheel, a brake pedal or an accelerator, provided that the following requirements are met: (1) the testing is conducted only at a privately owned business park designated by CCTA and at the GoMentum Station located within the boundaries of the former Concord Naval Weapons Station; (2) the autonomous vehicles operate at speeds of less than 35 miles per hour; and (3) a change in ownership of the property comprising the GoMentum Station does not affect the authorization to conduct the testing.</td>
<td>3/28/16</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td><strong>AB 1595</strong>&lt;br&gt;(Campos)&lt;br&gt;Mass Transportation Employees: Human Trafficking Training</td>
<td>Requires a private or public employer that provides mass transportation services in California to train its relevant employees in recognizing the signs of human trafficking and how to report those signs to the appropriate law enforcement agency. Requires the Department of Justice to develop guidelines for this training that include all of the following: (1) the definition of human trafficking, including sex and labor trafficking; (2) myths and misconceptions about human trafficking; (3) red flags of human trafficking to be aware of, including physical and mental signs; and (4) guidance on how to report human trafficking, including national hotlines and that the person reporting may do so confidentially. By January 1, 2018, requires this training to be incorporated into the initial training process for all new employees who are likely to interact or come into contact with victims of human trafficking. Requires all existing employees who are likely to interact or come into contact with victims of human trafficking to receive this training by January 1, 2018. Exempts taxi services and airlines from the provisions of the bill.</td>
<td>3/29/16</td>
<td>Assembly Appropriations Committee</td>
<td>Support</td>
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<td><strong>AB 1640</strong>&lt;br&gt;(Stone)&lt;br&gt;Retirement: Public Transit Employees</td>
<td>Clarifies that public transit employees whose interests are protected under Section 5333(b) of Title 49 of the United States Code and who became a member of a state or local public retirement system prior to December 30, 2014, are exempt from the California Public Employees’ Pension Reform Act of 2013 (PEPRA).</td>
<td>As Introduced</td>
<td>Senate Public Employment &amp; Retirement Committee</td>
<td>Sponsor</td>
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<td><strong>AB 1641</strong>&lt;br&gt;(Allen)&lt;br&gt;Private Shuttles</td>
<td>Allows a public transit agency, by ordinance or resolution, to permit the vehicles of a private shuttle service provider to stop for the loading or unloading of its passengers alongside any or all curb spaces designated for the passengers of the public transit agency’s buses. States that it is not the intent of the Legislature to replace public transit service.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td><strong>AB 1661</strong>&lt;br&gt;(McCarthy)&lt;br&gt;Sexual Harassment Training and Education</td>
<td>Requires local agency officials to receive sexual harassment training and education if the agency provides any type of compensation, salary or stipend to those officials. Defines “local agency official” to mean any member of a local agency legislative board and any elected local agency official. Allows a local agency to also require any of its employees to receive such training and education. Requires each local agency official or employee who is so required to receive at least two hours of sexual harassment training and education within the first six months of taking office or commencing employment, and every two years thereafter. Requires a local agency to maintain records indicating both of the following: (1) the dates that local agency officials or employees satisfied the requirements of this bill; and (2) the entity that provided the training. Requires an entity that develops curricula for this training and education to consult with the Office of the Attorney General regarding the sufficiency and accuracy of the curricula content.</td>
<td>4/11/16</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 1665 (Bonilla)</td>
<td>Contra Costa Transportation Authority: Transactions and Use Taxes</td>
<td>Until December 31, 2024, allows the Contra Costa Transportation Authority to impose a transactions and use tax for the support of countywide transportation programs at a rate of not more than 0.5 percent that would, in combination with all other such taxes imposed in the county, exceed the state’s limit of 2 percent, subject to the following conditions: (1) the authority adopts an ordinance imposing the tax by the appropriate voting approval requirement; and (2) the ordinance is submitted to the county’s electorate on a November general election ballot and is approved by the voters pursuant to Article XIII C of the California Constitution.</td>
<td>As Introduced</td>
<td>Assembly Floor</td>
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<td>AB 1707 (Linder)</td>
<td>Written Public Records Requests</td>
<td>Requires a local agency’s response to a written request for public records that includes a denial of the request, in whole or in part, to be in writing. Requires a local agency’s written response demonstrating that the record in question is exempt under an express provision of state law to also identify the type of record withheld and the specific exemption that justifies the withholding of that type of record.</td>
<td>3/28/16</td>
<td>Assembly Local Government Committee</td>
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<td>AB 1710 (Calderon)</td>
<td>Zero-Emission and Near-Zero-Emission Vehicles</td>
<td>By January 1, 2019, requires the California Air Resources Board (CARB) to develop and implement a comprehensive program to promote zero-emission and near-zero-emission vehicle deployment in the state to drastically increase the use of those vehicles, and to meet the goals established by the Governor and the Legislature. Requires this program to consist of a portfolio of incentives, including the following: (1) an employer incentive program; (2) an incentive program targeted at low-income individuals; and (3) on-road incentives. Specifies that incentives may include grants, loans, revolving loans, or other appropriate measures. Requires the incentives to be funded with cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund, subject to annual appropriations by the Legislature. For purposes of calculating the amount of sales and use tax owed, excludes the cost of a new or used zero-emission or near-zero-emission vehicle purchased by a low-income individual that does not exceed $40,000. For each taxable year beginning January 1, 2017, and before January 1, 2026, provides an income tax credit in an amount equal to $2,500 to a qualified taxpayer who purchased a zero-emission or near-zero-emission vehicle during the taxable year.</td>
<td>4/5/16</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 1717 (Hadley)</td>
<td>Cap-and-Trade: High-Speed Rail</td>
<td>Provides that if the state’s high-speed rail project becomes ineligible for cap-and-trade funding from the Greenhouse Gas Reduction Fund because of the selection of an alternative initial operating segment by the California High-Speed Rail Authority that is not as described in its 2012 business plan, requires the 25 percent in cap-and-trade auction proceeds that is required to be allocated to the authority under current law to be, instead, continuously appropriated to the Transit and Intercity Rail Capital Program.</td>
<td>3/18/16</td>
<td>Assembly Transportation Committee</td>
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<td>AB 1746 (Stone)</td>
<td>Transit-Bus-Only Traffic Corridors</td>
<td>Allows the Santa Clara Valley Transportation Authority (VTA), the Alameda-Contra Costa Transit District (AC Transit), the Central Contra Costa Transit Authority (County Connection), the Livermore Amador Valley Transit Authority, North County Transit District, the San Diego Association of Governments (SANDAG), and the San Diego Metropolitan Transit System (MTS) to utilize the shoulders of state highways within their service areas as transit-bus-only traffic corridors, subject to the approval of Caltrans and the California Highway Patrol (CHP). Requires these agencies to determine jointly with Caltrans and the CHP which state highway segments within their service areas would be designated as transit-bus-only traffic corridors based on right-of-way availability and capacity, peak congestion hours, and the most heavily congested areas. Requires the agencies to actively work with Caltrans and the CHP to develop guidelines that ensure driver and vehicle safety, as well as the integrity of the highway infrastructure. Requires the agencies and Caltrans to monitor the state of repair of highway shoulders used as transit-bus-only traffic corridors. Requires the agencies to be responsible for all costs associated with this effort, including those costs related to repairs attributable to the operation of transit buses on highway shoulders. Two years after an agency commences the operation of public transit service on a highway shoulder, requires the agency, in conjunction with Caltrans and the CHP, to submit a report to the Legislature that includes all of the following: (1) information regarding the geographic scope of the service; (2) a copy of the guidelines agreed to by the agency, Caltrans and the CHP; (3) information about any highway modifications; (4) information regarding the costs associated with the service; and (5) performance measures used to evaluate the success of the service, such as safety, freeway operations, and public transit travel time reliability and savings. Requires the agency to post the report on its Internet Web site to enable the public to access it.</td>
<td>3/30/16</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td>AB 1768 (Gallagher)</td>
<td>High-Speed Rail: Bond Funding</td>
<td>Specifies that no further bonds shall be sold for high-speed rail purposes pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Proposition 1A), except as specifically provided with respect to an existing appropriation for early improvement projects related to the Phase I blended system. Upon appropriation by the Legislature, requires the unspent proceeds received from outstanding bonds issued and sold for high-speed rail purposes prior to the effective date of the provisions of this bill to be redirected to retiring the debt incurred from the issuance and sale of those outstanding bonds. Allows the remaining unissued bonds, as of the effective date of the provisions of this bill, that were authorized for high-speed rail purposes to be issued and sold. Upon appropriation by the Legislature, requires the net proceeds from the sale of these remaining unissued bonds to be made available to fund projects in the State Highway Operation and Protection Program (SHOPP). Makes no changes to the authorization under Proposition 1A for the issuance of $950 million in bonds for rail purposes other than high-speed rail.</td>
<td>2/25/16</td>
<td>Assembly Transportation Committee</td>
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<td>AB 1780 (Medina)</td>
<td>Cap-and-Trade: Trade Corridors</td>
<td>Requires 20 percent of the annual amount of cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund to be continuously appropriated to the California Transportation Commission (CTC) to be allocated to reduce greenhouse gas emissions in trade corridors consistent with the guidelines developed by the commission for the Proposition 1B Trade Corridors Improvement Fund.</td>
<td>3/28/16</td>
<td>Assembly Appropriations Committee</td>
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<td><strong>AB 1785</strong> (Quirk) Vehicles: Wireless Electronic Devices</td>
<td>Recasts provisions in current law to prohibit a person from driving a motor vehicle while using a wireless telephone or electronic wireless communications device for any purpose, unless the device is specifically designed for and used in a voice-operated and hands-free manner.</td>
<td>4/5/16</td>
<td>Assembly Appropriations Committee</td>
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<td><strong>AB 1813</strong> (Frazier) California High-Speed Rail Authority: Membership</td>
<td>Provides for the appointment of one senator by the Senate Rules Committee and one Assemblymember by the Speaker to serve as ex-officio members of the California High-Speed Rail Authority. Specifies that the ex-officio members shall participate in the activities of the High-Speed Rail Authority to the extent that such participation is not incompatible with their positions as members of the Legislature.</td>
<td>As Introduced</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td><strong>AB 1814</strong> (Allen) State Highways: Roadside Rest Areas</td>
<td>Authorizes Caltrans to enter into one or more agreements for the operation of safety roadside rest areas by private entities in conjunction with the development of a retail establishment.</td>
<td>4/11/16</td>
<td>Assembly Transportation Committee</td>
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<td><strong>AB 1815</strong> (Alejo) Cap-and-Trade: Disadvantaged Communities Technical Assistance Program</td>
<td>Upon an appropriation of cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund, requires the California Environmental Protection Agency (CalEPA) to establish a comprehensive technical assistance program for eligible applicants assisting disadvantaged communities that the agency determines require technical assistance in accessing programs funded with cap-and-trade auction proceeds. Requires this program to provide assistance to eligible applicants with regard to any of the following: (1) identifying state agencies with appropriate grant programs; (2) developing competitive project proposals to apply for cap-and-trade funding available through state agencies; (3) coordinating existing local programs to reduce greenhouse gas emissions with new programs receiving cap-and-trade funding; (4) conducting community outreach to residents of disadvantaged communities that CalEPA determines require such assistance; or (5) conducting the planning process for future greenhouse gas emissions reductions programs. Requires the technical assistance provided pursuant to the bill to promote programs that reduce greenhouse gas emissions and demonstrate a direct, meaningful benefit to disadvantaged communities. Requires the three-year cap-and-trade investment plan developed by the Department of Finance and submitted to the Legislature to allocate money from the Greenhouse Gas Reduction Fund to CalEPA to implement the technical assistance program.</td>
<td>5/2/16</td>
<td>Assembly Appropriations Committee</td>
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<td><strong>AB 1833</strong> (Linder) Advanced Mitigation Program</td>
<td>Requires Caltrans to establish an Advanced Mitigation Program to accelerate project delivery and improve the outcomes of environmental mitigation for transportation infrastructure projects. Allows the program to utilize mitigation instruments, including mitigation banks and conservation easements. Allows Caltrans to use advanced mitigation credits to fulfill mitigation requirements of any environmental law for a transportation project eligible for the State Transportation Improvement Program (STIP), or the State Highway Operation and Protection Program (SHOPP).</td>
<td>4/25/16</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 1841 (Irwin)</td>
<td>Office of Emergency Services: Cybersecurity</td>
<td>By July 1, 2017, requires the Office of Emergency Services, in conjunction with the Department of Technology, to transmit to the Legislature a cybersecurity incident response plan, known as the Cyber Security Annex to the State Emergency Plan Emergency Function 18 or EL 18, which must include all of the following: (1) methods for providing emergency services; (2) command structure for statewide coordinated emergency services; (3) emergency service roles of appropriate state agencies; (4) identification of resources to be mobilized; (5) public information plans; and (6) continuity of government services. By July 1, 2018, requires the Office of Emergency Services, in conjunction with the Department of Technology, to develop cybersecurity incident response standards for state agencies to prepare for cybersecurity interference with, or the compromise or incapacitation of, critical infrastructure and the development of critical infrastructure information, and to transmit critical infrastructure information to the office. In developing the standards, requires the Office of Emergency Services to consider all of the following: (1) costs to implement the standards; (2) security of critical infrastructure information; (3) centralized management of risk; and (4) national private industry best practices. Requires each state agency to report on its compliance with these standards to the Office of Emergency Services in a manner and at a time directed by the office, but no later than January 1, 2019. Requires the Office of Emergency Services to provide suggestions to a state agency to improve its compliance with the standards.</td>
<td>4/14/16</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 1851 (Gray)</td>
<td>Clean Vehicle Rebate Project</td>
<td>For purposes of the state’s Clean Vehicle Rebate Project, requires the California Air Resources Board (CARB), until January 1, 2026, to provide specified rebate amounts for the purchase of battery electric, fuel-cell and plug-in hybrid electric vehicles. Limits these rebates to the first $60,000 of the manufacturer’s suggested retail price or the final sales price, whichever is less. Until January 1, 2026, requires CARB to issue specified rebates to a property owner or lessee up to the costs associated with the purchase and installation of electric vehicle charging stations. Requires the rebates for clean-fuel vehicles and electric vehicle charging stations to be funded with cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund, subject to annual appropriations by the Legislature. For purposes of calculating the amount of sales and use tax owed, requires, until January 1, 2026, that the value of a trade-in vehicle be deducted from the sales price of the purchase of battery electric, fuel-cell and plug-in hybrid electric vehicles. Requires cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund, subject to annual appropriations by the Legislature, to be used to reimburse cities and counties for any resulting loss of revenues. Deletes the current 85,000 cap on the number of decals, stickers or other identifiers that can be issued by the Department of Motor Vehicles (DMV) to allow plug-in hybrid electric vehicles to use high-occupancy vehicle (HOV) lanes without the required number of occupants in the vehicle.</td>
<td>4/13/16</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 1866 (Wilk)</td>
<td>High-Speed Rail: Bonding Funding</td>
<td>Specifies that no further bonds shall be sold for high-speed rail purposes pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Proposition 1A), except as specifically provided with respect to an existing appropriation for early improvement projects related to the Phase I blended system. Upon appropriation by the Legislature, requires the unspent proceeds received from outstanding bonds issued and sold for high-speed rail purposes prior to the effective date of the provisions of this bill to be redirected to retiring the debt incurred from the issuance and sale of those outstanding bonds. Allows the remaining unissued bonds, as of the effective date of the provisions of this bill, that were authorized for high-speed rail purposes to be issued and sold. Upon appropriation by the Legislature, requires the net proceeds from the sale of these remaining unissued bonds to be made available to fund the construction of water capital projects, including desalination facilities, wastewater treatment and recycling facilities, reservoirs, water conveyance infrastructure, and aquifer recharge. Makes no changes to the authorization under Proposition 1A for the issuance of $950 million in bonds for rail purposes other than high-speed rail.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td>AB 1873 (Holden)</td>
<td>Board of Infrastructure Planning, Development and Finance</td>
<td>Within the Office of Planning and Research, creates the Board of Infrastructure Planning, Development and Finance. Requires the board to categorize and recommend the priority of the state’s infrastructure needs and develop funding to finance those projects.</td>
<td>4/19/16</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 1886 (McCarty)</td>
<td>CEQA: Transit Priority Projects</td>
<td>Specifies that a transit priority project shall be considered to be within one-half mile of a major transit stop or high-quality transit corridor and, thus, shall qualify for an exemption from the California Environmental Quality Act (CEQA), if all parcels within the project have no more than 50 percent, rather than 25 percent, of their area farther than one-half mile from the stop or corridor.</td>
<td>As Introduced</td>
<td>Assembly Natural Resources Committee</td>
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<td>AB 1908 (Harper)</td>
<td>HOV Lanes in Southern California</td>
<td>Prohibits establishing a high-occupancy vehicle (HOV) lane on a state highway in Southern California, unless the lane is established as an HOV lane only during the hours of heavy commuter traffic, as determined by Caltrans. Requires existing HOV lanes in Southern California to be modified to conform to this provision. On or after May 1, 2018, provides that if Caltrans determines that there is an adverse impact on safety, traffic conditions or the environment by limiting the use of HOV lanes in Southern California only during the hours of heavy commuter traffic, authorizes the department to submit to the Legislature a notice of that determination and of the intent to reinstate 24-hour HOV lanes in Southern California. Provides that Caltrans may reinstate 24-hour HOV lanes following the submittal of the notice to the Legislature.</td>
<td>3/17/16</td>
<td>Assembly Transportation Committee</td>
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<td><strong>AB 1910</strong>&lt;br&gt;(Harper)&lt;br&gt;Transportation Advisory Ballot Measure</td>
<td>Requires the Secretary of State’s Office to submit the following advisory question to the voters as part of the November 8, 2016, general election ballot: “Shall the California Legislature disproportionately target low-income and middle-class families with a regressive tax increase on gasoline and annual vehicle registrations to fund road maintenance and rehabilitation, rather than ending the diversion of existing transportation tax revenues for nontransportation purposes, investing surplus state revenue in transportation accounts, repaying funds borrowed from transportation accounts, prioritizing roads over high-speed rail, and eliminating waste at the Department of Transportation?”</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<tr>
<td><strong>AB 1919</strong>&lt;br&gt;(Quirk)&lt;br&gt;Local Transportation Authorities: Bonds</td>
<td>Clarifies that accrued interest and premiums received on the sale of bonds by a local transportation authority may be used either for the payment of bond debt service or for transportation purposes for which the debt was incurred.</td>
<td>4/4/16</td>
<td>Assembly Floor</td>
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<td><strong>AB 1938</strong>&lt;br&gt;(Baker)&lt;br&gt;Bay Area Toll Authority</td>
<td>Clarifies that the existing 1 percent limitation on the amount of direct contributions or loans that the Bay Area Toll Authority (BATA) may make to the Metropolitan Transportation Commission (MTC) applies to any revenues derived from bridge tolls, fees or taxes, regardless of classification.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td><strong>AB 1964</strong>&lt;br&gt;(Bloom)&lt;br&gt;HOV Lanes: Low-Emission and Energy Efficient Vehicles</td>
<td>On January 1, 2018, ends the authority of the Department of Motor Vehicles (DMV) to issue decals, stickers or other identifiers allowing battery electric, hydrogen fuel cell and compressed natural gas vehicles to use high-occupancy vehicle (HOV) lanes without the required number of occupants in the vehicle. Specifies that decals, stickers or other identifiers issued for these vehicles before January 1, 2018, are valid until January 1, 2019. Provides that decals, stickers or other identifiers allowing plug-in hybrid electric vehicles to use HOV lanes without the required number of occupants in the vehicle issued by the DMV prior to January 1, 2018, are valid until January 1, 2019. Provides that decals, stickers or other identifiers issued to plug-in hybrid electric vehicles after January 1, 2018, and prior to January 1, 2019, are valid until January 1, 2021. Beginning January 1, 2019, authorizes the DMV to issue an unlimited number of decals, stickers or other identifiers to allow HOV lane access for plug-in hybrid vehicles, which shall be valid for a three-year period. Prohibits the DMV from issuing decals, stickers or other identifiers for plug-in hybrid electric vehicles if the sale of new plug-in hybrid electric vehicles reaches at least 8.6 percent of the total new car market share for two consecutive years. Prohibits the DMV from reinstating the issuance of decals, stickers or other identifiers for plug-in hybrid electric vehicles if there is a subsequent decrease in the sales of new plug-in hybrid electric vehicles resulting in less than 8.6 percent of the total new car market share in a later year.</td>
<td>5/5/16</td>
<td>Assembly Floor</td>
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<td><strong>AB 1982</strong>&lt;br&gt;(Bloom)&lt;br&gt;California Transportation Commission Membership</td>
<td>Increases the membership of the California Transportation Commission (CTC) to 15 by providing for the Senate Rules Committee and the Assembly speaker to each appoint an additional member. Requires one member appointed by the Senate Rules Committee and by the Assembly speaker to be a person who works directly with communities in California that are most significantly burdened by, and vulnerable to, high levels of pollution, including communities with diverse racial and ethnic populations, and communities with low-income populations.</td>
<td>4/12/16</td>
<td>Assembly Transportation Committee</td>
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<td>State Assembly Bills</td>
<td>Subject</td>
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<td><strong>AB 2014</strong>&lt;br&gt;(Melendez)&lt;br&gt;Freeway Service Patrols: Program Assessment</td>
<td>No later than June 20, 2018, and every five years thereafter, requires Caltrans, in coordination with the California Highway Patrol (CHP) and regional and local entities, to publish a statewide Freeway Service Patrol Program Assessment. Requires this assessment to do all of the following: (1) identify, quantify and analyze existing freeway service patrols, and identify opportunities to increase or expand service levels; (2) analyze and provide recommendations regarding the current and anticipated future financial condition of the program; (3) include, as attachments, supporting data provided to Caltrans by regional and local entities, and by the CHP; (4) examine the financial sustainability of maintaining current freeway service patrols, the route miles underserved by freeway service patrols, and historical, current and future state and local funding for freeway service patrols; (5) analyze and quantify the public benefits received or to be received from existing and potential new freeway service patrols; and (6) discuss how freeway service patrols relate to other state policies, plans and goals. Requires the state budget to include a line item for Caltrans and the CHP to identify the amount of local assistance and state funds provided in support of freeway service patrols.</td>
<td>4/13/16</td>
<td>Assembly Appropriations Committee</td>
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<td><strong>AB 2030</strong>&lt;br&gt;(Mullin)&lt;br&gt;SamTrans and BART: Contracting Issues</td>
<td>Allows the San Mateo County Transit District (SamTrans) and the Bay Area Rapid Transit District (BART) to use an informal bidding process for materials, supplies and equipment contracts, under which a minimum of three quotations are obtained from vendors, for those contracts between $5,000 and $150,000. In the case of SamTrans, indexes the $5,000 threshold to inflation on an annual basis.</td>
<td>4/26/16</td>
<td>Assembly Floor</td>
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<td><strong>AB 2034</strong>&lt;br&gt;(Salas)&lt;br&gt;Federal Environmental Review Process</td>
<td>Extends indefinitely the statutory authorization for Caltrans to participate in a federal program that allows states to assume the responsibilities of the Federal Highway Administration (FHWA) under the National Environmental Policy Act (NEPA). In addition, extends indefinitely provisions in existing law that authorize Caltrans to consent to the jurisdiction of the federal court’s with regard to the assumption of FHWA’s responsibilities under NEPA and that waive the state’s Eleventh Amendment protection against NEPA-related lawsuits brought in federal court for as long as Caltrans participates in the program.</td>
<td>3/17/16</td>
<td>Senate Rules Committee</td>
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<td><strong>AB 2049</strong>&lt;br&gt;(Melendez)&lt;br&gt;High-Speed Rail: Bond Funding</td>
<td>Specifies that no further bonds shall be sold for high-speed rail purposes pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Proposition 1A), except as specifically provided with respect to an existing appropriation for early improvement projects related to the Phase I blended system. Upon appropriation by the Legislature, requires the unspent proceeds received from outstanding bonds issued and sold for high-speed rail purposes prior to the effective date of the provisions of this bill to be redirected to retiring the debt incurred from the issuance and sale of those outstanding bonds. Allows the remaining unissued bonds, as of the effective date of the provisions of this bill, that were authorized for high-speed rail purposes to be issued and sold. Upon appropriation by the Legislature, requires the net proceeds from the sale of these remaining unissued bonds to be made available as follows: (1) 40 percent for the State Transportation Improvement Program (STIP); (2) 40 percent for the State Highway Operation and Protection Program (SHOPP); and (3) 20 percent for the Trade Corridors Improvement Fund. Makes no changes to the authorization under Proposition 1A for the issuance of $950 million in bonds for rail purposes other than high-speed rail.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td>AB 2090 (Alejo) Low Carbon Transit Operations Program</td>
<td>Authorizes Low Carbon Transit Operations Program (LCTOP) funding to be expended by a public transit agency to support the operation of existing bus or rail service if all of the following occur: (1) the governing board of the public transit agency declares a fiscal emergency within 90 days prior to requesting its formula share of LCTOP funds; (2) the LCTOP funds are necessary to sustain the agency’s public transit service in the fiscal year in which the money is to be spent; (3) the governing board of the public transit agency would be required to reduce or eliminate public transit service if the LCTOP funds are not received; (4) the governing board makes a finding that a reduction in, or elimination of, public transit service would increase greenhouse gas emissions because customers would choose other less-efficient modes of transportation; (5) the public transit agency does not request funds over consecutive funding years unless it has declared a fiscal emergency in each year; and (6) the public transit agency does not request funds for more than three consecutive funding years. Requires the LCTOP funds to be expended to provide public transit operating assistance that meets both of the following criteria: (1) the expenditures support current bus or rail service operating costs, which may include labor, fueling, maintenance, and other costs to operate and maintain those services; and (2) the recipient public transit agency demonstrates that each expenditure directly sustains public transit service that would otherwise be reduced or eliminated in the upcoming year if those funds were not received.</td>
<td>4/7/16</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 2094 (Obernolte) Transportation Development Act (TDA) Funding</td>
<td>Beginning in FY 2017, requires $1 billion in cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund to be transferred to the Retail Sales Tax Fund for allocation pursuant to the Transportation Development Act (TDA) if certain conditions are met. Provides that in each fiscal year in which this transfer occurs, requires $1 billion in TDA funding to be redirected, as follows: (1) 50 percent to Caltrans for maintenance of the state highway system, or for projects funded through the State Highway Operation and Protection Program (SHOPP); and (2) 50 percent to cities and counties for local streets/roads.</td>
<td>3/18/16</td>
<td>Assembly Transportation Committee</td>
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<td>AB 2100 (Calderon) 21st Century Infrastructure Act of 2016</td>
<td>Requires the California Public Utilities Commission (CPUC), the State Energy Resources Conservation and Development Commission, the Independent System Operator, and the California Air Resources Board (CARB) to review and evaluate their policies and plans for the expansion of 21st century infrastructure. Requires these agencies to do all of the following: (1) develop an interagency permitting committee to institute reforms and modernize infrastructure permitting and reviews; (2) strengthen dispute resolution mechanisms to quickly resolve conflicts and ensure that interagency disputes do not delay projects that are consistent with existing state policy priorities; and (3) identify duplicative, burdensome or unnecessary requirements, permits or processes, and evaluate whether they can be minimized or eliminated in a manner that would not jeopardize safety or electrical grid reliability.</td>
<td>3/18/16</td>
<td>Assembly Natural Resources Committee</td>
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<td>AB 2126 (Mullin) CMGC Contracting: Caltrans</td>
<td>Increases the number of state highway projects for which Caltrans may use the Construction Manager/General Contractor (CMGC) method of project delivery from six to 12. For at least eight of these projects, requires Caltrans to use department employees or consultants under contract to the department to perform all design and engineering services. For all 12 projects, requires Caltrans to use department employees or consultants under contract to the department to perform all construction inspection services.</td>
<td>As Introduced</td>
<td>Assembly Floor</td>
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<td><strong>AB 2170</strong>&lt;br&gt;(Frazier)&lt;br&gt;Trade Corridors Improvement Fund: Federal Dollars</td>
<td>Requires revenues apportioned to California from the National Highway Freight Program established by the federal Fixing America’s Surface Transportation (FAST) Act to be allocated by the California Transportation Commission (CTC) for projects pursuant to the process that was used for the Proposition 1B Trade Corridors Improvement Fund.</td>
<td>3/15/16</td>
<td>Assembly Appropriations Committee</td>
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<td><strong>AB 2196</strong>&lt;br&gt;(Low)&lt;br&gt;VTA Enabling Statutes</td>
<td>Makes a number of technical, non-substantive clean-up changes to the enabling statutes of the Santa Clara Valley Transportation Authority (VTA). Consistently uses “VTA” as the name of the organization throughout the enabling statutes. Uses the term “territory” to refer to VTA’s area of jurisdiction. Clarifies that the representatives on the VTA Board of Directors from the cities may be either mayors or city council members. Changes references to “board of supervisors” to “board of directors” to reflect the appropriate governing board of VTA. Deletes obsolete provisions that relate to one-time events that occurred to form the Santa Clara County Transit District in the 1970s, and that occurred to implement the merger of the Transit District and the Santa Clara County Congestion Management Agency (CMA) to form VTA in the mid-1990s. Deletes obsolete provisions that have been superseded by the enactment of other state laws. Clarifies that the administrative head of VTA is a “general manager,” not an “executive director.” Changes references to “transit facilities” to “transit and other transportation facilities” to reflect the fact that VTA is a multi-modal transportation organization.</td>
<td>As Introduced</td>
<td>Senate Rules Committee</td>
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<td><strong>AB 2222</strong>&lt;br&gt;(Holden)&lt;br&gt;Cap-and-Trade Funding: Transit Pass Program</td>
<td>Creates the Transit Pass Program to support local programs that provide free or reduced-fare public transit passes to public school, community college, California State University, and University of California students. Requires Caltrans to administer this program. Beginning in FY 2017, continuously appropriates $50 million annually in cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund for the Transit Pass Program. Requires Caltrans, in coordination with the California Air Resources Board (CARB), to develop guidelines describing the criteria that public transit agencies shall use to make available free or reduced-fare transit passes to eligible participants, and the methodologies that eligible participants shall use to demonstrate that the proposed expenditures will reduce greenhouse gas emissions. Defines “eligible participants” to mean a public agency, including a transit operator, school district, community college district, the California State University, or the University of California. Requires Caltrans to develop performance measures and reporting requirements to evaluate the effectiveness of the program, including an annual update of the number of free or reduced-fare transit passes distributed to students and whether the program is increasing transit ridership among students. Requires funds allocated to the Transit Pass Program to be expended to provide low- or no-cost public transit passes to students through programs that support new or existing transit pass programs. Allows a public transit agency to give priority to an application from an eligible participant with an existing, successful transit pass program, provided that the eligible participant can demonstrate that the additional funds will further reduce the cost of the transit pass or expand program eligibility. Requires each public transit agency to receive $20,000 per year from the Transit Pass Program. Requires the remaining program funds to be distributed according to the State Transit Assistance Program (STA) formula. Requires any funds not used by a public transit agency in a fiscal year to be added to the allocation for the Transit Pass Program for the following fiscal year. Requires at least 33 percent of the money allocated under the Transit Pass Program to be used to benefit disadvantaged communities.</td>
<td>4/6/16</td>
<td>Assembly Appropriations Committee</td>
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<td><strong>AB 2233</strong>&lt;br&gt;(Brown)&lt;br&gt;Highways: Exit Information Signs</td>
<td>Requires Caltrans to adopt rules and regulations to allow for the placement, near exits and off-ramps on freeways located in urban and rural areas, of informational signs identifying the closest hospital owned and operated by a county that includes the full name of the hospital, if both of the following conditions are met: (1) the county requests the placement of the sign; and (2) the county agrees to pay for the cost of the sign. Requires Caltrans to erect the sign or signs within 30 days of receipt of payment from the county.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td><strong>AB 2257</strong>&lt;br&gt;(Maienschein)&lt;br&gt;Local Agency Meetings: Online Posting of Agendas</td>
<td>Beginning January 1, 2019, requires an online posting of an agenda of a meeting of a local agency’s legislative body to be on the agency’s homepage and accessible through a prominent, direct link to the current agenda itself. Requires the direct link to be posted in an open format that meets all of the following requirements: (1) retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications; (2) platform independent and machine readable; and (3) available to the public free of charge and without any restriction that would impede the reuse or redistribution of the public record.</td>
<td>4/25/16</td>
<td>Assembly Appropriations Committee</td>
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<td><strong>AB 2289</strong>&lt;br&gt;(Frazier)&lt;br&gt;SHOPP Projects</td>
<td>Clarifies that capital projects to improve the operation of state highways and bridges are eligible for funding under the State Highway Operation and Protection Program (SHOPP).</td>
<td>As Introduced</td>
<td>Senate Rules Committee</td>
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| **AB 2293**  (C. Garcia)  
Cap-and-Trade: Green Assistance and California Green Business Programs | Requires the California Environmental Protection Agency (CalEPA) to establish and administer the Green Assistance Program to do all of the following: (1) provide technical assistance, including assistance with the development of competitive project proposals, to small businesses and small non-profit organizations applying for an allocation of cap-and-trade auction proceeds from the Greenhouse Gas Reduction Fund; (2) assist small businesses in applying for cap-and-trade funding for energy upgrades to meet and exceed the state’s greenhouse gas emissions reduction goals; (3) advise small businesses in complying with all applicable federal, state and local air quality laws; (4) identify state agencies with appropriate grant programs; and (5) coordinate existing local programs to reduce greenhouse gas emissions with new programs receiving cap-and-trade funding. Requires CalEPA to also establish the California Green Business Program to provide support and assistance to green business certification programs operated by local governments that certify small- and medium-sized businesses that voluntarily adopt environmentally preferable business practices. Annually appropriates an unspecified amount of cap-and-trade auction proceeds to the Green Assistance Program and to the California Green Business Program. In the case of the California Green Business Program, requires a minimum of 25 percent of the funding to be used for local government programs benefitting disadvantaged communities. | 4/27/16 | Assembly Appropriations Committee | |

| **AB 2332**  (E. Garcia)  
Caltrans: State Transportation Goals | By 2020, requires Caltrans to increase the annual number of complete streets projects undertaken by the department by 20 percent over the 2016 baseline. Establishes the following goals for Caltrans: (1) reducing the number of transit, pedestrian and bicyclist fatalities by 10 percent, based on the 2016 baseline; and (2) by 2020, reducing vehicle miles traveled by 15 percent of the statewide per capita relative to 2010 levels reported by Caltrans district. Establishes a Caltrans goal to increase travel by non-automobile modes by doing all of the following: (1) tripling the amount of bicycle travel relative to 2010-2012 California Household Travel Survey levels; (2) doubling the amount of pedestrian travel relative to 2010-2012 California Household Travel Survey levels; and (3) doubling the amount of transit travel relative to 2010-2012 California Household Travel Survey levels. Requires the draft five-year Interregional Transportation Improvement Program (ITIP) to include complete streets projects. Not later than July 1, 2017, requires the California Transportation Commission (CTC) to adopt targets and performance measures for the assets management plan prepared by Caltrans that reflect state transportation goals and objectives. Requires these targets and performance measures to include all of the following: (1) improving mobility, access and safety for non-motorized users in disadvantaged communities by requiring not less than 35 percent of State Highway Operation and Protection Program (SHOPP) projects to be located in urban and rural disadvantaged communities; (2) providing targeted and meaningful benefits to residents in disadvantaged communities; (3) prioritizing projects identified by the community through strong public participation in disadvantaged communities; and (4) prioritizing projects that recruit, hire or train low-income, formerly incarcerated, underrepresented, or disconnect youth and adults, and other individuals with barriers to employment. Requires Caltrans to hold at least one public hearing in each of its districts on SHOPP projects. Requires these hearings to be accessible by public transit and held at times that are convenient for disadvantaged community residents. | 4/5/16 | Assembly Transportation Committee | |
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<tr>
<td>AB 2348 (Levine)</td>
<td>Retirement Plans: Infrastructure Investments</td>
<td>4/28/16</td>
<td>Assembly Appropriations Committee</td>
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<td>Authorizes the Department of Finance to identify infrastructure projects in the state for which the department will guarantee a rate of return for an investment made in that infrastructure project by the Public Employees’ Retirement System (CalPERS). Creates the Reinvesting in California Special Fund as a continuously appropriated fund. Requires money in the fund to be used to pay the rate of return on investments made in infrastructure projects. States the intent of the Legislature to identify special fund dollars to be transferred to the Reinvesting in California Special Fund.</td>
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<td>AB 2355 (Dababneh)</td>
<td>Intercity Rail Services: Noise Mitigation</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td>Requires Caltrans to develop a program for the reasonable mitigation of noise and vibration levels in residential neighborhoods along railroad lines where the department contracts for state-funded intercity rail passenger service.</td>
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<td>AB 2374 (Chiu)</td>
<td>CMGC Contracting: Local Expressways and Ramps</td>
<td>As Introduced</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td>Clarifies that regional transportation agencies, including the Santa Clara Valley Transportation Authority (VTA), may use the Construction Manager/General Contractor (CMGC) project delivery method to design and construct projects on expressways and ramps that are not on the state highway system. Deletes provisions in current state law that require an expressway project to be developed in accordance with an expenditure plan approved by the voters in order for the regional transportation agency to be able to use CMGC contracting for that project.</td>
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<td>AB 2382 (Lopez)</td>
<td>High-Speed Rail Authority: Membership</td>
<td>4/11/16</td>
<td>Assembly Transportation Committee</td>
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<td>Beginning with an available vacancy on and after January 1, 2017, requires one of the Governor’s appointments to the California High-Speed Rail Authority to be a person, other than a current or former elected official, who is from a disadvantaged community.</td>
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<td>AB 2398 (Chau)</td>
<td>State Highways</td>
<td>3/18/16</td>
<td>Assembly Transportation Committee</td>
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<td>Every five years, requires the California Transportation Commission (CTC) to report to the Legislature both of the following: (1) the number of selections, adoptions and location determinations for state highway routes; and (2) the amount of money allocated for the construction, improvement or maintenance of the various highways under the jurisdiction of Caltrans.</td>
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<td>AB 2411 (Frazier)</td>
<td>Miscellaneous Caltrans Revenues</td>
<td>As Introduced</td>
<td>Assembly Appropriations Committee</td>
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<td>Prohibits revenues generated by Caltrans through the rental or sale of property, the sale of documents and other miscellaneous services to the public from being transferred to the General Fund and used for debt service on general obligation transportation bonds. Instead, requires these revenues to be retained in the State Highway Account and used for transportation purposes.</td>
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<td>AB 2426 (Low)</td>
<td>Workplace Charging Station Grant Program</td>
<td>3/18/16</td>
<td>Assembly Transportation Committee</td>
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<td>Until January 1, 2021, requires the California Air Resources Board (CARB) to establish and implement the Workplace Charging Station Grant Program to award grants to commercial property owners or lessees for the installation of electric vehicle charging stations in their parking facilities for employees or visitors.</td>
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<td>AB 2468 (Hadley)</td>
<td>Public Employees’ Retirement</td>
<td>Authorizes a public agency that has contracted with the California Public Employees’ Retirement System (CalPERS) to offer an alternative formula from the one required by the Public Employees’ Pension Reform Act of 2013 to be applicable to miscellaneous, non-safety employees hired after January 1, 2017, and who are new members, provided that the agency and the representative employee organization have agreed to its application in a valid memorandum of understanding. Specifies that the alternative formula would be 1 percent at 55 and 1.7 at 62.</td>
<td>4/12/16</td>
<td>Assembly Public Employees, Retirement &amp; Social Security Committee</td>
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<td>AB 2542 (Gatto)</td>
<td>Streets and Highways: Reversible Lanes</td>
<td>When submitting a capacity-increasing project, or a major street or highway lane realignment project to the California Transportation Commission (CTC) for approval, requires Caltrans or a regional transportation agency to demonstrate that reversible lanes were considered for the project.</td>
<td>3/15/16</td>
<td>Assembly Floor</td>
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<td>AB 2564 (Cooper)</td>
<td>Clean Vehicle Rebate Program</td>
<td>Requires the California Air Resources Board (CARB) to adopt regulations for the Clean Vehicle Rebate Program that do all of the following: (1) limit eligibility based on a person’s gross annual income; (2) increase the rebate payment by $500 for all eligible vehicle types for low-income applicants; (3) include outreach to low-income households; and (4) prioritize rebate payments for low-income applicants. Defines “low income” to mean a resident whose household income is less than or equal to 300 percent of the federal poverty level.</td>
<td>4/20/16</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 2620 (Dababneh)</td>
<td>Proposition 116 Passenger Rail Funding</td>
<td>Requires Proposition 116 funds not expended or encumbered by July 1, 2020, to be reallocated to any other existing passenger rail project with existing rail service by the California Transportation Commission (CTC).</td>
<td>4/11/16</td>
<td>Assembly Appropriations Committee</td>
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<td>AB 2722 (Burke)</td>
<td>Transformative Climate Communities Program</td>
<td>Creates the Transformative Climate Communities Program to be administered by the Strategic Growth Council. Under the program, requires the council to award competitive grants to eligible applicants for the development and implementation of neighborhood-level transformative climate community plans that include multiple, coordinated projects that would contribute to a reduction in greenhouse gas emissions, as well as demonstrate potential climate, economic, workforce, health, and environmental benefits located in disadvantaged communities. Specifies that eligible applicants under this program include any of the following: (1) a non-profit organization; (2) a community-based organization; (3) a faith-based organization; (4) a coalition or association of non-profit organizations; (5) a community development finance institution; (6) a community development corporations; or (7) a local agency. In awarding grants, requires the Strategic Growth Council to weigh economic, environmental and health benefits equally with climate benefits resulting from greenhouse gas emissions reductions. Provides that up to $250 million in cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund shall be available, upon appropriation by the Legislature, to the Strategic Growth Council to administer the program.</td>
<td>4/20/16</td>
<td>Assembly Appropriations Committee</td>
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<tr>
<td>AB 2741 (Salas)</td>
<td>California Transportation Plan</td>
<td>Requires the California Transportation Plan to be approved by the California Transportation Commission (CTC).</td>
<td>3/18/16</td>
<td>Assembly Floor</td>
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<td>AB 2742 (Nazarian)</td>
<td>Public-Private Partnerships</td>
<td>Extends existing statutory authority for Caltrans and regional transportation agencies, including the Santa Clara Valley Transportation Authority (VTA), to utilize public-private partnerships for transportation infrastructure projects to January 1, 2030.</td>
<td>As Introduced</td>
<td>Support</td>
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<tr>
<td>AB 2762 (Baker)</td>
<td>Altamont Pass Regional Rail Authority</td>
<td>Establishes the Altamont Pass Regional Rail Authority for purposes of planning and delivering a cost-effective and responsive interregional rail connection between the Bay Area Rapid Transit District (BART) regional rail system and the Altamont Commuter Express in the Tri-Valley within the city of Livermore. Provides that Phase 1 of the project shall consist of an extension of BART along Interstate 580 to a new station in the vicinity of the Isabel Avenue Interchange in the city of Livermore. By December 1, 2017, requires the authority to publish a detailed management, finance and implementation plan relating to the project. Requires the Livermore Amador Valley Transit Authority (LAVTA) to provide all necessary administrative support to the authority for an initial one-year period. At the conclusion of the initial one-year period, allows the authority to select LAVTA, the San Joaquin Regional Rail Commission or another existing public rail transit agency to provide administrative support for a three-year term. Requires BART to assume ownership of all physical improvements constructed as part of the project, as well as operational control, maintenance responsibilities and related financial obligations. Specifies that the authority shall not be responsible for any core BART system upgrades that pre-exist its establishment, including those needed to support prior system expansions such as the extension to Silicon Valley.</td>
<td>4/5/16</td>
<td>Assembly Transportation Committee</td>
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<tr>
<td>AB 2796 (Bloom)</td>
<td>Active Transportation Program</td>
<td>Requires a minimum of 5 percent of available funds in each of the following three distribution categories under the Active Transportation Program to be awarded for planning and community engagement for active transportation in disadvantaged communities: (1) metropolitan planning organizations (MPOs) in urban areas with populations greater than 200,000; (2) small urban and rural regions with populations of 200,000 or less; and (3) the California Transportation Commission (CTC). Requires a minimum of 10 percent of all available Active Transportation Program funds to be programmed for non-infrastructure purposes, including activities related to safe routes to school. Provides that if a project contains both infrastructure and non-infrastructure activities, only the portion of funding used for non-infrastructure activities shall contribute to meeting the minimum 10 percent. Specifies that if applications submitted in any funding cycle are not sufficient to exceed the minimum percentages required by this bill, the funds may be expended for other authorized purposes.</td>
<td>4/4/16</td>
<td>Assembly Appropriations Committee</td>
</tr>
<tr>
<td>AB 2847 (Patterson)</td>
<td>California High-Speed Rail Authority: Reporting Requirements</td>
<td>Requires the business plan prepared by the California High-Speed Rail Authority to identify projected financing costs for each segment or combination of segments of the high-speed rail system for which financing is proposed by the authority. In the business plan and in other reports that High-Speed Rail Authority is required to prepare, specifies that the authority shall call out any significant changes in scope for segments of the high-speed rail system identified in the previous version of the report, and provide an explanation of adjustments in cost and schedule attributable to the changes.</td>
<td>4/11/16</td>
<td>Assembly Transportation Committee</td>
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<td><strong>AB 2866</strong> (Gatto)</td>
<td>Autonomous Vehicles</td>
<td>4/11/16</td>
<td>Assembly Appropriations Committee</td>
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<td>By July 1, 2018, requires the Department of Motor Vehicles (DMV) to adopt regulations for the testing and operation of autonomous vehicles without a driver in the vehicle, and not equipped with a brake pedal, accelerator pedal or steering wheel.</td>
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<td><strong>ACA 3</strong> (Gallagher)</td>
<td>Public Employees’ Retirement</td>
<td>As Introduced</td>
<td>Assembly Public Employees, Retirement &amp; Social Security Committee</td>
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<td>Calls for placing before the voters an amendment to the California Constitution to make several changes to retirement benefits for public employees. Requires any enhancement to a public employee’s retirement formula or benefit adopted on or after the effective date of this constitutional amendment to apply only to service performed on and after the operative date of the enhancement, and not to any service performed prior to that date. Provides that if a change to a public employee’s retirement membership classification or a change in employment results in an enhancement to the retirement formula or benefit applicable to that employee, requires that enhancement to apply only to service performed on or after the operative date of the change, and not to service performed prior to that date. Specifies that an increase to a retiree’s annual cost-of-living adjustment within existing statutory limits is not considered to be an enhancement to a retirement benefit.</td>
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<td><strong>ACA 4</strong> (Frazier)</td>
<td>Local Transportation Special Taxes</td>
<td>8/17/15</td>
<td>Assembly Appropriations Committee</td>
<td>Support</td>
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<td>Calls for placing before the voters an amendment to the California Constitution to allow a city, county or special district to impose, extend or increase a sales and use or a transactions and use tax for the purpose of providing funding for local transportation projects, if approved by a 55 percent majority vote. Defines “local transportation project” to mean the planning, design, development, financing, construction, reconstruction, rehabilitation, improvement, acquisition, lease, operation, or maintenance of local streets, roads and highways; state highways and freeways; and public transit systems. Specifies that this constitutional amendment shall become effective upon approval by the voters, and shall apply to any local measure imposing, extending or increasing a sales and use or transactions and use tax to fund local transportation projects that is submitted at the same election.</td>
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<td><strong>ACA 11</strong> (Gatto)</td>
<td>Public Utility Reform Act of 2016</td>
<td>As Introduced</td>
<td>Assembly Appropriations Committee</td>
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<td>Calls for placing before the voters an amendment to the California Constitution to authorize the Legislature to reallocate and reassign all or a portion of the functions of the California Public Utilities Commission (CPUC) to other state agencies, departments, boards, or others entities that it may create. Requires the Legislature’s reallocation or reassignment of the CPUC’s functions to be done to further consumer protection, public health, environmental protection, increased transparency, public access, and the preservation of the ability of third parties to advocate for and intervene on behalf of those who need their advocacy. Requires the Legislature to adopt appropriate structures to: (1) provide greater accountability for the public utilities of California; (2) provide the necessary guidance to focus regulatory efforts on safety, reliability and ratesetting; and (3) implement statutorily authorized programs for reducing greenhouse gas emissions</td>
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<td><strong>ABX1-1</strong> (Alejo) Transportation Funding</td>
<td>Retains the revenues generated by vehicle weight fees in the State Highway Account, and requires the General Fund to pay debt service on transportation general obligation bonds. With regard to the revenues derived from increases in the state gasoline excise tax resulting from the transportation funding swap initially enacted in 2010 and reaffirmed in 2011, requires all of the money to be allocated in the following manner: (1) 44 percent to the State Transportation Improvement Program (STIP); (2) 44 percent to cities and counties for local streets and roads; and (3) 12 percent to the State Highway Operation &amp; Protection Program (SHOPP). With respect to any loans made to the General Fund from the State Highway Account, the Public Transportation Account, the Bicycle Transportation Account, the Motor Vehicle Fuel Account, the Highway Users Tax Account, the Pedestrian Safety Account, the Transportation Investment Fund, the Traffic Congestion Relief Fund, the Motor Vehicle Account, and the Local Airport Loan Account with a repayment date of January 1, 2019, or later to be repaid to the account from which the loan was made by December 31, 2018. Recaptures revenues generated by Caltrans through the rental or sale of property, the sale of documents and other miscellaneous services to the public for transportation purposes.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
<td>Support</td>
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<td><strong>ABX1-2</strong> (Perea) Public-Private Partnerships</td>
<td>Extends existing statutory authority for Caltrans and regional transportation agencies, including the Santa Clara Valley Transportation Authority (VTA), to utilize public-private partnerships for transportation infrastructure projects indefinitely.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
<td>Support</td>
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<td><strong>ABX1-3</strong> (Frazier) Transportation Funding: State Highways and Local Roadways</td>
<td>Declares the intent of the Legislature to enact a bill to establish permanent, sustainable sources of transportation funding to maintain and repair highways, local roads, bridges, and other critical transportation infrastructure.</td>
<td>9/3/15</td>
<td>Conference Committee</td>
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<td><strong>ABX1-4</strong> (Frazier) Transportation Funding: Trade Corridors and Local Transportation Infrastructure</td>
<td>Declares the intent of the Legislature to enact a bill to establish permanent, sustainable sources of transportation funding to improve the state’s key trade corridors, and support efforts by local governments to repair and improve local transportation infrastructure.</td>
<td>As Introduced</td>
<td>Senate Rules Committee</td>
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<tr>
<td><strong>ABX1-6</strong> (R. Hernandez) Cap-and-Trade: Affordable Housing and Sustainable Communities Program</td>
<td>Requires 20 percent of the cap-and-trade auction proceeds provided to the Affordable Housing and Sustainable Communities Program to be allocated to rural areas. Requires half of these funds to be allocated to eligible affordable housing projects. Requires the Strategic Growth Council to amend its guidelines for the Affordable Housing and Sustainable Communities Program to be consistent with the provisions of this bill.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td>ABX1-7 (Nazarian)</td>
<td>Increases the amount of cap-and-trade auction proceeds continuously appropriated from the Greenhouse Gas Reduction Fund to the Low Carbon Transit Operations Program from 5 percent to 10 percent, and to the Transit and Intercity Rail Capital Program from 10 percent to 20 percent.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
<td>Support</td>
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<td>ABX1-8 (Chiu)</td>
<td>Increases the sales and use tax rate on diesel fuel by 3.5 percent. Dedicates the revenues derived from this increase to the State Transit Assistance Program (STA).</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
<td>Support</td>
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<td>ABX1-9 (Levine)</td>
<td>By September 30, 2015, requires Caltrans to implement an operational improvement project that does the following: (1) temporarily restores to automobile traffic the third eastbound lane on I-580 that existed prior to 1977 and that was temporarily restored immediately following the Loma Prieta earthquake, from the beginning of the Richmond-San Rafael Bridge in Marin County to Marine Street in Contra Costa County; and (2) temporarily converts the existing one-way bicycle lane along the north side of westbound I-580 from the Marine Street Interchange to Stenmark Drive and the toll plaza in Contra Costa County into a bidirectional bicycle and pedestrian lane. Requires Caltrans to keep the temporary third automobile lane and the temporarily bidirectional bicycle lane in place until the department has completed the Richmond-San Rafael Bridge Access Improvement Project.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td>ABX1-10 (Levine)</td>
<td>Prohibits a state entity in a mega-infrastructure project contract from providing for the payment of extra compensation to the contractor until the project has been completed, and an independent third party has verified that the project meets all architectural or engineering plans and safety specifications of the contract. Applies to contracts entered into or amended on or after the effective date of the bill. Defines “mega-infrastructure project” to mean the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind that exceeds $1 billion in cost.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td>ABX1-12 (Nazarian)</td>
<td>Authorizes the Los Angeles County Metropolitan Transportation Authority (LA Metro) to enter into agreements with private entities for transportation projects in Los Angeles County, including on the state highway system, subject to various terms and requirements. Allow LA Metro to impose tolls and user fees for use of those projects. Requires LA Metro to implement such projects on the state highway system in cooperation with Caltrans pursuant to an agreement that addresses all matters related to design, construction, maintenance, and operation of state highway facilities in connection with the project. Authorizes LA Metro to issue bonds to finance any costs necessary to implement such a project, payable from revenues generated from the project or other available resources.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<tr>
<td>ABX1-13 (Grove)</td>
<td>For FY 2016, reduces the amount of cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund that are continuously appropriated to the Affordable Housing and Sustainable Communities Program from 20 percent to 10 percent. Beginning in FY 2017, continuously appropriates 50 percent of the cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund to the State Highway Operation and Protection Program (SHOPP), and 50 percent to cities and counties for local streets/roads.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td><strong>ABX1-14</strong>&lt;br&gt;(Waldron)&lt;br&gt;General Fund Appropriations: State Highways and Local Streets/Roads</td>
<td>Continuously appropriates $1 billion from the General Fund to be distributed as follows: (1) 50 percent to the State Highway Operation and Protection Program (SHOPP); and (2) 50 percent to cities and counties for local streets/roads.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td><strong>ABX1-15</strong>&lt;br&gt;(Patterson)&lt;br&gt;Caltrans: Capital Outlay Support</td>
<td>Reduces the FY 2016 appropriation to Caltrans for capital outlay support by $500 million and, instead, distributes this money as follows: (1) 50 percent to the State Highway Operation and Protection Program (SHOPP); and (2) 50 percent to cities and counties for local streets/roads.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td><strong>ABX1-16</strong>&lt;br&gt;(Patterson)&lt;br&gt;Pilot Program: Transferring State Highways to Local Agencies</td>
<td>Establishes a five-year pilot program under which two counties, one in Northern California and one in Southern California, would be selected to operate, maintain and make improvements to all state highways within their respective jurisdictions. For the duration of the pilot program, requires Caltrans to convey all of its authority and responsibility over state highways in a participating county to the applicable county or regional transportation agency. Requires the pilot program to begin no later than January 1, 2017. Requires the California Transportation Commission (CTC) to administer and oversee the pilot program, and to select the counties that will participate in the program from applications received by the commission. For the duration of the pilot program, requires funding to be appropriated as block grants in the annual Budget Act to the participating counties in an amount equivalent to federal and state dollars otherwise to be expended by Caltrans on state highways in those counties, including money for operations, maintenance, capital outlay support, the State Highway Operation and Protection Program (SHOPP), and the State Transportation Improvement Program (STIP). In consultation with Caltrans, requires the CTC to determine the applicable grant amounts for each participating county, and to submit its recommendations to the Governor and the Legislature. Provides that any cost savings realized by a participating county, compared to comparable expenditures that otherwise would have been undertaken by Caltrans on state highways in the county in the absence of the pilot program, may be used by the county for other transportation priorities consistent with eligible expenditures for the funding sources involved, subject to approval by the CTC.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td><strong>ABX1-17</strong>&lt;br&gt;(Achadjian)&lt;br&gt;Cap-and-Trade: State Highway Operation and Protection Program</td>
<td>Beginning in FY 2017, continuously appropriates 25 percent of the cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund to the State Highway Operation and Protection Program (SHOPP).</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td><strong>ABX1-18</strong>&lt;br&gt;(Linder)&lt;br&gt;Vehicle Weight Fee Revenues</td>
<td>Beginning January 1, 2016, prohibits vehicle weight fee revenues from being used to pay debt service on transportation-related, general obligation bonds.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
<td>Support</td>
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<td>ABX1-19 (Linder) California Transportation Commission</td>
<td>Excludes the California Transportation Commission (CTC) from the California State Transportation Agency (CalSTA), and establishes it as a separate and independent entity in state government.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td>ABX1-20 (Gaines) State Government: Elimination of Vacant Positions</td>
<td>Requires the Department of Human Resources to eliminate 25 percent of the vacation positions in state government that are funded by the General Fund. Continuously appropriates $685 million from the General Fund, with 50 percent to be made available to Caltrans for maintenance of the state highway system or for projects funded under the State Highway Operation and Protection Program (SHOPP), and 50 percent to be made available to cities and counties for local streets/roads.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<tr>
<td>ABX1-21 (Obernolte) Environmental Quality: Highway Projects</td>
<td>Prohibits a court in a judicial action or proceeding under the California Environmental Quality Act (CEQA) from staying or enjoining a project related to constructing or improving a highway unless the court finds either of the following: (1) the project presents an imminent threat to the public health and safety; or (2) the project site contains unforeseen important Native American artifacts, or unforeseen important historical, archaeological or ecological values that would be materially, permanently and adversely affected by the project unless the court stays or enjoins the project.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td>ABX1-22 (Patterson) Design-Build Contracting: Highway Projects</td>
<td>Authorizes Caltrans to utilize design-build contracting for an unlimited number of state highway projects, and requires the department to contract with consultants to perform construction inspection services related to those projects. For design-build contracts for state highway projects administered by regional transportation agencies, including the Santa Clara Valley Transportation Agency (VTA), eliminates the requirement in existing law that Caltrans perform construction inspection services related to those projects.</td>
<td>As Introduced</td>
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<td>ABX1-23 (E. Garcia) Transportation Projects: Disadvantaged Communities</td>
<td>By January 1, 2017, requires the California Transportation Commission (CTC) to establish a process whereby Caltrans and local agencies receiving funding for highway capital improvement projects from the State Highway Operation and Protection Program (SHOPP), or from the State Transportation Improvement Program (STIP) prioritize projects that provide meaningful benefits to the mobility and safety needs of disadvantaged community residents, as identified by the community through strong public participation. In this regard, requires the CTC to do all of the following: (1) establish a funding floor where no less than 35 percent of rehabilitation and reconstruction projects are located in urban and rural disadvantaged communities, and provide meaningful benefits to the residents of those communities; (2) include robust public stakeholder engagement with regard to the development of guidelines relating to the prioritization of projects in disadvantaged communities; and (3) prioritize projects that recruit, hire and train low-income, formerly incarcerated, or disconnected youth and adults, as well as other individuals with barriers to employment. Specifies that a “disadvantaged community” means a community with any of the following characteristics: (1) an area with a median household income that is less than 80 percent of the statewide median household income based on the most current census-tract-level data from the American Community Survey; (2) an area identified as among the most disadvantaged 25 percent of areas in the state according to the California Environmental Protection Agency (CalEPA), based on the latest version of CalEnviroScreen scores; or (3) an area where at least 75 percent of public school students are eligible to receive free or reduced-price meals under the National School Lunch Program. Requires $125 million to be appropriated annually from the State Highway Account to the Active Transportation Program, with these additional funds to be used for network grants that prioritize projects in underserved areas.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td>ABX1-24 (Levine) Bay Area Transportation Commission</td>
<td>Effective January 1, 2017, redesignates the Metropolitan Transportation Commission (MTC) as the Bay Area Transportation Commission. Requires commissioners to be elected by districts comprised of approximately 750,000 residents, based on the 2010 Census. Declares the intent of the Legislature that district boundaries should be drawn by a citizen’s redistricting commission. Requires each district to elect one commissioner, except that a district with a toll bridge within its boundaries would elect two commissioners. Requires the initial elections for commissioners to occur in 2016. Requires the elected commissioners to take office on January 1, 2017. Declares the intent of the Legislature that campaigns for commissioners should be publicly financed. Specifies that each commissioner’s term of office is four years. Effective January 1, 2017, deletes the Bay Area Toll Authority’s status as a separate entity from MTC and merges the authority into the Bay Area Transportation Commission.</td>
<td>As Introduced</td>
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### State Senate Bills

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<td>SB 3 (Leno)</td>
<td>Minimum Wage</td>
<td>Increases the minimum wage for all industries as follows: (1) to $11 per hour beginning January 1, 2016; and (2) to $13 per hour beginning July 1, 2017. Commencing on January 1, 2019, requires the Industrial Welfare Commission to automatically adjust the minimum wage each year to maintain employee purchasing power diminished by the rate of inflation that occurred during the previous year. Requires the automatic adjustment to be calculated using the California Consumer Price Index. Prohibits the Industrial Welfare Commission from adjusting the minimum wage if the average percentage of inflation for the previous year was negative. Specifies that the provisions of the bill apply to all industries, including public and private employment.</td>
<td>3/11/15</td>
<td>Assembly Appropriations Committee</td>
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<td>SB 32 (Pavley)</td>
<td>Greenhouse Gas Emissions Limit</td>
<td>Requires the California Air Resources Board (CARB), based on the best available scientific, technological and economic assessments, to approve a statewide greenhouse gas emissions limit that is equivalent to 40 percent below the 1990 level to be achieved by 2030. Requires CARB to make recommendations to the Governor and the Legislature on how to continue reductions of greenhouse gas emissions beyond 2030. Provides that the Legislature and appropriate state agencies should adopt complementary policies ensuring that long-term emissions reductions advance all of the following: (1) job growth and local economic benefits; (2) public health benefits for California residents, particularly in disadvantaged communities, that result from direct onsite reductions of greenhouse gas emissions; (3) innovation in technology, as well as in energy, water and resource management practices; and (4) regional and international collaboration to adopt similar greenhouse gas emissions reduction policies. Specifies that CARB shall not take any action to implement the next update of its scoping plan for reducing greenhouse gas emissions unless it has conducted an evaluation of both of the following: (1) the current and projected actions that other jurisdictions within the United States and around the world are taking to reduce greenhouse gas emissions, and how those actions compare to and complement California’s efforts; and (2) the cost effectiveness of the various emissions reduction strategies that CARB has undertaken to achieve the 2020 statewide greenhouse gas emissions limit. Requires CARB to submit the next update of its scoping plan to the Legislature. Allows the Legislature to modify, reject or delay some or all of the scoping plan update before its approval by CARB. By January 1, 2017, and each year thereafter, requires CARB to submit to the Legislature a report that contains both of the following: (1) a detailed list of regulatory policies that have been adopted and implemented by state agencies in furtherance of achieving the statewide greenhouse gas emissions limit; and (2) the amounts, sources and locations of greenhouse gas emissions reductions achieved toward the statewide limit. By July 1, 2017, requires the Office of Environmental Health Hazard Assessment to prepare and make available a report analyzing the impacts of the statewide greenhouse gas emissions limit on disadvantaged communities. Requires this report to include all of the following: (1) tracking and analysis of greenhouse gas emissions, criteria air pollutants and other pollutant emission levels in disadvantaged communities; (2) compliance strategies used for greenhouse gas emissions sources in disadvantaged communities; and (3) analysis of public health and other relevant environmental health exposure indicators related to air pollutants in disadvantaged communities.</td>
<td>9/10/15</td>
<td>Assembly Natural Resources Committee</td>
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<td><strong>SB 39</strong> (Pavley)</td>
<td>HOV Lanes: Low-Emission and Fuel-Efficient Vehicles</td>
<td>4/8/15</td>
<td>Assembly Transportation Committee</td>
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<td>Increases the number of green stickers that can be issued by the Department of Motor Vehicles (DMV) to allow certain low-emission and fuel-efficient vehicles to use high-occupancy vehicle (HOV) lanes regardless of the number of occupants from 70,000 to 85,000.</td>
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<td><strong>SB 122</strong> (Jackson)</td>
<td>CEQA: Record of Proceedings</td>
<td>6/1/15</td>
<td>Assembly Appropriations Committee</td>
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<td>At the request of a project applicant, requires the lead agency for California Environmental Quality Act (CEQA) purposes to prepare a record of proceedings concurrently with the preparation of a negative declaration, mitigated negative declaration, environmental impact report (EIR), or other environmental documents for the project, as specified. Requires the Office of Planning and Research to establish and maintain a database for the collection, storage, retrieval, and dissemination of environmental documents, notices of exemption, notices of preparation, notices of determination, and notices of completion provided to the office. Requires a lead agency to submit a sufficient number of copies, in either a hard copy or electronic form as required by the Office of Planning and Research, of its draft environmental document, proposed negative declaration or proposed mitigated negative declaration to the State Clearinghouse for review and comment by state agencies. Requires a lead agency to accept comments on these documents through electronic mail and to treat such comments as equivalent to written comments.</td>
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<td><strong>SB 189</strong> (Hueso)</td>
<td>Clean Energy and Low-Carbon Economic and Jobs Growth Blue Ribbon Committee</td>
<td>8/17/15</td>
<td>Assembly Appropriations Committee</td>
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<td>Creates the Clean Energy and Low-Carbon Economic and Jobs Growth Blue Ribbon Committee within the California Environmental Protection Agency (CalEPA) to be comprised of seven members appointed by the Governor, the Speaker of the Assembly and the Senate Rules Committee. Requires the committee to consist solely of persons with expertise in economic, financial or policy aspects of clean energy, economic growth, job creation, workforce standards, or employment opportunities for disadvantaged workers. Requires the committee to advise state agencies on the most effective ways to: (1) expend funds related to clean energy and the reduction of greenhouse gas emissions; and (2) implement policies in order to maximize California’s economic and employment benefits. In addition, requires the committee to do all of the following: (1) develop guidance for tracking, reporting and evaluating jobs outcomes for state clean energy and low-carbon investments; (2) develop guidance to measure the quantity and quality of jobs created by state clean energy and low-carbon investments, as well as the geographic and demographic distribution of those jobs; (3) advise state agencies on the most effective ways to require responsible contractor standards, as applicable, and minimum training and skill certifications for workers to ensure high-quality work for state clean energy and low-carbon investments; (4) advise state agencies on the most effective ways to connect disadvantaged communities to good quality jobs and career pathways created by state clean energy and low-carbon investments; and (5) advise state agencies on the most effective ways to align state clean energy and low-carbon training funds with existing state workforce development investments and strategies.</td>
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<td><strong>SB 207</strong> (Wieckowski)</td>
<td>Greenhouse Gas Reduction Fund: State Agency Reporting</td>
<td>3/24/15</td>
<td>Assembly Natural Resources Committee</td>
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<td>Requires any state agency expending cap-and-trade auction proceeds from the Greenhouse Gas Reduction Fund to post on its Internet Website a record describing each expenditure and how that expenditure would reduce greenhouse gas emissions.</td>
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<td><strong>SB 321</strong>&lt;br&gt;(Beall)&lt;br&gt;Variable Gas Tax Rate</td>
<td>In calculating adjustments to the variable gas tax rate to be made for FY 2017 and each fiscal year thereafter in order to ensure that the same amount of revenue is generated as by the former state sales tax on gasoline pursuant to the 2010-2011 transportation funding swap, requires the Board of Equalization to use a combined average based on an estimate of fuel prices for the current fiscal year and the actuals for the four previous fiscal years, rather than using projections of fuel prices for only the upcoming fiscal year.</td>
<td>8/18/15</td>
<td>Senate Floor: Concurrence</td>
<td>Support</td>
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<td><strong>SB 344</strong>&lt;br&gt;(Monning)&lt;br&gt;Commercial Driver’s License: Education</td>
<td>Beginning January 1, 2018, requires a person, in addition to a written and driving test, to successfully complete a course of instruction from either a commercial driver training institution or a program offered by an employer that has been certified by the Department of Motor Vehicles (DMV) before he or she is issued an original commercial driver’s license. Provides an exemption to this course of instruction requirement in the following cases: (1) a commercial motor vehicle driver with military motor vehicle experience who is currently licensed with the U.S. Armed Forces; (2) a commercial motor vehicle driver who presents a valid certificate of driving skill from an approved employer-testing program that includes a course of instruction that meets the minimum standards set by the DMV; (3) a commercial motor vehicle driver who presents a certificate issued by the California Highway Patrol (CHP) or a Transit Driver Training Record DL 260 form signed by an employer trainer certified by the Federal Transit Administration’s “Train-the-Trainer” Program; or (4) a commercial motor vehicle driver who has received and documented training in compliance with the Education Code.</td>
<td>6/23/15</td>
<td>Assembly Appropriations Committee</td>
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<td><strong>SB 398</strong>&lt;br&gt;(Leyva)&lt;br&gt;Green Assistance Program</td>
<td>Establishes the Green Assistance Program to be administered by the California Environmental Protection Agency (CalEPA). Requires the Green Assistance Program to provide technical assistance to small businesses, small non-profit organizations and disadvantaged communities in applying for an allocation of cap-and-trade auction proceeds from the Greenhouse Gas Reduction Fund. Specifies that the Green Assistance Program may include the following: (1) basic information on available programs funded with cap-and-trade auction proceeds, and the eligibility requirements and deadlines for those programs; and (2) referrals to designated contact people in public agencies administering programs funded with cap-and-trade auction proceeds. Requires CalEPA to use existing resources appropriated by the Legislature in the annual Budget Act to administer the Green Assistance Program.</td>
<td>6/2/15</td>
<td>Assembly Appropriations Committee</td>
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<td><strong>SB 400</strong>&lt;br&gt;(Lara)&lt;br&gt;Cap-and-Trade:&lt;br&gt;High-Speed Rail</td>
<td>Requires not less than 25 percent of the cap-and-trade auction proceeds continuously appropriated to the California High-Speed Rail Authority from the Greenhouse Gas Reduction Fund to be allocated for projects that either reduce or offset greenhouse gas emissions directly associated with the construction of the high-speed rail project and provide a co-benefit of improving air quality. Requires priority to be given to measures and projects in communities that are located in areas designated as extreme non-attainment. Provides that measures and project eligible for funding may include the following: (1) public transit improvements that reduce congestion; (2) transportation improvements that reduce congestion, including network improvements and roadway modifications; (3) alternative transportation options, including infrastructure improvements that support clean transportation, facilitate bicycle and pedestrian use, and connect bicycle and pedestrian routes to public transit facilities; (4) natural systems, including rural and urban forests, that reduce greenhouse gas emissions or increase the sequestration of carbon to mitigate the impacts of greenhouse gas emissions, and create greater climate resiliency; and (5) the use of low- and zero-emission equipment for transportation and construction.</td>
<td>6/1/15</td>
<td>Assembly Appropriations Committee</td>
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<td>SB 433 (Berryhill) Variable Gas Tax Rate: Department of Finance</td>
<td>For FY 2017 through FY 2021, requires the Department of Finance, rather than the Board of Equalization, to calculate any adjustments to the variable gas tax rate that would be needed to ensure that the same amount of revenue is generated as by the former state sales tax on gasoline pursuant to the 2010 transportation funding swap. Similarly, for FY 2017 through FY 2021, requires the Department of Finance, rather than the Board of Equalization, to adjust the diesel excise tax rate to maintain revenue neutrality with the increase in the state sales tax rate on diesel fuel that was enacted as part of the 2010 transportation funding swap.</td>
<td>5/7/15</td>
<td>Assembly Revenue &amp; Taxation Committee</td>
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<td>SB 564 (Cannella) Traffic Violations: School Zones</td>
<td>Adds $35 to the base fine for certain traffic violations that occur: (1) when passing a school building or grounds contiguous to a highway; or (2) when passing any school grounds not separated from the highway by a fence, gate or other physical barrier while in use by children. Requires the revenues from these additional fines to be deposited in the State Transportation Fund for school zone safety projects in the Active Transportation Program.</td>
<td>As Introduced</td>
<td>Assembly Transportation Committee</td>
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<td>SB 773 (Allen) Vehicle Registration Fraud Study</td>
<td>Requests the University of California to conduct a study on motor vehicle registration fraud and failure to register a motor vehicle. If conducted, requires the study to include all of the following: (1) quantification of the magnitude of the problem; (2) the strategies being used by motorists to commit motor vehicle registration fraud; (3) the reasons for the behaviors of motorists who commit motor vehicle registration fraud or who fail to register their motor vehicles; (4) the costs to the state and local governments in lost revenues; (5) increases in air pollution; (6) other costs and consequences of these behaviors; and (7) recommended strategies for increasing compliance with registration requirements. Requires the Department of Motor Vehicles (DMV) to enter into an agreement with the University of California to share its vehicle registration information with university researchers for purposes of conducting the study. Requests the University of California to post a report regarding the study on its Internet Web site by January 1, 2017.</td>
<td>6/23/15</td>
<td>Assembly Transportation Committee</td>
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<td><strong>SB 824</strong></td>
<td>Makes a number of changes to the structure of the Low Carbon Transit Operations Program (LCTOP). Eliminates certain restrictions in current law to maximize flexibility with regard to the types of expenditures that are eligible to be funded under LCTOP to ensure that recipient transit agencies are able to use their funding shares for the broadest array of projects and services that reduce greenhouse gas emissions. Clarifies that a recipient transit agency may continue to use its LCTOP funding share to support new or expanded service beyond the first year in which the service is implemented, so long as the agency can demonstrate that additional greenhouse gas emissions reductions will be realized. For capital projects, requires a recipient transit agency to do all of the following: (1) specify the phases of work for which the agency is seeking an allocation of funding from LCTOP; (2) identify the sources and timing of all funding required to undertake and complete any phase of a project for which the agency is seeking an allocation from the program; and (3) described intended sources and timing of funding to complete any subsequent phases of the project through construction or procurement. Allows a recipient transit agency that does not submit an expenditure for funding in a particular fiscal year to retain its funding share, and to accumulate and utilize that funding share in a subsequent fiscal year for a larger expenditure. Requires the recipient transit agency to specify the number of years that it intends to retain its funding share and the expenditure for which the agency intends to use these dollars. Prohibits a limit being placed on the number of fiscal years that a recipient transit agency may retain its funding share. Allows a recipient transit agency, in any particular fiscal year, to loan or transfer its funding share to another recipient transit agency within the same region for any identified eligible expenditure. Allows a group of recipient transit agencies, in any particular fiscal year, to enter into an agreement to pool their funding shares for any identified eligible expenditure. Allows a recipient transit agency to apply to Caltrans to do either of the following: (1) reassign any savings of LCTOP funding allocated for a completed project to another eligible project; or (2) reassign to another eligible project any LCTOP funding previously allocated to a project that the agency has determine is no longer a high priority. Allows for the use of Letters of No Prejudice (LONPs), so that recipient transit agencies can advance their projects or services with local money and then get reimbursed with LCTOP dollars when that funding becomes available.</td>
<td>4/11/16</td>
<td>Senate Appropriations Committee</td>
<td>Co-Sponsor</td>
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<td><strong>SB 876</strong></td>
<td>Provides that persons experiencing homelessness shall be permitted to use public space at any time that the space is open to the public without discrimination based on their housing status, and without being subject to criminal, civil or administrative penalties. Allows persons experiencing homelessness to use public space for all of the following: (1) free movement without restraint; (2) sleeping or resting, and protecting oneself from the elements while sleeping or resting, in a non-obstructive manner; (3) eating, sleeping, accepting, or giving food in a space in which food is not otherwise generally prohibited; and (4) praying, meditating, worshipping, or practicing religion. Defines “public space” to mean any property that is owned by a government entity or upon which there is an easement for public use, and that is held open to the public, including plazas, courtyards, parking lots, sidewalks, public transportation facilities and services, public buildings, shopping centers, and parks. Provides that the ability to rest does not apply to a space during a time when it is closed to all persons or when a fee is required for entry or use.</td>
<td>3/28/16</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td><strong>SB 882</strong> (Hertzberg) Fare Evasion: Minors</td>
<td>Prohibits a public transit agency from charging a minor with an infraction or misdemeanor for acts of fare evasion.</td>
<td>As Introduced</td>
<td>Senate Appropriations Committee</td>
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<td><strong>SB 885</strong> (Wolk) Design Professionals: Claims</td>
<td>Commencing with contracts entered into on or after January 1, 2017, provides that a design professional shall only have the duty to defend claims that arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the design professional. Provides that a design professional shall have no duty to defend claims against other persons or entities.</td>
<td>4/18/16</td>
<td>Senate Floor</td>
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<td><strong>SB 901</strong> (Bates) Advanced Mitigation Program</td>
<td>Requires Caltrans to establish an Advanced Mitigation Program to accelerate project delivery and improve the outcomes of environmental mitigation for transportation infrastructure projects. Allows the program to utilize mitigation instruments, including mitigation banks and conservation easements. Allows Caltrans to use advanced mitigation credits to fulfill mitigation requirements of any environmental law for a transportation project eligible for the State Transportation Improvement Program (STIP), or the State Highway Operation and Protection Program (SHOPP). Beginning with FY 2017, requires Caltrans to set aside at least $30 million per year from the annual appropriations for the STIP and the SHOPP for the planning and implementation of projects in the Advanced Mitigation Program.</td>
<td>As Introduced</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td><strong>SB 902</strong> (Cannella) Federal Environmental Review Process</td>
<td>Extends indefinitely the statutory authorization for Caltrans to participate in a federal program that allows states to assume the responsibilities of the Federal Highway Administration (FHWA) under the National Environmental Policy Act (NEPA). In addition, extends indefinitely provisions in existing law that authorize Caltrans to consent to the jurisdiction of the federal court’s with regard to the assumption of FHWA’s responsibilities under NEPA and that waive the state’s Eleventh Amendment protection against NEPA-related lawsuits brought in federal court for as long as Caltrans participates in the program.</td>
<td>As Introduced</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td><strong>SB 903</strong> (Nguyen) Transportation Loans</td>
<td>Acknowledges that as of June 30, 2015, there is $879 million in loans of certain transportation revenues still outstanding, and requires this amount to be repaid by the General Fund from the Budget Stabilization Account no later than June 30, 2016. Requires the loan repayments to be distributed as follows: (1) $148 million to be allocated by the California Transportation Commission (CTC) to fund construction and associated support costs for projects that are programmed in the Traffic Congestion Relief Program (TCRP), but which have not received their full allocations pursuant to current law; (2) $334 million to the Trade Corridors Improvement Fund; (3) $265 million to the Transit and Intercity Rail Capital Program; and (4) $132 million to the State Highway Operation and Protection Program (SHOPP).</td>
<td>As Introduced</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td><strong>SB 940</strong> (Vidak) High-Speed Rail: Selling of Property</td>
<td>Prior to selling property, requires the California High-Speed Rail Authority to send notification by certified mail to the last known owner advising him or her that the property will be offered for sale. Provides that the High-Speed Rail Authority shall not sell the property until at least 30 days after the notification has been sent.</td>
<td>4/12/16</td>
<td>Senate Appropriations Committee</td>
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<td><strong>SB 951</strong> (McGuire) Golden State Patriot Passes Program</td>
<td>Creates the Golden State Patriot Passes Program as a pilot program to provide veterans with free access to public transit services. Requires Caltrans to administer the program. By January 1, 2018, requires Caltrans to select three transit operator applicants to receive funding under the pilot program. If there are sufficient applicants, requires Caltrans to do all of the following: (1) not select a transit operator applicant that is currently providing veterans with free access to public transit services; (2) select applicants that serve entirely different counties; (3) select one application that primarily serves an urban area, one that primarily serves a suburban area, and one that primarily serves a rural area. Caps the amount of funding that a participating transit operator primarily serving an urban area could receive under the program at $2 million. Establishes caps for participating transit operators primarily serving suburban and rural areas at $900,000 and $100,000, respectively. Requires a transit operator selected to participate in the pilot program to match any state money that it receives with local funds. Sunsets the pilot program on January 1, 2022.</td>
<td>4/26/16</td>
<td>Senate Appropriations Committee</td>
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<td><strong>SB 998</strong> (Wieckowski) Bus-Only Lanes: Motorist Violations</td>
<td>Prohibits a person from operating, parking, stopping, or leaving standing a motor vehicle in a highway or roadway lane that has been designated for the exclusive use of public transit buses.</td>
<td>5/3/16</td>
<td>Senate Floor</td>
<td>Co-Sponsor</td>
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<td><strong>SB 1051</strong> (Hancock) AC Transit: Automated Enforcement of Parking Violations</td>
<td>Authorizes the Alameda-Contra Costa Transit District (AC Transit) to install automated forward-facing parking control devices on its public transit vehicles for the purpose of video imaging of parking violations occurring in transit-only traffic lanes or at bus stops.</td>
<td>4/6/16</td>
<td>Senate Floor</td>
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<td><strong>SB 1066</strong> (Beall) STIP Fund Estimate: FAST Act Apportionments</td>
<td>Requires the fund estimate for the State Transportation Improvement Program (STIP) prepared by Caltrans and the California Transportation Commission (CTC) to identify and include federal funds derived from apportionments made to the state under the Fixing America’s Surface Transportation (FAST) Act.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td><strong>SB 1128</strong> (Glazer) Bay Area Regional Commute Benefit Ordinance</td>
<td>Eliminates the January 1, 2017, sunset date, and indefinitely extends provisions in current law that authorize the Bay Area Air Quality Management District (BAAQMD) and the Metropolitan Transportation Commission (MTC) to jointly adopt a regional commute benefit ordinance requiring certain employers to offer their employees one of three specified commute benefits. Deletes bicycle commuting as a pretax option under the ordinance and, instead, allows an employer covered by the ordinance, at its discretion, to offer commuting by bicycle as an employer-paid benefit. If the covered employer chooses to offer a subsidy to offset the monthly cost of commuting by bicycle, requires such subsidy to be either the monthly cost of commuting by bicycle or $20, whichever is lower. Deletes provisions in current law that require BAAQMD and MTC to jointly report to the Legislature regarding the implementation of the regional commute benefit ordinance.</td>
<td>As Introduced</td>
<td>Assembly Desk</td>
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<td>SB 1141 (Moorlach) Pilot Program: Transferring State Highways to Local Agencies</td>
<td>Establishes a five-year pilot program under which two counties, one in Northern California and one in Southern California, may be selected to operate, maintain and make improvements to all state highways within their respective jurisdictions. For the duration of the pilot program, requires Caltrans to convey all of its authority and responsibility over state highways in a participating county to the applicable county or regional transportation agency that has jurisdiction in the county. Requires the California Transportation Commission (CTC) to administer and oversee the pilot program, and to select the county or counties that will participate no later than January 1, 2018, from applications received by the commission. Provides that participation of a county in the pilot program is voluntary. Specifies that if the CTC is unable to select at least one county to participate in the pilot program by January 1, 2018, because no county has submitted an application, the provisions of the bill shall become inoperative on January 15, 2018. For the duration of the pilot program, requires funding to be appropriated as block grants in the annual Budget Act to the participating counties in an amount equivalent to federal and state dollars otherwise to be expended by Caltrans on state highways in those counties, including money for operations, maintenance, capital outlay support, the State Highway Operation and Protection Program (SHOPP), and the State Transportation Improvement Program (STIP). In consultation with Caltrans, requires the CTC to determine the applicable grant amounts for each participating county, and to submit its recommendations to the Governor and the Legislature. Provides that any cost savings realized by a participating county, compared to comparable expenditures that otherwise would have been undertaken by Caltrans on state highways in the county in the absence of the pilot program, may be used by the county for other transportation priorities consistent with eligible expenditures for the funding sources involved, subject to approval by the CTC.</td>
<td>4/5/16</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td>SB 1197 (Cannella) Intercity Rail Corridors: Extensions</td>
<td>At any time after an interagency transfer agreement for an intercity rail corridor between Caltrans and a joint powers board has been executed, allows the agreement to be amended to extend the affected rail corridor to provide intercity rail service beyond the defined boundaries of the corridor. Requires a proposed extension to be recommended and justified in the business plan for the intercity rail corridor by the joint powers board, and to be approved by the California State Transportation Agency (CalSTA).</td>
<td>As Introduced</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td>SB 1259 (Runner) Toll Facilities: Veterans</td>
<td>Exempts vehicles registered to a veteran and displaying a specialized veterans license plate from the payment of tolls or other charges on a toll road, high-occupancy toll (HOT) lane, toll bridge, toll highway, vehicular crossing, or any other toll facility.</td>
<td>4/21/16</td>
<td>Senate Appropriations Committee</td>
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<td>SB 1320 (Runner) California Transportation Commission and SHOPP Projects</td>
<td>Excludes the California Transportation Commission (CTC) from the California State Transportation Agency (CalSTA) and, instead, establishes the commission as a separate entity in state government to act in an independent oversight role. Requires Caltrans to submit its proposed program of projects for the State Highway Operation and Protection Program (SHOPP) to the CTC. Requires Caltrans to program capital outlay support resources for each project included in the SHOPP. Requires Caltrans to provide the CTC with detailed information for all programmed SHOPP projects, including cost, scope and schedule. Specifies that the CTC is not required to approve the SHOPP in its entirety, as submitted by Caltrans, and may approve or reject individual SHOPP projects programmed by the department. Requires Caltrans to submit to the CTC for approval any changes in a programmed SHOPP project’s cost, scope or schedule.</td>
<td>As Introduced</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<td><strong>SB 1397</strong> (Huff) Highway Changeable Message Signs: Advertising</td>
<td>Authorizes Caltrans, subject to federal approval, to enter into an agreement pursuant to a best value competitive procurement process with a contractor to construct, upgrade, reconstruct, and operate a network of changeable message signs within the rights-of-way of the state highway system. Requires the contractor, subject to certain standards established by Caltrans, to contract and receive funds for the placement of advertising on these changeable message signs when they are not being used by the department. Requires revenues derived from advertising on these changeable message signs to be allocated between Caltrans and the contractor. Requires the revenues received by Caltrans to be deposited into the State Highway Account, subject to appropriations by the Legislature. Authorizes Caltrans to adopt guidelines and procedures relative to advertising on changeable message signs.</td>
<td>4/21/16</td>
<td>Senate Appropriations Committee</td>
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<td><strong>SB 1405</strong> (Pavley) Zero-Emission Vehicles</td>
<td>Requires the California Air Resources Board (CARB) to conduct a study to determine the feasibility and efficacy of providing grants to public transit agencies to subsidize cost-effective rides serving disadvantaged communities through the use of zero-emission vehicles that are utilized by rental car, transportation network, taxicab, or car-sharing companies in a manner that complements the service provided by the public transit agency.</td>
<td>4/13/16</td>
<td>Senate Appropriations Committee</td>
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<td><strong>SB 1464</strong> (De Leon) Greenhouse Gas Emissions Reduction Programs: Consultation</td>
<td>In identifying priority programmatic investments, requires the three-year investment plan prepared by the Department of Finance for the expenditure of cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund to do both of the following: (1) assess how proposed investments interact with current state regulations, policies and programs; and (2) evaluate if and how those proposed investments could be incorporated into existing programs. Requires the investment plan to recommend metrics that would measure progress and benefits from the proposed programmatic investments.</td>
<td>4/11/16</td>
<td>Senate Appropriations Committee</td>
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<tr>
<td><strong>SCA 7</strong> (Huff) Motor Vehicle Fees and Taxes: Restrictions on Expenditures</td>
<td>Calls for placing before the voters an amendment to the California Constitution to prohibit the Legislature from borrowing revenues derived from fees and taxes imposed by the state on motor vehicles or their use or operations, and from using these revenues other than for state highways, local streets and roads, and fixed guideway mass transit as specified in Article 19 of the Constitution. Also prohibits these revenues from being pledged or used for the payment of principal and interest on bonds, or for other indebtedness. Requires the revenues derived from that portion of the vehicle license fee that exceeds 0.65 percent of the market value of a vehicle to be used for street and highway purposes. Prohibits the Legislature from borrowing these revenues and from using them other than as specifically permitted. Also prohibits these revenues from being pledged or used for the payment of principal and interest on bonds, or for other indebtedness.</td>
<td>5/28/15</td>
<td>Senate Transportation &amp; Housing Committee</td>
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<tr>
<td>State Senate Bills</td>
<td>Subject</td>
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<td>SBX1-1 (Beall)</td>
<td>Proposes to generate approximately $5.5 billion per year in new revenues for transportation purposes from the following sources: (1) an increase in the gasoline excise tax of 12 cents per gallon; (2) an increase in the diesel excise tax of 22 cents per gallon; (3) a registration surcharge of $35 per year imposed on all motor vehicles; (4) a registration surcharge of $100 per year imposed on zero-emission vehicles; (5) a road access charge of $35 per year imposed on all motor vehicles to be collected by the Department of Motor Vehicles (DMV) as part of the annual vehicle registration process; (6) an increase in the diesel sales tax rate of 3.5 percent for the State Transit Assistance Program (STA); (7) an increase in the percentage of cap-and-trade auction proceeds continuously appropriated to the Transit and Intercity Rail Capital Program from 10 percent to 20 percent; and (8) an increase in the percentage of cap-and-trade auction proceeds continuously appropriated to the Low Carbon Transit Operations Program from 5 percent to 10 percent. Requires the repayment of approximately $1 billion in outstanding loans owed by the General Fund to the State Highway Account, the Motor Vehicle Fuel Account, the Highway Users Tax Account (HUTA), and the Motor Vehicle Account by June 30, 2016. Beginning July 1, 2019, and every three years thereafter, indexes the gas tax and the diesel excise tax to inflation and the change in average fuel efficiency. Requires the new $35 vehicle registration surcharge and the $35 road access fee to be indexed to inflation on an annual basis. Calls for 12 cents of the 22-cent increase in the diesel excise tax to be deposited into the Trade Corridors Improvement Fund and used for goods movement projects programmed by the California Transportation Commission (CTC). Requires the balance of the revenues generated from the diesel excise tax increase, as well as from the gas tax increase, the road access charge, the two vehicle registration surcharges, and the one-time revenues from the General Fund loan repayments, to be deposited into a new Road Maintenance and Rehabilitation Account. Requires the revenues in the account to be used for the following purposes: (1) road maintenance and rehabilitation; (2) safety projects; (3) railroad grade separations; (4) active transportation and pedestrian/bicycle safety projects in conjunction with any other allowable project; or (5) wildlife crossings. Every year, requires 5 percent of the funds in the Road Maintenance and Rehabilitation Account to be set aside for allocation to counties that currently do not have a local transportation sales tax, but gain voter approval of one after July 1, 2016. Requires the CTC to develop guidelines to define the specific methodology that would be used to distribute these funds to eligible counties and to cities within those counties. Requires these funds to be expended for road maintenance and rehabilitation purposes. Allocates the remaining balance in the account after the 5-percent set-aside as follows: (1) 50 percent to Caltrans for state highway maintenance, State Highway Operation and Protection Program (SHOPP) projects, or other eligible purposes; and (2) 50 percent to counties for their local roadway systems. In the latter case, equally divides the funds between cities and counties, with the cities’ portion being allocated by a formula based on population, and the counties’ share by a formula based on vehicle registrations and miles of maintained county roads. Establishes a substantial oversight role for the CTC to ensure that the funds allocated from the Road Maintenance and Rehabilitation Account are used by Caltrans and cities/counties in manner that is consistent with performance criteria adopted by the commission related to highway/roadway performance, greenhouse gas emissions, social equity impacts, and public health impacts. Converts the variable gas tax to a fixed rate of 17.3 cents per gallon, which would be indexed every three years to inflation and the change in average fuel efficiency. Requires a total of $550 million in cap-and-trade auction proceeds dedicated to high-speed rail to be set aside for intercity, commuter and urban rail projects. Annually allocates $100 million in cap-and-trade funds to the Active Transportation Program.</td>
<td>4/21/16</td>
<td>Senate Appropriations Committee</td>
<td>Support</td>
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<tr>
<td>State Senate Bills</td>
<td>Subject</td>
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</table>
| **SBX1-2**  
(Huff)  
Cap-and-Trade:  
State Highways and Local Roadways | Requires the Legislature to appropriate cap-and-trade auction proceeds generated from the transportation fuels sector for transportation infrastructure, including public streets and highways, but excluding high-speed rail. | As Introduced | Senate Transportation & Infrastructure Development Committee |  |
| **SBX1-3**  
(Vidak)  
High-Speed Rail: Bond Funding | Specifies that no further bonds shall be sold for high-speed rail purposes pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Proposition 1A), except as specifically provided with respect to an existing appropriation for early improvement projects related to the Phase I blended system. Upon appropriation by the Legislature, requires the unspent proceeds received from outstanding bonds issued and sold for high-speed rail purposes prior to the effective date of the provisions of this bill to be redirected to retiring the debt incurred from the issuance and sale of those outstanding bonds. Allows the remaining unissued bonds, as of the effective date of the provisions of this bill, that were authorized for high-speed rail purposes to be issued and sold. Upon appropriation by the Legislature, requires the net proceeds from the sale of these remaining unissued bonds to be made available as follows: (1) 50 percent to Caltrans to fund repair and new construction projects on state highways and freeways; and (2) 50 percent to Caltrans to create a program to fund repair and new construction projects on local streets and roads, with each county receiving a base amount of funding, and any additional funding being allocated based on a county’s population. Makes no changes to the authorization under Proposition 1A for the issuance of $950 million in bonds for rail purposes other than high-speed rail. | 8/17/15 | Senate Transportation & Infrastructure Development Committee |  |
| **SBX1-4**  
(Beall)  
Transportation Funding: State Highways and Local Roadways | Declares the intent of the Legislature to enact statutory changes to establish permanent, sustainable sources of transportation funding to maintain and repair the state’s highways, local roads, bridges, and other critical transportation infrastructure. | 9/4/15 | Conference Committee |  |
| **SBX1-5**  
(Beall)  
Transportation Funding: Trade Corridors and Local Transportation Infrastructure | Declares the intent of the Legislature to enact a bill to establish permanent, sustainable sources of transportation funding to improve the state’s key trade corridors, and support efforts by local governments to repair and improve local transportation infrastructure. | As Introduced | Assembly Desk |  |
| **SBX1-6**  
(Runner)  
Cap-and-Trade: High-Speed Rail | Prohibits the use of cap-and-trade auction proceeds for the state’s high-speed rail project. Requires 65 percent of the cap-and-trade auction proceeds deposited into the Greenhouse Gas Reduction Fund to be distributed to the California Transportation Commission (CTC) for allocation to high-priority transportation projects, as determined by the commission. Requires the CTC to allocate these funds as follows: (1) 40 percent to state highway projects; (2) 40 percent to local street/road projects, equally divided between cities and counties; and (3) 20 percent to public transit projects. | As Introduced | Senate Transportation & Infrastructure Development Committee |  |
<table>
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<tr>
<th>State Senate Bills</th>
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<th>Status</th>
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<tbody>
<tr>
<td>SBX1-7 (Allen)</td>
<td>Diesel Sales Tax</td>
<td>Increases the sales and use tax rate on diesel fuel by 3.5 percent. Dedications the revenues derived from this increase to the State Transit Assistance Program (STA). Restricts the expenditure of these revenues to transit capital projects, or services to maintain or repair a public transit agency’s existing vehicle fleet or facilities, including the following: (1) rehabilitation or modernization of existing vehicles or facilities; (2) design, acquisition and construction of new vehicles or facilities that improve existing public transit services or that enable the implementation of future planned services; or (3) services that complement local efforts for repair and improvement of local transportation infrastructure.</td>
<td>9/3/15</td>
<td>Support</td>
</tr>
<tr>
<td>SBX1-8 (Hill)</td>
<td>Cap-and-Trade: Public Transit Funding</td>
<td>Increases the amount of cap-and-trade auction proceeds continuously appropriated from the Greenhouse Gas Reduction Fund to the Low Carbon Transit Operations Program from 5 percent to 10 percent, and to the Transit and Intercity Rail Capital Program from 10 percent to 20 percent.</td>
<td>As Introduced</td>
<td>Support</td>
</tr>
<tr>
<td>SBX1-9 (Moorlach)</td>
<td>Caltrans: Architectural and Engineering Services</td>
<td>Prohibits Caltrans from using any non-recurring funds, including loan repayments, bond funds or grant funds, to pay the salaries or benefits of any permanent civil service position within the department. Beginning on July 1, 2016, requires Caltrans to contract with qualified private entities for a minimum of 15 percent of the total annual value of architectural and engineering services with respect to public works projects undertaken by the department. Increases this percentage each year to a minimum of 50 percent by July 1, 2023.</td>
<td>As Introduced</td>
<td>Support</td>
</tr>
<tr>
<td>SBX1-10 (Bates)</td>
<td>State Transportation Improvement Program</td>
<td>Revises the process for programming and allocating the 75-percent share of federal and state funds available for regional transportation improvement programs (RTIPs). Requires the California Transportation Commission (CTC) to compute the annual county share amounts for each county for programming and allocation under the RTIPs. Requires these funds, along with an appropriate amount of capital outlay support dollars, to be appropriated annually through the Budget Act. Upon the enactment of the Budget Act, requires Caltrans to apportion the RTIP county shares for each county as block grants to the applicable regional transportation planning agency (RTPA). Requires the RTPAs to identify the transportation capital improvement projects to be funded with these dollars in their RTIPs. Requires the CTC to incorporate the RTIPs into the State Transportation Improvement Program (STIP). Eliminates the role of the CTC in programming and allocating funding for RTIP projects, but retains certain oversight roles of the commission with respect to the expenditure of these dollars. Repeals provisions in current law governing the computation of county shares over multiple fiscal years.</td>
<td>As Introduced</td>
<td>Support</td>
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<td><strong>SBX1-11</strong>&lt;br&gt;(Berryhill)&lt;br&gt;CEQA: Exemption for Certain Transportation Projects</td>
<td>Exempts from the California Environmental Quality Act (CEQA) a project that consists of the inspection, maintenance, repair, restoration, reconditioning, relocation, replacement, or removal of existing transportation infrastructure, including highways, roadways, bridges, tunnels, public transit systems, and paths and sidewalks serving either bicycles or pedestrians, if the project meets all of the following conditions: (1) the project is located within an existing right-of-way; (2) any area surrounding the right-of-way that is altered as a result of construction activities that are necessary for the completion of the project will be restored to its condition before the project; and (3) the project applicant agrees to comply with all conditions otherwise authorized by law or imposed by a city or county as part of any local agency permit process that are required to mitigate potential impacts of the project. Prohibits a court in a judicial action or proceeding under CEQA from staying or enjoining a transportation infrastructure project that is included in a regional sustainable communities strategy (SCS) or alternative planning strategy unless the court finds either of the following: (1) the project presents an imminent threat to the public health and safety; or (2) the project site contains unforeseen important Native American artifacts, or unforeseen important historical, archaeological or ecological values that would be materially, permanently and adversely affected by the project unless the court stays or enjoins the project.</td>
<td>9/4/15</td>
<td>Senate Transportation &amp; Infrastructure Development Committee</td>
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<td><strong>SBX1-12</strong>&lt;br&gt;(Runner)&lt;br&gt;California Transportation Commission</td>
<td>Excludes the California Transportation Commission (CTC) from the California State Transportation Agency (CalSTA) and, instead, establishes the commission as a separate entity in state government to act in an independent oversight role. Requires Caltrans to submit its proposed program of projects for the State Highway Operation and Protection Program (SHOPP) to the CTC for review by January 31 of each even-numbered year. Requires Caltrans to program capital outlay support resources for each project included in the SHOPP. Requires Caltrans to provide the CTC with detailed information for all programmed SHOPP projects, including cost, scope and schedule. Specifies that the CTC is not required to approve the SHOPP in its entirety, as submitted by Caltrans, and may approve or reject individual SHOPP projects programmed by the department. Requires Caltrans to submit to the CTC for approval any changes in a programmed SHOPP project’s cost, scope or schedule.</td>
<td>8/20/15</td>
<td>Senate Appropriations Committee</td>
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<tr>
<td>State Senate Bills</td>
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<td>SBX1-13 (Vidak) Office of the Transportation Inspector General</td>
<td>Creates the Office of the Transportation Inspector as an independent state government entity to ensure that Caltrans; the California High-Speed Rail Authority; and all other state agencies expending state transportation funds are operating efficiently, effectively, and in compliance with applicable federal and state laws. Requires the Governor to appoint a transportation inspector general, subject to confirmation by the Senate, to a six-year term. Provides that the transportation inspector general cannot be removed from office during that term, except for good cause. Requires the transportation inspector general to review policies, practices and procedures, and to conduct audits and investigations of activities involving state transportation funds in consultation with all affected state agencies. Specifically, requires the transportation inspector general to do all of the following: (1) examine the operating practices of Caltrans, the High-Speed Rail Authority and all other state agencies expending state transportation funds to identify fraud and waste, opportunities for efficiencies, and opportunities to improve the data used to determine appropriate project resource allocations; (2) identify best practices in the delivery of transportation projects, and develop policies or recommend proposed legislation enabling state agencies to adopt these practices when practicable; (3) provide objective analysis of, and when possible, offer solutions to, concerns raised by the public or generated within agencies involving the state’s transportation infrastructure and project delivery methods; (4) conduct, supervise and coordinate audits and investigations relating to the programs and operations of all state transportation agencies with state-funded transportation projects; and (5) recommend policies promoting economy and efficiency in the administration of programs and operations of all state transportation agencies with state-funded transportation projects. Prohibits the Office of the Transportation Inspector General from conducting any audit or investigation that would be redundant to or concurrent with any audit or investigation of the same matter.</td>
<td>9/3/15</td>
<td>Senate Appropriations Committee</td>
<td>Support</td>
</tr>
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<td>SBX1-14 (Cannella) Public-Private Partnerships</td>
<td>Extends existing statutory authority for Caltrans and regional transportation agencies, including the Santa Clara Valley Transportation Authority (VTA), to utilize public-private partnerships for transportation infrastructure projects indefinitely.</td>
<td>As Introduced</td>
<td>Senate Transportation &amp; Infrastructure Development Committee</td>
<td>Support</td>
</tr>
<tr>
<td>SCAX1-1 (Huff) Motor Vehicle Fees and Taxes: Restrictions on Expenditures</td>
<td>Calls for placing before the voters an amendment to the California Constitution to prohibit the Legislature from borrowing revenues derived from fees and taxes imposed by the state on motor vehicles or their use or operations, and from using these revenues other than for state highways, local streets and roads, and fixed guideway mass transit as specified in Article 19 of the Constitution. Also prohibits these revenues from being pledged or used for the payment of principal and interest on bonds, or for other indebtedness. Requires the revenues derived from that portion of the vehicle license fee that exceeds 0.65 percent of the market value of a vehicle to be used for street and highway purposes. Prohibits the Legislature from borrowing these revenues and from using them other than as specifically permitted. Also prohibits these revenues from being pledged or used for the payment of principal and interest on bonds, or for other indebtedness.</td>
<td>As Introduced</td>
<td>Senate Appropriations Committee</td>
<td>Support</td>
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BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Business Services, Alberto Lara

SUBJECT: Information on Community Workforce Agreements

FOR INFORMATION ONLY

BACKGROUND:

At the request of the Board of Directors (Board), staff presented information on Community Workforce Agreements (CWA) at the Administration and Finance Committee on May 19, 2016.

A CWA is a Project Labor Agreement that includes a targeted hire provision designed to get disadvantaged workers into construction careers. The attached presentation outlines the purpose, VTA’s current project labor agreement, and staff’s proposal for discussion regarding a CWA policy.

Staff will forward the draft CWA policy for Board discussion and consideration in August 2016.

Prepared By: Elaine Baltao
Memo No. 5620
Community Workforce Agreements
Community Workforce Agreement

• A Community Workforce Agreement is a Project Labor Agreement that includes a targeted hire provision designed to get disadvantaged workers into construction careers.
Project Labor Agreement

• Purpose

  Ÿ Promote efficiency of construction operations

  Ÿ Provide orderly and peaceful settlement of labor disputes and agreements

  Ÿ No labor work stoppages, strikes, or lockouts

  Ÿ Promotes public interest of timely completion of the project

• Brings together project owner, contractors, unions, and trades councils
Current VTA Agreement

• Project Labor Agreement for BART Silicon Valley Berryessa Extension

  Ÿ Agreement between VTA, the Contractor and subcontractors, the Unions and the Santa-Clara-San Benito Counties Building and Construction Trades Council

  Ÿ Original Agreement for C700 Lines, Track, Stations, Systems Contract executed in December 2011

  Ÿ Amendments to agreement for additional SVBX contracts
VTA Community Workforce Agreement Policy

• Proposal for Board discussion
  Ŷ VTA will consider a CWA for construction contracts over $2 million
  Ŷ Board resolution needed for each project
  Ŷ CWA to include targeted low-income populations for Apprenticeship Program and local workforce

• Staff Recommended Policy to August Board for discussion and approval
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Planning and Program Development, John Ristow

SUBJECT: 2015 Regional Pavement Condition Summary Report

FOR INFORMATION ONLY

BACKGROUND:

The Metropolitan Transportation Commission (MTC) releases an annual Bay Area regional pavement condition report, broken down by county and each jurisdiction within a county. The current summary reflects information from MTC’s 2015 StreetSaver pavement management system. This system evaluates the regional arterials, collector roadways and residential streets.

The weighted pavement condition index (PCI) assigned to each jurisdiction ranges between zero and one hundred. PCI scores of 90 or higher are considered “excellent.” These are newly built or resurfaced streets that show little or no distress. Pavement with a PCI score in the 80 to 89 range is considered “very good,” and shows only slight or moderate distress, requiring primarily preventive maintenance. The “good” category ranges from 70 to 79, while streets with PCI scores in the “fair” (60-69) range are becoming worn to the point where rehabilitation may be needed to prevent rapid deterioration. Major repairs in the “fair” range cost five to 10 times more than routine maintenance; therefore these streets are at an especially critical stage.

MTC established a regional target for roadway quality at PCI of 75 or better. However, persistent funding shortages and unpredictable revenue streams hinder the local jurisdictions from reaching and maintaining this goal. Additionally, there are the competing priorities to either address the needs of growth or the needs of aging systems. And the systems not only include the roadway surface, but also curbs and gutters, sidewalks, storm drains, traffic signs, signals and lights that are necessary for functioning roadways.

DISCUSSION:

For 2015, MTC determined the region’s average pavement condition index (PCI) score to be 67 out of a maximum possible 100 points. This is calculated on a three-year moving average basis,
and marks a one point improvement from the prior six years.

For 2015, all Santa Clara County jurisdictions' network average PCI scores fall between the low "fair" (61) and "very good" (82) categories, as shown in Attachment A. Of the sixteen county agencies, six have network PCI averages between 70 and 79. This is a decrease from nine agencies in 2014, three agencies previously ranked "good" have slipped into the “fair” range.

The change in PCI from 2014 to 2015 for each jurisdiction and the slow downward trend of county-wide weighted average scores can be found in Attachment A. Of note, Palo Alto’s pavement condition improved to “very good.” Cupertino, Los Altos Hills, and Sunnyvale had positive changes from 2014 to 2015. However, the remaining twelve agencies showed negative changes between the same years.

Further details are found on Attachment B-Santa Clara Countywide Pavement Conditions Statistics, regarding PCI by functional class, historical network PCI, and 2014/2015 comparisons of percentage of pavement by categories. Notably, none of the four functional classes have improved since 2012. Additionally, between 2014 and 2015, the “excellent/very good” percentage has decreased, while the “poor/failed” increased.

**ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:**

The Bicycle and Pedestrian Advisory Committee (BPAC), Technical Advisory Committee (TAC) and Policy Advisory Committee (PAC) reviewed this item at their respective meetings on May 11 and May 12, 2016 as part of their respective Consent Agendas.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Congestion Management Program and Planning Committee (CMPP) received this item at the May 19, 2016 meeting as part of the Consent Agenda.

Prepared By: Celeste Fiore
Memo No. 5510
## 2015 Pavement Condition Index Scores
### Santa Clara County

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Total Lane Miles</th>
<th>Annual Network PCI Scores</th>
<th>3-Year Moving Average</th>
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<tbody>
<tr>
<td><strong>VERY GOOD (PCI = 80-89)</strong></td>
<td></td>
<td></td>
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<tr>
<td>Palo Alto</td>
<td>415</td>
<td>79</td>
<td>82</td>
</tr>
<tr>
<td><strong>GOOD (PCI = 70-79)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Los Altos Hills</td>
<td>120</td>
<td>76</td>
<td>79</td>
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<tr>
<td>Sunnyvale</td>
<td>637</td>
<td>76</td>
<td>77</td>
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<tr>
<td>Milpitas</td>
<td>298</td>
<td>74</td>
<td>73</td>
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<tr>
<td>Santa Clara</td>
<td>590</td>
<td>73</td>
<td>72</td>
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<tr>
<td>Los Altos</td>
<td>227</td>
<td>77</td>
<td>71</td>
</tr>
<tr>
<td>Cupertino</td>
<td>298</td>
<td>67</td>
<td>70</td>
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<tr>
<td><strong>FAIR (PCI = 60-69)</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Mountain View</td>
<td>331</td>
<td>70</td>
<td>69</td>
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<tr>
<td>Campbell</td>
<td>230</td>
<td>73</td>
<td>68</td>
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<tr>
<td>Santa Clara County</td>
<td>1,456</td>
<td>70</td>
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<tr>
<td>Gilroy</td>
<td>258</td>
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<td>66</td>
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<tr>
<td>Los Gatos</td>
<td>226</td>
<td>68</td>
<td>66</td>
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<tr>
<td>Morgan Hill</td>
<td>256</td>
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<td>Saratoga</td>
<td>283</td>
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<td>San Jose</td>
<td>4,304</td>
<td>63</td>
<td>62</td>
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<tr>
<td>Monte Sereno</td>
<td>25</td>
<td>63</td>
<td>61</td>
</tr>
</tbody>
</table>

MTC County-wide Weighted Average: 68, 67, -1, 69, 68, 68

**VERY GOOD (PCI = 80-89)**
Pavement shows only slight or moderate distress, requiring primarily preventive maintenance.

**GOOD (PCI = 70-79)**
Pavement requiring mostly preventive maintenance and showing only low levels of distress.

**FAIR (PCI = 60-69)**
Pavement at the low end of this range is significantly distressed and may require a combination of rehabilitation and preventive maintenance.
Santa Clara Countywide Pavement Condition Statistics

Pavement Condition Index (PCI) by Functional Class, 2012 to 2015

Historical Network Annual PCI, 2001 - Present

Percentage of Pavement Area in "Excellent" or "Very Good" Condition and Percentage of Pavement Area in "Poor" or "Failed" Condition

Reflects area weighted average of all jurisdictions located in county

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Planning and Program Development, John Ristow


FOR INFORMATION ONLY

BACKGROUND:

VTA’s Development Review Program encompasses two separate, yet interrelated efforts to review and comment on development and transportation projects occurring in and adjacent to Santa Clara County: 1) the review of environmental documents and development proposals submitted by Member Agencies; and 2) the review of Transportation Impact Analysis (TIA) reports for proposed projects meeting the Congestion Management Program (CMP) TIA Guideline requirements.

The objectives of the Development Review Program include improving land use/transportation coordination, promoting alternative travel modes, and encouraging a balanced approach to addressing congestion. To share information and foster an open dialogue on land use and development matters with Member Agencies, VTA produces quarterly reports highlighting two sets of projects and types of information:

- **Projects Reviewed by VTA:** For projects or environmental documents reviewed by VTA staff under the Congestion Management Program and Development Review Program in the past quarter, relevant VTA comments are summarized.

- **Projects Approved by Local Agencies:** For projects or environmental documents approved by local agencies in the past quarter, relevant VTA comments and agency responses or conditions of approval are summarized.
DISCUSSION:

The following discussion provides a summary of the January through March 2016 Development Review Quarterly Report. The summary highlights key projects and topics contained in the report, which is provided as Attachment A. The report includes a table summarizing all of the reviewed and approved projects, a reference map showing the locations of these projects, and a glossary of common acronyms and abbreviations.

- VTA commented on 37 projects between January and March 2016. The city with the most activity was San José with 11 projects followed by Sunnyvale with 7 projects and Morgan Hill with 6 projects.

- Twelve of the 37 projects that VTA commented on involved environmental documents such as an Environmental Impact Report (EIR), Notice of Preparation (NOP), or Mitigated Negative Declaration. Eight of the projects involved stand-alone TIA documents, and 17 consisted of site plan reviews.

- Thirty four of the 37 items that VTA commented on were private development projects. The remaining items consisted of two public charter schools and a city-led General Plan Update.

- Ten projects which VTA previously commented on were approved by local agencies during this quarter. The City of San José saw the greatest number with three approvals, followed by Mountain View, Santa Clara and Sunnyvale with two approvals each.

Key plans and documents that VTA reviewed and commented on during the past quarter included the following:

- **730-750 Capitol Avenue Residential Project, City of Milpitas:** The City of Milpitas circulated site plans for 580 residential units on a 9.38-acre site at 730-750 East Capitol Avenue, across the street from the future Milpitas BART station and existing Montague Light Rail Transit (LRT) station. VTA submitted a comment letter supporting the land use intensification near existing and planned transit services, but noting that a previous proposal on the site was at a higher density and encouraging the City to maximize densities in the Transit Area Specific Plan (TASP) to generate transit ridership; commending the project applicant for providing 10-foot sidewalks and 24-foot planted buffers between pedestrians and automobiles, but requesting that sidewalks also be provided along all internal public streets in the development; inviting the City to coordinate with VTA, the City of San José and the Santa Clara Valley Water District to provide a bicycle/pedestrian connection from Capitol Avenue to Lundy Place; and recommending that the project include transportation demand management (TDM) measures such as parking management and transit incentives.

- **Diridon Transit Oriented Development, City of San José:** The City of San José circulated a Traffic Operations Analysis for up to 1 million square feet of office space, 325 residential units and 40,000 square feet of retail on an 8.93-acre site bounded by West Santa Clara Street, the Guadalupe River, VTA Light Rail tracks and the Los Gatos Creek. VTA submitted a comment letter supporting this land use intensification adjacent to the San Fernando Light Rail Transit (LRT) station and in close proximity to abundant transit services.
at Diridon Station; noting that vehicle queues from project driveways could potentially disrupt light rail service and degrade transit speed and reliability, and recommending project design changes to avoid these impacts; recommending that the project include exceptional pedestrian accommodations along all frontages and place active uses, building entrances and transparent facades facing West Santa Clara Street and the San Fernando Light Rail station; recommending active coordination between VTA, the City and the developer regarding the proposed alignment of the VTA BART Silicon Valley Extension underneath the site; noting that VTA permits and California Public Utilities Commission (CPUC) approval will be required for project modifications to roadways with light rail tracks; and recommending TDM measures to reduce project vehicle trips.

- **Moffett Towers II, City of Sunnyvale:** The City of Sunnyvale circulated a DEIR and TIA Report for the redevelopment of a 47.4-acre site bounded by 5th Street, E Street, 11th Street and G Street in Moffett Park for a net increase of 727,448 square feet of office space. VTA submitted a comment letter recommending that the project provide exceptional pedestrian and bicycle connections to transit given that the majority of the site is outside a quarter-mile walking distance from light rail; commending the City for identifying voluntary contributions to regional transportation improvements as a mitigation measure for significant freeway impacts; recommending that the City work with the applicant to provide a financial contribution to offset increased transit delay disclosed in the DEIR; and commending the City and applicant for including a commitment to a TDM program including a specific trip reduction target, monitoring program and enforcement mechanism.

As noted above, 10 items that VTA previously provided comments on were approved during this past quarter. The following is a brief summary of key VTA comments and the local agency responses or conditions of approval on three of these items.

- **1050 Page Mill Office Project, City of Palo Alto:** The City of Palo Alto circulated a DEIR and TIA Report for 265,895 square feet of office space and 10,745 amenity space replacing a vacant R&D/warehouse building of the same size at 1050 Page Mill Road. VTA submitted a comment letter recommending that the project improve pedestrian and bicycle accommodations along the project frontages and maintain pedestrian and bicycle access through the site; encouraging the City and project applicant to adopt a TDM program including a trip reduction target, monitoring program and enforcement mechanism; and requesting improvements to a bus stop adjacent to the site. The project was approved by City Council on January 13, 2016, with conditions for the project to provide a landscape reserve for a future bicycle and pedestrian spine along the project boundary and include a TDM program to reduce single occupancy vehicle trips by 20% during the AM and PM peak hours.

- **Mission Town Center, City of Santa Clara:** The City of Santa Clara circulated a DEIR and TIA Report for 385 residential units and 27,000 square feet of ground floor retail replacing a self-storage facility, 10 residential units and 13,000 square feet of office/retail uses on a 5.7-acre site bounded by Benton Street, The Alameda, Harrison Street and El Camino Real. This was a reduction from the project description in the previous Notice of Preparation (NOP) for the project of 450 residential units and 27,000 square feet of retail. VTA submitted a comment letter supporting the proposed land use intensification at this important location
across the street from the Santa Clara Transit Center, served by several VTA bus lines, the future BART Silicon Valley Extension, Caltrain, Altamont Corridor Express (ACE) and the Capitol Corridor; commending the City and project applicant for including high quality pedestrian accommodations in the project but recommending that the project include further safety improvements by straightening existing angled crosswalks adjacent to the site; requesting further information about proposed bicycle improvements; and recommending TDM measures to reduce automobile trips. The Final Environmental Impact Report (FEIR) included a commitment to a TDM program achieving a 10% reduction in vehicle miles traveled (VMT) with an annual monitoring program and included additional details regarding proposed bicycle improvements. The project was approved by the City Council on February 23, 2016, with a reduction in density to 318 residential units and 22,000 square feet of ground floor retail. Subsequently, the developer terminated the ground lease for the property, reporting that the reduced density made the project uneconomical to develop (Silicon Valley Business Journal, March 16, 2016).

- **Winchester Reserve Mixed Use, City of San José:** The City of San José circulated a DEIR and TIA Report for 641 residential units and 13,000 square feet of retail space on a 7.68-acre site located northwest of the intersection of Winchester Boulevard and Williams Street. VTA submitted a comment letter supporting the land use intensification at this infill location; recommending pedestrian improvements along the project’s Winchester Boulevard frontage; noting that increased congestion along Stevens Creek Boulevard identified in the DEIR could result in delay to transit vehicles and recommending that the City work with VTA to implement transit priority measures as a mitigation measure; recommending transit incentives as a TDM measure for residents of the development; and requesting improvements to a VTA bus stop on Winchester Boulevard. The project was approved on February 23, 2016 with a $2.24 Million contribution toward potential transportation projects identified in the Transportation Development Policy being developed for the Winchester and Santana Row/Valley Fair Urban Villages and a $50,000 contribution towards a parking permit program for the area adjacent to the proposed project.

**ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION**

The Citizens Advisory Committee received this information at their May 11, 2016 meeting. Members of the Committee had no questions or comments.

The Bicycle and Pedestrian Advisory Committee, Technical Advisory Committee and Policy Advisory Committee received this information on Consent at their May 2016 meetings.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION**

The Congestion Management Program and Planning Committee received this information on Consent at their May 19, 2016 meeting.

Prepared By: Rob Cunningham
Memo No. 5550
VTA Development Review Program

Quarterly Report
January, February and March of 2016
<table>
<thead>
<tr>
<th>Map No.</th>
<th>CMP ID</th>
<th>Lead Agency</th>
<th>Project Name/Location</th>
<th>Project Description</th>
<th>Document Type</th>
<th>Comments this quarter?</th>
<th>Approved this quarter?</th>
<th>VTA Comment Topics</th>
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<tbody>
<tr>
<td>1</td>
<td>GI1603</td>
<td>City of Gilroy</td>
<td>Hampton Inn - 5955 Travel Park Circle</td>
<td>100 hotel rooms totaling 65,120 s.f.</td>
<td>Initial Study, TIA</td>
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<td>Pedestrian and Bicycle Accommodations</td>
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<td>2</td>
<td>LG1502</td>
<td>Town of Los Gatos</td>
<td>401-409 Alberto Rd - Northeast of the intersection of Los Gatos-Saratoga Road and SR 17</td>
<td>92,800 s.f. office building replacing existing 30,000 s.f. office building</td>
<td>NOP</td>
<td>y</td>
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<td>Transportation Impact Analysis (TIA) Report; Trip Generation Assumptions; Pedestrian Accommodations; Bicycle Accommodations; Alberto Way / SR 9 / SR 17 Ramp Improvement</td>
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<td>3</td>
<td>MH1005</td>
<td>City of Morgan Hill</td>
<td>Condit Evergreen - Northeast corner of San Pedro Avenue and Condit Road</td>
<td>180 multi-family residential units on 10.2-acre site</td>
<td>Site Plans</td>
<td>y</td>
<td></td>
<td>Transportation Demand Management/Trip Reduction; Pedestrian Accommodations</td>
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<td>4</td>
<td>MH1203</td>
<td>City of Morgan Hill</td>
<td>The Village - Southeast corner of Cochrane Road and Butterfield Blvd</td>
<td>136,300 s.f. retail and 60,000 s.f. medical office on 20-acre site</td>
<td>Site Plans</td>
<td>y</td>
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<td>Pedestrian Accommodations; Bus Service</td>
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<td>5</td>
<td>MH1501</td>
<td>City of Morgan Hill</td>
<td>Morgan Hill 2035 General Plan Update</td>
<td>Morgan Hill's comprehensive update to the General Plan</td>
<td>Draft EIR</td>
<td>y</td>
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<td>Land Use and Alternatives Analysis; VMT Analysis; Freeway Analysis; TIA Report; Transportation Demand Management; Roadway Connectivity</td>
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<td>6</td>
<td>MH1601</td>
<td>City of Morgan Hill</td>
<td>Monterey Dynasty - West side of Monterey Road, 500 feet south of Vineyard Boulevard</td>
<td>Two retail buildings totaling 19,717 s.f. of commercial space</td>
<td>Site Plans</td>
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<td>Pedestrian Accommodations and Access to Transit; Bicycle Accommodations; Transportation Demand Management - Transit Incentives</td>
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<tr>
<td>7</td>
<td>MH1602</td>
<td>City of Morgan Hill</td>
<td>Cochran Browman - Northeast corner of DePaul Drive and Cochrane Road</td>
<td>New gas station and 3,200 s.f. convenience store replacing an existing gas station</td>
<td>Site Plans</td>
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<td>Pedestrian Accommodations and Access to Transit; Bicycle Accommodations</td>
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<td>8</td>
<td>MH1603</td>
<td>City of Morgan Hill</td>
<td>Hilton Garden Inn - Madrone Parkway and Lightpost Way</td>
<td>149-room hotel</td>
<td>Site Plans</td>
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<td>TIA Report</td>
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<td>9</td>
<td>ML1403</td>
<td>City of Milpitas</td>
<td>Montague Self Storage - 985 Montague Expressway at S Milpitas Blvd</td>
<td>97,523 s.f. self-storage on 4.6 acres</td>
<td>Initial Study</td>
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<td>VTA Construction Coordination</td>
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<td>10</td>
<td>ML1601</td>
<td>City of Milpitas</td>
<td>625 N McCarthy Blvd - West side of N. McCarthy Boulevard, north of Ranch Drive</td>
<td>810,502 s.f. industrial on 44.17 acres</td>
<td>Site Plans</td>
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<td>Pedestrian Accommodations; Bicycle Accommodations; Transportation Demand Management and Trip Reduction; Project Impacts and Mitigation</td>
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<td>11</td>
<td>ML1602</td>
<td>City of Milpitas</td>
<td>730-750 E Capitol Ave Residential Project</td>
<td>580 residential units on a 9.38-acre site</td>
<td>Site Plans</td>
<td>y</td>
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<td>Land Use; Pedestrian and Bicycle Accommodations; Transportation Demand Management (TDM) and Trip Reduction</td>
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<td>12</td>
<td>ML1603</td>
<td>City of Milpitas</td>
<td>1980 Tarob Court Residential - East side of Tarob Court, near intersection of Lundy Place and E Capitol Ave</td>
<td>61 residential units on a 2.6-acre site</td>
<td>Site Plans</td>
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<tr>
<td>13</td>
<td>ML1604</td>
<td>City of Milpitas</td>
<td>1316 Main Street</td>
<td>18 residential units on 0.4 acre</td>
<td>Site Plans</td>
<td>y</td>
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<td>Land Use; Pedestrian and Bicycle Accommodations; Transportation Demand Management/Trip Reduction</td>
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<td>14</td>
<td>MV1502</td>
<td>City of Mountain View</td>
<td>Mora Drive Residential - East side of Ortega Avenue, on both sides of Mora Drive</td>
<td>75 townhomes replacing 15 industrial buildings on a 5.13-acre site</td>
<td>Initial Study</td>
<td>y</td>
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<td>Land Use; Pedestrian Accommodations</td>
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<td>15</td>
<td>MV1504</td>
<td>City of Mountain View</td>
<td>Moffett Gateway - Bounded by Moffett Boulevard, US 101, and Stevens Creek</td>
<td>200,000 s.f. office and 180,000 s.f. hotel uses on a 9.7-acre site</td>
<td>Revised NOP</td>
<td>y</td>
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<td>TIA Report; CMP Facilities; Transportation Demand Management; Pedestrian and Bicycle Accommodations; Drainage Changes to US 101</td>
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<td>16</td>
<td>MV1601</td>
<td>City of Mountain View</td>
<td>779 E Evelyn Residential - SW corner of E Evelyn Ave and S Bernardo Ave</td>
<td>116 residential units replacing existing office and retail uses on a 1.9-acre site</td>
<td>Initial Study, TIA</td>
<td>y</td>
<td>y</td>
<td>Pedestrian and Bicycle Accommodations</td>
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<tr>
<td>17</td>
<td>PA1402</td>
<td>City of Palo Alto</td>
<td>1050 Page Mill Rd Office Project</td>
<td>265,895 s.f. office space and 10,745 s.f. amenity space</td>
<td>DEIR, TIA</td>
<td>y</td>
<td></td>
<td>Pedestrian and Bicycle Accommodations; Transit Incentives; Transportation Demand Management; Bus Service</td>
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<td>18</td>
<td>PA1501</td>
<td>City of Palo Alto</td>
<td>2747 Park Boulevard</td>
<td>33,323 s.f. R&amp;D building</td>
<td>Initial Study</td>
<td>y</td>
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<td>Pedestrian Accommodations and Access to Transit; Transit Analysis; Transportation Demand Management</td>
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<td>19</td>
<td>SC1503</td>
<td>City of Santa Clara</td>
<td>Mission Town Center - Between Benton, El Camino Real and The Alameda</td>
<td>385 residential apartments and 27,000 s.f. ground floor retail</td>
<td>DEIR, TIA</td>
<td>y</td>
<td>y</td>
<td>Land use; Pedestrian Accommodations and Site Design; Bicycle Accommodations; Potential Impacts on Transit Travel Times; Transportation Demand Management (TDM) and Trip Reduction</td>
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<td>20</td>
<td>SC1509</td>
<td>City of Santa Clara</td>
<td>3607 Kifer Road Office Project - NW corner of Kifer Road and Lawrence Expressway</td>
<td>177,134 s.f. office building</td>
<td>Initial Study, TIA</td>
<td>y</td>
<td>y</td>
<td>Land Use; Pedestrian Accommodations and Access to Transit; Bicycle Accommodations; Transportation Demand Management (TDM)/Trip Reduction.</td>
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<td>21</td>
<td>SC1601</td>
<td>City of Santa Clara</td>
<td>Franklin and Alviso Streets Partial Vacation Project</td>
<td>Conversion of public roadway segments into a landscaped pedestrian mall.</td>
<td>Initial Study, Traffic Operations Analysis</td>
<td>y</td>
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<td>Bus Service; Pedestrian Accommodations</td>
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<tr>
<td>22</td>
<td>SJ1323</td>
<td>City of San Jose</td>
<td>Bay 101 Casino - Bounded by First Street, Fourth Street, and Matrix Boulevard (US 101 frontage road)</td>
<td>125,000 s.f. casino and two hotels totaling 470 rooms</td>
<td>Site Plans</td>
<td>y</td>
<td></td>
<td>Metro / First Street Intersection Design</td>
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<td>23</td>
<td>SJ1407</td>
<td>City of San Jose</td>
<td>Samaritan Medical Offices - Both sides of Samaritan Drive at Samaritan Court</td>
<td>365,000 s.f. net increase medical office use on 10.96 acres</td>
<td>TIA</td>
<td>y</td>
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<td>Freeway Impacts and Voluntary Contributions; Pedestrian and Bicycle Accommodations; Transportation Demand Management/Trip Reduction; Auto Trip Reduction Statement (ATRS); Transit Analysis; Bus Service</td>
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<td>24</td>
<td>SJ1412</td>
<td>City of San Jose</td>
<td>Winchester Reserve Mixed Use - 863-917 S. Winchester Blvd</td>
<td>641 residential units and 13,000 s.f. retail on a 7.68-acre site</td>
<td>DEIR, TIA</td>
<td>y</td>
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<td>Land Use; Pedestrian Accommodations; Congestion Impacts to Transit Service; Transit Incentives; Bus Service</td>
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<td>25</td>
<td>SJ1505</td>
<td>City of San Jose</td>
<td>777 West San Carlos Mixed Use - Bounded by W. San Carlos Street, Sunol Street, and McEvoy Street</td>
<td>110 multi-family residential units and 2,990 s.f. commercial uses on 1.3 acres</td>
<td>Initial Study, TIA</td>
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<td>Land Use; Pedestrian Accommodations; Transit Incentives; Bus Service</td>
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<td>26</td>
<td>SJ1521</td>
<td>City of San Jose</td>
<td>Saratoga-Williams Bus Stop - Southwest corner of Saratoga Avenue and Williams Road</td>
<td>Public improvements involving bus stop on commercial development at Saratoga-Williams</td>
<td>Site Plans</td>
<td>y</td>
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<td>Bus Stop Relocation; Pedestrian Accommodations</td>
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<td>27</td>
<td>SJ1523</td>
<td>City of San Jose</td>
<td>Diridon Transit Oriented Development- Bounded by Santa Clara, Los Gatos Creek, Guadalupe River and LRT tracks</td>
<td>1.04 million s.f. office/commercial and 325 residential units</td>
<td>Traffic Operations Analysis</td>
<td>y</td>
<td></td>
<td>Land Use; Vehicular Access and Transit Operations; Pedestrian Accommodations and Access to Transit; Site Circulation; Bicycle Accommodations; Coordination with VTA BART Silicon Valley; VTA and CPUC Permits; Transportation Demand Management; Bus Service</td>
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<td>28</td>
<td>SJ1601</td>
<td>City of San Jose</td>
<td>William Street Plaza - Southeast corner of McLaughlin Ave and E William Street</td>
<td>20,000 s.f. commercial/retail, relocation of bus stop</td>
<td>Site Plans</td>
<td>y</td>
<td></td>
<td>Bus Service</td>
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<td>29</td>
<td>SJ1603</td>
<td>City of San Jose</td>
<td>470 S. Market Street Mixed Use - Northwest corner of Williams Street and First Street</td>
<td>24-story, 292-unit, 5,880 s.f. retail mixed-use development on 0.50 acres</td>
<td>Site Plans</td>
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<td>VTA Transit Service; Land Use; Pedestrian Accommodations and Site Design; Bicycle Accommodations</td>
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<td>30</td>
<td>SJ1604</td>
<td>City of San Jose</td>
<td>Residences and Fairfield Inn - East side of northerly terminus of America Center Court</td>
<td>261 room hotel</td>
<td>TIA</td>
<td>y</td>
<td>y</td>
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<td>31</td>
<td>SJ1605</td>
<td>City of San Jose</td>
<td>1096 Lincoln Avenue Retail Project - Northeast corner of Lincoln Avenue and Willow Street</td>
<td>9,552 s.f. retail building on 1/2-acre site</td>
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<td>32</td>
<td>SJ1606</td>
<td>City of San Jose</td>
<td>955-987 First Street Bus Stop</td>
<td>Bus stop relocation</td>
<td>Site Plans</td>
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<td>Bus Service</td>
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<td>33</td>
<td>SJ1607</td>
<td>City of San Jose</td>
<td>Garden City Site Mixed Use - Bounded by Stevens Creek Blvd, Saratoga Ave, Kiely Blvd and Northlake Dr</td>
<td>871 residential units, 400,000 s.f. office space, 15,214 s.f. retail space and a 1.5-acre park</td>
<td>TIA Notification Form</td>
<td>y</td>
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<td>Land Use; Pedestrian and Bicycle Accommodations; TIA Report; Congestion Impacts on Transit Travel Times; Transportation Demand Management; Intersection and Freeway Analysis &amp; Mitigation Measures</td>
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<td>34</td>
<td>SJ1608</td>
<td>City of San Jose</td>
<td>Downtown College Prep - Southeast corner of Monterey Highway and Alma Avenue</td>
<td>Reoccupation of former 80,800 s.f. building for 1,237-student public charter middle &amp; high school</td>
<td>TIA Notification Form</td>
<td>y</td>
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<td>TIA Report; Pedestrian and Bicycle Accommodations; Transportation Demand Management</td>
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<td>35</td>
<td>SU1504</td>
<td>City of Sunnyvale</td>
<td>Moffett Towers II - Bounded by 11th St, G St, 5th St and E St</td>
<td>1,651,795 s.f. office campus replacing 924,347 s.f. office on 47.4-acre site</td>
<td>DEIR, TIA</td>
<td>y</td>
<td>y</td>
<td>Land Use, Pedestrian and Bicycle Accommodations and Access to Transit; Freeway Impacts; Transit Delay; Transportation Demand Management</td>
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<td>36</td>
<td>SU1506</td>
<td>City of Sunnyvale</td>
<td>Stratford Middle School - 1500 Partridge Avenue at Dunford Way</td>
<td>520-student private middle school</td>
<td>DEIR</td>
<td>y</td>
<td>y</td>
<td>Pedestrian Accommodations; Transit Analysis; Auto Trip Reduction Statement</td>
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<td>37</td>
<td>SU1512</td>
<td>City of Sunnyvale</td>
<td>Hilton Garden Inn - 767 N Mathilda Ave</td>
<td>320 room hotel</td>
<td>TIA</td>
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<td>Pedestrian Accommodations; Transportation Demand Management</td>
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<td>38</td>
<td>SU1516</td>
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<td>1250 Lakeside Drive Hotel/Residential</td>
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BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Operating Officer, Inez Evans

SUBJECT: Transit Service Changes - July 4, 2016

FOR INFORMATION ONLY

BACKGROUND:

VTA implements transit service changes on a quarterly basis in January, April, July and October. Major changes are typically planned for January and July, while minor changes are implemented in April and October. Proposed “major” service changes must be submitted to the VTA Board of Directors for review and approval. For Title VI compliance purposes, all “major” service changes also require that VTA staff perform a Service Equity Analysis.

The following modifications are considered “major” service changes as adopted by the VTA Board of Directors.

- Establishment of a new transit line or service.
- Elimination of a transit line or service.
- Route change that impacts 25 percent or more of a line’s route miles.
- Span of service or frequency changes affecting 25 percent or more of a line’s revenue vehicle hours.
- Series of changes on a single route which are included in the two-year Transit Service Plan and cumulatively meet any of the above criteria.
- Proposed changes that are anticipated to be controversial with a particular community or interested parties based on public feedback.
- System-wide change concurrently affecting five percent or more of the total system revenue hours.

Service change proposals that do not meet the criteria for “major” service changes are handled at the staff level and are still subject to an appropriate level of public and community review and comment.
DISCUSSION:

The following transit service changes will take effect on Monday, July 4, 2016, and were approved by the VTA Board of Directors in May 2015 as part of the two year FY16-FY17 Transit Service Plan. The Transit Service Plan also included the required Title VI Service Equity Analysis

MAJOR CHANGES

**Light Rail 900 (Almaden - Ohlone/Chynoweth):** Major weekday and weekend schedule changes will be made.

**Light Rail 901 (Santa Teresa - Alum Rock):** Major weekday and weekend schedule changes will be made. On weekdays, the 10:58 p.m. northbound trip will be extended from Baypointe to Alum Rock. The express trips will shift a few minutes later in both directions. On weekends, a new northbound trip will leave the Gish Station at 6:46 a.m. to Alum Rock, and the 10:57 p.m. northbound trip will be extended from Baypointe to Alum Rock. In addition, two southbound trips will start at Baypointe at 7:14 and 7:44 a.m. to improve early morning service on First Street.

**Light Rail 902 (Winchester - Mountain View):** Major weekday and weekend schedule changes will be made. On weekdays, an additional southbound trip will leave Mountain View at 10:12 a.m. to the Gish Station, and the trip leaving Mountain View at 7:11 p.m. will be extended from Gish to Winchester. On weekends, a new southbound trip will be added leaving Mountain View at 6:21 a.m. In addition, there will be minor changes to the Bus Line 200 schedule on weekdays and weekends.

It’s important to highlight that the schedule changes that are being made to light rail include adding one to three minutes of running time into a one way trip. This is mainly due to signal issues VTA trains are experiencing along Tasman Drive in the Cities of Santa Clara, San Jose and Milpitas. VTA train signals are connected to the city controlled traffic controllers. Over time VTA has received less priority at these signals than what was originally designed. VTA is working with these cities to see if improvements can be made. "Slow Zones", where VTA has long term track repair needs along North First Street is also contributing to the schedule changes.

**Bus Stop Changes at Second & Santa Clara:** A number of bus stop changes will be made at the Second & Santa Clara stops. Express Line 181 will move to the north of Santa Clara Street (with Lines 72 & 73), and Lines 23, 82, 323 and Highway 17 Express will also be affected.

**Rapid Line 522 (Eastridge - Palo Alto):** The stops along Santa Clara Street between 13th and Highway 101 will be changed. New stops will be added at 17th & 24th, while the current stops at 13th/14th, 20th/21st and 28th will be discontinued. Minor weekday and weekend schedule adjustments will be made to coordinate with the new light rail schedule.

**Bus Schedule Adjustments:** Due to the light rail schedule changes over 50 bus lines must also be rescheduled to ensure convenient transfers to/from light rail service.
July 4th Fireworks: The first day of our quarterly transit service changes also includes special services for Independence Day fireworks. Back for its 3rd year, the Rotary Club of San Jose’s Fireworks Celebration, will be held at Discovery Meadow Park on Monday, July, 4. The San Jose Symphony will be performing beginning at 5:30 p.m. and the fireworks will begin at 9:30 p.m. The Light Rail schedule will be enhanced to provide extra service to the fireworks coming from Winchester and Santa Teresa. This year, VTA will operate through trains from Winchester to Mountain View instead of turning back at Baypointe and San Fernando, which will make the service more convenient and easier to understand for our passengers.

All passengers from the Alum Rock and Santa Teresa trains will be encouraged to use the Children’s Discovery Museum Station before and after the event. All passengers from the Winchester and Mountain View trains would then use the Convention Center Station. Following the fireworks, VTA will have many trains available and operating continually in all directions departing downtown San Jose. In addition, the Almaden to Ohlone/Chynoweth line will operate until 11:30 p.m. A few standby buses will be available to supplement local bus lines if needed.

VTA is also coordinating with fireworks displays at Great America and Lake Almaden due to their proximity to light rail. Ridership to these events can be handled with regular service levels.

Prepared By: Jim Unites
Memo No. 5466
BACKGROUND:

Recently VTA has been the subject of attention surrounding several significant incidents that occurred in a very short period of time. This gives rise to questions of safety. Safety is VTA’s number one priority. The purpose of this information item is to provide an update on safety efforts at VTA.

DISCUSSION:

VTA takes a multi-faceted approach to safety. This approach involves employee selection, new employee training, on-going employee training, system hardening, intelligent design in construction and technology. Further, serious accidents, or significant incidents, are investigated to determine the root cause and then carefully evaluated to determine what, if anything, can be done to mitigate or prevent future occurrences. Safety staff consistently analyzes accident and incident data looking for trends, anomalies and opportunities for mitigation.

VTA looks at every incident with an eye toward elimination and/or mitigation of the exposure, wherever possible. VTA's Safety staff recently made observations that could make the system safer. The following are the safety efforts that are underway:

1) Re-engineering of operator refresher training to better identify the behavior of passengers.

2) Re-training all operators on procedures to be followed when passengers are boarding or exiting buses.

3) Installation of cameras and expansion of VTA’s Closed Circuit TV (CCTV) program.
4) Installation of S1 Guards on our fleet. The S1 Guard is a safety device consisting of a curved guard, mounted in front of the right rear wheels of transit buses, designed to deflect a person out of the path of the wheels in order to prevent injury or death.

While these measures may not prevent an incident from happening, they are further evidence of our commitment to continually making our system safer and more user-friendly for all.

Prepared By: Steven P Keller
Memo No. 5574
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Operating Officer, Inez Evans

SUBJECT: Rebranding Paratransit Services

FOR INFORMATION ONLY

BACKGROUND:

In accordance with federal regulations, the Santa Clara Valley Transportation Authority (VTA) provides Americans with Disabilities Act (ADA) paratransit services to persons who are unable to independently ride or travel to or from VTA’s bus or light rail system due to a disability. VTA’s responsibility to provide ADA paratransit service is administered under contract by Outreach & Escort, Inc. (OUTREACH). The contractual relationship between VTA and OUTREACH for ADA paratransit service has been in existence since 1993.

The service is widely known throughout the community as OUTREACH paratransit. It has been a very effective and strongly supported service. VTA and OUTREACH have worked cooperatively over the years to invest in the service to make it one of the leading paratransit programs in the nation. During times of economic challenges, OUTREACH worked with VTA to ensure that paratransit service quality would be maintained.

DISCUSSION:

The new name for the ADA paratransit service will be VTA Access Paratransit. The name of the service is being changed to emphasize VTA’s responsibility for this service. VTA Access Paratransit will continue to be administered by OUTREACH. The attached diagram shows how the new VTA Access Paratransit name will look on a Prius sedan. Of note is that the OUTREACH logo will remain as part of the rebranded name on vehicles.

VTA establishes and enforces the rules and procedures for paratransit service in Santa Clara County. The service is provided primarily on VTA owned vehicles, paratransit drivers work for companies that contract with OUTREACH. These drivers, as well as OUTREACH’s ADA paratransit employees follow and enforce these procedures and rules.
VTA is rebranding our ADA paratransit service in order to emphasize to the community that the service is VTA’s responsibility to persons with disabilities who are not able to use our fixed route system. VTA takes pride in the provision of all our transportation services. VTA Access Paratransit is one of many transportation options available to assist persons in Silicon Valley access services at venues throughout Santa Clara County.

During an extended transition period for the VTA Access Paratransit name, paratransit drivers will introduce themselves as being from OUTREACH/VTA Access Paratransit. Driver identification cards will still have the OUTREACH logo printed on them. OUTREACH paratransit employees will answer the telephone OUTREACH/VTA Access Paratransit staff. This is the first step in a series of efforts to rollout the new VTA Access Paratransit name.

VTA and staff will work with community agencies, workshops, medical and dialysis centers, and senior care/Alzheimer centers to advise them about the ADA paratransit service’s name change. VTA will issue a news release, post information on vta.org and utilize social media to inform the public and disabled community about the new name for this well-established service for persons with disabilities.

Prepared By: Aaron Vogel
Memo No. 5529
SILICON VALLEY LEADERSHIP GROUP
SURVEY RESULTS & PRESENTATION

By Carl Guardino
President and CEO,
Silicon Valley Leadership Group
## VTA EXPENDITURE PLAN

*SVLG OFFICIALLY SUPPORTS*

<table>
<thead>
<tr>
<th>Category</th>
<th>Millions</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>BART Phase II</td>
<td>1,500</td>
<td>24%</td>
</tr>
<tr>
<td>Bicycle/Pedestrian Program</td>
<td>250</td>
<td>4%</td>
</tr>
<tr>
<td>Caltrain Capacity Improvements</td>
<td>314</td>
<td>5%</td>
</tr>
<tr>
<td>Caltrain Grade Separations</td>
<td>700</td>
<td>11%</td>
</tr>
<tr>
<td>County Expressways</td>
<td>750</td>
<td>12%</td>
</tr>
<tr>
<td>Highway Interchanges</td>
<td>750</td>
<td>12%</td>
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<tr>
<td>Local Streets and Roads</td>
<td>1,200</td>
<td>19%</td>
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<tr>
<td>SR 85 Corridor</td>
<td>350</td>
<td>6%</td>
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<tr>
<td>Transit Operations</td>
<td>500</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>6,314</strong></td>
<td><strong>100%</strong></td>
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SILICON VALLEY LEADERSHIP GROUP
ANNUAL SURVEY POLL RESULTS

To relieve traffic, repair potholes; shall VTA enact a 30-year half-cent sales tax to:

- Repair streets, fix potholes in all 15 cities;
- Finish BART extension to downtown San Jose, Santa Clara;
- Improve bicycle/pedestrian safety, especially near schools;
- Increase Caltrain capacity, easing highway congestion, improving safety at crossings;
- Relieve traffic on all 9 expressways, key highway interchanges;
- Enhance transit for seniors, students, disabled;

Mandating annual audits by independent citizens watchdog committee to ensure accountability.
Would you likely vote “yes” or “no” on this measure?

Yes  69%
No   25%
No Opinion  6%
“FINISH BART EXTENSION TO DOWNTOWN SAN JOSE, SANTA CLARA”
IMPORTANCE OF BART PHASE 2

- Roughly 90,000 daily riders once Phase 1&2 are completed
- Reduce 32 million pounds of GHG emissions annually
- Completes rapid rail around Bay
- Connections to regional and state transit at Diridon Station
“INCREASE CALTRAIN CAPACITY, EASING HIGHWAY CONGESTION, IMPROVING SAFETY AT CROSSINGS”
IMPORTANCE OF CALTRAIN

- Carries roughly 62,000 daily trips
- Commute “baby bullet” trains at capacity
- Electrification – nearly doubles capacity
- New Measure – SCC’s portion to increase capacity beyond electrification
“ENHANCE TRANSIT FOR SENIORS, STUDENTS, DISABLED”
IMPORTANCE OF MASS TRANSIT FUNDING

- Mass Transit for Most Vulnerable and Transit Dependent
  - Seniors
  - Disabled
  - Students
  - Low-income workers

- Funding to focus on VTA Core ridership network
- Seed money for new Express Bus service.
- Money for Lifeline/Outreach service to seniors/disabled
“IMPROVE BICYCLE/PEDESTRIAN SAFETY, ESPECIALLY NEAR SCHOOLS”
IMPORTANCE OF BICYCLE/PEDESTRIAN FACILITIES

- Bridges gaps in major transportation corridors
- Improves safety
- Reduces Congestion and Greenhouse Gas emissions
- Provides first/last mile solutions to complete transportation network
“REPAIR STREETS, FIX POTHOLES IN ALL 15 CITIES”
IMPORTANCE OF STREET MAINTENANCE/POTHOLE REPAIR

- Potholes cost $1,723 a year per driver in extra vehicle operating costs (2014 TRIP data)

- Every dollar we spend now, saves $6 – 14 in the future (Smart Growth America)

- Flexible funds for jurisdictions with 70 PCI or above
“RELIEVE TRAFFIC ON ALL 9 EXPRESSWAYS, KEY HIGHWAY INTERCHANGES”
Expressway System Existing Conditions 2013

16 LOS F Intersections 25% mileage LOS F

Peak Period “Levels of Service” (LOS)
- LOS A-C: Minor Delays
- LOS D: Some Delays
- LOS E: Major Delays
- LOS F: Severe Delays

Intersection LOS F
- Under Study
Expressway System Existing Conditions 2013
with Proposed Tier 1 Improvements

Peak Period “Levels of Service” (LOS)
- LOS A-C: Minor Delays
- LOS D: Some Delays
- LOS E: Major Delays
- LOS F: Severe Delays

Note:
1) Proposed interchange improvement by VTA at Central Expressway/De La Cruz intersection is included under 2025 baseline conditions. This intersection will not be at LOS F under future conditions.
IMPORTANCE OF COUNTY EXPRESSWAYS

- 52% of Santa Clara County Residents use on a daily basis
  - 1.5 million people daily
  - 253,000 daily trips on Lawrence Expressway
  - 211,000 daily trips on San Tomas Expressway
“RELIEVE TRAFFIC ON ALL 9 EXPRESSWAYS, KEY HIGHWAY INTERCHANGES”
IMPORTANCE OF KEY HIGHWAY INTERCHANGES

- Freeway delays due to congestion have increased nearly 40 percent from 2010 levels (Vital Signs by MTC)

- Bay Area total delay is the second-worst among major metro areas, surpassed only by Los Angeles (Vital Signs by MTC)

- Supports current and future development in the Silicon Valley
IMPROVEMENTS TO THE HIGHWAY 85 CORRIDOR

- Help relieve traffic congestion on Hwy 85 corridor

- Specific solutions determined by West Valley/North County representatives, through VTA Hwy 85 Policy Advisory Board process.
CURRENT ENDORSEMENTS

57 ELECTED OFFICIALS
7 MAJOR ORGANIZATIONS

ENDORSEMENTS BY ORGANIZATIONS

<table>
<thead>
<tr>
<th>Organization Name</th>
<th>Type of Organization</th>
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<tbody>
<tr>
<td>Silicon Valley Chamber Coalition</td>
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<td>San Jose Downtown Association</td>
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<td>Silicon Valley Leadership Group</td>
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## ELECTED OFFICIAL ENDORESEMENTS

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<tr>
<th>Elected Officials</th>
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<tr>
<td>Jason Baker</td>
<td>Mayor</td>
<td>City of Campbell</td>
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<tr>
<td>Michael F. Kotowski</td>
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<tr>
<td>Savita Vaidhyanathan</td>
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<td>Gilbert Wong</td>
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<td>Perry Woodward</td>
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<td>City of Gilroy</td>
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<td>Peter Leroe Munoz</td>
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<td>Daniel Harney</td>
<td>Council Member</td>
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<tr>
<td>Cat Tucker</td>
<td>Council Member</td>
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<tr>
<td>Jean Mordo</td>
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<td>City of Los Altos</td>
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<td>Jeannie Bruins</td>
<td>Mayor</td>
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<tr>
<td>Gary Waldeck</td>
<td>Mayor Pro Tem</td>
<td>Town of Los Altos Hills</td>
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<tr>
<td>Debbie Indihar Giordano</td>
<td>Council Member</td>
<td>City of Milpitas</td>
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<tr>
<td>Lon Allen</td>
<td>Mayor</td>
<td>City of Monte Sereno</td>
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<td>Marshall Anstandig</td>
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<td>Burton Craig</td>
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<td>Steve Tate</td>
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<td>City of Morgan Hill</td>
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<td>Rich Constantine</td>
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<tr>
<td>Larry Carr</td>
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# ELECTED OFFICIAL ENDORSEMENTS

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<tr>
<th>Elected Official</th>
<th>Position</th>
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<tbody>
<tr>
<td>Pat Showalter</td>
<td>Mayor</td>
<td>City of Mountain View</td>
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<tr>
<td>Ken Rosenberg</td>
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<tr>
<td>Mike Kasperzak</td>
<td>Council Member</td>
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<tr>
<td>Chris Clark</td>
<td>Council Member</td>
<td>City of Mountain View</td>
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<tr>
<td>Patrick Burt</td>
<td>Mayor</td>
<td>City of Palo Alto</td>
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<tr>
<td>Greg Scharff</td>
<td>Vice Mayor</td>
<td>City of Palo Alto</td>
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<tr>
<td>Liz Kniss</td>
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<td>Cory Wolbach</td>
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<td>Marc Berman</td>
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<tr>
<td>Sam Liccardo</td>
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<td>Ash Kalra</td>
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<td>Johnny Khamis</td>
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<td>Charles &quot;Chappie&quot; Jones</td>
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<tr>
<td>Raul Peralez</td>
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<td>Manh Nguyen</td>
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<td>Tam Nguyen</td>
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<tr>
<td>Donald Rocha</td>
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<tr>
<td>Pat Kolstad</td>
<td>Council Member</td>
<td>City of Santa Clara</td>
</tr>
<tr>
<td>Dominic Caserta</td>
<td>Council Member</td>
<td>City of Santa Clara</td>
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<tr>
<td>Elected Official</td>
<td>Position</td>
<td>Location</td>
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<tr>
<td>Manny Cappello</td>
<td>Mayor</td>
<td>City of Saratoga</td>
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<tr>
<td>Emily Lo</td>
<td>Vice Mayor</td>
<td>City of Saratoga</td>
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<tr>
<td>Rishi Kumar</td>
<td>Council Member</td>
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<tr>
<td>Howard Miller</td>
<td>Council Member</td>
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<td>Mary-Lynne Bernald</td>
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<td>Gustav Larson</td>
<td>Vice Mayor</td>
<td>City of Sunnyvale</td>
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<td>Jim Davis</td>
<td>Council Member</td>
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<tr>
<td>Jim Griffith</td>
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<tr>
<td>Tara Martin-Milius</td>
<td>Council Member</td>
<td>City of Sunnyvale</td>
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<tr>
<td>Mike Wasserman</td>
<td>Supervisor</td>
<td>Sup. District 1</td>
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<tr>
<td>Ken Yeager</td>
<td>Supervisor</td>
<td>Sup. District 4</td>
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<tr>
<td>Joe Simitian</td>
<td>Supervisor</td>
<td>Sup. District 5</td>
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<td>Larry Stone</td>
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<tr>
<td>Jerry Hill</td>
<td>State Senator</td>
<td>State of California</td>
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<td>Jim Beall</td>
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<td>Rich Gordon</td>
<td>State Assembly</td>
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<td>Evan Low</td>
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<td>Mark Stone</td>
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<td>Kevin Mullin</td>
<td>State Assembly</td>
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</tr>
<tr>
<td>Anna Eshoo</td>
<td>Representative</td>
<td>U.S. Representative</td>
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</table>
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Planning and Program Development, John Ristow

SUBJECT: Potential ½-cent 30-year Sales Tax Measure

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

ACTION ITEM

RECOMMENDATION:

1) Adopt the framework and funding amounts for a ½-cent 30-year sales tax measure.

2) Adopt a resolution calling for a special election, to be consolidated with the statewide general election to be held on November 8, 2016, for the purpose of submitting to the voters of Santa Clara County a measure seeking authorization for VTA to enact a 30-year ½-cent retail transactions and use tax for transportation purposes.

BACKGROUND:

In the fall of 2014, VTA launched Envision Silicon Valley - a dynamic visioning process to discuss current and future transportation needs, identify solutions and craft funding priorities. As part of this process, VTA is proposing placing a transportation retail transactions (i.e., sales) and use tax measure on the November 8, 2016 ballot to help fund the transportation priorities. It is anticipated that a 30-year ½-cent sales tax measure will generate between $6 billion to $6.5 billion in 2017-year dollars.

Based on the input received over the past 18 months, the analysis staff conducted by comparing the board adopted goals to projects and the polling conducted by the Silicon Valley Leadership Group, VTA presented a recommendation for a ½-cent, 30-year Sales Tax Measure at the April 22 Board Workshop. The Board requested staff to consider the following:

1. Increase the funding level for Transportation Operations from $450 million to $500 million.

2. Work with the Technical Advisory Committee (TAC) regarding match requirement(s) for
projects in the measure.

Based on the Board's recommendations, staff (a) increased the Transportation Operations category to $500 million; and (b) discussed the match requirements and other technical issues with the TAC at their May meeting and developed a timeline and work plan.

Furthermore, the Caltrain corridor capacity category was increased by $14 million to provide additional funding for South County Caltrain service. Additional definition and modifications were made to several categories based on feedback from the public, cities and Board Members.

It should be noted that the Sales Tax Measure will help fund projects and programs but will not be the sole funding source for a project. Transportation projects, especially larger projects, are typically built using a variety of funding sources. One significant advantage of a countywide sales tax is that it provides a local revenue source for obtaining additional funds through regional, state and federal fund sources.

**DISCUSSION:**

VTA has statutory authority to enact sales and use taxes if so authorized by the voters. Because the proposed tax is a special tax for transportation purposes, the voters must approve the tax by a two-thirds majority. The revenues from the tax may only be used to administer and fund certain designated transportation categories, as further discussed below. The measure also provides for the creation of a public oversight committee to annually cause an audit to be performed, hold public hearings, and issue a report annually to inform the Santa Clara County residents how the tax revenues are being spent.

Attachment A is the draft resolution calling for a special election, to be consolidated with the statewide general election to be held on November 8, 2016, for the purpose of submitting to the voters of Santa Clara County a measure seeking authorization for VTA to enact a 30-year ½-cent retail transactions and use tax for transportation purposes.

VTA will also need to adopt an ordinance enacting the sales and use tax. The ordinance will be considered by the Board on June 2, 2016 agenda under a separate item. The ordinance, if adopted by the Board, will only become operative if the measure is approved by two-thirds of the voters voting on the measure at the November 8, 2016 election.

Below is a summary of the categories and funding amounts for the proposed measure.

**BART Phase II - $1.5 Billion in 2017 Dollars (capped at a maximum of 25% of Program Tax Revenues)**

BART Phase II will create a new regional rail connection by extending BART from the Berryessa Station in San Jose to Santa Clara with stations at Alum Rock/28th Street, downtown San Jose, San Jose Diridon Station and Santa Clara. It will ring rail around the south bay by connecting BART with Caltrain at Diridon and Santa Clara. The projected average weekday ridership is for Phase II is approximately 55,000 in the year 2035.

The funding raised by the proposed tax will be used for the capital construction costs of the
BART Phase II extension and will serve as the local match, allowing VTA to compete for an additional $1.5 billion from the Federal New Starts Program and $750 from the State’s Cap and Trade Program.

**Bicycle/Pedestrian Program - $250 Million in 2017 Dollars**

This program will help fund bicycle and pedestrian projects of countywide significance identified by the cities, county and VTA. The program will give priority to those projects that connect to schools, transit and employment centers; fill gaps in the existing bike and pedestrian network; safely cross barriers to mobility; and make walking or biking a safer and more convenient means of transportation for all county residents and visitors.

Staff is recommending a competitive grant program to fund capital projects. Bicycle and pedestrian educational programs, such as Safe Routes to School will also be eligible for funding. It should also be noted that the Complete Streets Requirement staff is proposing on all roadway-related categories will result in better pedestrian and bicycle facilities and safer access throughout the county. The list of candidate bicycle projects is included in the resolution (Attachment A).

**Caltrain Corridor Capacity Improvements - $314 Million in 2017 Dollars**

This program will fund Caltrain corridor capacity improvements and increased service in Santa Clara County in order to ease highway congestion, including: increased service to Morgan Hill and Gilroy, station improvements, level boarding, extended platforms, and service enhancements.

Caltrain ridership continues to break records as more and more people are realizing the benefits of the system. As a result, capacity is becoming an issue. The Caltrain Modernization Program, which will electrify the system and add positive train control, is fully funded and moving forward. The Caltrain Corridor Capacity Improvements program will take the next step by helping expand commuter rail capacity and serve more riders through enhanced service and improved operations.

**Caltrain Grade Separations - $700 Million in 2017 Dollars**

This program will fund grade separations along the Caltrain corridor in the cities of Sunnyvale, Mountain View and Palo Alto. Separating the Caltrain tracks from roadways provides increased safety benefits for drivers, bicyclists and pedestrians. These projects also reduce congestion at the intersection.

The grade separation program will require close coordination and cooperation with the High Speed Rail Authority, Caltrain, as well with local cities.

**County Expressways - $750 Million in 2017 Dollars**

This program will fund the Tier 1 improvement projects contained in the County’s Expressway Plan. The County of Santa Clara conducted a very robust planning study and outreach process to determine the highest priority projects for the expressway system. These improvements will
increase the effectiveness of the expressway system throughout the county. While the two Caltrain Grade Separations projects listed in Tier 1 are not included in staff’s proposed funding level, these two projects will be eligible to apply for the Caltrain Grade Separation Program. The list of Tier 1 projects staff is recommending is included in the resolution (Attachment A). A Complete Streets requirement will be included to maximize opportunities for bicycle and pedestrian access.

Highway Interchanges - $750 Million in 2017 Dollars

This program will fund highway projects throughout the valley. VTA will administer a competitive grant program to ensure that the best projects are moved forward. It will also have a Complete Streets requirement to maximize opportunities for bicycle and pedestrian access.

Contained in the resolution (Attachment A) is a list of candidate projects that staff has identified as providing significant congestion relief. However other candidate projects may emerge over the life of the 30-year measure and these projects will also be eligible candidates for this funding. Additionally, staff modified the list to make noise abatement, overcrossings, and Intelligent Transportation Systems (ITS) projects eligible.

Local Streets and Roads - $1.2 Billion in 2017 Dollars

These funds will be returned to the cities and the county on a formula basis. The recommended distribution mirrors the existing formula VTA uses for the Vehicle Registration Fee, which is based on the population of the cities and the County of Santa Clara's road and expressway line mileage.

These funds will be used to repair streets and include a Complete Streets requirement to improve bicycle and pedestrian elements of the street system. Cities and the county will be required to demonstrate that these funds will be used to enhance and not replace their current investments for road system maintenance and repair. Should a city or the County have a Pavement Condition Index score of at least 70, they could use the funds for other congestion relief projects.

SR 85 Corridor - $350 Million in 2017 Dollars

This category will fund a managed lanes project that includes an express lane on SR 85, in each direction, and a new transit lane in each direction on SR 85, from SR 87 in San Jose to U.S. 101 in Mountain View. Additionally this category will fund noise abatement along SR 85 and will provide funding to study transportation alternatives that include, but are not limited to, Bus Rapid Transit with infrastructure such as stations and access ramps, Light Rail Transit, and other transportation technologies that may be applicable. This study will result in a capital improvement project that will move through State and Federal environmental clearance.

The projects for this category are being recommended to the VTA Board by the SR 85 Policy Advisory Board (PAB). The PAB was formed by the Board of Directors to: a) review proposals, plans, and policy issues and provide recommendations to the VTA Board and administration regarding the planning, design and construction of major transit and/or transportation capital projects in the corridor; and b) make recommendations to the VTA Board of Directors regarding major policy decisions for the corridor.
The PAB has representation from San Jose, Los Gatos, Saratoga, Cupertino, Sunnyvale, Los Altos, Mountain View, Campbell, Monte Sereno, and Caltrans as an ex-officio member. The PAB began meeting in November, 2015 with an initial task to make a recommendation to the VTA Board of Directors on transportation improvements to be included in a potential sales tax measure.

The PAB worked with VTA staff and consultants in an abbreviated conceptual planning process to evaluate express lane and various transit improvements including express bus, Bus Rapid Transit, and Light Rail Transit for the corridor. At the PAB's May 23, 2016 meeting, members voted to recommend the Board of Directors include the projects listed above in the SR 85 project category.

**Transit Operations - $500 Million in 2017 Dollars**

The revenue from this program category will provide additional funds specifically for bus operations to serve vulnerable, underserved, and transit dependent populations throughout the county. The goals of the program category are to increase ridership, improve efficiency, enhance mobility services for seniors and disabled, and improve affordability for the underserved and vulnerable constituencies in the county. As VTA considers modifications to bus operations and routes to improve ridership and efficiencies, these funds may also be utilized to maintain and expand service to the most underserved and vulnerable populations. The funds may be used to increase core bus route service frequencies, extending hours of operations to early morning, evenings and weekends to improve mobility, safe access and affordability to residents that rely on bus service for critical transportation mobility needs. The attached resolution (Attachment A) describes the list of Candidate Projects and Programs.

If the Board elects to move forward with a tax measure, and the measure is approved by a two-thirds majority of the voters, staff will prepare detailed Program Policy and Guidelines to define the administrative process for the Board’s consideration.

The Program Policy and Guidelines to be developed and adopted by the VTA Board of Directors may include the following:

- Implementation Policy/Guidelines
- Citizens Oversight Committee
- Taxpayer Accountability and Transparency Policy
- Bond/Finance Guidelines
- Complete Streets Policy
- Advanced Project Mitigation Guidelines
- Local Street and Roads Program Guidelines
- Program Match/Contribution Policy
ALTERNATIVES:

The Board of Directors may elect not to place the Sales Tax Measure on the ballot. The Board may also decide to change any or all of the project categories, funding amounts and program policies.

FISCAL IMPACT:

If the Board of Directors decides to ask the voters to consider the sales tax in November, VTA would be responsible for the cost of placing the measure on the ballot. Previous ballot measure election costs in 2010 were approximately $867,000. Appropriation for this expenditure is available in the FY17 VTA Transit Fund Operating Budget. If voters approve the measure, it would generate an estimated $6.3 billion (2017 dollars). VTA administration costs of the program would be recovered through direct charges to programs and projects and through VTA's administrative overhead charges.

ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:

Citizens Advisory Committee (CAC)

Committee members discussed the following at their May 11, 2016, meeting: noted that the capital projects are beneficial for the economy; noted that these funds may be leveraged with other funding sources; discussed how the future citizens oversight committee might be organized; and support that funding categories be listed as percentages rather than dollars.

The Committee adopted staff's recommendation that the VTA Board of Directors adopt the framework for a 1/2 cent, 30-year sales tax measure. As part of the motion, the committee also stated that it is supportive of complete streets requirements in the appropriate categories.

Bicycle Pedestrian Advisory Committee (BPAC)

Committee members discussed the following at their May 11, 2016, meeting: support for the complete streets requirement; noted that the capital needs for bicycle and pedestrian projects exceeds the funding that is available; the funding amounts for each category should be shown as a percentage; noted the term "bicycle superhighway" does not clearly represent the typology of the recommended facilities and inquired if VTA will use a new term; suggested that bicycle capacity expansion on Caltrain, bicycle parking at Caltrain Stations and first/last mile connections to Caltrain Stations be included in the Caltrain Capacity category; and, via written comments, one member requested that equity and underserved populations be considered when scoring projects through the competitive grant program.

The Committee approved staff’s recommendation that the VTA Board of Directors adopt the framework for a 1/2 cent, 30-year sales tax measure.

Technical Advisory Committee (TAC)

Committee members discussed the following at their May 12, 2016, meeting: noted that the definition of complete streets should be flexible; suggested that funding for Safe Routes to
School be returned by a formula basis to the cities and county; and suggested that the Transit Operations category accommodate for municipalities to fund transit improvements, such as local shuttles in their community. Additionally, staff noted that members should contact VTA staff if they had any suggested changes to the project lists.

The Committee approved staff’s recommendation that the VTA Board of Directors adopt the framework for a 1/2 cent, 30-year sales tax measure with the following additional recommendations: a) the Transit Operations Category will also provide funding for municipally operated shuttles that serve areas where VTA does not have fixed-route bus service; b) the Bicycle and Pedestrian Category will allocate funding for Safe Routes to School projects and programs to the cities and county on a formula basis; and c) the funds used to repair streets will include Complete Streets consideration to improve bicycle and pedestrian elements of the street system.

Policy Advisory Committee (PAC)

Committee members discussed the following at their May 12, 2016, meeting: considered how the complete streets requirement would be administered; discussed the impacts for the region if the measure is not approved by the voters; discussed how the Board would determine the project priorities in the measure; discussed that cities have the opportunity to add additional projects to the list in the future; and suggested that the Caltrain Capacity category be written more broadly to allow for other transit operators in the corridor.

The Committee approved staff’s recommendation that the VTA Board of Directors adopt the framework for a 1/2 cent, 30-year sales tax measure noting the recommended change to the Caltrain Capacity category.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION

Congestion Management Planning and Programming Committee (CMPP)

Committee Members discussed the following at their May 19, 2016 meeting: noted support of the ballot measure categories; suggested that a “dashboard” be created to show how the funds are being spent in order to provide transparency to voters; discussed that the SR 85 corridor projects need to be determined in a timely manner for inclusion; and noted that High Speed Rail will have a significant impact in the Caltrain Corridor.

The Committee approved staff’s recommendation that the VTA Board of Directors adopt the framework for a ½ cent, 30-year sales tax measure and ballot language, noting that the VTA should develop a transparent “dashboard” for the public to see how the funds are being spent.

Administration and Finance Committee (A&F)

Committee members discussed the following at their May 19, 2016, meeting: discussed showing dollar amounts for project categories rather than percentages; suggested adding projects on the highway list for the I-280 corridor; noted that the Technical Advisory Committee will be working on issues such as local match and complete streets requirement in the coming months; reviewed request from the Transit Justice Alliance on projects for the transit operations category; and discussed service enhancements in South County, noting the pending arrival of
High Speed Rail.

The Committee approved staff’s recommendation that the VTA Board of Directors adopt the framework for a ½ cent, 30-year sales tax measure and ballot language with the following additional recommendations: a) present the funding amounts for categories in 2017 dollars and that the BART project be capped at a maximum of 25% of program tax revenues; b) include the I-280/Lawrence Expwy project in the list of Highway Candidate Projects; and c) staff analyze the request from the Transit Justice Alliance regarding the transit operations category for inclusion in the resolution.

Prepared by: Scott Haywood
Memo No. 5577

ATTACHMENTS:
- RESOLUTION 5 27 16 (PDF)
RESOLUTION NO. 2016.06.12

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA) CALLING AND PROVIDING FOR A SPECIAL ELECTION ON NOVEMBER 8, 2016 AND REQUESTING THE CONSOLIDATION OF SUCH SPECIAL VTA ELECTION WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON NOVEMBER 8, 2016 FOR THE PURPOSE OF SUBMITTING TO THE VOTERS OF SANTA CLARA COUNTY A MEASURE SEEKING AUTHORIZATION FOR ADOPTION OF A RETAIL TRANSACTIONS AND USE TAX ORDINANCE BY THE BOARD OF DIRECTORS.

WHEREAS, the Board of Directors of the Santa Clara Valley Transportation Authority (VTA) deems it advisable to submit a measure to the voters within the territory of VTA at a special election to be held on November 8, 2016, to authorize the VTA Board of Directors to adopt a one-half of one percent retail transactions and use tax ordinance pursuant to Public Utilities Code section 100250 et seq., which tax shall be in effect for 30 years,

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY that the measure hereinafter set forth in full be submitted to the voters within the territory of VTA, which is the incorporated and unincorporated territory lying within the County of Santa Clara, at a special election to be held and conducted on November 8, 2016, and that the Registrar of Voters be, and thereby is, directed to publish such notice as may be required by law for the time and in the manner so required, and to place the same on the ballot at an election to be held throughout the territory of VTA on November 8, 2016. The full text of the proposed measure, which shall be printed in the voter information that accompanies the official vote by mail ballot and in the appropriate sample ballot pamphlet, is set forth as follows:

To repair potholes and fix local streets; finish the BART extension through downtown San Jose and to Santa Clara; improve bicycle and pedestrian safety; increase Caltrain capacity, in order to ease highway congestion, and improve safety at crossings; relieve traffic on the expressways and key highway interchanges; and enhance transit for seniors, students, low-income, and disabled, shall the Board of Directors of the Santa Clara Valley Transportation Authority (VTA) enact a retail transactions and use tax ordinance, Ordinance No. 2016.01, 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 tangible personal property sold by him/her at retail in the territory of VTA; and (b) a complementary 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; collection of such tax to be limited to thirty years?

VTA shall be the administrator of the tax, shall establish a program and develop program guidelines to administer the tax revenues received from the enactment of
this measure (the “Program”). Tax revenues received for the 30-year life of the tax, including any interest or other earnings thereon, less any funds necessary for satisfaction of debt service and/or cost of borrowing and costs of program administration and oversight, such as costs of grant administration and financial management, shall be referred to herein as “Program Tax Revenues.”

VTA shall allocate the Program Tax Revenues to the following categories of transportation projects: Local Streets and Roads; BART Phase II; Bicycle and Pedestrian; Caltrain Grade Separation; Caltrain Capacity Improvements; Highway Interchanges; County Expressways; SR 85 Corridor; and Transit Operations.

The present value (i.e., present day purchasing power) of the Program Tax Revenues, as of April 2017, is forecasted to be approximately $6.3 Billion. The actual revenues to be received over the 30-year life of the tax will be affected by various economic factors, such as inflation and economic growth or decline. The estimated amounts for each category reflect the allocation of approximately $6.3 Billion. The estimated amounts for each category, divided by $6.3 Billion, establishes ratios for the allocation among the categories. The VTA Board of Directors may modify those allocation amounts following the program amendment process outlined in this resolution.

- **Local Streets and Roads – Estimated at $1.2 Billion of the Program Tax Revenues in 2017 dollars.**
  To be returned to cities and the County on a formula basis to be used to repair and maintain the street system. The allocation would be based on the population of the cities and the County of Santa Clara’s road and expressway lane mileage. Cities and the County will be required to demonstrate that these funds would be used to enhance and not replace their current investments for road system maintenance and repair. The program would also require that cities and the County apply Complete Streets best practices in order to improve bicycle and pedestrian elements of the street system. If a city or the County has a Pavement Condition Index score of at least 70, it may use the funds for other congestion relief projects.

- **BART Phase II—Estimated at $1.5 Billion of Program Tax Revenues in 2017 dollars (capped at a maximum of 25% of Program Tax Revenues).**
  To fund the planning, engineering, construction, and delivery costs of BART Phase II, which will create a new regional rail connection by extending BART from the Berryessa Station in San Jose to Santa Clara with stations at Alum Rock/28th Street, downtown San Jose, San Jose Diridon Station, and Santa Clara.

- **Bicycle/Pedestrian – Estimated at $250 Million of Program Tax Revenues in 2017 dollars.**
  To fund bicycle and pedestrian projects of countywide significance identified by the cities, County, and VTA. The program will give priority to those projects that connect to schools, transit, and employment centers; fill gaps in the existing bike and pedestrian network; safely cross barriers to mobility; and
make walking or biking a safer and more convenient means of transportation for all county residents and visitors. Bicycle and pedestrian educational programs, such as Safe Routes to Schools, will be eligible for funding. Candidate Projects are set forth in Attachment A.

- **Caltrain Grade Separation – Estimated at $700 Million of Program Tax Revenues in 2017 dollars.**
  To fund grade separation projects along the Caltrain corridor in the cities of Sunnyvale, Mountain View, and Palo Alto, separating the Caltrain tracks from roadways to provide increased safety benefits for drivers, bicyclists, and pedestrians and also reduce congestion at the intersections.

- **Caltrain Corridor Capacity Improvements – Estimated at $314 Million of Program Tax Revenues in 2017 dollars.**
  To fund Caltrain corridor capacity improvements and increased service in Santa Clara County in order to ease highway congestion, including: increased service to Morgan Hill and Gilroy, station improvements, level boarding, extended platforms, and service enhancements.

- **Highway Interchanges – Estimated at $750 Million of Program Tax Revenues in 2017 dollars.**
  To fund highway projects throughout the valley that will provide congestion relief, improved highway operations and freeway access, noise abatement, roadway connection overcrossings, and deploy advanced technology through Intelligent Transportation Systems (ITS). Candidate Projects are set forth in Attachment B.

- **County Expressways – Estimated at $750 Million of Program Tax Revenues in 2017 dollars.**
  To fund Tier I improvement projects in the County’s Expressway Plan in order to relieve congestion, improve safety and increase the effectiveness of the expressway system in the county. Candidate Projects are set forth in Attachment C.

- **State Route 85 Corridor – Estimated at $350 Million of Program Tax Revenues in 2017 dollars.**
  To fund a managed lanes project that includes an express lane on SR 85, in each direction, and a new transit lane in each direction on SR 85, from SR 87 in San Jose to U.S. 101 in Mountain View. Additionally this category will fund noise abatement along SR 85 and will provide funding to study transportation alternatives that include, but are not limited to, Bus Rapid Transit with infrastructure such as stations and access ramps, Light Rail Transit, and other transportation technologies that may be applicable.
- **Transit Operations – Estimated at $500 Million of Program Tax Revenues in 2017 dollars.**

  The revenue from this program category will provide additional funds specifically for bus operations to serve vulnerable, underserved, and transit dependent populations throughout the county. The goals of the program category are to increase ridership, improve efficiency, enhance mobility services for seniors and disabled, and improve affordability for the underserved and vulnerable constituencies in the county. As VTA considers modifications to bus operations and routes to improve ridership and efficiencies, these funds may also be utilized to maintain and expand service to the most underserved and vulnerable populations. The funds may be used to increase core bus route service frequencies, extending hours of operations to early morning, evenings and weekends to improve mobility, safe access and affordability to residents that rely on bus service for critical transportation mobility needs. Attachment D describes the list of Candidate Projects and Programs.

The Program Categories will be administered in accordance with program guidelines and policies to be developed and approved by the VTA Board of Directors.

An independent citizen’s oversight committee shall be appointed to ensure that the funds are being expended consistent with the approved Program. Annually, the committee shall have an audit conducted by an independent auditor. The audit shall review the receipt of revenue and expenditure of funds. The committee shall hold public hearings, and issue a report annually to inform the Santa Clara County residents how the funds are being spent. The hearings will be public meetings subject to the Brown Act.

To support and advance the delivery of projects in the Program, VTA may issue or enter into financial obligations secured by the tax revenues received from the State Board of Equalization (SBOE), including but not limited to, bonds, notes, commercial paper, leases, loans and other financial obligations and agreements (collectively, “Financing Obligations”), and may engage in any other transactions allowed by law. Notwithstanding anything to the contrary, to obtain the strongest credit ratings and lowest financing costs, VTA may pledge up to the full amount of tax revenues received from the SBOE as security for any Financing Obligations of the Program and may contract with the SBOE to have pledged amounts transferred directly to a fiduciary, such as a bond trustee, to secure Financing Obligations to fund any project in the Program. Any Financing Obligation shall be fully paid prior to the expiration of this tax measure.

If approved by a 3/4 majority of the VTA Board of Directors, and only after a noticed public meeting in which the County of Santa Clara Board of Supervisors, and the city council of each city in Santa Clara County have been notified at least 30 days prior to the meeting, VTA may modify the Program for any prudent
purpose, including to account for the results of any environmental review required under the California Environmental Quality Act of the individual specific projects in the Program; to account for increases or decreases in federal, state, and local funds, including revenues received from this tax measure; to account for unexpected increase or decrease in revenues; to add or delete a project from the Program in order to carry out the overall purpose of the Program; to maintain consistency with the Santa Clara Valley Transportation Plan; to shift funding between project categories; or to take into consideration new innovations or unforeseen circumstances.

BE IT FURTHER RESOLVED that such measure will appear in summarized form upon the ballot as follows:

**Measure_____**

<table>
<thead>
<tr>
<th>To relieve traffic, repair potholes; shall VTA enact a 30-year half-cent sales tax to:</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Repair streets, fix potholes in all 15 cities;</td>
<td></td>
<td></td>
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<tr>
<td>• Finish BART extension to downtown San Jose, Santa Clara;</td>
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<tr>
<td>• Improve bicycle/pedestrian safety, especially near schools;</td>
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<tr>
<td>• Increase Caltrain capacity, easing highway congestion, improving safety at crossings;</td>
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<td>• Relieve traffic on all 9 expressways, key highway interchanges;</td>
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<tr>
<td>• Enhance transit for seniors, students, disabled; Mandating annual audits by independent citizens watchdog committee to ensure accountability.</td>
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</tbody>
</table>

BE IT FURTHER RESOLVED that the Board of Supervisors is hereby requested to consolidate this election with the statewide general election and any other elections to be held within the County of Santa Clara on November 8, 2016, and that it include in its proclamation or notice of the special election that Article 3 of Chapter 2 of Division 9 of the Elections Code relating to arguments concerning county measure applies, and that the Office of the County Counsel is directed to prepare an impartial analysis.

BE IT FURTHER RESOLVED that pursuant to Elections Code section 10403, VTA acknowledges that the consolidated election will be held and conducted in the manner prescribed in Elections Code section 10418.

BE IT FURTHER RESOLVED that the Santa Clara County Board of Supervisors is requested to permit the Registrar of Voters to render all services specified by Elections Code section 10418 relating to the election, for which services VTA agrees to reimburse the County.
BE IT FURTHER RESOLVED that pursuant to Elections Code section 10418, all proceedings related to, connected with, and incidental to the election shall be regulated and performed in accordance with the provisions of law regulating the statewide election.

BE IT FURTHER RESOLVED that the returns of such VTA election shall be canvassed by the Registrar of Voters of the County of Santa Clara and the returns, when canvassed, shall be reported to the Board of Directors of the Santa Clara Valley Transportation Authority.

BE IT FURTHER RESOLVED that the Board Secretary is hereby directed to file a certified copy of this Resolution with the Santa Clara County Board of Supervisors and to submit certified copies of this Resolution to the County Clerk and to the Registrar of Voters of the County of Santa Clara no later than 88 days prior to the date of the election.

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors on June __, 2016 by the following vote:

AYES: DIRECTORS

NOES: DIRECTORS

ABSENT: DIRECTORS

Cindy Chavez, Chairperson
Board of Directors

ATTEST:

Elaine Baltao, Board Secretary

APPROVED AS TO FORM:

ROBERT FABELA
General Counsel
ATTACHMENT A

ENVISION SILICON VALLEY BICYCLE AND PEDESTRIAN CANDIDATE LIST

Project
Implementation of Santa Clara Countywide Bicycle Plan*
Trails in Expressway Rights-of-Way
Alum Rock Trail
Coyote Creek Trail Completion
Lions Creek Trail
Lower Silver Creek Trail
Miramonte Ave Bikeways
Fremont Road Pathway
Los Gatos Creek Trail Connector to SR 9
Berryessa Creek Trail
West Llagas Creek Trail
Gualadupe River Trail-Extension to Almaden
Three Creeks Trail East from Guadalupe River to Coyote Creek Trail
Five Wounds Trail from William Street to Mabury Road/Berryessa
Hwy 237 Bike Trail: Great America Parkway to Zanker (Class I, II, and IV)
Lower Gudalupe River Access Ramps
Los Gatos Creek Trail Gap Closure
Calabazas Creek Trail
San Tomas Aquino Trail Extension to South & Campbell Portion
Union Pacific Railroad Trail
Stevens Creek Trail Extension
Hamilton Avenue/Highway 17 Bicycle Overcrossing
Ped/Bike Bridge over SR 17 from Railway/Sunnyside to Campbell Technology Pkwy
Mary Avenue Complete Streets Conversion
UPRR Bike/Ped Bridge Crossing: Stevens Creek Boulevard to Snyder Hammond House/Rancho
San Antonio Park

A-1
Montague Expwy Bike/Ped Overcrossing at Milpitas BART Station
Shoreline/101 Bike Ped Bridge
Mayfield Tunnel Ped/Bike under Central Expressway connecting to San Antonio Caltrain station
South Palo Alto Caltrain Bike/Ped Crossing
Matadero Creek Trail Undercrossing
Caltrain Capitol Undercrossing
Phelan Avenue Pedestrian & Bike Bridge over Coyote Creek
Newhall Street Bike/Ped Overcrossing over Caltrain Tracks
Kiely Bicycle & Pedestrian Overcrossing
Winchester Bicycle and Pedestrian Overcrossing
Bernardo Caltrain Undercrossing
San Tomas Aquino Creek Trail Underpass at 49er Stadium
Latimer Avenue Bicycle/Pedestrian Overcrossing
Bike & ped safety education at approximately ~200 schools
Implementation of Pedestrian Access to Transit Plan (VTA)*
Bike amenities at transit stops and on transit vehicles
Countywide Vision Zero Program (VTA)*
Highway 9 Pedestrian Safety Improvements

*These plans are currently being developed/updated and projects are being identified.
ATTACHMENT B
ENVISION HIGHWAY PROGRAM CANDIDATE LIST

Project
US 101 Improvements in the cities of Palo Alto and Mountain View to address regional connectivity and circulation between San Antonio Road and Charleston Road at the US 101/San Antonio Road, US 101/Rengstorff/Charleston Road and US 101/Shoreline Boulevard interchanges.

SR 85/SR 237 Area Improvements in Mountain View to address mainline congestion and regional connectivity through the SR 85/SR 237 connector, SR 85/El Camino Real interchange, and the SR 237/El Camino/Grant Road interchange.

SR 237/US 101/Mathilda Avenue Area Improvements in Sunnyvale to address local roadway congestion.

SR 237 Corridor Improvements in the cities of San Jose, Santa Clara and Milpitas to address mainline congestion and regional connectivity by addition of SR 237 westbound/eastbound auxiliary lanes between Zanker Road and North First Street, improvements at the SR 237/Great America Parkway westbound off-ramp, and replacement/widening of the Calaveras Boulevard structures over the UPRR tracks.

West County Improvements along I-280 in Cupertino, Los Altos, Los Altos Hills and Sunnyvale to address mainline congestion with mainline and interchange improvements from Magdalena Avenue to the San Mateo County line.

SR 85/I-280 Area Improvements in Cupertino, Los Altos, and Sunnyvale to address regional connectivity through a northbound I-280 braided ramp between SR 85 and Foothill Boulevard and improvements at the northbound I-280 off-ramp to Foothill Boulevard.

US 101/Trimble Road/De La Cruz Boulevard to Zanker Road Area Improvements to address local roadway connectivity and mainline congestion in San Jose and Santa Clara with US 101/Trimble Road/De La Cruz Boulevard interchange improvements, southbound US 101/SB 87 connector improvements, and a new US 101/Zanker Road interchange.

US 101/Old Oakland Road Improvements in San Jose to address local roadway congestion, access and connectivity.

A new interchange at US 101/Mabury Road in San Jose to address regional access.

I-680 Corridor Improvements in San Jose to address mainline congestion and regional connectivity by improving the I-680/Alum Rock Avenue and I-680/McKee Road interchanges.

I-280/Lawrence Expressway/Stevens Creek Boulevard Interchange Improvements to address mainline and local roadway congestion.
I-280/Saratoga Avenue Interchange Improvements to address local circulation and mainline congestion.

I-280/Winchester Boulevard Area Improvements in Santa Clara and San Jose to address regional connectivity and local circulation.

SR 87 Corridor Technology-based Improvements in San Jose to address mainline congestion and system reliability through the implementation of technology-based operational improvements to the freeway.

Highway 17 Corridor Congestion Relief: Upgrade Highway 17/9 interchange to improve pedestrian and bicycle safety, mobility, and roadway operations; deploy advanced transportation technology to reduce freeway cut thru traffic in Los Gatos, including traffic signal control system upgrades in Los Gatos, Traveler Information System, advanced ramp metering systems; support Multi-Modal Congestion Relief Solutions, including enhanced Highway 17 Express Bus service, implementing local bus system improvements that reduce auto trips to schools, work, and commercial areas in Los Gatos; and develop park and ride lots to serve as transit hubs for express bus, shuttles, local bus system connections.

SR 17 Southbound/Hamilton Avenue Off-ramp Widening Improvements in Campbell to address mainline congestion and local circulation.

SR 17/San Tomas Expressway Improvements in Campbell to address mainline congestion and local circulation.

US 101/Blossom Hill Boulevard improvements in San Jose to address local roadway congestion and connectivity including for bicyclists and pedestrians.

US 101 Improvements in Gilroy to address mainline congestion and regional connectivity with a new US 101/Buena Vista Avenue interchange and US 101/SR 152 10th Street ramp and intersection improvements.

SR 152 Corridor Improvements in Gilroy including US 101/SR 25 interchange improvements to address regional connectivity and goods movement network improvements.

I-280/Wolfe Road Interchange Improvements in Cupertino to address mainline congestion and improve local traffic circulation.

I-880/Charcot Avenue Overcrossing in San Jose to address local relief circulation and adjacent I-880 interchanges congestion relief.

Noise Abatement Projects in Santa Clara County to implement treatments to address existing freeway noise levels throughout the county.

Intelligent Transportation Systems (ITS) Projects in Santa Clara County such as integrated corridor management systems, traffic operations systems, ramp metering, managed lanes, and local traffic signal control systems to address freeway mainline congestion and local roadway congestion caused by cut-through traffic.
ATTACHMENT C

SANTA CLARA COUNTY EXPRESSWAY IMPROVEMENTS (TIER 1)

Project
Almaden Expressway at SR-85 - Interim Improvements
Almaden Expressway at Branham Lane Intersection Improvement
Almaden Expressway at Camden Ave Intersection Improvements
Capitol Expressway Widening and Interchange Modifications between I-680 and Capitol Avenue
Central Expressway at Thompson Intersection Improvement
Foothill Expressway Auxiliary Lanes between El Monte and San Antonio
Lawrence Expressway at Homestead Road Interim Improvements
Lawrence Expressway at Homestead Road Grade Separation
Lawrence Expressway from Reed/Monroe to Arques Grade Separation
Montague Expressway Complete 8-lane Widening including HOV lanes and Auxiliary Lanes between Great Mall and McCarthy/O'Toole
Oregon-Page Mill Widening (possible HOV lanes) and Trail between I-280 and Foothill Expressway
Oregon-Page Mill Intersection Improvements between Porter and Hansen
Oregon-Page Mill/El Camino Real Intersection Improvements
San Tomas Expressway Widening and Trail between Homestead and Stevens Creek
Santa Teresa-Hale Corridor Road and Trail between Dewitt and Main
Santa Teresa-Hale Corridor Widening and Trail between Long Meadow and Fitzgerald
SR 17/San Tomas Expressway Interim Improvements
I-280/Foothill Expressway Interchange Modifications and Auxiliary Lane to Homestead
I-280/Oregon-Page Mill Road Interchange Reconfiguration
Expressway ITS/Signal System Countywide
ATTACHMENT D

TRANSIT OPERATIONS CANDIDATE PROJECTS AND PROGRAMS LIST

- Expand mobility services and affordable fare programs for seniors, disabled, students and low-income riders.

  This project would provide funds to develop and expand senior and disabled transportation mobility programs and services. The proposed program would provide mobility options such as coordinated eligibility services and enhanced mobility options provided in a secure and safe manner for the most vulnerable and underserved residents in the County, such as seniors and persons with disabilities. It would support mobility options including maintaining the paratransit service coverage area and service expansion by extending hours of operation and weekend service. The funds would also establish permanent and augment discount fare programs to increase transit access for low-income, underserved and vulnerable populations unable to afford standard fares.

- Enhance Frequent Core Bus Network.

  The project would upgrade service frequency on VTA’s top core network routes to 15-minutes or faster. Some specific examples include expanding the number of high frequency core routes and expanding the schedule of existing services. This may also include enhancing frequency of services during early mornings, evenings and weekends in order to improve convenience, reliability, connectivity, ridership, farebox recovery and support local land use plans. The upgrade would improve the quality of service for vulnerable, underserved and transit dependent populations as well as existing riders and attract new riders which would decrease vehicle miles traveled, traffic congestion and pollution.

- Improve amenities at bus stops to increase safety, security and access.

  The project would provide funds for system wide improvements to bus stops, transit centers and stations including new and replacement shelters, lighting, access improvements including safe sidewalk connections, passenger information signs and security.

- Support new innovative transit service models to address first/last mile connections.

  The project would support affordable new innovative transit service models to address first/last mile connections including FLEX type services, dynamic on-demand subscription shuttles and partnerships with other demand responsive service providers serving vulnerable, underserved and transit dependent populations.
Envision Silicon Valley

• Began in 2014 – Worked with public through a variety of channels to:
  • Set Goals
  • Establish Criteria
  • Analyze Projects

• Worked with all Committees

• Staff presented recommendation at April 22 Workshop

• Board directed staff to take Board recommendation to committees and public for final review and input
Activities Since Board Workshop

• Stakeholders

• Five Community Meetings

• All Advisory Committees that met in May

• All Standing Committees
BART Phase II

- $1.5 Billion – capped at a maximum of 25% of program tax revenues
- Construction phase of the six-mile, four-station extension from Berryessa to Santa Clara
- Daily ridership projected at 55,000 in 2035
- Leverage $1.5 billion in federal funds and $750 million in state funds
Bicycle and Pedestrian Program

• $250 Million
• Complete gaps in cross-county ped & bike network
• Construct across barrier connections for mobility
• Connect schools, transit and employment centers
• Enhance safety and convenience
• Safe Routes to School & other bike/pedestrian education programs eligible
Caltrain Capacity Improvements

- $314 million
- Expand capacity by allowing longer trains at stations
- Level boarding
- Longer platforms
- Allow for service improvements throughout system – including South County
Caltrain Grade Separations

- $700 million
- Separate Caltrain tracks from roadways
- Safety improvement for drivers, bicyclists and pedestrians
- Reduce congestion at intersections
County Expressways

- $750 million
- Tier 1 candidate projects
- Improvements throughout county
Highway Program

- $750 Million
- Candidate projects throughout county
Local Streets and Roads

- $1.2 Billion
- Geographical equity: Returned to cities on formula basis
- Ensure current level of effort
- Complete Streets requirement
- Funds may be used for other transportation purposes per pavement condition index (PCI) score of 70 or above
State Route 85 Corridor

- $350 Million
- State Route (SR) 85 Policy Advisory Board Recommendations
  - Express lane and transit-only lane in each direction
  - Noise mitigation for SR 85
  - Transit study for corridor
Transit Operations

• $500 Million
• Increased bus service
• Develop programs and services for students, senior, disabled and low-income riders
Potential Measure

• Category amounts are based on current estimates for 30-year, half-cent sales tax.
Envision Silicon Valley Recommendations

Item 7.2

• Adopt framework and funding amounts; and
• Adopt resolution calling for the election on November 8

Item 7.3

• Introduce, consider and direct proposed Ordinance No. 2016.01
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

FROM: General Counsel, Robert Fabela

SUBJECT: 30-Year ½-Cent Retail Transactions and Use Tax Ordinance (Ordinance No. 2016.01) -- Introduction

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

ACTION ITEM

RECOMMENDATION:

(a) Introduce proposed Ordinance No. 2016.01, “An Ordinance of the Santa Clara Valley Transportation Authority Enacting a Transactions and Use Tax, Subject to Adoption by the Electorate, Which Tax to Be Administered by the State Board of Equalization,” in the form attached hereto as Attachment A;

(b) Consider the proposed Ordinance No. 2016.01; and

(c) Direct that proposed Ordinance No. 2016.01 be placed on the agenda for the next regularly scheduled Board meeting for adoption.

BACKGROUND:

Public Utilities Code Section 100250 provides that a retail transactions and use tax ordinance may be adopted by the Board if the voters authorize the enactment at a special election called for that purpose by the Board. As a separate action item on this Board meeting’s agenda, VTA staff is recommending that the Board adopt Resolution 2016.06.12, which calls for a special election for the purpose of submitting to the voters of Santa Clara County a measure seeking authorization for VTA to enact a 30-year ½-cent retail transactions and use tax for transportation purposes (“Tax Measure”). Contingent on the Board’s adoption of Resolution 2016.06.12, VTA staff introduces the proposed Ordinance No. 2016.16 for a first reading and consideration by the Board. The second reading and proposed adoption of Ordinance No. 2016.16 would be scheduled for the August 4, 2016 Board meeting.
Ordinance No. 2016.16 will be operative only if two-thirds of the voters pass the Tax Measure on November 8, 2016. State law mandates that the Board adopt a tax ordinance.

DISCUSSION:

Ordinance No. 2016.01 proposes to impose (a) a tax for the privilege of selling tangible personal property at retail upon every retailer in Santa Clara County, the territory of VTA, at the rate of one-half of one percent on the gross receipts of the retailer from the sale of all tangible personal property sold at retail in Santa Clara County, and (b) a complimentary tax upon the storage, use, or other consumptions in Santa Clara County 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. The Board is authorized by statute to enact the retail transactions and use tax ordinance required to implement the tax approved by the voters. A copy of the ordinance in the form recommended to be adopted by the Board is attached as Attachment A. For the most part, the provisions contained in Ordinance No. 2016.01 are required to be included pursuant to the California Revenue and Taxation Code.

By statute, passage of an ordinance by the Board cannot occur on the day of its introduction, but must wait until the next regular meeting of the Board. Therefore, the Board will be asked to adopt the subject ordinance at the Board’s August 4, 2016 meeting.

If the Tax Measure passes in November, and this Board adopts the ordinance at the August 4, 2016 meeting, then the operative date of the tax ordinance could be as early as April 1, 2017.

ALTERNATIVES:

The Board may choose not to consider Ordinance 2016.01 as introduced at this time. However, a transactions and use tax ordinance does not become operative until the first day of a calendar quarter after at least 110 days have passed since the adoption of the ordinance. Therefore, a delay in the adoption of the Ordinance may delay the operative date of the tax. The Board may also choose not to adopt the Ordinance. But if the Board approves submission of the Tax Measure to the voters in November, it must adopt a retail transaction and use tax Ordinance in order to implement the tax if the Tax Measure passes.

FISCAL IMPACT:

If voters approve the Tax Measure, it would generate an estimated $6.3 billion in 2017 dollars. VTA administration costs of the program would be recovered through direct charges to programs and projects and through VTA's administrative overhead charges.

Prepared by: Evelynn Tran, Assistant General Counsel
Memo No. 5617

ATTACHMENTS:
- Attachment A - ORDINANCE 5 25 16 v2 (PDF)
ORDINANCE NO. 2016.01

AN ORDINANCE OF THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
ENACTING A TRANSACTIONS AND USE TAX, SUBJECT TO ADOPTION BY THE
ELECTORATE, WHICH TAX TO BE ADMINISTERED BY THE STATE BOARD OF
EQUALIZATION

PREAMBLE

WHEREAS, the Board of Directors of the Santa Clara Valley Transportation Authority (VTA) deems it advisable to enact a one-half of one percent retail transactions and use tax ordinance in Santa Clara County, with such tax to be limited to thirty years, for the implementation and construction of transportation projects in order to repair potholes and fix local streets; finish the BART extension through downtown San Jose and to Santa Clara; improve bicycle and pedestrian safety; increase Caltrain capacity, in order to ease highway congestion, and improve safety at crossings; relieve traffic on the expressways and key highway interchanges; and enhance transit for seniors, students, low-income, and disabled.

The Board of Directors of the Santa Clara Valley Transportation Authority ordains as follows:

Section 1. TITLE. This ordinance shall be known as the “Silicon Valley Transportation Solutions Tax Ordinance.” The Santa Clara Valley Transportation Authority hereinafter shall be called “VTA.” This ordinance shall be applicable in the territory of VTA, which is the incorporated and unincorporated territory lying within the County of Santa Clara, which shall be referred to herein as “Territory”.

Section 2. OPERATIVE DATE. "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adoption being as set forth below. This Ordinance shall only become operative if approved by two-thirds of the voters voting on the measure at the November 8, 2016 Election (VTA Measure). The anticipated Operative Date of this Ordinance will be as early as April 1, 2017.

Section 3. PURPOSE. This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose and collect retail transactions and use taxes to be used only for the purposes set forth in the VTA Measure, if approved by the voters on November 8, 2016.

B. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 100250 et. seq. of the Public Utilities Code which authorizes VTA to adopt this tax Ordinance which shall be operative if a two-thirds majority of the electors voting on the measure VTA Measure vote to approve the imposition of the tax at an election called for that purpose.

C. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those
provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

D. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

E. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

Section 4. CONTRACT WITH STATE. Prior to the operative date, VTA shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if VTA shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

Section 5. TRANSACTIONS TAX RATE. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the Territory at the rate of one-half of one percent (0.5%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

Section 6. PLACE OF SALE. For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

Section 7. USE TAX RATE. An excise tax is hereby imposed on the storage, use or other consumption in the Territory of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of one-half of one percent (0.5%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

Section 8. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing
with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

Section 9. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, VTA shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, Victim Compensation & Government Claims Board, State Board of Equalization, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against VTA or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

   a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

   b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The words “within the territory of VTA” shall be substituted for the words "in this State" in the phrase “retailer engaged in business in this State” in Section 6203 and in the definition of that phrase in Section 6203.

Section 10. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

Section 11. EXEMPTIONS AND EXCLUSIONS.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and
county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the Territory which is shipped to a point outside the Territory, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the Territory shall be satisfied:
   a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-Territory address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and
   b. With respect to commercial vehicles, by registration to a place of business out-of-Territory and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this Territory of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.
2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the Territory shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the Territory or participates within the Territory in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the Territory or through any representative, agent, canvasser, solicitor, subsidiary, or person in the Territory under the authority of the retailer.

7. “A retailer engaged in business in the Territory” shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the Territory.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

Section 12. AMENDMENTS. All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation
Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

Section 13. **ENJOINING COLLECTION FORBIDDEN.** No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or VTA, or against any officer of the State or VTA, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

Section 14. **SEVERABILITY.** If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

Section 15. **EFFECTIVE DATE.** This ordinance relates to the levying and collecting of VTA’s transactions and use taxes and shall take effect upon compliance with Public Utilities Code Section 100062.1 and approval by two-thirds of the voters voting on the VTA Measure at the November 8, 2016 Election.

Section 16. **TERMINATION DATE.** The authority to levy the tax imposed by this ordinance shall expire on the thirtieth anniversary of the operative date (with the last operative date anticipated to be March 31, 2047).

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Transportation Authority, State of California, on __________________________, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

____________________________________________
CINDY CHAVEZ, Chairperson

Attest:

____________________________________________
ELAINE BALTAO, Board Secretary

Approved as to Form:

____________________________________________
ROBERT FABELA, General Counsel
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Planning and Program Development, John Ristow

SUBJECT: Measure A Project Funding Recommendation

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

ACTION ITEM

RECOMMENDATION:

Establish funding commitments for the projected available 2000 Measure A revenue and augment the 2000 Measure A Transit Improvement Program Fund Capital Budget by $79,000,000 for the Capitol Expressway Light Rail to Eastridge, Vasona Light Rail Extension/Double Track, and Airport People Mover Connection to Mineta SJ Airport projects.

BACKGROUND:

In November 2000, the voters of Santa Clara County passed Measure A, imposing a ½ cent sales tax for 30 years to fund a list of transit projects outlined in Attachment A. Collection of the new tax began in April of 2006 and will continue until March 2036. The original estimate of total revenue at the time of the 2000 vote was approximately $14 Billion. Due to two economic recessions and now a more conservative revenue estimate, the current total revenue estimate for the 30 year tax has been revised to $7.4 Billion. VTA has been working to deliver the program of projects since early 2001 and Attachment A also provides a summary status of the program of projects to date.

Because of the reduced revenue projection, the VTA Board of Directors has made a series of policy decisions to prioritize projects for investment, development and delivery.

September 7, 2000 - M/S/C (Chavez/LeZotte) to adopt Resolution No. 00.09.58 designating the Downtown/East Valley Transit Improvement Program as VTA’s next priority after the 1996 Measure A + B Transportation Improvement projects.

August 7, 2008 - M/S/C (Liccardo/Pyle) to reaffirm the VTA Board of Directors support for the
Capitol Expressway Light Rail Extension to Eastridge Mall and recommend the continuation of planning and design activities in coordination with the review and approval of the 2000 Measure A Expenditure Plan Light Rail Systems Analysis.

January 8, 2009 - M/S/C (Gage/Pyle) on a vote of 9 Ayes, 1 No and 1 Abstention, to reaffirm as amended the Board’s commitment to the Silicon Valley Rapid Transit Corridor project (BART to Milpitas, San Jose, and Santa Clara); and approve a funding plan for an operable BART segment in Santa Clara County as an assurance for the BART Warm Springs Extension project. Member Kishimoto voted No. Member Reed Abstained.

December 9, 2010 - M/S/C (Herrera/Reed) to Approve the Expenditure Prioritization, Key Financial Principles and Deficit Reduction Targets as recommended by the Ad-Hoc Financial Recovery Committee; include the following language in Principle Number 2: Limit Use of Capital Funding: Revenue collected from the 2000 Measure A Sales Tax shall be dedicated to the delivery of the Measure A Capital Projects maintaining the BART Extension to Santa Clara County as the Board’s adopted first priority. The Board policy of committing only a small share of these funds to support transit service should remain unaltered, to uphold the public commitment to the voters to use these funds for highest-priority capital projects; and further, include the italicized language in the first sentence under Guidance on Expenditure Prioritization to read as follows: “In developing VTA’s Biennial Operating Budget and associated financial plans, VTA shall prioritize its activities for the expenditure of operating funds in the following order:”; 2) Direct staff to prepare the FY 2012 and FY 2013 Biennial Operating Budget according to these recommendations and further direct staff to utilize the Expenditure Prioritization, Key Financial Principles and Deficit Reduction Targets in guiding the Santa Clara Valley Transportation Authority (VTA) to financial sustainability; 3) Convert the deficit reduction targets to percentages; 4) Direct staff to facilitate the creation an internal efficiencies committee comprised of employee representatives; 5) Bring back the recommendations from the Harvey Rose report for consideration during the budget process; and 6) Utilize the Audit Committee for focused engagements.

The actions described above prioritize the BART extension as the highest priority project and Downtown East Valley Project - Capitol Light Rail Extension to Eastridge as the second priority project for the use of 2000 Measure A funds.

This memorandum provides a staff recommendation for commitment and appropriation of 2000 Measure A funds and reaffirms Board prioritization of the 2000 Measure A program of projects.

DISCUSSION:

The staff recommendation for commitment of 2000 Measure A funds is based on previous Board established priority, project readiness, public support and whether the project is dependent on third party actions needed in order to proceed.

VTA has projected a balance of approximately $1.817 Billion in available 2000 Measure A revenue that can be allocated to projects over the remaining life of the program.

BART Phase II Project
As the first Board priority, staff recommends full commitment of the funds to complete the BART Phase II planned funding.

Total Estimated Cost $4,700 Million

Planned Revenue

- $750 Million - State Cap & Trade Funds (Secured Summer 2016)
- $1,500 Million - New Sales Tax Measure (November 2016 Ballot)
- $1,500 Million - Federal New Starts (Secured late 2017)
- $160 Million - Transit Congestion Relief Program (TCRP) Grant
- $790 Million - 2000 Measure A

Total $4,700 Million

Staff recommends a 2000 Measure A commitment to the BART Phase II project of $790 Million plus a $635 Million estimate for debt service financing, potential funding shortfalls from other sources, and cost increase contingency on the project for a total commitment of $1,425 Million.

2000 Measure A Commitment:

- $790 Million Project Funding Plan
- $635 Million Debt Service/Funding Shortfall/Cost Contingency
- $1,425 Million Total 2000 Measure A Commitment

It is important to acknowledge that should funding for BART Phase II not be secured as planned, additional 2000 Measure A funding would need to be programmed to the BART Phase II project to make up for shortfalls in planned funding or cost increases on the project.

Therefore, staff also recommends that until the BART Phase II project has secured all funding required, only funding needed to advance additional projects through pre-construction phases be programmed at this time.

The BART Phase II funding plan schedule is outlined above and is anticipated to be complete by end of 2017 with execution of a federal New Starts Full Funding Grant Agreement.

After full funding commitment to the BART Phase II project, the estimated remaining balance of 2000 Measure A funding is approximately $390 Million.

**Capitol Expressway Light Rail Extension to Eastridge**

As the second priority established by the Board of Directors, staff recommends establishing a commitment to fund the Capitol Expressway Light Rail Extension to Eastridge project of $70 Million to complete design, acquire right of way and relocate utilities in order to prepare the project for construction. This will require an augmentation to the 2000 Measure A Transit Improvement Program Fund Capital Budget of $50 Million.

Total Estimated Cost: $377 Million

Recommended 2016 Commitment: $70 Million

Current Available Appropriation: ($20 Million)
Additional Appropriation Required: $50 Million

**Vasona Light Rail Extension to Vasona Junction**

The Vasona Extension/Doubletrack Project is the only other 2000 Measure A project that is environmentally approved and ready to advance into final design and right of way acquisition, therefore staff recommends a commitment of $40 Million to complete final design and acquire right of way. This will require an augmentation to the 2000 Measure A Transit Improvement Program Fund Capital Budget of $28 Million.

Total Estimated Cost:

<table>
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<tr>
<th>Project</th>
<th>Cost</th>
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</thead>
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<tr>
<td>LRT Extension Project</td>
<td>$174 Million</td>
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<tr>
<td>Doubletrack/Platform Extensions</td>
<td>$173 Million</td>
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<tr>
<td>Total</td>
<td>$347 Million</td>
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</table>

Recommended 2016 Commitment: $40 Million
Current Available Appropriation: ($12 Million)
Additional Appropriation Required: $28 Million

**Airport People Mover Rail Connection to Airport**

The Airport People Mover project has completed a conceptual vehicle technology level analysis to date. Staff is recommending to commit $3 Million 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, San Jose Airport, High Speed Rail and likely the private sector in order to develop and fund a fixed rail connection to the airport. This will require an augmentation to the 2000 Measure A Transit Improvement Program Fund Capital Budget of $1 Million.

Estimated Cost: $600-800 Million

Recommended 2016 Commitment: $3 Million
Current Available Appropriation: ($2 Million)
Additional Appropriation Required: $1 Million

**Other 2000 Measure A Projects**

The El Camino Real and Stevens Creek BRT projects still require final approval of project scope through environmental clearance. The VTA Staff recommendation is to maintain the existing 2000 Measure A funding included in the FY16 2000 Measure A Budget for these projects at this time.

The remaining projects in 2000 Measure A require either further development of third party projects such as the Caltrain Modernization Program and High Speed Rail Project in order to
determine any remaining VTA responsibility. Therefore, staff does not recommend any additional 2000 Measure A funding commitment at this time.

The total additional appropriation requested for the 2000 Measure A Transit Improvement Program Fund Capital Budget is as follows:

Capitol Expressway Light Rail Extension to Eastridge: $50 Million
Vasona Light Rail Extension to Vasona Junction: $28 Million
Airport People Mover Rail Connection to Airport: $1 Million
Total Appropriation: $79 Million

Following Board of Directors approval of these funding commitments and appropriations, staff will initiate project development work on Capitol Light Rail, Vasona Light Rail and Airport People mover projects and continue work on the BRT projects.

**ALTERNATIVES:**

The Board of Directors could choose a different priority for allocation of the available 2000 Measure A funding.

**FISCAL IMPACT:**

This action will add $79,000,000 to the 2000 Measure A Transit Improvement Program Fund Capital Budget for the Capitol Expressway Light Rail to Eastridge, Vasona Light Rail Extension/Double Track, and Airport People Mover Connection to Mineta SJ Airport projects. The action will also establish a Board commitment of $1,425 Million for the BART Phase II project.

**ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:**

The Citizens Advisory Committee reviewed this item at their May 11, 2016, meeting. The Committee asked several questions regarding the status of Measure A projects and voted unanimously to approve staff recommendation and forwarded the item to the Board of Directors for approval.

The Technical Advisory Committee voted unanimously to approve the item at their May 12, 2016, meeting and forwarded the item to the VTA Board of Directors for approval.

The Policy Advisory Committee reviewed this item at their May 12, 2016, meeting. The Committee asked several questions regarding the status of Caltrain Corridor projects and asked about the costs of the LRT extensions. The Committee approved the item and forwarded the item to the VTA Board of Directors for approval.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Congestion Management Program & Planning (CMPP) and Administration & Finance (A&F) Committees received this item at their respective May 19, 2016, meetings. Both committees had robust discussion on the projects listed, timing of moving the projects forward,
and on ensuring that the process of moving the recommended projects forward be transparent. The CMPP and A&F Committees voted unanimously to approve the item and forward it to the VTA Board of Directors for approval.

Prepared by: John Ristow
Memo No. 5563

ATTACHMENTS:

- Attachment_A_MT_5563 (PDF)
### 2000 MEASURE A TRANSIT IMPROVEMENT PROGRAM

#### STATUS

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<th>Measure</th>
<th>Description</th>
<th>Status</th>
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<td>1-1 BART SV Program Development, Implementation &amp; Warm Springs</td>
<td>BART - Silicon Valley Program Development &amp; Implementation</td>
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<td>Warm Springs Extension (WSX) - VTA Share</td>
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<td></td>
<td>BART Transit Integration Analysis &amp; Improvements</td>
<td>Ongoing</td>
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<tr>
<td></td>
<td>N. First St. Speed Improvements &amp; First St./Tasman Ave. Modifications</td>
<td>Ongoing</td>
</tr>
<tr>
<td>2 - Provide Connection from Mineta San Jose International Airport to BART, Caltrain and VTA Light Rail</td>
<td>Mineta San Jose Airport People Mover</td>
<td>Inactive - PRT technology not ready</td>
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<td>3 - Extend Light Rail from Downtown San Jose to The East Valley</td>
<td>Downtown East Valley Planning &amp; Conceptual Engineering</td>
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<td></td>
<td>Downtown East Valley Environmental &amp; 90% CELR</td>
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<td>Capitol Expressway Light Rail - Pedestrian Improvements</td>
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<td></td>
<td>Capitol Expressway Light Rail - Eastridge Transit Center</td>
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<td></td>
<td>Capitol Expressway Light Rail Phase II: Light Rail to Eastridge</td>
<td>Awaiting Funding</td>
</tr>
<tr>
<td>4 - Low Floor Light Rail Vehicles</td>
<td>Low Floor Light Rail Vehicles</td>
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</tr>
<tr>
<td>5 - Improve Caltrain: Double Track to Gilroy &amp; Electrify from Palo Alto to Gilroy</td>
<td>Caltrain South County Capacity Improvements</td>
<td>Pending CA High Speed Rail</td>
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<td></td>
<td>Caltrain Electrification/High Speed Rail</td>
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<td>Caltrain Electrification Early Investment Program (VTA Share)</td>
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<td>6 - Caltrain Service Upgrades</td>
<td>Caltrain Service Upgrades</td>
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<td></td>
<td>Caltrain Improvement Plan</td>
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<td>Bike Sharing Pilot Project</td>
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<td>Caltrain Mountain View Parking Structure</td>
<td>Pending CA High Speed Rail</td>
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<td></td>
<td>Caltrain/Union Pacific Blossom Hill Pedestrian Grade Separation</td>
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<td>Caltrain Safety Enhancements</td>
<td>Next Phase Pending CA High Speed Rail</td>
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<td>Santa Clara Station Pedestrian Underpass Extension</td>
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<td></td>
<td>Santa Clara &amp; San Jose Diridon Station Upgrades</td>
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<td>7 - Palo Alto Intermodal Transit Center</td>
<td>Palo Alto Intermodal Transit Center</td>
<td>Pending CA High Speed Rail</td>
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<td>8 - Improve Bus Service in Major Corridors</td>
<td>Bus Rapid Transit Strategic Plan</td>
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<td>Highway-Based Bus Rapid Transit Alternatives Analysis</td>
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<td>Alum Rock/Santa Clara Bus Rapid Transit</td>
<td>Construction</td>
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<td>Stevens Creek Bus Rapid Transit</td>
<td>Planning - Awaiting Funding</td>
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<td>El Camino Real Bus Rapid Transit</td>
<td>Environmental - Awaiting Funding</td>
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<td>Procurement of 40 Bus Rapid Transit Buses</td>
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<td>Bus Rapid Transit Modifications - Chaboya &amp; North Divisions</td>
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<td>Money Counting Facility Replacement</td>
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<td>DeAnza College Transit Center Improvements</td>
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<td>9 - Upgrade Altamont Commuter Express (ACE)</td>
<td>Included in Santa Clara and San Jose Diridon Station Upgrade</td>
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<td>10 - Improve Highway 17 Express Bus Service</td>
<td>Improve Highway 17 Express Bus Service</td>
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<td>11 - Connect Caltrain with Dumbarton Rail Corridor</td>
<td>Dumbarton Rail Corridor</td>
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<td>12 - Purchase Zero-Emission Buses &amp; Construct Service Facilities</td>
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<td></td>
<td>Zero-Emission Bus Facility Improvements</td>
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<td>13 - Develop New LR Corridors</td>
<td>New Rail Corridors Study</td>
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<td>Light Rail System Analysis</td>
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<td>Southern Light Rail Express</td>
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<td>Light Rail Transit Extension to Vasona Junction</td>
<td>Awaiting Funding</td>
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<td>Winchester Light Rail Double Track &amp; Platform Extension</td>
<td>Awaiting Funding</td>
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<td>14 - Fund Operating &amp; Maintenance Costs for Increased Bus, Rail &amp; Paratransit Service</td>
<td>-</td>
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BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Financial Officer, Raj Srinath

SUBJECT: Vasona Light Rail Property Acquisition

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute all documents required for VTA’s acquisition of the requisite right-of-way for the Vasona Light Rail Extension/Double Track Project (“Project”), including: purchase and sale agreements, possession and use agreements and other real estate documents related thereto.

BACKGROUND:

The Vasona Corridor Light Rail Transit Project (“Vasona Project”) was a 6.8 mile extension of VTA’s light rail system from downtown San Jose, through the City of Campbell and into the Town of Los Gatos. The first 5.2 miles of the Vasona Project has been completed and connects downtown San Jose and the Winchester Station in Campbell. Due to lack of sufficient funding at the time, the southernmost 1.6 mile portion of the Vasona Project between the Winchester Station and the Vasona Junction Station was not constructed. The current Project to construct the 1.6 mile extension will complete the originally planned Vasona Corridor.

The Project is environmentally approved and ready to advance into final design and right-of-way acquisition. Funding will be appropriated through 2000 Measure A funds, which appropriation request has been submitted to the Board for consideration at its June 2, 2016 meeting (Board Memo No. 5563).
DISCUSSION:

In order to effectuate the Project, VTA must acquire certain public and private property at fair market value. The Board, in its discretion, may delegate to the General Manager its power to approve and execute real property purchase agreements and possession and use agreements required for the Project, pursuant to Section 5-3 of the Administrative Code.

Staff therefore proposes that the Board delegate to the General Manager the authority to execute all documents: (i) necessary for the acquisition of the right of way and (ii) to allow VTA to acquire possession and use of certain properties prior to completion of the transaction to purchase the property.

In all situations every effort will be made to acquire the requisite rights through a negotiated settlement rather than through litigation. All property transactions will clearly follow VTA’s obligations under the law. In those situations where a property may be acquired by eminent domain, VTA will follow the requirements of Government Code Section 72676.2 and appraise any property prior to making an initial offer.

Even with this delegation, the Board retains approval authority over the property acquisitions. First, where any property acquisition fails to meet the specified criteria, Staff will present it to the Board for approval. Second, the Board will retain approval authority for any Resolutions of Necessity that may be necessary for properties that have not been acquired through negotiations and for which eminent domain proceedings must be instituted.

ALTERNATIVES:

The Board of Directors could decline to provide the requested authorization to the General Manager for acquisition of right of way properties necessary for the Project, or grant the authorization in a lesser or greater amount. Declining to grant or limiting the authority may, however, result in property acquisition delays as each acquisition would need specific Board approval, causing Project schedule delays.

FISCAL IMPACT:

There is no direct fiscal impact as a result of this action.

Prepared by: Ron Golem
Memo No. 5611
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
    Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Director of Government Affairs, Jim Lawson

SUBJECT: Seven-Party Regional Funding Supplement to the 2012 High Speed Rail Early Investment Strategy for the Peninsula Corridor Electrification Project (PCEP)

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

ACTION ITEM

RECOMMENDATION:

Authorize the General Manager to execute the Seven-Party Regional Funding Supplement to the 2012 Nine-Party Memorandum of Understanding (MOU) for the Peninsula Corridor Electrification Project (PCEP). This MOU supplement provides an additional financial commitment of $20 million to address a portion of the PCEP funding gap.

BACKGROUND:

In 2012, the Caltrain Joint Powers Board (Caltrain), VTA and seven other agencies, entered into a Memorandum of Understanding (MOU) for the High Speed Rail Early Investment Strategy for a Blended System in the San Francisco to San Jose Segment known as the Peninsula Corridor of the Statewide High-Speed Rail System. This Nine-Party MOU outlined financial contributions totaling $1.456 billion for the two projects: Peninsula Corridor Electrification Program (PCEP) and the Advanced Signal System/Positive Train Control. The PCEP cost was estimated at $1.225 billion in the Nine-Party MOU. Each of the Caltrain partners committed to a $60 million contribution apiece in the Nine-Party MOU for the two projects. VTA met this commitment with 2000 Measure A funds and also provided an additional $27 million in Prop 1A Connectivity funds.

In 2014, Caltrain conducted a cost estimate study to update the results of the previous cost estimate performed in 2008 for the PCEP. The results of the revised cost estimate and the additional project contingency have increased the total anticipated PCEP budget to $1.98 billion and necessitated additional regional funding commitments to address this $524 million budget.
DISCUSSION:

The seven parties named in this MOU Supplement have committed to the following additional funding contributions for PCEP:

- $20 million from VTA
- $20 million from San Mateo County Transportation Authority (TA)
- $20 million from the San Francisco County Transportation Authority/City and County of San Francisco (SFCTA/CCSF)
- $113 million from the California High Speed Rail Authority
- $28.4 million from Metropolitan Transportation Commission (MTC)
- $9 million from Caltrain
  - $210.4 million Total

Caltrain anticipates closing the remainder of the funding gap ($313.6 million) with state and federal grant funding. Caltrain is currently working to secure $225 million in cap-and-trade funding through the California State Transit and Intercity Rail Capital Program and $647 million through the FTA’s Core Capacity Grant program. Under the terms of this new agreement, $125 million in previously identified Federal Transportation Administration (FTA) funds for the PCEP, originally included in the 2012 MOU, will be utilized instead to advance immediate Caltrain state-of-good-repair projects to maintain existing Caltrain operations resulting in an increase in the budget gap from $524 million to $649 million.

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Nine Party MOU</td>
<td>$1.456 billion</td>
</tr>
<tr>
<td>Less FTA Funds</td>
<td>$125 million</td>
</tr>
<tr>
<td>Nine Party MOU Net</td>
<td>$1.331 billion</td>
</tr>
<tr>
<td>Revised Estimate</td>
<td>$1.98 billion</td>
</tr>
<tr>
<td>Net Shortfall</td>
<td>$649 million</td>
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</table>

This Seven Party Supplement requested here helps to close the funding gap and will provide the necessary funding to award contracts for Electrification and the purchase of Electric Multiple Units (EMUs) to operate on the electrified system.

The Seven-Party Supplement includes several provisions designed to ensure that these additional project costs are shared fairly amongst the partner agencies. First, the $20 million contributions from VTA, TA and SFCTA/CCSF are contingent on the approval of equal contributions from the other two JPB partners. Secondly, if overall program costs fall below the financial commitments outlined above, then these commitments will be reduced proportionally according to their respective additional shares. Finally, if program costs exceed the estimated $1.98 billion or if the project is awarded less than $647 million in FTA Core Capacity funds, then all parties to both the 2012 MOU and the 2016 Supplement will discuss project scope adjustments and strategies to secure additional funding.
**ALTERNATIVES:**

The Board could choose not to adopt the Seven-Party Regional Funding Supplement. This would prevent Caltrain from awarding a limited notice to proceed in July, would increase financial risk to the project, and make it more difficult for Caltrain to secure state and federal funds to complete the project.

**FISCAL IMPACT:**

This action will commit VTA to contributing an additional $20 million toward the Peninsula Corridor Electrification Project, with the fund source and timing to be determined with a subsequent VTA Board approval in consultation with Caltrain. It is anticipated that formula Cap and Trade funds over the next five years will be used for this purpose. This contribution is contingent on the San Mateo County Transportation Authority and the San Francisco County Transportation Authority/City and County of San Francisco approving equal contributions. Appropriation for the additional commitment will be requested when required.

Prepared by: Aaron Quigley  
Memo No. 5623

**ATTACHMENTS:**

- Cal Mod 7 party MOU Supplement_Final  (PDF)
SEVEN PARTY SUPPLEMENT TO
2012 MEMORANDUM OF UNDERSTANDING (MOU)

FINANCIAL COMMITMENTS TO ADDRESS FUNDING GAP FOR
THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT

BY AND AMONG THE FOLLOWING PARTIES (PARTIES)

SAN MATEO COUNTY TRANSPORTATION AUTHORITY (SMCTA)
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)
CITY AND COUNTY OF SAN FRANCISCO (CCSF)
SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY (SFCTA)
METROPOLITAN TRANSPORTATION COMMISSION (MTC)
PENINSULA CORRIDOR JOINT POWERS BOARD (JPB)
CALIFORNIA HIGH SPEED RAIL AUTHORITY (CHSRA)
RECITALS

WHEREAS, during the spring of 2012, the California High Speed Rail Authority (CHSRA) and the Peninsula Corridor Joint Powers Board (PCJPB), together with the Metropolitan Transportation Commission (MTC), the San Francisco County Transportation Authority (SFCTA), the Santa Clara Valley Transportation Authority (VTA), the City of San Jose, the City and County of San Francisco (CCSF), the San Mateo County Transportation Authority (SMCTA), and the Transbay Joint Powers Authority entered into a Memorandum of Understanding that adopted an early investment strategy pertaining to the Blended System in the San Francisco to San Jose Segment of the Peninsula Rail Corridor (the "2012 Nine-Party MOU"), a copy of which is attached hereto as Exhibit A and incorporated herein by this reference;

WHEREAS, the 2012 Nine-Party MOU identifies two principal inter-related projects as essential to the early investment strategy: (1) the Peninsula Corridor Electrification Project, including associated rolling stock acquisition (the PCEP), and (2) construction of an advanced signal system, commonly known as the PCJPB's "CBOSS" project, which will incorporate federally mandated Positive Train Control (collectively, the "Early Investment Projects");

WHEREAS, the Parties to the 2012 Nine-Party MOU agreed to work together to identify the appropriate amounts and types of local resources that may be used to support the completion of the Early Investment Projects and to coordinate efforts to obtain funding using a mutually agreed-upon strategy, and in the event that funding for the program is constrained by statute, rescission of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the Parties agreed to take steps to notify each other as needed in a timely manner;

WHEREAS, $125 million in FTA funds identified in the 2012 Early Investment Strategy funding plan included in the 2012 Nine-Party MOU is needed by the PCJPB to advance critical state of good repair improvements necessary to maintain existing Caltrain operations, and the PCJPB has requested to remove these funds from the early investment funding strategy, which would create a $125 million funding gap; and

WHEREAS, a note to the 2012 early investment strategy funding plan included in the 2012 Nine-Party MOU indicated that other potential future funding sources could be substituted if secured;

WHEREAS, the PCJPB conducted a cost estimate study for the PCEP in 2014 to update the 2008 cost estimate on which the 2012 Nine-Party MOU funding strategy for the PCEP was based, and the PCJPB has since included additional program contingency to the PCEP, such that the total anticipated budget for the PCEP is up to $1.980 billion, which includes costs covering the contracts, program management, and contingency costs;

WHEREAS, the Parties to this Seven-Party Supplement (Supplement) have met and discussed with all parties to the 2012 Nine-Party MOU additional funding needed for the PCEP to support contract award and have agreed to the funding commitments specified herein;

NOW, THEREFORE, it is mutually understood and agreed to by the PARTIES as follows:

1. To fully fund the PCEP, the parties to this Supplement commit to make the funding available to support the PCEP as set forth below. This funding is in addition to funding commitments
previously made by these parties in the 2012 Nine-Party MOU.

   a. The SMCTA will contribute an additional $20 million;

   b. The VTA will contribute an additional $20 million;

   c. The SFCTA and/or the CCSF will contribute an additional $20 million;

   (For SMCTA, VTA, and SFCTA and/or CCSF, each agency's contribution is contingent upon the $20 million each from the other two JPB partners, with the exact manner and timing of the contributions to be worked out with the JPB.)

   d. The MTC will program $28.4 million from Regional Measures 1 and 2;

   e. The PCJPB will contribute $9 million from funding provided by formula to Caltrain through the State of California’s Low Carbon Transit Operations Program; and

   f. The CHSRA will contribute an additional $113 million.

2. The Parties to this Supplement also support the PCJPB’s efforts to obtain $647 million from FTA’s Core Capacity Grant Program for the PCEP as a regional priority. The $647 million would help provide funding needed for the PCEP, as well as funding to support a larger contingency set-aside for the PCEP program.

3. The Parties to this Supplement understand PCJPB has requested $225 million from the California State Transportation Agency’s Transit & Intercity Rail Capital Program (Cap & Trade TIRCP) to support the PCEP, as contemplated in the 2012 Nine-Party MOU. These funds will be prioritized for PCEP and will be used to backfill any shortfall in requested FTA Core Capacity funds. If available, funding not needed for PCEP will be used to replace the remaining Caltrain diesel vehicles with Electric Multiple Units (EMUs). The exact remaining number of vehicles to be replaced will be contingent on the final Cap & Trade TIRCP grant award.

4. The parties to this Supplement also agree that, with the additional funding sources, $125 million in FTA funds identified in the 2012 Early Investment Strategy funding plan will no longer be needed for the PCEP, and will instead be programmed by the MTC to the JPB to advance critical Caltrain state of good repair improvements through MTC’s established regional Transit Capital Priorities process.

5. The total anticipated amount of funding to be secured for the PCEP will be $1.980 billion, which includes the funding sources outlined above in paragraphs 1, 2, and 3, along with the original funding sources in the 2012 Nine-Party MOU except the $125 million noted in paragraph 4 above. The revised funding plan for the PCEP reflecting the changes described herein is attached as Exhibit B.

6. The parties to this supplement agree to continue, through regular meetings, to provide opportunity for all nine parties to the 2012 Nine-Party MOU to discuss, review, and/or comment on relevant project matters and collectively provide advisory oversight to help advance the PCEP.

7. If overall program costs reflect a financial commitment that is below the funding plan of $1.980 billion, funding commitments from the parties to this Supplement will be reduced
proportionally according to their respective additional shares as stated in this Supplement.

8. In the event overall program costs reflect a financial commitment that is above the funding plan of $1.980 billion, or if the FTA Core Capacity funds are awarded at less than $647 million, the parties to this Supplement will discuss with all parties to the 2012 Nine-Party MOU how to secure additional funding beyond what is presently identified, and/or discuss project scope adjustments to match to funding availability.

9. The parties to the 2012 Nine-Party MOU will also discuss and agree on program oversight roles for the funding partners prior to the award of the PCEP contracts.
IN WITNESS WHEREOF, this MOU has been executed by the PARTIES hereto as of the day and year indicated next to each signature, with the final signature date constituting the effective date.

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Date</th>
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<tbody>
<tr>
<td>Jim Hartnett, Executive Director</td>
<td>Peninsula Corridor Joint Powers Board and San Mateo County Transportation Authority</td>
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<tr>
<td>Nuria Fernandez, General Manager/CEO</td>
<td>Santa Clara Valley Transportation Authority</td>
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</tr>
<tr>
<td>Edwin M. Lee, Mayor</td>
<td>City and County of San Francisco</td>
<td></td>
</tr>
<tr>
<td>Tilly Chang, Executive Director</td>
<td>San Francisco County Transportation Authority</td>
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<tr>
<td>Steve Heminger, Executive Director</td>
<td>Metropolitan Transportation Commission</td>
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<tr>
<td>Jeff Morales, Chief Executive Officer</td>
<td>California High Speed Rail Authority</td>
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</tr>
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</table>
APPROVED AS TO FORM BY:

| Attorney for Peninsula Corridor Joint Powers Board and San Mateo County Transportation Authority | Date |
| Attorney for Santa Clara Valley Transportation Authority | Date |
| Attorney for City and County of San Francisco | Date |
| Attorney for San Francisco County Transportation Authority | Date |
| Attorney for Metropolitan Transportation Commission | Date |
| Attorney for California High Speed Rail Authority | Date |
BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
   Board of Directors

THROUGH: General Manager, Nuria I. Fernandez

FROM: Chief Financial Officer, Raj Srinath

SUBJECT: Revisions to Joint Development Policy

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

ACTION ITEM

RECOMMENDATION:

Approve revisions to VTA’s Joint Development Policy.

BACKGROUND:

The current Joint Development Policy Guidance Documents were adopted by the Board of Directors in 2009, and have not been significantly revised since then aside from the recent adoption of VTA’s Affordable Housing Policy. Since creation of the Joint Development Fund as part of the policy, the balance in the Fund has grown to approximately $29 million, which provides resources to advance implementation of Joint Development projects and support intensification of land uses. VTA’s understanding of the opportunities and challenges associated with Joint Development have increased since adoption of the Policy, setting the stage for revisions that facilitate an expanded Joint Development Program particularly with BART Phase 2, new Bus Rapid Transit lines, and other future transit system extensions.

DISCUSSION:

Staff recommends revisions to the Preamble and Part I: Joint Development Policy sections of VTA’s Joint Development Policy Guidance Documents that will create an enhanced joint development, including: authority for acquisition of new sites for joint development, including as part of transit system expansions; expanded use of the Joint Development Fund for site acquisition, incentives to support land use intensification, and other one-time uses; language requiring joint development to be done via long-term ground leases unless otherwise approved by the Board of Directors; creation and use of Joint Development Program portfolio return metrics to measure long-term benefits; authority for the General Manager to negotiate...
agreements and make expenditures from the Joint Development Fund consistent with existing Administrative Code authority for the General Fund; incorporation of community workforce opportunities into joint development projects; references to affordable housing based on the recently adopted Affordable Housing Policy in Part II: Implementation Plan; and other revisions to provide clarification.

The recommended revisions to the Joint Development Policy are shown in redline form in “Attachment A” to this memorandum.

As noted in the recent Joint Development Program update, VTA seeks to issue multiple competitive developer offerings for Joint Development opportunities. There remain considerable opportunities for VTA, through its Joint Development projects and working with other Transit-Oriented Development adjacent to VTA transit stations, to advance greater intensification of land uses and better linkages between growth and VTA’s transit investments.

Staff, in recommending revisions to the Policy, seeks to provide policy authorization for a wide range of new or expanded activities to allow acquisition of additional sites to increase the Joint Development portfolio and number of future Joint Development projects; broader use of the Joint Development Fund, including incentives to intensify land uses; and policy language for incorporation of community workforce opportunities, such as apprenticeship programs into Joint Development projects. Future Board of Directors approval would be required for all actions or programs based on the new policy authorizations.

VTA’s practice has been to pursue Joint Development through long-term ground leases with developers, however this has never been adopted as policy even though it maximizes long-term revenues from Joint Development projects. The proposed Policy revisions would make this explicit, while allowing the Board of Directors to make exceptions in extraordinary situations.

An expanded Joint Development Program would result in a significant increase in workload for VTA. To facilitate more efficient and effective implementation, Staff proposes that the General Manager be provided authority to enter into agreements and make expenditures from the Joint Development Fund under $500,000 consistent with current Administrative Code provisions for General Fund expenditures.

Finally, other changes relate to the recent adoption of the Affordable Housing Policy, or other existing policies or practices that are not currently in the Joint Development Policy.

**ALTERNATIVES:**

The Board could approve a more limited set of revisions, or request Staff to provide additional information or re-evaluate certain aspects of the proposed policy changes.

**FISCAL IMPACT:**

Adoption of revisions to the Joint Development Policy that result in additional joint development projects would significantly increase the proceeds that VTA receives from these projects.

**ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:**
The Technical Advisory Committee and Policy Advisory Committee heard this item on May 12, 2016. The committees approved this item on their consent agenda.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

The Administration and Finance Committee heard this item on May 19, 2016. This item passed unanimously.

Prepared by: Ron Golem
Memo No. 5591

**ATTACHMENTS:**

- Attachment A, Joint Development Policy (PDF)
The Santa Clara Valley Transportation Authority (VTA) has an extensive portfolio of real estate assets, many of which are underutilized and/or have potential for transit-oriented development. VTA recognizes the importance of VTA’s ongoing expansion of its transit system, including Bus Rapid Transit, light-rail, and other modes, also presents important opportunities to acquire additional real estate assets to support further transit-oriented development. VTA recognizes the importance of acquiring and developing these real estate assets, as reflected in the agency’s creation and ongoing support of the Joint Development Program (JDP). Operating under the CMA division of VTA, the Real Estate & Joint Development Department. The JDP has primary organizational responsibility for managing the process by which development of VTA’s real estate assets occurs.

To ensure the success of the JDP, the VTA Board of Directors has mandated this major organizational effort be guided in principle and procedure by the Joint Development Policy (Part I of the JDP Guidance Documents) and the Joint Development Implementation Plan (Part II of the JDP Guidance Documents), both as adopted on [date], 2009. These two documents, along with this Preamble, together replace in its entirety the previously adopted Joint Development Policy, as last amended by the VTA Board of Directors on May 3, 2007, as amended by the Board from time to time.

The Joint Development Policy sets forth the fundamental principles that guide the JDP. This document articulates the primary goal of VTA’s JDP as that of providing appropriate stewardship of VTA’s real estate assets through maximization of their respective economic values. Secondary goals of the JDP are to create vibrant community assets in the form of transit-oriented development that includes affordable housing and enhance VTA’s transit operations through improvements in ridership and infrastructure. All of these goals shall be accomplished through a consensus driven, broad-based site-appropriate development process which includes both comprehensive intra-agency coordination and extensive collaboration with external stakeholders both interested in and affected by VTA’s JDP.

The Joint Development Implementation Plan, which comprises Part II of this document, lays out procedures that expand upon the core principles articulated in Part I. Together, these principles and procedures outline an intentioned path for VTA staff to follow to achieve success for the JDP. Starting with priority-setting of VTA’s joint development assets, this path includes procedures for collaborative identification of site-appropriate development concepts, competitive developer selection processes, and industry standard legal instruments for effective public-private partnerships with selected developers. The Joint Development Implementation Plan also specifies VTA processes to ensure intra-
agency consultation and guidance, collaboration with affected localities, and an open public participation process.

PART I: JOINT-DEVELOPMENT POLICY

I. MISSION STATEMENT

The mission of VTA’s Joint Development Program is to provide appropriate stewardship of VTA’s real estate assets by maximizing their respective economic values through consensus-driven, site-appropriate development that also increases transit ridership, creates vibrant community assets and enhances the long-term life of VTA’s facilities.

II. GOALS

The goals of the Joint Development Program are set forth below, in priority order. These goals and their respective priorities shall inform the entire arc of development pursued under the Joint Development Program. In instances where a conflict appears either among these goals or between these goals and the interests of stakeholders, these goals and their respective priorities shall govern VTA’s actions.

A. Revenue. To provide a long-term, stable source of revenue for VTA by obtaining fair market value on the sale or lease of its real property assets through an open and competitive process.

B. Transit-Oriented Development. To carry out transit-oriented development, where appropriate, that provides the highest and best use of each site, conforms to the regulations of the affected jurisdiction in which the site is located, provides affordable housing, and achieves the goals set forth in VTA’s Community Design and Transportation Manual for high quality design and community benefits. This includes acquisition of new sites and use of construction staging areas for joint development, in accordance with applicable funding and regulatory requirements, in order to create additional projects.

C. Transit Operations. To create development that results in ridership growth on VTA’s multi-modal transit system and/or enhances VTA’s operational infrastructure. This includes evaluation of all new transit projects, including their construction staging areas, for the potential to create additional sites for joint development, consistent with applicable funding and regulatory requirements.

III. OBJECTIVES

The aforementioned Goals shall be met through implementation of the following Objectives, as each may be further articulated in Part II, the Joint Development Implementation Plan.
A. REVENUE

1. Return on Investment. For each Joint Development asset, VTA shall achieve a rate of return over the life of the asset that is competitive in the market and reflects fair market value. VTA will maximize long-term returns by entering into joint development projects through long-term ground leases with significant participation to share in project upside, except as otherwise approved by the VTA Board of Directors. VTA will develop portfolio return metrics to evaluate the long-term benefits from the joint development program, including increases in ridership.

2. Participation in Asset Value Increase. For each Joint Development asset involving a long-term lease, VTA shall seek financial participation in the increase in the asset’s value over time in the form of market competitive contractual mechanisms.

3. Use of Proceeds. Proceeds from the Joint Development Program shall be set aside in a special fund within the VTA’s fiscal organization and shall be appropriated for use from this fund for the continued operation and development of the agency, as determined by the VTA Board of Directors from time to time through formal actions. These uses include support for increased land-use density to support joint development and transit-oriented development around station areas and along transit corridors, as well as other one-time uses.

The General Manager is authorized to negotiate and execute agreements and expend funds to support implementation of the Joint Development Policy, provided such agreements and expenditures are consistent with the Administrative Code.

B. TRANSIT-ORIENTED DEVELOPMENT

1. High Density Development. Residential development projects pursued under the Joint Development Program shall strive to provide higher density consistent with transit-oriented development best practices at VTA’s major transit nodes and the downtown or core areas of the local jurisdictions in which the projects are situated.

2. Land Use Policies. Development projects pursued under the Joint Development Program shall comply with all the review and approval policies and procedures of the local jurisdictions in which the respective projects are sited. The Joint Development Program shall work with local jurisdictions in support of higher-density land uses consistent with transit-oriented development best practices.

3. Stakeholder Interests. Development projects pursued under the Joint Development Program shall address stakeholder interests to the extent consistent with the Joint Development Policy. This may include creation of community workforce opportunities.

4. Urban Design Standards. Development projects pursued under the Joint Development Program shall strive to incorporate the urban design concepts, principles and guidance set forth in VTA’s Community Design and Transportation Program, the urban design
standards of the localities with jurisdiction over them, and the “best practices” identified by industry leaders in transit-oriented development.

5. Site Circulation. Development projects pursued under the Joint Development Program shall incorporate efficient and safe vehicular, bicycle and pedestrian circulation and promote convenient, accessible and safe connections to transit service.

6. Project Parking. Each development project shall provide parking commensurate with demand forecasts and smart growth principles resulting from site evaluation documents. These documents may include environmental impact reports, on-site and off-site parking analyses, shuttle and bus linkages, and non-physical solutions to parking that are consistent with local jurisdiction requirements.

C. TRANSIT OPERATIONS

1. Transit and Ridership Improvements. Development projects pursued under the Joint Development Program shall strive to include physical improvements and/or transit programs that encourage utilization of multi-modal transit services and increase long-term ridership.

2. VTA Operational Requirements. The Joint Development Program shall be implemented in a manner that is mindful of VTA’s necessity to manage costs, maximize revenues and balance system expansion with the maintenance of existing service.

3. Replacement Parking. For any development project pursued at a VTA park-and—ride lots, a site-by-site analysis shall be undertaken to determine the appropriate level at which existing parking should be replaced, with full consideration of the relative growth in future ridership that can result from dense joint development versus provision of future parking spaces.
FOR INFORMATION ONLY

Silicon Valley Berryessa Extension Project

Significant activities and progress on VTA’s BART Silicon Valley Berryessa Extension Project continued during May 2016. Key activities that occurred throughout the 10-mile extension include the following:

Construction Update

- **Fremont and central Milpitas.** Work continued with drainage installation and duct bank/cable trough placement along at-grade segments of the guideway. Fencing installation along the guideway and at systems facilities is ongoing. Placement of tire derived aggregate (TDA) energy absorbing material and track sub-ballast was completed, with track installation continuing along the northern section of the guideway, near the tie-in to BART's Warm Springs Extension and in Milpitas between Calaveras Boulevard and Montague Expressway. Installation of the electrical contact rail also continued throughout the month.

- **Dixon Landing Road.** Work continued on features such as area lighting within the trench and the fire suppression system. The floating slab structure within the area has been completed and track installation continues. Ballasted track construction has begun along the guideway to the north side of the Dixon Landing Trench. Installation of other trackwork, such as resilient ties and direct fixation, are underway within the Dixon Landing Trench.

- **Milpitas Station -** Work continued on the station’s roofing system, fire suppression system, water supply, exterior wall sheathing, and ancillary buildings. On the station platform level, work continued on features including the floor slabs, stairways, escalators, ceiling, mezzanine, fireproofing, and sheetrock of interior station rooms.
The concrete decking for the pedestrian overcrossing to VTA’s Montague Light Rail Station has been completed.

- **Milpitas Parking Garage.** Crews have completed the sixth level parking deck. Construction of interior operations rooms, elevator exterior walls, and mechanical, electrical and plumbing elements continued.

- **Sierra-Lundy Intersection.** Crews continued to backfill over the completed trench structure in preparation of intersection grading and restoration. Removal of support of excavation (SOE) materials has been completed. Roadway restoration work continues on the southwest side of intersection. Full roadway reconstruction, signal activation and reopening is planned for July 2016.

- **Berryessa Station.** Construction of the station’s ancillary buildings continued, with foundations, walls and roofing elements finished or near completion. Construction continued on the station stairways and escalators, overhead fire suppression lines, domestic water lines and water drainage lines. Preparation continued for pouring the concrete deck for the station’s end-of-line operations building. Sanitary sewer and storm drain work has been completed, with work continuing on the station’s surface parking lot, sound wall and off-site work on Mabury Road.

- **Berryessa Parking Structure.** Elevator installation has begun. Construction of interior operations rooms, mechanical, electrical and plumbing elements, and the fire access road between the guideway and parking structure continued.

**Communications and Outreach**

In the City of Milpitas, staff conducted door-to-door outreach to local residents regarding extended work hours necessary for track installation near Dixon Landing Road. Staff also issued a traffic advisory for work related to the restoration of Capitol Avenue, which will occur over the next four months. Support was also provided to the City of Milpitas for meetings with property owners regarding the planned Montague Expressway pedestrian overcrossing contemplated in the City’s Transit Area Specific Plan.

In the City of San Jose, staff continued its outreach to residents regarding the final removal of support of excavation materials near the Sierra Road and Lundy Avenue intersection. Outreach was also conducted to areas neighboring the Berryessa Station campus regarding off-site utility relocation work near Lenfest Road and Salamoni Court.

**SVBX Budget**

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
<th>Forecast at Completion</th>
<th>Incurred to Date (Through 4/30/16)</th>
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<tbody>
<tr>
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<td>$1,420.4</td>
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<tr>
<td>Concurrent Non-Project Activities</td>
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<td>$ 91.3</td>
<td>$ 51.4</td>
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<tr>
<td>SVBX Total</td>
<td>$2,421.3</td>
<td>$2,421.3</td>
<td>$1,471.8</td>
</tr>
</tbody>
</table>

$Millions - Year of Expenditure
**Phase II Activities**

**Environmental Activities**
At the May 2, 2016 SVRT Program Working Committee meeting, an update was provided on the status of the Phase II Environmental Document and the addition of a Diridon Station North Option and an additional construction methodology option that will be included in the draft document, which will be circulated later this year.

A feasibility study has been conducted on the construction methodology of a single-bore tunnel for the underground portion of the Phase II Extension. The feasibility study considered functional considerations such as the need to meet the requirements of the existing BART system. Additional technical studies will be conducted later this year focusing on areas such as station configurations, ventilation and emergency egress.

**Community Working Groups**
The next series of Phase II Community Working Group meetings will be held June 14-16, 2016. Meeting topics anticipated to be agendized include a presentation on the single-bore construction methodology, updates on VTA’s Joint Development Program and the City of San Jose’s Developer’s Forum conducted last month for the Alum Rock Station area, and continuation of a discussion on community outreach best practices from transit projects throughout the nation.

Prepared By: Kevin Kurimoto
Memo No. 5434
CALL TO ORDER

The Regular Meeting of the Silicon Valley Rapid Transit (SVRT) Program Working Committee was called to order at 10:08 a.m. by Vice Chairperson Chavez in Conference Room B-104, Valley Transportation Authority (VTA), 3331 North First Street, San Jose, California.

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jose Esteves</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Ken Yeager</td>
<td>Member</td>
<td>Absent</td>
</tr>
<tr>
<td>Cindy Chavez</td>
<td>Vice Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Sam Liccardo</td>
<td>Chairperson</td>
<td>Present</td>
</tr>
</tbody>
</table>

A quorum was not present and a Committee of the Whole was declared.

2. PUBLIC PRESENTATIONS

There were no Public Presentations.

The Agenda was taken out of order.

REGULAR AGENDA

6. **BART Silicon Valley Phase 2 Environmental Clearance Process**

Carolyn Gonot, Director of Engineering and Transportation Infrastructure Development, introduced Leyla Hedayat, Project Manager. Ms. Hedayat provided a presentation highlighting: 1) Phase II activities; 2) additional Diridon Station North Option; and 3) environmental document circulation schedule.

Chairperson Liccardo arrived at the meeting and took his seat at 10:12 a.m. and a quorum was declared. Vice Chairperson Chavez relinquished her seat as Chairperson and Chairperson Liccardo presided over the remainder of the meeting.
A robust discussion ensued regarding Diridon Station including the following: 1) land use and potential developments; 2) projected ridership; 3) current parking; 4) future parking needs including parking for workers during construction; 5) intermodal/multimodal connectivity; and 6) collaboration with the City of San Jose regarding Diridon station area.

Ms. Gonot indicated staff can bring back a map that shows existing services and what is expected in the future for Diridon Station.

Nuria I. Fernandez, General Manager and CEO, suggested the Diridon Station Joint Powers Advisory Board (Diridon Station JPAB) may be the best committee to review the parking considerations as all parties are represented in the JPAB.

Chairperson Liccardo expressed concern with parking plans not being included in the environmental impact study. He noted that although VTA is in the process of reviewing and possibly changing the core bus service, riders from the western and southern parts of the county will most likely use their cars to get to the future Diridon BART station. He cautioned private companies may not be willing to share parking.

The Committee requested the following: 1) Phase II parking analysis; 2) lessons learned from BART regarding end of line stations; and 3) implications to Diridon if VTA switches to the core bus strategy. The Committee further requested staff to forward the Diridon Station area parking discussion and consideration to the Diridon Station JPAB meeting scheduled for June 17, 2016, to better understand the parking needs, circulation, land use and transportation implications and connections for all modes including the airport.

Ms. Fernandez suggested adding to the next Diridon Station JPAB meeting agenda a staff presentation on how the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) ties into parking and how it relates to High Speed Rail.

Public Comment

Roland Lebrun, Interested Citizen, expressed support for taking the Diridon Station North Option. He suggested that the Diridon Station JPAB scope be extended to south of Tamien. He expressed concern with displacement of parking at Tamien and suggested phasing the project.

On order of Chairperson Liccardo and there being no objection, the Committee received an update on the BART Silicon Valley Phase 2 Environmental Clearance Process.

3. ORDERS OF THE DAY

There were no Orders of the Day.

CONSENT AGENDA

4. Meeting Minutes of March 7, 2016

M/S/C (Chavez/Esteves) to approve the Meeting Minutes of March 7, 2016.
RESULT: APPROVED [UNANIMOUS]
Agenda Item #4
MOVER: Chavez, Vice Chairperson
SECONDER: Esteves, Member
AYES: Chavez, Esteves, Liccardo
NOES: None
ABSENT: Yeager

REGULAR AGENDA (continued)

5. Tunneling Alternative for BART Silicon Valley Phase II

Ms. Gonot noted staff continues to look for construction methodology options that will lessen construction and community impact. She introduced Krishna Davey, SVRT Projects Control Manager.

Mr. Davey stated VTA met with tunneling subject matter experts and initiated a review of the latest methodology for tunnel construction methods. He introduced Ron Drake, Vice President – Underground Construction, EPC Consultants, Inc. and Walter Mergelsberg, Principal, WAM Consulting LLC., who assisted VTA in the review of Single Bore Tunnel Construction.

Mr. Drake provided a presentation, highlighting: 1) Tunnel construction; 2) Cut-and-cover station construction; 3) Single bore transit system in Barcelona, Spain; 4) Examples of twin bore and single bore station cross sections; 5) Examples of twin bore and single bore station footprints; 6) Typical crossover/turn-back operations; 7) Key construction considerations; 8) Key functional considerations; and 9) Risk assessment.

Mr. Davey continued with the next steps which include technical studies, cost and schedule analysis, risk assessments, comparison of tunneling methodologies, and addition of the construction methodology in the environmental document.

Members of the Committee discussed the following: 1) tunnel design including diameter; 2) boring through the tunnel; 3) vibration impacts; 4) safety risks; 5) evacuation and emergencies; 6) costs; and 7) single tunnel transportation models.

Ms. Fernandez requested information be provided on evacuation procedures for the tunnel in Barcelona, Spain.

On order of Chairperson Liccardo and there being no objection, the Committee received a report on the Tunneling Alternative for BART Silicon Valley Phase II.

NOTE: M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.
Public Comment

Mr. Lebrun expressed concern with the size of the structures and the placement of High Speed Rail. He suggested a third alternative of channel widening be considered.

On order of Chairperson Liccardo and there being no objection, the Committee received a presentation on the Tunneling Alternative for BART Silicon Valley Phase 2.

7. VTA/BART Comprehensive Agreement and Operations & Maintenance (O&M) Agreement

Dennis Ratcliffe, Deputy Director, Silicon Valley Rapid Transit (SVRT) Program, provided a presentation, highlighting: 1) Comprehensive agreement – overview; 2) Operations and Maintenance (O&M); 3) O&M agreement objectives; 4) Proposed O&M agreement roles; and 5) Milpitas O&M roles.

Vice Chairperson Chavez commended staff on the amount of work done thus far and suggested the following: 1) bringing in a negotiator for expertise; and 2) think about agreements from a strategic and financial perspective.

Ms. Fernandez requested staff provide a flowchart or management architecture of efforts being done to: 1) define roles and responsibilities; 2) add clarity on how technical and financial pieces connect; and 3) identify aspects of existing comprehensive agreement.

Upon inquiry of Chairperson Liccardo, Rob Fabela, General Counsel, indicated that the details on how to spend the 2008 1/8 cent sales tax measure for operation/maintenance/improvement of the 16.1 mile Santa Clara County BART extension are still subject to negotiations.

Upon inquiry of Member Esteves, Ms. Fernandez noted the need to be clear and distinguishing what happens with construction and is owned in perpetuity.

Mr. Fabela referred to the negotiations with BART and other entities and noted it is essential for staff to get direction from the Board on which areas of the agreements need rigidity or flexibility.

On order of Chairperson Liccardo and there being no objection, the Committee received a presentation on the VTA/BART Comprehensive Agreement and Operations & Maintenance (O&M) Agreement.

8. (Deferred)

Receive a report on VTA’s BART Silicon Valley Berryessa Extension (SVBX) Project and Silicon Valley Rapid Transit (SVRT) Program Updates/Key Activities

a. Schedule & Budget Update
b. Construction Progress (Activities/Safety/Interfaces)
c. Status of Construction Contracts
d. Community Outreach Activities
OTHER ITEMS

9. (Deferred)
   Receive Committee Staff Report

10. (Deferred)
    Review the SVRT Program Working Committee Work Plan

11. (Deferred)
    Open/Pending Issues

12. Announcements
    There were no Announcements.

13. **RECESSED TO CLOSED SESSION at 11:55 a.m.**
    Anticipated Litigation - Conference with Legal Counsel
    Significant exposure to litigation pursuant to paragraph 2 of subdivision (d) of Section 54956.9
    Number of Cases: 1

14. **RECONVENED TO OPEN SESSION at 12:10 p.m.**

15. **CLOSED SESSION REPORT**
    Anticipated Litigation - Conference with Legal Counsel
    Significant exposure to litigation pursuant to paragraph 2 of subdivision (d) of Section 54956.9
    Number of Cases: 1
    Mr. Fabela noted there was no reportable action taken during Closed Session.

16. **Adjournment**
    **On order of Chairperson Liccardo** and there being no objection, the meeting was
    adjourned at 12:11 p.m.

Respectfully submitted,

Menominee McCarter, Board Assistant
VTA Office of the Board Secretary
GOVERNANCE AND AUDIT COMMITTEE
Thursday, May 5, 2016

MINUTES

CALL TO ORDER
The Regular Meeting of the Governance and Audit Committee (“Committee”) was called to order at 4:02 p.m. by Chairperson Chavez in Conference Room 157, County Government Center, 70 West Hedding Street, San José, California.

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jason Baker</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Jeannie Bruins</td>
<td>Vice Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Cindy Chavez</td>
<td>Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Rose Herrera</td>
<td>Member</td>
<td>Absent</td>
</tr>
<tr>
<td>Johnny Khamis</td>
<td>Member</td>
<td>Present</td>
</tr>
</tbody>
</table>

A quorum was present.

2. PUBLIC PRESENTATIONS
Nancy Avila, Silicon Valley Vietnamese-American Chamber of Commerce, expressed appreciation of the VTA Project Information Office on Alum Rock Avenue and requested additional information regarding the Small Business Sustainability Program. She noted the program should be inclusive of all communities, including the Vietnamese-American community.

3. ORDERS OF THE DAY
There were no Orders of the Day.

CONSENT AGENDA

M/S/C (Bruins/Baker) to approve the Regular Meeting Minutes of March 3, 2016.

5. Ratification of Appointments to the Bicycle & Pedestrian Advisory Committee
M/S/C (Bruins/Baker) to ratify appointment to the Bicycle & Pedestrian Advisory Committee for the two-year term ending June 30, 2018 of: (1) Jaime Fearer, representing the City of San José, and (2) Greg Unangst, representing the City of Mountain View.

6. Citizens Advisory Committee Appointment: North County Cities
M/S/C (Bruins/Baker) to ratify the appointment of John Melton to the Citizens Advisory Committee position representing the North County Cities Group.
7. **Appointments to the El Camino Real Rapid Transit Corridor Policy Advisory Board**

M/S/C (Bruins/Baker) to ratify the indicated appointments to the El Camino Real Rapid Transit Policy Advisory Board.

| RESULT: | APPROVED [Unanimous] – Consent Agenda |
| MOVER:  | Jeannie Bruins, Vice Chairperson          |
| SECONDER: | Jason Baker, Member                    |
| AYES:   | Baker, Bruins, Chavez, Khamis           |
| NOES:   | None                                    |
| ABSENT: | Herrera                                 |

**REGULAR AGENDA**

8. **Alum Rock BRT Construction Delay Assessment**

Bill Eggert, Auditor General, introduced Joe Iacobucci and Pat Hagan, Subject Matter Experts from the Auditor General’s Office.

Mr. Hagan provided an overview of the Alum Rock Bus Rapid Transit (BRT) Construction Delay Assessment, highlighting scope of report. He noted VTA Management has acknowledged the Auditor General’s suggestions, although Management Response is not included in the assessment.

Mr. Iacobucci provided an overview of assessment observations in the areas of Construction Process, Contracting, Communications, and Planning & Design Coordination. He provided examples of best practices of BRT projects in the United States and an overview of the Auditor General recommendations.

Upon inquiry of Chairperson Chavez, Nuria I. Fernandez, General Manager and CEO, indicated that staff will institute an internal audit function to create an audit dashboard (dashboard) that will track all completed audits. The dashboard will include information such as audit recommendations, responsible staff/department, progress of corrective actions, and status. Ms. Fernandez noted the first dashboard will be presented at the next meeting.

Discussion ensued about the suitability of design-build contracts to projects. Chairperson Chavez noted it will be helpful to create a robust set of options on what strategy or approach will best fit a specific project. She added contracts should be designed in such a way that VTA maintains sufficient control and oversight.

Upon inquiry of Member Baker, Ms. Fernandez explained that the Auditor General recommendations on contracting will be applied to VTA projects as appropriate. She mentioned that the “Transparency” tab of VTA’s website, [www.vta.org](http://www.vta.org), has information on capital project status and budget.

M/S/C (Baker/Bruins) to review and receive the Auditor General’s report on the Alum Rock Bus Rapid Transit Project Construction Delay Assessment.
9. **Grants Management & Compliance Assessment**

Mr. Hagan provided a brief summary of the assessment, noting scope, observations, and recommendations. He noted there were no significant findings and Management responses are appropriate.

M/S/C (Khamis/Baker) to review and receive the Auditor General's report on the Grants Management & Compliance Assessment.

| RESULT: | APPROVED – Agenda Item #8 |
| MOVER:  | Jason Baker, Member       |
| SECONDER: | Jeannie Bruins, Vice Chairperson |
| AYES:   | Baker, Bruins, Chavez, Khamis |
| NOES:   | None                       |
| ABSENT: | Herrera                    |


Mr. Eggert provided a brief overview of the follow-up report. He noted that due to the significance of the recommendations, implementation of several improvements, although substantially complete, will be an ongoing process.

Chairperson Chavez requested the following: 1) periodic reports (every six months) to ensure progress on outstanding items; and 2) add to the work plan the risk assessment for procurement and contracting.

M/S/C (Baker/Bruins) to review and receive the Auditor General's follow-up report on the implementation status of management's action plans contained in the Procurement & Contracting Process Assessment, as amended to provide periodic reports on the status of procurement process improvements and add risk assessment to the work plan.

| RESULT: | APPROVED – Agenda Item #9 |
| MOVER:  | Johnny Khamis, Member     |
| SECONDER: | Jason Baker, Member       |
| AYES:   | Baker, Bruins, Chavez, Khamis |
| NOES:   | None                       |
| ABSENT: | Herrera                    |

11. **Contract Award for Auditor General/Internal Audit Services**

Stephen Flynn, Senior Management Analyst, provided an overview of the revised staff report. He noted the Evaluation Panel’s recommendation to award the contract to RSM US LLP for VTA Auditor General and internal audit services.
M/S/C (Bruins/Baker) to recommend that the Board of Directors award a task order contract to RSM US LLP for VTA Auditor General and internal audit services. The base term of the contract is five years (through June 30, 2021) for an amount not to exceed $2,250,000 (average of $450,000 per year). In addition, the contract includes two optional one-year contract extensions at a maximum of $450,000 per year; execution of the optional one-year extensions are subject to approval by the Governance & Audit Committee.

RESULT:  APPROVED – Agenda Item #11
MOVER:  Jeannie Bruins, Vice Chairperson
SECONDER:  Jason Baker, Member
AYES:  Baker, Bruins, Chavez, Khamis
NOES:  None
ABSENT:  Herrera

12. **VTA Ethics Hotline Program Quarterly Report**

Mr. Eggert stated that at the request of the Committee, the aging section was added to the VTA Ethics Hotline activity summary.

*On order of Chairperson Chavez* and there being no objection, the Committee received and reviewed the Quarterly Ethics Hotline Summary Report.

13. **VTA Grievance and Complaints Process**

Evelynn Tran, Assistant General Counsel, provided an overview of the complaints process, noting reports are forwarded to the appropriate department, either the Auditor General, VTA Business Services, and VTA General Counsel, depending on the issue. The departments work closely to ensure that the complaints are processed, investigated, and resolved.

Alberto Lara, Director of Business Services, provided an overview of the resolution process for Title VI and customer concerns. He noted there are policies, procedures, and timelines in place for resolving the concerns/issues.

Mr. Lara described the grievance procedures for VTA employees and noted that the processes and disposition are described in the labor contracts.

Chairperson Chavez inquired how retaliation is managed. She further asked how the feedback is used to improve the organization’s culture.

Ms. Tran noted those who report using the VTA Ethics Hotline can choose to be anonymous. She added that staff is provided training to ensure that they are aware they cannot retaliate against a whistleblower.

Mr. Lara stated employees indicated that consistency in disposition and handling of complaints is key. Ms. Fernandez briefly discussed the efforts that emphasizes building better culture at VTA, such as the “Great Ideas” platform. The goal is to be more open and inclusive and provide avenues for employees to suggest solutions to issues. Bernice Alaniz, Director of Communications, reviewed all communication efforts that promote activities, resources, and other relevant information to employees.

*On order of Chairperson Chavez* and there being no objection, the Committee received a presentation regarding VTA Grievance and Complaints Process.
14. **Review Status of Internal Audit Work Plan**

Mr. Eggert reviewed the Internal Audit Work Plan and noted a correction that the Succession Planning Assessment will be presented next month.

Chairperson Chavez requested that all project activities should have a targeted completion date.

**On order of Chairperson Chavez** and there being no objection, the Committee received an update from Auditor General Office staff on the status of projects contained in the current Internal Audit Work Plan.

**OTHER ITEMS**

15. **VTA's Strategic Planning Process Update**

Scott Haywood, Transportation Planning Manager, provided a brief overview of VTA’s Strategic Planning Process, highlighting the following: 1) Executive Team working group discussions; 2) outreach to employees to gather input; 3) meetings with labor union leadership; and 4) draft schedule that targets Board approval of the Strategic Plan in December 2016.

Members of the Committee discussed the relationship of the Strategic Plan to the following: 1) Valley Transportation Plan; 2) investment strategy; 3) balancing local and regional needs; and 4) opportunity to educate current and incoming Board Members.

Chairperson Chavez requested a graphic that depicts the relationship of the various planning documents and efforts with one another.

**On order of Chairperson Chavez** and there being no objection, the Committee received an update on VTA’s Strategic Planning Process.

16. **Items of Concern and Referral to Administration**

Member Khamis requested for a timeline of update regarding the Outreach contract audit.

17. **Governance & Audit Committee Work Plan**

Ms. Fernandez reviewed the items to be discussed at the next committee meetings.

18. **Committee Staff Report**

There was no Committee Staff Report.

19. **Chairperson's Report**

Chairperson Chavez requested staff to convene a community meeting to present the Auditor General’s audit findings for the Alum Rock BRT Construction Delay Assessment.

20. **Determine Items for the Consent Agenda for Future Board of Directors’ Meetings.**

**CONSENT:**

**Agenda Item #5.** Ratify appointment to the Bicycle & Pedestrian Advisory Committee for the two-year term ending June 30, 2018 of: (1) Jaime Fearer, representing the City of San José, and (2) Greg Unangst, representing the City of Mountain View.

**Agenda Item #6.** Ratify the appointment of John Melton to the Citizens Advisory Committee position representing the North County Cities Group.
Agenda Item #7. Ratify the indicated appointments to the El Camino Real Rapid Transit Policy Advisory Board.

Agenda Item #9. Review and receive the Auditor General's report on the Grants Management & Compliance Assessment.

Agenda Item #10. Review and receive the Auditor General's follow-up report on the implementation status of management's action plans contained in the Procurement & Contracting Process Assessment.

Agenda Item #11. Award a task order contract to RSM US LLP for VTA Auditor General and internal audit services. The base term of the contract is five years (through June 30, 2021) for an amount not to exceed $2,250,000 (average of $450,000 per year). In addition, the contract includes two optional one-year contract extensions at a maximum of $450,000 per year; execution of the optional one-year extensions are subject to approval by the Governance & Audit Committee.

REGULAR:


21. ANNOUNCEMENTS

There were no Announcements.

22. ADJOURNMENT

On order of Chairperson Chavez and there being no objection, the Committee was adjourned at 5:23 p.m.

Respectfully submitted,

Michelle Oblena, Board Assistant
VTA Office of the Board Secretary
CONGESTION MANAGEMENT PROGRAM & PLANNING COMMITTEE

Thursday, May 19, 2016

MINUTES

CALL TO ORDER

The Regular Meeting of the Congestion Management Program & Planning Committee (CMPP) was called to order at 10:11 a.m. by Chairperson Herrera in Conference Room B-104, 3331 North First Street, San José, California.

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Magdalena Carrasco</td>
<td>Vice Chairperson</td>
<td>Absent</td>
</tr>
<tr>
<td>Jose E Esteves</td>
<td>Alternate Member</td>
<td>Absent</td>
</tr>
<tr>
<td>Glenn Hendricks</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Rose Herrera</td>
<td>Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Teresa O'Neill</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Raul Peralez</td>
<td>Alternate Member</td>
<td>Absent</td>
</tr>
</tbody>
</table>

* Alternates do not serve unless participating as a Member.

A quorum was not present and a Committee of the Whole was declared.

2. PUBLIC PRESENTATIONS:

There were no Public Presentations.

The Agenda was taken out of order.

12. Land Use and Transportation Briefing Series: San Jose Tri-Villages

Melissa Cerezo, Senior Transportation Planner; and Jessica Zenk, City of San Jose Transportation Division Manager, provided a presentation titled “Land Use and Transportation Briefing: San Jose Tri-Villages,” highlighting: 1) Background; 2) Envision San Jose 2040 - Growth Areas & Urban Villages; 3) Urban Villages Strategy & Planning Process; 4) San Jose Tri-Villages Overview; 5) Factors Influencing the Planning Framework; 6) Recently Approved and Proposed Development: Santana Row/Valley Fair Urban Village; 7) Recently Approved and Proposed Development: Winchester Urban Village; 8) Recently Approved and Proposed Development: Stevens Creek Blvd. Urban Village Planning Area; 9) Preliminary Themes - Land Use/ Transportation; 10) Transportation Strategies; and 11) Tri-Villages Next Steps in the Planning Process.

Members of the Committee discussed the following: 1) affordable housing; and 2) bike lanes.

Member O'Neill took her seat at 10:32 a.m. and a quorum was established.
Public Comment

Roland Lebrun, Interested Citizen, commented on the following: 1) high cost of rent; and 2) suggested that BART have a stop at Santana Row/Valley Fair.

On order of Chairperson Herrera and there being no objection, the Committee received and discussed information on land use and transportation in the San Jose Tri-Villages area.

3. ORDERS OF THE DAY

There were no Orders of the Day.

CONSENT AGENDA

4. Regular Meeting Minutes of March 17, 2016

M/S/C/ (O'Neill/Hendricks) to approve the Regular Meeting Minutes of March 17, 2016.

5. Regular Meeting Minutes of April 21, 2016

M/S/C/ (O'Neill/Hendricks) to approve the Regular Meeting Minutes of April 21, 2016.

6. 2016 TFCA Program Manager Fund

M/S/C/ (O'Neill/Hendricks) to approve the programming of FY 2016/17 Transportation Fund for Clean Air Program Manager (TFCA 40%) funds to projects.

7. FY2016/17 TDA3 Project Priorities

M/S/C/ (O'Neill/Hendricks) to: 1) adopt a resolution approving the project priorities for the FY 2016/17 Countywide Transportation Development Act Article 3 program; and 2) modify VTA policy regarding the banking of TDA3 funds.


9. 2015 Regional Pavement Condition Summary Report

M/S/C/ (O'Neill/Hendricks) to receive the 2015 Regional Pavement Condition Summary Report.

RESULT: ADOPTED [UNANIMOUS]
MOVER: O'Neill, Member
SECONDER: Hendricks, Member
AYES: Hendricks, Herrera, O'Neill
ABSENT: Carrasco
REGULAR AGENDA

10. Potential ½-cent 30-Year Sales Tax Measure

Scott Haywood, Transportation Planning Manager, provided an overview, highlighting: 1) percentages instead of dollar amounts for the ballot language; 2) categories of projects and a projected amount of money each will receive; and 3) public meetings.

Members of the Committee discussed the following: 1) the required resolution and ordinance for the ballot measure; 2) the need for accountability and transparency if percentages change; 3) suggested a dashboard which will include what has been spent, project schedule, what VTA and other agencies are doing, project status, etc.; 4) all projects will be perceived as VTA projects even though other agencies are involved; 5) potential State Route 85 project; and 6) informing the public that more money will be needed to complete the projects.

Public Comment

Mr. Lebrun made the following comments: 1) grade separations are not an issue for South County because Caltrain does not extend that far South; 2) $300 million should be dedicated for Caltrain expansion and improvements from Diridon Station South to Gilroy; and 3) inquired when the final version of ballot measure will be available.

Robert Fabela, General Counsel, responded that the ballot measure is available now, but may have minor changes from input received at the Standing Committees and Board of Directors meetings.

Committee discussion continued on the following: 1) high speed rail; and 2) Complete Streets requirements.
M/S/C/ (Hendricks/O'Neill) to adopt the following:

1) Framework and funding amounts for a ½-cent 30-year sales tax measure;

2) Resolution calling for a special election, to be consolidated with the statewide general election to be held on November 8, 2016, for the purpose of submitting to the voters of Santa Clara County a measure seeking authorization for VTA to enact a 30-year ½-cent retail transactions and use tax for transportation purposes;

3) Ordinance to enact a 30-year ½-cent retail transactions and use tax, conditioned upon the approval of the tax measure by two-thirds of the voters of Santa Clara County voting at the November 8, 2016 election; and

The Committee further requested that there is clear language in the long explanation of the ballot measure that relates to accountability and transparency for project funding allocations over the 30 years. The Committee noted the importance of keeping the public informed about project decisions over the next 30 years through easy to understand mechanisms such as dashboards.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Hendricks, Member
SECONDER: O'Neill, Member
AYES: Hendricks, Herrera, O'Neill
ABSENT: Carrasco

11. Measure A Project Funding Recommendation

John Ristow, Director of Planning & Program Development and Staff Liaison, provided an overview, highlighting: 1) BART progress; 2) BART is first priority for the Board of Directors and Downtown East Valley is second priority; 3) light rail extension to Eastridge and Vasona updates; and 4) Airport People Mover.

Members of the Committee discussed the following: 1) a dashboard for accountability; 2) allocation of the balance of Measure A money; 3) ridership for the Vasona extension; and 4) improving public transit between the Santa Clara Caltrain station and San Jose International Airport.

Public Comment

Mr. Lebrun made the following comments: 1) differentiating high speed rail as North and South of Diridon Station when it is going to San Francisco; 2) opposed a people mover between Diridon Station and Mineta San Jose International Airport; and 3) if measure fails in November 2016, look at phasing for projects in the Diridon area.
M/S/C/ (Herrera/O'Neill) to establish funding commitments for the projected available 2000 Measure A Transit Improvement program Fund Capital Budget by $79,000,000 for the Capitol Expressway Light Rail to Eastridge, Vasona Light Rail Extension/Double Track, and Airport People Mover Connection to Mineta San José Airport projects.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Herrera, Chairperson
SECONDER: O'Neill, Member
AYES: Hendricks, Herrera, O'Neill
ABSENT: Carrasco

OTHER ITEMS

13. Items of Concern and Referral to Administration

There were no items of Concern and Referral to Administration.

14. Committee Work Plan

On order of Chairperson Herrera and there being no objection, the Committee reviewed the Committee Work Plan.

15. Committee Staff Report

Mr. Ristow referenced the written report provided to the Committee containing information on Local events; Metropolitan Transportation Commission (MTC), State and Federal; and VTA Congestion Management Agency (CMA).

Robert Swierk, Transportation Planner, provided an update on the status of scheduling a meeting with the Planning Directors from each City in the County and CMPP, highlighting: 1) the meeting will be held in the Fall; 2) coordination with Santa Clara County Association Planning Officials (SCCAPO) instead of the Planning Directors.

Members of the Committee discussed the following: 1) including VTA in the name of the meeting; and 2) what the Committee hopes to get out of the meeting.

Members of the Committee requested the presentation briefing on Land Use and Transportation with VTA and City of Sunnyvale be forwarded to the CMPP Members.

16. Chairperson's Report

There was no Chairperson's Report.

17. Determine Consent Agenda for the June 2, 2016 Board of Directors Meeting

CONSENT:

Agenda Item #6. Approve the programming of FY 2016/17 Transportation Fund for Clean Air Program Manager (TFCA 40%) funds to projects.
Agenda Item #7. (1) Adopt a resolution approving the project priorities for the FY2016/17 Countywide Transportation Development Act Article 3 program; and (2) Modify VTA policy regarding the banking of TDA3 funds.


REGULAR:

Agenda Item #10. Adopt the following:

1) Framework and funding amounts for a ½-cent 30-year sales tax measure;

2) Resolution calling for a special election, to be consolidated with the statewide general election to be held on November 8, 2016, for the purpose of submitting to the voters of Santa Clara County a measure seeking authorization for VTA to enact a 30-year ½-cent retail transactions and use tax for transportation purposes;

3) Ordinance to enact a 30-year ½-cent retail transactions and use tax, conditioned upon the approval of the tax measure by two-thirds of the voters of Santa Clara County voting at the November 8, 2016 election; and

The Committee further requested that there is clear language in the long explanation of the ballot measure that relates to accountability and transparency for project funding allocations over the 30 years. The Committee noted the importance of keeping the public informed about project decisions over the next 30 years through easy to understand mechanisms such as dashboards.

Agenda Item #11. Establish funding commitments for the projected available 2000 Measure A revenue and augment the 2000 Measure A Transit Improvement Program Fund Capital Budget by $79,000,000 for the Capitol Expressway Light Rail to Eastridge, Vasona Light Rail Extension/Double Track, and Airport People Mover Connection to Mineta San José Airport projects.

18. ANNOUNCEMENTS

There were no Announcements.
19. ADJOURNMENT

On order of Chairperson Herrera and there being no objection, the meeting was adjourned at 11:47 a.m.

Respectfully submitted,

Thalia Young, Board Assistant
VTA Office of the Board Secretary
Administration and Finance Committee

Regular Meeting Minutes of
May 19, 2016

WILL BE FORWARDED UNDER SEPARATE COVER
CITIZENS ADVISORY COMMITTEE
and
2000 MEASURE A CITIZENS WATCHDOG COMMITTEE

Wednesday, May 11, 2016

MINUTES

CALL TO ORDER

The Regular Meeting of the Citizens Advisory Committee (CAC)/2000 Measure A Citizens Watchdog Committee (CWC) was called to order at 4:01 p.m. by Chairperson Wadler in Conference Room B-104, VTA River Oaks Campus, 3331 North First Street, San Jose, California.

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stephen Blaylock</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Clinton Brownley</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Bena Chang</td>
<td>Member</td>
<td>Absent</td>
</tr>
<tr>
<td>Chris Elias</td>
<td>Member</td>
<td>Absent</td>
</tr>
<tr>
<td>Sharon Fredlund</td>
<td>Vice Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>William Hadaya</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Ray Hashimoto</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Roberta Hughan</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Aaron Morrow</td>
<td>Member</td>
<td>Absent</td>
</tr>
<tr>
<td>Charlotte Powers</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Lucas Ramirez</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Connie Rogers</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Stephen Schmoll</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Martin Schulte</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Noel Tebo</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Herman Wadler</td>
<td>Chairperson</td>
<td>Present</td>
</tr>
</tbody>
</table>

A quorum was present.

2. ORDERS OF THE DAY

There were no Orders of the Day.

3. PUBLIC PRESENTATIONS

There were no Public Presentations.
4. **Committee Staff Report**

Aaron Quigley, Senior Policy Analyst and Staff Liaison, encouraged Committee Members to participate in the public engagement process for the Transit Ridership Improvement Program (TRIP). He stated two intensive 3-4 hour workshops will be facilitated by Jarrett Walker and Associates, noting the goal of this effort is to increase ridership, improve transit connections, and make transit more effective. Meetings dates are Friday, May 20, 2016, at the Pearl Avenue Library in San Jose, and Saturday May 21, 2016, at the Gilroy Senior Center.

Mr. Quigley reported the VTA Board of Directors (Board) took the following actions at their May 5, 2016, meeting: 1) approved a $16M contract with Ghilotti Construction for the Alum Rock Roadway, Busway and station improvements which are part of the Alum Rock Bus Rapid Transit (BRT) project; and 2) approved an amendment to the Minority and Women-owned Business Enterprise program to change the name to the Business Diversity Program and include Disabled Veterans and Lesbian Gay Bisexual Transgender (LGBT) businesses to increase participation in VTA’s locally funded construction projects.

On order of Chairperson Wadler and there being no objection, the Committee received the Committee Staff Report.

5. **Chairperson’s Report**

Chairperson Wadler invited Stephen Flynn, Senior Management Analyst and Advisory Committee Coordinator, to present the VTA Board Award of Appreciation to 2015 CAC/CWC Chairperson William Hadaya for his years of service and dedication to the Citizens Advisory Committee.

Member Ramirez arrived and took his seat at 4:06 p.m.

Chairperson Wadler acknowledged that on April 22, 2016, VTA celebrated 40 years of investment in transportation in Santa Clara County, and introduced a four-part publication that explores each decade of investment.

6. **Committee for Transit Accessibility (CTA) Report**

There was no Committee for Transit Accessibility (CTA) Report.

7. **Bicycle and Pedestrian Advisory Committee (BPAC) Report**

There was no Bicycle and Pedestrian Advisory Committee (BPAC) Report.
COMBINED CAC AND 2000 MEASURE A CITIZENS WATCHDOG COMMITTEE CONSENT AGENDAS

Chairperson Wadler requested Agenda Item #10, Development Review Quarterly Report for Jan-March 2016, be removed from the Consent Agenda and placed on the Regular Agenda.

8. **Regular Meeting Minutes of April 13, 2016**
   
   M/S/C (Ramirez/Fredlund) to approve the Regular Meeting Minutes of April 13, 2016.

9. **Legislative Update Matrix**
   
   M/S/C (Ramirez/Fredlund) to review the Legislative Update Matrix.

10. **(Removed from the Consent Agenda and placed on the Regular Agenda.)**
    

11. **2015 Regional Pavement Condition Summary Report**
    
    M/S/C (Ramirez/Fredlund) to receive the 2015 Regional Pavement Condition Summary Report.

    RESULT: **APPROVED [UNANIMOUS]**

    **(Consent Agenda Items # 8-9 and 11)**

    MOVER: Ramirez, Member
    
    SECONDER: Fredlund, Member
    
    AYES: Blaylock, Brownley, Fredlund, Hadaya, Hughan, Powers, Ramirez, Rogers, Schmoll, Schulter, Tebo, Wadler
    
    NOES: None
    
    ABSENT: Chang, Elias, Hashimoto, Morrow

2000 MEASURE A CITIZENS WATCHDOG COMMITTEE REGULAR AGENDA

12. **Independent Auditor Initiation of Compliance Audit of FY15**

    Mr. Quigley introduced Eugene Ma and Juan Zaragoza, of the Certified Public Accountants Macias, Gini & O’Connell, LLP (MGO), for compliance auditing services for the 2000 Measure A Citizens Watchdog Committee. Mr. Ma and Mr. Zaragoza provided a presentation entitled “Citizens Watchdog Committee (CWC) of the 2000 Measure A Transit Improvement Program,” highlighting: 1) Agenda; 2) Citizens Watchdog Committee (CWC) Duties and Responsibilities; 3) Risk-based Audit Approach; 4) Audit Timeline; and 5) Questions.

**NOTE:** M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.
Members of the Committee discussed the following: 1) defining the Committee’s role as strategic direction; 2) expressed concern with fund swaps; 3) indicated there may be heightened interest in the Committee’s Audit Report on 2000 Measure A tax funds due to the potential November tax ballot initiative; 4) suggested staff provide a report listing all projects that are to be completed under Measure A, provide a status of where they are in the process, and when they are planned to move forward; 5) continued public communication regarding project status; 6) review and comparison of financial statements; 7) suggested a more sophisticated marketing strategy through the report to address public concerns of VTA asking for additional tax funds; and 8) requested audit fact sheet on procedures of the audit and what is included.

On order of Chairperson Wadler and there being no objection, the Committee received a briefing from the 2000 Measure A Citizens Watchdog Committee's independent compliance auditor on the draft audit plan and schedule for performing the compliance audit of FY15.

CITIZENS ADVISORY COMMITTEE REGULAR AGENDA

13. Update on Caltrain Modernization Program


Member Hashimoto arrived at 4:33 p.m. and took his seat.

Ms. Fromson requested the Committee provide feedback on the addition of one bathroom per train.

Members of the Committee discussed the following: 1) internal boarding lift; 2) expressed support for level boarding; 3) discussed dual boarding; 4) expressed support for adding a bathroom in each car; 5) queried about full electrification of the system; 6) switching at the Diridon Station; 7) Caltrain blending with High Speed Rail (HSR); and 8) queried about the Gilroy extension.

On order of Chairperson Wadler and there being no objection, the Committee received an update and provided input on key elements of the Caltrain Modernization Program.
14. **Potential ½-Cent 30-Year Sales Tax Measure**

Scott Haywood, Policy and Community Relations Manager, provided an overview of the staff report, and a presentation entitled “Envision Silicon Valley (ESV),” highlighting:


Members of the Committee discussed the following: 1) expressed support and acknowledged the hard work to reach this point; 2) suggested capital projects are good for Santa Clara County’s economy and may be matched by federal funds; 3) queried about a citizen’s oversight committee; 4) suggested funding categories be listed as percentages; and 5) expressed support for the Complete Streets project.

Mr. Haywood thanked the Committee for their work on Envision Silicon Valley.

**M/S/C (Ramirez/Schulter)** to recommend that the Board of Directors adopt the framework for a ½-cent 30-year sales tax measure and place measure on the November 2016 ballot. Further, the Committee expressed their support for Complete Streets, as amended.

**RESULT:** APPROVED [UNANIMOUS]

**MOVER:** Ramirez, Member

**SECONDER:** Schulter, Member

**AYES:** Blaylock, Brownley, Fredlund, Hadaya, Hashimoto, Hughan, Powers, Ramirez, Rogers, Schmoll, Schulter, Tebo, Wadler

**NOES:** None

**ABSENT:** Chang, Elias, Morrow
15. **Measure A Project Funding Recommendation**

John Ristow, Director of Planning & Program Development, provided an overview of the staff report.

Members of the Committee discussed the following: 1) expressed support for double tracking; 2) Airport People Mover funding partners; 3) expressed support for the simplest and most direct route for the Airport People Mover; and 4) projected revenue needed to complete projects.

**M/S/C (Hadaya/Powers)** to recommend that the Board of Directors modify the FY16/17 VTA Budget 2000 Measure A Transit Improvements Program and appropriate Measure A funds to projects.

| RESULT: | APPROVED [UNANIMOUS] |
| MOVER:  | Hadaya, Member |
| SECONDER: | Powers, Member |
| AYES:   | Blaylock, Brownley, Fredlund, Hadaya, Hashimoto, Hughan, Powers, Ramirez, Rogers, Schmoll, Schulter, Tebo, Wadler |
| NOES:   | None |
| ABSENT: | Chang, Elias, Morrow |

16. **Network Concepts for the Transit Ridership Improvement Program**

Member Schmoll left the meeting at 5:35 p.m.


Members of the Committee discussed the following: 1) how Network 90 would affect transit dependent customers; 2) ridership projections; 3) other transit agencies’ level of subsidy in comparison to VTA; 4) expressed interest in other agencies’ subsidy levels broken down by different ridership-coverage balance levels; and 5) queried if the calculations on residents access to transit was based on today’s land use.

**On order of Chairperson Wadler** and there being no objection, the Committee received a report on the Transit Ridership Improvement Program's network concepts.

_The Agenda was taken out of order._

Rob Cunningham, Transportation Planner, provided a brief overview of the staff report.

On order of Chairperson Wadler and there being no objection, the Committee received the Development Review Quarterly Report for January to March 2016.

17. Review Current Citizens Advisory Committee Membership Structure

Mr. Flynn provided an overview of the staff report. He stated the Committee established the ad hoc Membership Structure Subcommittee to review the existing CAC membership structure to determine if it is optimally configured to best represent the Board of Directors and citizens of Santa Clara County.

Member Tebo expressed the subcommittee’s concern that open lines of communication between the public and the Committee has not been a high priority. He read the Committee Mission Statement “The VTA CAC provides a communication channel for transportation stakeholders and residents of the county by providing input, analysis, perspective and timely recommendations prior to VTA Board of Director action on transportation policy issues and initiatives.”

Mr. Tebo stated there are representative redundancies and queried if the Committee is missing good communication from unrepresented groups in the community. He suggested three groups that may benefit from representation and provide valuable insight to the Community are: 1) Associated Students; 2) major sports and entertainment vendors, and; 3) major medical facilities.

Mr. Flynn stated the item would be agendized for a serious discussion at a future meeting.

On order of Chairperson Wadler and there being no objection, the Committee reviewed and discussed the current Citizens Advisory Committee membership structure.

COMBINED CAC AND CITIZENS WATCHDOG COMMITTEE ITEMS

18. Citizens Advisory Committee and Citizens Watchdog Committee Work Plan

The Committee agreed there would be no June or July Committee meeting.

Chairperson Wadler requested that, upon completion, the Audit Report be emailed to the Committee for review.

Members of the Committee established a Marketing Subcommittee to review the Audit Report and make recommendations for an appropriate marketing strategy. Vice Chairperson Fredlund volunteered to Chair the Subcommittee, and Member Powers and Member Hashimoto volunteered to assist.

Vice Chairperson Fredlund requested staff notify the VTA Marketing Department that the Committee will need their assistance.
Mr. Flynn announced the Public Hearing is tentatively scheduled for September, 2016, depending on the Auditor’s Report.

**On order of Chairperson Wadler** and there being no objection, the Committee reviewed the Citizens Advisory Committee and Citizens Watchdog Committee Work Plans.

**OTHER**

19. **ANNOUNCEMENTS**

There were no Announcements.

20. **ADJOURNMENT**

**On order of Chairperson Wadler** and there being no objection, the meeting was adjourned at 6:23 p.m.

Respectfully submitted,

Anita McGraw, Board Assistant  
VTA Office of the Board Secretary
CALL TO ORDER

The Regular Meeting of the Bicycle and Pedestrian Advisory Committee (BPAC) was called to order at 6:33 p.m. by Chairperson Caidoy in Conference Room B-104, Santa Clara Valley Transportation Authority (VTA), 3331 North First Street, San José, California.

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
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<tbody>
<tr>
<td>Wes Brinsfield</td>
<td>Member</td>
<td>Present</td>
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<tr>
<td>Breene Kerr</td>
<td>Member</td>
<td>Absent</td>
</tr>
<tr>
<td>Barry Chaffin</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Kristal Caidoy</td>
<td>Chairperson</td>
<td>Present</td>
</tr>
<tr>
<td>Mary Seehafer</td>
<td>Member</td>
<td>Present</td>
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<tr>
<td>Peter Hertan</td>
<td>Vice Chairperson</td>
<td>Present</td>
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<tr>
<td>Greg Unangst</td>
<td>Member</td>
<td>Present</td>
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<tr>
<td>Mila Zelkha</td>
<td>Member</td>
<td>Absent</td>
</tr>
<tr>
<td>Paul Goldstein</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>David Simons</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Jim Stallman</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Herman Wadler</td>
<td>Member</td>
<td>Present</td>
</tr>
<tr>
<td>Colin Heyne</td>
<td>Ex-Officio</td>
<td>Absent</td>
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</tbody>
</table>

A quorum was present.

2. ORDERS OF THE DAY

Staff recommended that the following Agenda Items be removed from the Regular Agenda and placed on the Consent Agenda: 1) Agenda Item #9: FY 2016/17 TDA3 Project Priorities; 2) Agenda Item #10: 2016 TFCA Program Manager Fund.

Member Goldstein requested that Agenda Item #10: 2016 TFCA Program Manager Fund remain on the Regular Agenda and that the item be heard first.

Member Stallman requested Agenda Item #4: Regular Meeting Minutes of March 9, 2016, and Agenda Item #5: Regular Meeting Minutes of April 13, 2016, be removed from the Consent Agenda and placed on the Regular Agenda.

M/S/C (Wadler/Goldstein) to accept the Orders of the Day.
RESULT: APPROVED [UNANIMOUS]  
MOVER: Herman Wadler, Member  
SECONDER: Paul Goldstein, Member  
AYES: Caidoy, Chaffin, Goldstein, Hertan, Seehafer, Simons, Stallman, Unangst, Wadler  
ABSENT: Brinsfield, Kerr, Zelkha

3. PUBLIC PRESENTATIONS

Vaibhay Katkade, Interested Citizen, expressed concern regarding gravel in bike lanes, noting it was dangerous to ride a bicycle.

Member Goldstein suggested that Mr. Katkade contact the Public Works Department regarding the unsafe bike lane and request that they follow-up on the issue. Mr. Goldstein also recommended mentioning that someone has slipped on the gravel injuring themselves.

CONSENT AGENDA

4. (Removed from the Consent Agenda and placed on the Regular Agenda.)  
Approve the Regular Meeting Minutes of March 9, 2016

5. (Removed from the Consent Agenda and placed on the Regular Agenda.)  
Approve the Regular Meeting Minutes of April 13, 2016


9. FY2016/17 TDA3 Project Priorities  
M/S/C (Stallman/Simons) to recommend the VTA Board of Directors adopt a resolution approving the project priorities for the FY2016/17 Countywide Transportation Development Act Article 3 program and modify VTA policy regarding the banking of TDA3 funds.

RESULT: APPROVED [UNANIMOUS]  
MOVER: Jim Stallman, Member  
SECONDER: David Simons, Member  
AYES: Caidoy, Chaffin, Goldstein, Hertan, Seehafer, Simons, Stallman, Unangst, Wadler  
ABSENT: Brinsfield, Kerr, Zelkha
REGULAR AGENDA

4. Regular Meeting Minutes of March 9, 2016

Member Stallman requested the following corrections to the March 9, 2016, Regular Meeting Minutes: 1) referenced Agenda Item #3: Public Presentations, and the undercrossing Mr. Fong referred to is in Santa Clara not Sunnyvale; and 2) referenced Agenda Item #19: Announcements, and clarified that bike racks will be installed at key neighborhood bus stops.

M/S/C (Stallman/Goldstein) to approve the Regular Meeting Minutes of March 9, 2016, as amended.

5. Regular Meeting Minutes of April 13, 2016

Member Stallman requested the following corrections to the April 13, 2016, Regular Meeting Minutes: 1) referenced Agenda Item #4: Regular Minutes of March 9, 2016, and noted the Minutes were deferred to May 11, 2016 not May 12, 2016; and 2) referenced Agenda Item #11: Committee Staff Report, and clarified that his question referred to the light rail pedestrian crossing improvements.

M/S/C (Stallman/Goldstein) to approve the Regular Meeting Minutes of April 13, 2016, as amended.

10. 2016 TFCA Program Manager Fund

Marcella Rensi, Transportation Planning Manager - Planning and Grants, answered clarifying questions about the staff report.

M/S/C (Wadler/Goldstein) to recommend the VTA Board of Directors approve the programming of FY 2016/17 Transportation Fund for Clean Air Program Manager (TFCA 40%) funds to projects.

RESULT: APPROVED [UNANIMOUS]
MOVER: Herman Wadler, Member
SECONDER: Paul Goldstein, Member
AYES: Caidoy, Chaffin, Goldstein, Hertan, Seehafer, Simons, Stallman, Unangst, Wadler
ABSENT: Brinsfield, Kerr, Zelkha

7. Elect Replacement BPAC Vice Chairperson for Remainder of 2016

Stephen Flynn, Advisory Committee Coordinator, noted the Committee has to elect a replacement for Vice Chairperson position due to the resignation of Jim Wiant.

Chairperson Caidoy opened the floor for nominations for the position of 2016 BPAC Vice Chairperson. Members Chaffin and Simons nominated Member Hertan.

Member Brinsfield took his seat at 6:52 p.m.
M/S/C (Chaffin/Simons) to close nominations and elect Member Hertan as BPAC Vice Chairperson for the remainder of 2016.

| RESULT: | APPROVED [UNANIMOUS] |
| MOVER: | Barry Chaffin, Member |
| SECONDER: | David Simons, Member |
| AYES: | Brinsfield, Caidoy, Chaffin, Goldstein, Hertan, Seehafer, Simons, Stallman, Unangst, Wadler |
| ABSENT: | Kerr, Zelkha |

8. **Potential ½-cent 30-year Sales Tax Measure**

Lauren Ledbetter, Senior Transportation Planner and BPAC Staff Liaison, provided a presentation titled “Envision Silicon Valley,” highlighting: 1) VTA Board Workshop; 2) Tax Measure Basics; 3) Funding Allocation - Staff Recommendation; 4) BART Phase II; 5) Bicycle and Pedestrian Program; 6) Caltrain Capacity Improvements; 7) Caltrain Grade Separations; 8) County Expressways; 9) Highway Program; 10) Local Streets and Roads; 11) State Route 85 Corridor; 12) Transit Operations & Amenities; 13) Potential Measure; and 14) Next Steps.

Members of the Committee discussed the following: 1) the ballot language using percentages instead of dollar amounts to even out economic changes; 2) BART operation and maintenance costs are paid for by a 1/8-cent sales tax passed in 2010; 3) Complete Streets money allocation and specifications; 4) State Route 85 High Occupancy Toll (HOT) lane revenue; 5) light rail; and 6) Caltrain electrification.

M/S/C (Wadler/Brinsfield) to recommend the VTA Board of Directors adopt the framework for a 1/2-cent 30-year sales tax measure and place measure on the November 2016 ballot.

| RESULT: | APPROVED [UNANIMOUS] |
| MOVER: | Herman Wadler, Member |
| SECONDER: | Wes Brinsfield, Member |
| AYES: | Brinsfield, Caidoy, Chaffin, Goldstein, Hertan, Seehafer, Simons, Stallman, Unangst, Wadler |
| ABSENT: | Kerr, Zelkha |

11. **Page Mill/I-280 Interim Bike Improvement Project Update (County Item)**

Dawn Cameron, Deputy Director, Santa Clara County Roads and Airports, provided a presentation titled "Page Mill Road/I-280 Interim Bicycle Improvements," highlighting: 1) Project Background; 2) Interchange Concept; 3) Interchange Concept Bicycle & Pedestrian; 4) Improvement Projects; 5) Phased Improvement Strategy; 6) Interchange Existing Conditions - Bicycles; 7) Interim Bicycle Improvements; 8) Interim Project Requirements; 9) Interim Bicycle Improvement Concepts; 10) Westbound Travel - Concept 1; 11) Westbound Travel - Concept 2; 12) Eastbound Travel - Concept 1; 13) Eastbound Travel - Concept 2; 14) Speed Reduction Strategies - Westbound Travel; and 15) Next Steps.
Members of the Committee discussed the following: 1) slowing the speed of vehicles; and 2) monitoring the area to compare current speeds to speeds when the project is complete. Staff stated the project details and project updates can be found at: https://www.sccgov.org/sites/rda/plans/PageMill280/Pages/PageMill280.aspx

On order of Chairperson Caidoy and there being no objection, the Committee received an update on the Page Mill/I-280 Bike Improvement Project.

OTHER

12. Committee Staff Report

Ms. Ledbetter provided a report, highlighting the following: 1) Bike to Work Day on May 12, 2016; 2) Countywide Bicycle Plan Update; 3) Monthly Bicycle-Pedestrian webinar on “Aspects of Equity” on Wednesday, May 18, 2016 at noon; 4) Transit Ridership Improvement Program; and 5) Caltrans District 4 Bicycle and Pedestrian Advisory Committee.

On order of Chairperson Caidoy and there being no objection, the Committee received the Committee Staff Report.

13. Santa Clara County Staff Report

There was no Santa Clara County Staff Report.

14. Chairperson’s Report

Chairperson Caidoy reported that transit in Japan is great.

15. Reports from BPAC subcommittees

There were no reports from the BPAC Subcommittees.

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

Member Wadler provided the CAC/CWC report, highlighting the 2000 Measure A report.

Member Goldstein left the meeting at 8:04 p.m.

On order of Chairperson Caidoy and there being no objection, the Committee reviewed the received the Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC) report.

17. BPAC Work Plan

Ms. Ledbetter provided an overview of the BPAC Work Plan.

On order of Chairperson Caidoy and there being no objection, the Committee reviewed the BPAC Work Plan.
18. ANNOUNCEMENTS

Member Unangst announced that Bike Day and the Meeting of the BPACs is on Sunday, May 15, 2016.

Member Stallman mentioned that May and June are a good time to get rid of goatheads on the side of the road.

Member Wadler noted that Almaden Cycling Touring Club (ACTC) will have a booth at Bike Day.

Member Seehafer announced that the City of Morgan Hill Parks & Recreation Commission created a sub group called Bicycle Technical Advisory Group (BTAG).

Member Brinsfield mentioned the following: 1) May 14, 2016, is the Los Altos pet parade along Foothill Expressway; and 2) Rotary Club's Art in the Park will be held May 14-15, 2016 at Lincoln Park.

Mr. Flynn made the following announcements: 1) letters are going out to member Cities about terms being up in June 2016; and 2) recognized Member Brinsfield on behalf of the VTA Board of Directors for chairing BPAC in 2014.

19. ADJOURNMENT

On order of Chairperson Caidoy and there being no objection, the Committee meeting was adjourned at 8:14 p.m.

Respectfully submitted,

Thalia Young, Board Assistant
VTA Office of the Board Secretary
Technical Advisory Committee

Regular Meeting Minutes of
May 12, 2016

WILL BE FORWARDED UNDER SEPARATE COVER
CALL TO ORDER

The Regular Meeting of the Policy Advisory Committee (PAC) was called to order at 4:02 p.m. by Chairperson Carr in Conference Room B-104, Valley Transportation Authority (VTA), 3331 North First Street, San Jose, California.

1. ROLL CALL

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
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</thead>
<tbody>
<tr>
<td>Paul Resnikoff</td>
<td>City of Campbell</td>
<td>Present</td>
</tr>
<tr>
<td>Michael Kotowski (Alternate)</td>
<td>City of Campbell</td>
<td>NA</td>
</tr>
<tr>
<td>Savita Vaidhyanathan</td>
<td>City of Cupertino</td>
<td>Present</td>
</tr>
<tr>
<td>Barry Chang (Alternate)</td>
<td>City of Cupertino</td>
<td>NA</td>
</tr>
<tr>
<td>Harney, Daniel</td>
<td>City of Gilroy</td>
<td>Absent</td>
</tr>
<tr>
<td>Tucker, Cat (Alternate)</td>
<td>City of Gilroy</td>
<td>Absent</td>
</tr>
<tr>
<td>Mary Prochnow</td>
<td>City of Los Altos</td>
<td>Absent</td>
</tr>
<tr>
<td>Megan Satterlee (Alternate)</td>
<td>City of Los Altos</td>
<td>Absent</td>
</tr>
<tr>
<td>John Harpootlian</td>
<td>Town of Los Altos Hills</td>
<td>Absent</td>
</tr>
<tr>
<td>Gary Waldeck (Alternate)</td>
<td>Town of Los Altos Hills</td>
<td>Absent</td>
</tr>
<tr>
<td>Marcia Jensen</td>
<td>Town of Los Gatos</td>
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<tr>
<td>Rob Rennie (Alternate)</td>
<td>Town of Los Gatos</td>
<td>Present</td>
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<tr>
<td>Carmen Montano</td>
<td>City of Milpitas</td>
<td>Present</td>
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<tr>
<td>Garry Barbadillo (Alternate)</td>
<td>City of Milpitas</td>
<td>NA</td>
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<tr>
<td>Evert Wolsheimer</td>
<td>City of Monte Sereno</td>
<td>Absent</td>
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<tr>
<td>Marshall Anstandig (Alternate)</td>
<td>City of Monte Sereno</td>
<td>Absent</td>
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<tr>
<td>Larry Carr</td>
<td>City of Morgan Hill</td>
<td>Present</td>
</tr>
<tr>
<td>Rich Constantine (Alternate)</td>
<td>City of Morgan Hill</td>
<td>NA</td>
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<tr>
<td>John McAlister</td>
<td>City of Mountain View</td>
<td>Present</td>
</tr>
<tr>
<td>Pat Showalter (Alternate)</td>
<td>City of Mountain View</td>
<td>NA</td>
</tr>
<tr>
<td>Liz Kniss</td>
<td>City of Palo Alto</td>
<td>Absent</td>
</tr>
<tr>
<td>Cory Wolbach (Alternate)</td>
<td>City of Palo Alto</td>
<td>Absent</td>
</tr>
<tr>
<td>Charles “Chappie” Jones</td>
<td>City of San Jose</td>
<td>Present</td>
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<tr>
<td>Vacant (Alternate)</td>
<td>City of San Jose</td>
<td>NA</td>
</tr>
<tr>
<td>Kathy Watanabe</td>
<td>City of Santa Clara</td>
<td>Present</td>
</tr>
<tr>
<td>Patrick Kolstad(Alternate)</td>
<td>City of Santa Clara</td>
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</tr>
<tr>
<td>Howard Miller</td>
<td>City of Saratoga</td>
<td>Present</td>
</tr>
<tr>
<td>Rishi Kumar (Alternate)</td>
<td>City of Saratoga</td>
<td>NA</td>
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<tr>
<td>Jim Davis</td>
<td>City of Sunnyvale</td>
<td>NA</td>
</tr>
<tr>
<td>Gustav Larsson (Alternate)</td>
<td>City of Sunnyvale</td>
<td>Present</td>
</tr>
<tr>
<td>Mike Wasserman</td>
<td>SCC Board of Supervisors</td>
<td>Absent</td>
</tr>
</tbody>
</table>

A quorum was not present and a Committee of the Whole was declared.

2. ORDERS OF THE DAY

There were no Orders of the Day.
Member Jones arrived at the meeting and took his seat at 4:04 p.m. A quorum was declared.

3. **PUBLIC PRESENTATIONS**

Roland Lebrun, Interested Citizen, expressed concern with the light bulbs currently used on buses and suggested staff look into replacing them with light-emitting diode (LED) bulbs for better visibility.

4. **Committee Staff Report**

Scott Haywood, Transportation Planning Manager, provided a report on actions taken and reports received by the Board of Directors at their May 5, 2016, meeting, highlighting:

1) approval a $16 million project for Alum Rock improvements as a part of the Bus Rapid Transit (BRT) program; and 2) approved the Minority and Women-Owned Business Enterprise (MWBE) program name change to Business Diversity Program to be inclusive of disabled veteran, and Lesbian, Gay, Bisexual, and Transgender (LGBT) populations.

- **Government Affairs Update**

  Mr. Haywood noted a copy of the report was provided to the Committee members and placed on the public table.

5. **Chairperson’s Report**

Chairperson Carr provided a brief report, highlighting the April 22, 2016, Board of Directors Workshop on the potential ½-cent 30-year sales tax measure.

**On order of Chairperson Carr** and there being no objection, the Committee received a report from the Chairperson.

**CONSENT AGENDA**

6. **Regular Meeting Minutes of April 14, 2016**

M/S/C (Miller/Larsson) to approve the Regular Meeting Minutes of April 14, 2016.

7. **Countywide Transportation Development Act Article 3 program**

M/S/C (Miller/Larsson) to recommend that the VTA Board of Directors adopt a resolution approving the project priorities for the FY2016/17 Countywide Transportation Development Act Article 3 program and modify VTA policy regarding the banking of TDA3 funds.

8. **Transportation Fund for Clean Air Program Manager (TFCA 40%)**

M/S/C (Miller/Larsson) to recommend that the VTA Board of Directors approve the programming of FY 2016/17 Transportation Fund for Clean Air Program Manager (TFCA 40%) funds to projects.

9. **Joint Development Policy Revisions**

M/S/C (Miller/Larsson) to recommend that the VTA Board of Directors approve revisions to VTA’s Joint Development Policy.

**NOTE:** M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.
10. **Legislative Update Matrix**  
M/S/C (Miller/Larsson) to review the Legislative Update Matrix.


12. **Regional Pavement Condition Summary Report**  
M/S/C (Miller/Larsson) to receive the 2015 Regional Pavement Condition Summary Report.

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<thead>
<tr>
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<tbody>
<tr>
<td>Consent Agenda Items #6-12</td>
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<table>
<thead>
<tr>
<th>MOVER:</th>
<th>Miller, Member</th>
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<tbody>
<tr>
<td>SECONDER:</td>
<td>Larsson, Alternate Member</td>
</tr>
<tr>
<td>AYES:</td>
<td>Carr, Jones, Larsson, McAlister, Miller, Rennie, Resnikoff, Vaidhyanathan, Watanabe</td>
</tr>
<tr>
<td>NOES:</td>
<td>None</td>
</tr>
<tr>
<td>ABSENT:</td>
<td>Harney, Harpootlian, Kniss, Montano, Prochnow, Wolsheimer, Wasserman</td>
</tr>
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</table>

**REGULAR AGENDA**

13. **Caltrain Modernization Program**

Casey Fromson, Caltrain, provided a presentation, highlighting: 1) Caltrain system map; 2) Ridership growth; 3) 2016 top trains (Northbound); 4) At capacity today; 5) Regional transportation needs; 6) Caltrain Modernization Program; 7) Project description; 8) Key regional benefits; 9) Service benefits; 10) Electrification infrastructure contract; 11) Electric Train (EMU) Contract; 12) Funding update; 13) Bathrooms; 14) Board action; 15) Public feedback electric trains; 16) Technical information; 17) Americans with Disabilities Act (ADA) considerations; 18) Bathrooms at stations; 19) Bicycles; 20) Bicycle elements; 21) Additional doors; 22) Dual doors; 23) Interior lift example; 24) Schedule refinement; and 25) Next phase of modernization.

The Committee discussed the following: 1) service from south of San Jose and how non-electrified trains will integrate into the faster schedules; 2) size of the fleet; and 3) authority for acquiring rail space from Union Pacific to electrify the entire system.

Upon inquiry, Ms. Fromson stressed what was being presented was the 75 percent conversion project and not a set of further improvements for total electrification, therefore, Caltrain is not requesting additional funds from partner agencies.

**Public Comment**

Mr. Lebrun expressed concern with cars sitting and not being used, and the additional costs to add an extra train. He suggested having hybrid trains that run on diesel between Gilroy and Tamien and run on electricity throughout the remainder of the corridor.

**On order of Chairperson Carr** and there being no objection, the Committee received an update and provided input on key elements of the Caltrain Modernization Program.
14. **Land Use and Transportation in the San Jose Tri-Villages Area**

Member Jones provided a brief overview of the report highlighting issues around transportation growth and development. He indicated there are currently three urban villages being developed in San Jose and noted members of the community and businesses were invited to give input on their vision for the area. He noted the City of San Jose is working with VTA to come up with a comprehensive plan to support transportation development in the area.

Melissa Cerezo, Senior Transportation Planner, Jessica Zink, Transportation Manager, City of San Jose, and Michael Brilliot, Division Manager, City of San Jose, provided a presentation, highlighting: 1) Presentation outline; 2) Background; 3) Envision San Jose 2040 – Growth areas and urban villages; 4) Urban villages strategy and planning process; 5) San Jose Tri-Villages overview; 6) Factors influencing the planning framework; 7) Recently approved and proposed development; 8) Preliminary Themes – Land use/transportation; 9) Transportation strategies; and 10) Tri-Villages next steps in the planning process.

The Committee discussed the following: 1) questioned VTA’s response to the traffic needs in the area; 2) transit options to get to the area; 3) meeting timeline; and 4) integrating transit.

Member Miller expressed concern with information not being clearly communicated, noting the Committee hears about transit projects but no connection is made with developments being served.

Chairperson Carr requested staff add a future item to the Workplan to discuss VTA’s development review process.

**Public Comment**

Roland Lebrun expressed concern with increasing traffic congestion and parking woes due to high rent.

On order of Chairperson Carr and there being no objection, the Committee received and discussed information on land use and transportation in the San Jose Tri-Villages area.

15. **Framework for a ½-cent 30-Year Sales Tax Measure**

Chairperson Carr provided information from the April 22, 2016, Board of Directors Workshop, noting the recommendation from the Board was largely what the Committee had moved forward with noting the addition of $50 million to transit operations and a request that staff and TAC look at program matching.

John Ristow, Director of Planning and Program Development, provided a presentation highlighting; 1) VTA Board Workshop; 2) Tax basics measure; 3) Funding allocation – tax measure; 4) BART Phase II; 5) Bicycle and Pedestrian Program; 6) Caltrain Capacity improvements; 7) Caltrain grade separations; 8) County expressways; 9) Highway program; 10) Local streets and roads; 11) State Route 85 corridor; 12) Transit operations and amenities; 13) Potential measure; and 14) Next steps.

Member Montano arrived at the meeting and took her seat at 5:17 p.m.

Members of the Committee discussed the following: 1) suggested more details be provided on complete streets; 2) State Route 85 noise mitigation; 3) priority for projects that move forward; 4) how projects will be funded if grants do not come through;
5) expressed concern that highway 17 widening was not on the list; 6) competitive bike projects; 7) adding incomplete projects to the list; 8) flexibility in the resolution allowing for some change in projects; 9) formula and process for local streets and roads funding; and 10) having a degree of certainty in the categories and flexibility with the smaller projects.

**Public Comment**

Mr. Lebrun expressed concern with Caltrain Grade Separation funding and suggested the $300 million for Caltrain capacity improvements not be flexible.

Chairperson Carr questioned if Caltrain Capacity Improvements portion is written so specifically that funds can only go to Caltrain and not another rail service. He requested flexibility is allowed and is part of the definition.

Alternate Member Rennie indicated he would not be supporting motion.

Member Jones requested staff add language identifying complete streets in the ballot language. Mr. Ristow indicated the Technical Advisory Committee (TAC) will address how it will be defined.

Chairperson Carr noted the Committee received an email from Colin Heyne, Silicon Valley Bicycle Coalition (SVBC), to reconsider their opposition to the addition of a complete streets requirement.

**M/S/C (Miller/McAlister)** on a vote of 9 ayes to 1 no to 0 abstentions to recommend the VTA Board of Directors adopt the framework for a ½-cent 30-year sales tax measure and place measure on the November 2016 ballot. Alternate Member Rennie opposed.

<table>
<thead>
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<tbody>
<tr>
<td>Agenda Items #15</td>
<td></td>
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| MOVER: | Miller, Member |
| SECONDER: | McAlister, Member |
| AYES: | Carr, Jones, Larsson, McAlister, Miller, Montano, Resnikoff, Vaidhyanathan, Watanabe |
| NOES: | Rennie |
| ABSENT: | Harney, Harpootlian, Kniss, Prochnow, Wolsheimer, Wasserman |

16. **FY16/17 VTA Budget 2000 Measure A Transit Improvements Program**

Mr. Ristow provided a brief overview of the staff report.

The Committee discussed the following: 1) anticipated effectiveness of the projects; 2) reasons for surplus funds; 3) why the projects are not being re-evaluated; 4) Airport People Mover; 5) costs to extend the light rail; and 6) project selection.

Member McAlister expressed concern with low light rail ridership numbers.

Member Jones noted his support with reservations based on the expense of light rail and ridership.
**Public Comment**

Mr. Lebrun expressed concern with additional funding from Measure A being programmed for BART Phase II and suggested possibly phasing the project.

**M/S/C (Miller/Rennie)** on a vote of 8 ayes to 2 noes to 0 abstentions to recommend that the Board of Directors modify the FY16/17 VTA Budget 2000 Measure A Transit Improvements Program and appropriate Measure A funds to projects. Members McAlister and Vaidhyanathan opposed.

**RESULT:** APPROVED

<table>
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<tr>
<th>Agenda Items #16</th>
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<tbody>
<tr>
<td><strong>MOVER:</strong> Miller, Member</td>
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<tr>
<td><strong>SECONDER:</strong> Rennie, Alternate Member</td>
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<tr>
<td><strong>AYES:</strong> Carr, Jones, Larsson, McAlister, Miller, Montano, Rennie, Resnikoff, Watanabe</td>
</tr>
<tr>
<td><strong>NOES:</strong> McAlister, Vaidhyanathan</td>
</tr>
<tr>
<td><strong>ABSENT:</strong> Harney, Harpootlian, Kniss, Prochnow, Wolsheimer, Wasserman</td>
</tr>
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</table>

**Agenda Items #17 – 18 were heard together.**

**Agenda Items #17 and #18**

17. **Transit Ridership Improvement Program's Draft Transit Choices**

Jay Tyree, Transportation Planner, provided a presentation, highlighting: 1) Transit Ridership Improvement Program (TRIP); 2) Ridership-coverage balance is key choice; 3) The purpose of public transit; 4) Transit Access; 5) Access to jobs; 6) Access for residents; 7) Transit Access for existing riders; 8) Next steps; and 9) Dedicated project website.

Upon inquiry of Members of the Committee, Mr. Tyree indicated 12 community meetings were being scheduled and one will be held in Mountain View.

Member Jones questioned if there was data on the cost per passenger on the low ridership routes. Mr. Tyree noted he would follow-up with staff to see if the information is available.

Member Montano suggested staff better utilize the EcoPass to gain higher ridership.

Member Vaidhyanathan requested a website link to a survey for riders be provided at bus shelters.

Chairperson Carr stressed the value of a ride and the differences of some rides based on length, destination or other factors be considered. Mr. Tyree indicated a deeper analysis is planned for the summer.

Members of the Committee discussed the following: 1) reduction of bus service in Saratoga and Los Gatos; 2) the profitability of reducing the amount of service; 3) farebox recovery; and 4) the need to fix State Route 85 and other corridors.

Chairperson Carr requested an email with dates for community meetings be sent out to keep the public informed.
**On order of Chairperson Carr** and there being no objection, the Committee received the Transit Ridership Improvement Program's draft Transit Choices Report.

18. **Transit Ridership Improvement Program's Network Concepts**

**On order of Chairperson Carr** and there being no objection, the Committee received a report on the Transit Ridership Improvement Program's network concepts.

**OTHER**

19. **Committee Work Plan**

Member McAlister expressed concern with the TAC meeting an hour before PAC and suggested TAC meet on another day to allow for better communication with PAC members. He also suggested renaming light rail lines to be more descriptive of their geographical location.

**On order of Chairperson Carr** and there being no objection, the Committee reviewed the Committee Work Plan.

20. **ANNOUNCEMENTS**

There were no Announcements.

21. **ADJOURNMENT**

**On order of Chairperson Carr** and there being no objection, the Committee meeting was adjourned at 6:31 p.m.

Respectfully submitted,

Menominee McCarter, Board Assistant
VTA Office of the Board Secretary
NOTICE OF CANCELLATION

NOTICE IS HEREBY GIVEN that the Santa Clara Valley Transportation Authority El Camino Real Rapid Transit Policy Advisory Board meeting scheduled for Wednesday, May 25, 2016, at 3:00 p.m. has been cancelled.

The next regular meeting of the Santa Clara Valley Transportation Authority El Camino Real Rapid Transit Policy Advisory Board is scheduled for Wednesday, June 29, 2016, at 3:00 p.m. in Conference Room B-104, Building B, 3331 North First Street, San Jose, California.

Anita McGraw, Board Assistant
VTA Office of the Board Secretary