

2000 Measure A Citizens Watchdog Committee COMPREHENSIVE ANNUAL REPORT TO THE PUBLIC Fiscal Year 2018 (July 1, 2017 – June 30, 2018)

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For more information, please visit www.vta.org	

2000 Measure A Transit Improvement Program

In November 2000, Santa Clara County voters approved Measure A, a 30-year half cent sales tax dedicated to enhancing the public transit system in the county. The ballot listed specific projects with VTA as the implementing agency. The VTA Board of Directors is responsible for implementation of the Measure A Program and for all policy-related decisions including the composition, implementation schedule and funding level of projects. The ballot designated the Citizens Watchdog Committee (CWC) as the independent oversight body for Measure A tax dollar expenditures. Collection of the 2000 Measure A sales tax began on April 1, 2006 and will continue through March 31, 2036.

VTA delivers transportation solutions that are critical to the health, vitality, prosperity and quality of life for those who live, work, study or play in Santa Clara County. This commitment can be seen in VTA's successful implementation of Measure A. Although most of the ballot-defined projects are massive and very complex, requiring years to plan, design and construct, VTA has delivered significant results during the first 12 years of the 30-year program.

The accomplishments are summarized in the project section of the report. The CWC also prepared a brief summary report highlighting a few key milestones achieved during Fiscal Year (FY) 2018 (July 1, 2017 through June 30, 2018) and how Measure A projects are enhancing the quality of life for residents, commuters, businesses and workers in Santa Clara County. This report, *Benefits and Key Achievements*, is available at: bit.ly/cwc-achievements-fy18

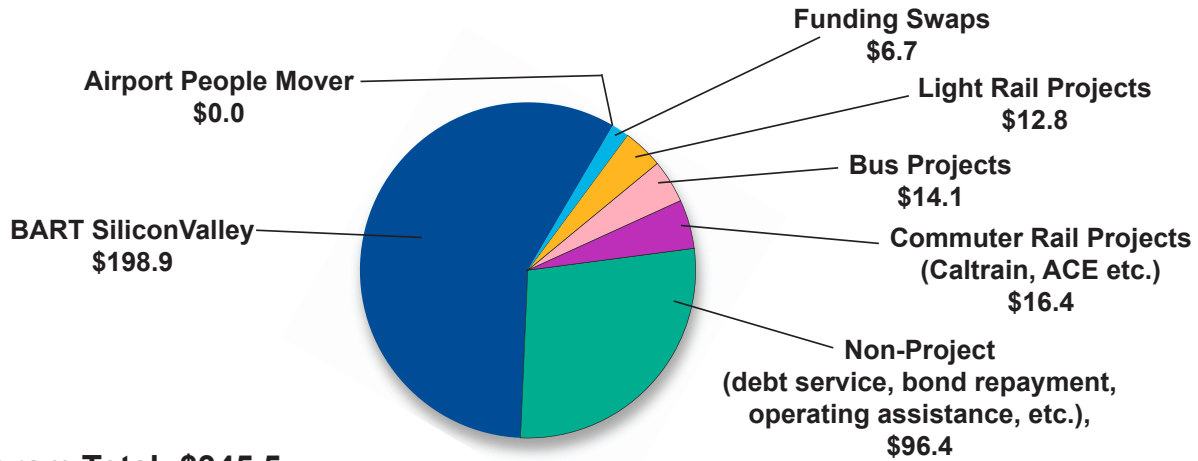
CITIZENS WATCHDOG COMMITTEE FINDING

The CWC concludes that the 2000 Measure A tax dollars were spent in accordance with the intent of the Measure for FY 2018.



COMPREHENSIVE ANNUAL REPORT TO THE PUBLIC FY 2018

FY 2018 Total Program Expenditures* (in millions)



Program Total: \$345.5

*Expenditures were grouped by category. Individual project details are available in the CWC Comprehensive Annual Report.

CITIZENS WATCHDOG COMMITTEE ACTIVITIES

The CWC appreciates the importance of the role entrusted to us by voters in Santa Clara County to provide oversight for the tax collected under 2000 Measure A and for keeping county residents informed. To that end, the CWC engaged in the following activities:

Program Monitoring

The CWC periodically reviewed updates to the 2000 Measure A Transit Improvement Program including project status and costs.

Independent Compliance Audit

The CWC commissioned Macias Gini & O'Connell LLP, an independent certified public accountant firm, to conduct an audit. The CWC reviewed the compliance audit plan and schedule prior to audit of the Measure A Program financial records.

Compliance Audit Review & Publication

The CWC reviewed the compliance audit for FY 2018 and published the results of the independent audit of the FY18 2000 Measure A financial schedules and records.

Conducted Public Hearing

On May 8, 2019, the CWC conducted a public hearing to receive input from the public on the Measure A Program, its expenditures, the results of the CWC's annual independent compliance audit, and on Measure A Program reports for FY 2018.

CITIZENS WATCHDOG COMMITTEE MEMBERS

<i>Martin Schulter</i>	<i>Herman Wadler</i>
<i>Aneliza Del Pinal</i>	<i>Noel Tebo</i>
<i>Aaron Morrow</i>	<i>Ray Hashimoto</i>
<i>Aboubacar Ndiaye</i>	<i>William Hadaya</i>
<i>Connie Rogers</i>	<i>Matthew Quevedo</i>

Respectfully submitted,

*Martin Schulter, Chairperson
Citizens Watchdog Committee*

**SANTA CLARA VALLEY
TRANSPORTATION AUTHORITY
2000 Measure A Transit
Improvement Program**
[A Fund of the Santa Clara Valley
Transportation Authority]
Independent Accountant's Report on Compliance
Examination and Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2018



Certified
Public
Accountants

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
2000 Measure A Transit Improvement Program
[A Fund of the Santa Clara Valley Transportation Authority]
For the Fiscal Year Ended June 30, 2018

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Independent Accountant's Report on Compliance Examination

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

We have examined the Santa Clara Valley Transportation Authority's (VTA) compliance with the requirements of the 2000 Measure A Transit Improvement Program (2000 Measure A Program), a fund of VTA, for the year ended June 30, 2018. The financial activity of the 2000 Measure A Program is included in the accompanying Budgetary Comparison Schedule and related notes. Management is responsible for VTA's compliance with those requirements. Our responsibility is to express an opinion on VTA's compliance based on our examination.

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

In our opinion, VTA complied with the aforementioned requirements of the 2000 Measure A Program for the fiscal year ended June 30, 2018, in all material respects.

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

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

Macias Gini & O'Connell LLP

Walnut Creek, CA
April 3, 2019

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
2000 Measure A Transit Improvement Program
[A Fund of the Santa Clara Valley Transportation Authority]
Budgetary Comparison Schedule (on a Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(in thousands)

	Original Operating Budget	Final Operating Budget	Actual	Variance with Final Budget
Revenues:				
Sales tax receipts	\$ 215,343	\$ 215,343	\$ 207,870	\$ (7,473)
Investment earnings	5,256	5,256	7,379	2,123
Federal subsidy for Build America Bonds	8,750	8,750	8,784	34
Other income	391	391	414	23
Total revenues	<u>229,740</u> *	<u>229,740</u>	<u>224,447</u>	<u>(5,293)</u>
Non-project expenditures:				
Professional, special and other services	790	790	560	230
Operating assistance to VTA Transit (Note B4)	44,684	44,684	43,133	1,551
Miscellaneous	27	27	25	2
Contributions to other agencies	673	673	195	478
Repayment of debt service to VTA Transit (Note D)	15,596	15,596	14,936	660
Principal payment, bond interest and other bond charges (Note E)	38,638	38,638	37,598	1,040
Total non-project expenditures	<u>100,408</u> *	<u>100,408</u>	<u>96,447</u>	<u>3,961</u>
Total revenues less non-project expenditures	<u>\$ 129,332</u> *	<u>\$ 129,332</u>	<u>128,000</u>	<u>\$ (1,332)</u>
Project expenditures (Note B3):				
Silicon Valley Rapid Transit Corridor (VTA's BART Silicon Valley Program)			198,951	
Light Rail Program			12,803	
Commuter Rail Program			16,387	
Bus Program			14,146	
Mineta-San Jose Airport People Mover			11	
Swap payments to Congestion Management & Highway Program (Note C)			6,743	
Total project expenditures			<u>249,041</u>	
Capital contributions (Note G)				
Change in fund balance on a budgetary basis			<u>(41,556)</u>	
GAAP reconciliation and unbudgeted items (Note B1):				
Capitalized project expenditures			195,034	
Caltrain Access Fee			(353)	
Unrealized gain/(loss) on investments			(4,233)	
Amortization of premium/discounts on investment			(335)	
Interest expense			(2,039)	
Transfers out			(192,700)	
Service expense			(515)	
Total GAAP reconciliation and unbudgeted items			<u>(5,141)</u>	
Change in fund balance, on a GAAP basis			<u>\$ (46,697)</u>	

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

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

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
2000 Measure A Transit Improvement Program
[A Fund of the Santa Clara Valley Transportation Authority]
Notes to Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2018

NOTE A – DESCRIPTION OF REPORTING ENTITY

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

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

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

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

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

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
2000 Measure A Transit Improvement Program
[A Fund of the Santa Clara Valley Transportation Authority]
Notes to Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2018

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1) Basis of Presentation

The accompanying financial schedule presents only the financial activities of the Measure A Program on a budgetary basis, and is not intended to present the financial position, changes in financial position and cash flows of the VTA in conformity with accounting principles generally accepted (GAAP) in the United States of America. The reconciliation to GAAP on the accompanying financial schedule is presented to facilitate an understanding of the Measure A Program activities on a GAAP basis. In FY 2018, the 2000 Measure A Fund was reclassified from an enterprise fund to a governmental fund.

2) Basis of Accounting

The financial activity of the Measure A Program is accounted for as a governmental fund. Governmental funds focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources at the end of the fiscal year.

3) Budgetary Control

VTA budgets biennially for the 2000 Measure A Transit Improvement Program among other operations. The 2000 Measure A Transit Improvement Program budget appropriation is broken into two major components. The operating budget includes appropriation for non-project specific expenditures such as professional services, non-capitalized debt service, and operating assistance to VTA Transit. The capital budget appropriation reflects the anticipated expenditures and commitments on capital projects for the two-year budget period.

4) Operating Assistance to VTA Transit

The Measure A ballot identified funding for increased bus, rail, and paratransit services. In October 2014, the VTA Board of Directors adopted the Valley Transportation Plan (VTP) 2040; VTP 2040 is VTA's 25-year countywide long-range multimodal transportation plan. As part of the Adopted Biennial Budget, the Board of Directors allocated 20.75% of VTA Transit operating costs to the Measure A Program to provide operating assistance to VTA related to increased bus, rail and paratransit services. The allocation percentage is the basis for determining the amount of actual 2000 Measure A Sales Tax revenues that were used by the VTA Transit Fund for operating activities.

5) Program-wide Expenditures

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

6) Use of Estimates

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

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
2000 Measure A Transit Improvement Program
[A Fund of the Santa Clara Valley Transportation Authority]
Notes to Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2018

NOTE C – SWAP PAYMENTS TO CONGESTION MANAGEMENT & HIGHWAY PROGRAM

Fund swaps are a tool utilized by the VTA Board of Directors, in its capacity as the Congestion Management Agency for Santa Clara County, to accelerate project delivery by releasing qualified projects from the lengthy process and administrative burdens imposed by the state or federal governments to receive grant funding. The swapped 2000 Measure A Sales Tax revenue funded in part the Local Program Reserve (LPR), a source of funds that the VTA Board programs and therefore does not require going through the lengthy federal or state approval processes. In addition, certain highway projects were part of the Corridor Mobility Improvement Account (CMIA) and had to begin construction no later than December 31, 2012 to avoid losing this funding. The fund swaps helped ensure that the projects met this deadline. The anticipated State Transportation Improvement Program (STIP) funds were to be used to fully repay the 2000 Measure A program, both principal and prescribed interest. VTA programmed STIP funding for use in repaying the 2000 Measure A Program in fiscal years 2011 through 2018.

On February 1, 2007, the Board of Directors approved a swap of \$57.54 million of 2000 Measure A Sales Tax revenues for anticipated future grant funding from the State Transportation Improvement Program (STIP). The swapped 2000 Measure A Sales Tax revenues would fund a number of non-Measure A transportation projects. In exchange, the anticipated future STIP funds would be used to pay the Measure A Program's obligation for the Capitol Expressway Light Rail Extension Project. To date, VTA has accessed \$42.88 million to build pedestrian, bus and bicycle facilities on Capitol Expressway, and to reconstruct and expand the Eastridge Transit Center. Approximately \$1.66 million lapsed back to the county share.

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

The VTA Board of Directors programmed \$15.03 Million to the BART Phase 2 (Berryessa through downtown San José to Santa Clara) project in the STIP on November 3, 2017. This total includes all of the lapsed funds of \$14.7 million (\$13.0 million+ \$1.66 million), plus \$370,000 in interest. The VTA Board's priorities were approved by the Metropolitan Transportation Commission (MTC) in December 2017, and the California Transportation Commission (CTC) on March 22, 2018. The allocation year is 2022.

On December 13, 2007, the Board of Directors approved an additional swap of \$50.44 million of 2000 Measure A Sales Tax revenue for anticipated future grant funding through the STIP. The swapped 2000 Measure A Sales Tax revenue funded a number of highway improvement projects, as well as local street and county road projects. In exchange, the STIP funds were used to pay a corresponding portion of VTA's share of the BART's Hayward Yard Maintenance project. This occurred in December 2012.

On November 7, 2013, the Board of Directors approved an additional swap of \$14.50 million of 2000 Measure A Sales Tax revenue for anticipated future STIP grant funding. The 2000 Measure A Sales Tax revenue were to fund the Express Lanes Program Fund Exchange related to the BART Silicon Valley Santa Clara Extension. The allocation year is 2022.

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

2000 Measure A Transit Improvement Program

[A Fund of the Santa Clara Valley Transportation Authority]

Notes to Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2018

The following table shows the changes in activity related to the swap payments made during the fiscal year as well as the cumulative swap payments made to the Congestion Management & Highway Program Fund as of June 30, 2018 (in thousands):

Swap funds authorized:	
Swap funds authorized on February 1, 2007	\$ 57,540
Swap funds authorized on December 13, 2007	50,440
Swap funds authorized on November 7, 2013	14,500
Total swap funds authorized	<u>\$ 122,480</u>
Swap payments made:	
Cumulative swap payments made as of July 1, 2017	\$ 103,746
Swap payments made during the current fiscal year	6,743
Cumulative swap payments made as of June 30, 2018	<u>\$ 110,489</u>
Swap funds repaid to the Measure A Program:	
Swap funds received as of July 1, 2017, as reported	\$ 74,780
Swap funds received during previous fiscal years	18,540 *
Swap funds received during the current fiscal year	-
Cumulative swap funds received as of June 30, 2018	<u>\$ 93,320</u>

*This includes \$18,540,000 of Federal STP funds that were received as swap repayment in previous fiscal years relating to the Capitol Expressway Light Rail to Eastridge project.

NOTE D – REPAYMENT OF DEBT SERVICE TO VTA TRANSIT

VTA issued bonds secured by the 1976 sales tax, subsequent to voter approval, but prior to the commencement of collection of the Measure A sales tax in order to incur project expenditures under the Measure A Program. On an annual basis, the Measure A Program reimburses the VTA Transit Fund for debt principal, interest and related expenditures incurred for the 2008 Sales Tax Revenue Refunding Bonds (2008 Bonds). The reimbursement will continue until the debt obligations are extinguished. There are no formal reimbursement arrangements or loan terms in place. Accordingly, any reimbursements made by the Measure A Program will be recorded in the period in which they occur. For the fiscal year ended June 30, 2018, the Measure A Program paid \$14,936,092 in debt service, consisting of \$10,775,000 in principal and \$4,161,092 in interest and other bond charges.

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
2000 Measure A Transit Improvement Program
[A Fund of the Santa Clara Valley Transportation Authority]
Notes to Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2018

The following table presents the projected aggregate annual amount of principal and interest payments required to repay the outstanding debt as of June 30, 2018:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest *</u>
2019	\$ 11,095,000	\$ 3,585,156
2020	11,425,000	3,235,353
2021	11,760,000	2,875,159
2022	15,115,000	2,496,514
2023	15,605,000	2,019,863
2024-2026	49,920,000	3,042,630
Total	<u>\$ 114,920,000</u>	<u>\$ 17,254,675</u>

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

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

NOTE E – ALLOCATION OF DEBT SERVICE AND CAPITALIZED BOND INTEREST

VTA has incurred expenditures associated with the issuance of debt used to finance project expenditures for the Measure A Program. VTA developed an allocation methodology for these expenditures that was approved during fiscal year 2011 that uses the amount of bond proceeds spent on a project as a percentage of total bond proceeds spent as the base for allocating the capitalized bond interest. Prior to the approval of the allocation methodology, all capitalized bond interest was recorded as part of the BART Silicon Valley Extension project, as most of the bond proceeds were spent on this project. For the fiscal year ended June 30, 2018, the Measure A Program recorded \$42,738,620 in capitalized bond interest and other bond charges, of which \$28,838,069 relates to 2010 Bonds. Total capitalized interest related to all bonds that was allocated to projects amounted to \$34,721,931 for fiscal year ended June 30, 2018.

A portion of the bond proceeds was spent on the Low Floor Light Rail Vehicles project, which was placed into service in June 2003. As such, the cumulative bond interest through June 30, 2018 allocated to this project was expensed and reported as repayment of debt interest and other bond charges in the Budgetary Comparison Schedule. For the year ended June 30, 2018, the Measure A Program recorded \$51,030 in interest expense and other charges, in addition to the \$8,016,689 interest expense relating to closed projects, that are not capitalized as part of the project expenditures.

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
2000 Measure A Transit Improvement Program
[A Fund of the Santa Clara Valley Transportation Authority]
Notes to Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2018

The following table shows the allocation of cumulative capitalized bond interest through June 30, 2018 as well as the allocation of capitalized bond interest for fiscal year 2018 based on the approved allocation methodology (in thousands). This includes only open projects.

<u>Program Name</u>	Cumulative Through June 30, 2017	Fiscal Year 2018	Cumulative Through June 30, 2018
Silicon Valley Rapid Transit Corridor	\$ 252,619	\$ 31,467	\$ 284,086
Light Rail Program:			
Santa Clara Pocket Track	4,114	940	5,054
Double Track	2,687	614	3,301
Eastridge Transit Center - CELR	934	214	1,148
Light Rail Extension	15,554	1,057	16,611
New Light Rail Corridor Development	230	17	247
DTEV-CELR To Eastridge	42	9	51
LRT Extension to Vasona Junction	28	6	34
Bus Program	42	10	52
Commuter Rail Program:			
Dumbarton Rail Corridor	128	-	128
Caltrain Service Upgrades	4,839	346	5,185
Measure A Program-Wide	601	43	644
Total Allocated Capitalized Bond Interest	<u>\$ 281,818</u>	<u>\$ 34,723</u>	<u>\$ 316,541</u>

NOTE F – ALLOCATION OF PROGRAM-WIDE EXPENDITURES

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

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

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
2000 Measure A Transit Improvement Program
[A Fund of the Santa Clara Valley Transportation Authority]
Notes to Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2018

The following table shows the allocation of program-wide expenditures in fiscal year 2018 (in thousands):

Program	Project Description	Amount
BUS PROGRAM	Downtown East Valley (DTEV) - Santa Clara/ Alum Rock Corridor Bus Rapid Transit (BRT)	\$ 55
	Procurement of 40 BRT Articulated Buses	1
	Rapid 523 Bus Stop Improvements	10
	Sterling Road Bus Stop Improvements	9
COMMUTER RAIL PROGRAM	Caltrain Electrification Invest. Program	62
	SC Station Pedestrian Underpass Extension	6
LIGHT RAIL PROGRAM	CELR- Eastridge Transit Center	6
	Northern Light Rail Express	1
	Santa Clara Pocket Track	9
	Capitol Expressway Light Rail to Eastridge	25
	SR 85 Major Transit Investment Study	2
	LRT Extension to Vasona Junction	1
	Winchester LR Line Dbl Trk & Platform Ext	1
TOTAL ALLOCATION OF PROGRAM-WIDE EXPENDITURES		<u>\$ 188</u>

NOTE G – CAPITAL CONTRIBUTIONS

The Measure A Program received capital contributions totaling \$79,485,000 during the fiscal year. The composition of these contributions was as follows (in thousands):

Grant/Funding Source	Program	Amount
Federal	Full Funding Grant Agreement (FFGA)	\$ 57,535
	FTA Section 5307	1,646
State	Public Transportation Accounts & Clean Air Transportation Improvements Act (Prop 1B SLPP)	884
	Traffic Congestion Relief Program	829
	Public Transportation Modernization Improvement and Service Enhancement Account	3,185
Local	Cities of Cupertino, Fremont, Milpitas and San Jose, Santa Clara Valley Water District, RM2, Bridge Tolls, and Measure B	15,406
		<u>\$ 79,485</u>

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

2000 Measure A Transit Improvement Program

[A Fund of the Santa Clara Valley Transportation Authority]

Notes to Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2018

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

NOTE H – SUBSEQUENT EVENTS

Refunding of 2008 Bonds

In September 2018, the 2008 Bonds were refunded by the 2018-A Sales Tax Revenue Refunding Bonds (2018-A Bonds). The 2018-A Bonds bear fixed interest rates. The refunding resulted in the termination of the interest rate swaps associated with the variable rate 2008 Bonds.

SUPPLEMENTARY INFORMATION

VTA'S BART SILICON VALLEY EXTENSION

BART Silicon Valley Berryessa Extension (SVBX)

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017 ⁽¹⁾	\$1,965.37
FY2018	149.54
Total Expenditures through FY2018	\$2,114.91

Project Description:

The Berryessa Extension Project (SVBX) is the first phase of VTA's 16.1-mile BART Silicon Valley (BSV) Extension Project.

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

Project Status:

The SVBX project is under construction and nearing completion.



Milpitas Station

Activity This Fiscal Year:

Line, Track, Stations and Systems (LTSS)

On September 7, 2017, the first power run of a BART train in Santa Clara County was made. By June 2018, system-wide testing of the Traction Power System was completed, as was physical dynamic train control testing of SVBX and the Warm Springs Extension (WSX) interface.

Campus and Parking Garages

All planting and landscaping, including tree installations, were completed. Also, all creek work for the SVBX project has been concluded.

By the end of the fiscal year, Field Installation Testing (FIT) and Field Functional Testing (FFT) of mechanical, electrical, and communications systems were underway at both Milpitas and Berryessa Stations.

Hayward Maintenance Complex (HMC) and BART Revenue Vehicles

Three new lifts in the HMC main shop area were put into revenue service October 2, 2017, marking substantial completion of Milestone No. 1 for BART Contract No. 01RQ-110.

California Public Utility Commission (CPUC) certification for the ten pilot BART cars was granted on January 17, 2018, allowing them to begin carrying revenue passengers. The first production car was delivered to BART in November 2017, and by June 2018, qualification testing on the first 25 production cars had been completed.

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

*P-0728, P-0800, P-0801, P-0861

⁽¹⁾ Adjusted to reflect allocation of capitalized interest.

BART Silicon Valley Corridor Establishment and Maintenance

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017 ⁽¹⁾	\$348.45
FY2018	7.06
Total Expenditures through FY2018	\$355.51

Project Description:

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

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

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

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

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

Install solar photovoltaic systems on the roof of the parking garage at Berryessa.

Project Status:

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



Berryessa Station Parking Garage Solar Panel System

Activity This Fiscal Year:

- On the Montague Reconstruction Project, the contractor completed Berryessa Creek bridge construction as well as construction of Montague Expressway. The new South Milpitas Boulevard extension is in the final stage.
- Major construction elements of the Upper Penitencia Creek Trail were completed, with only final punch list items remaining.
- The Montague POC is in the design stage. Cost sharing arrangements were finalized with the City of Milpitas.

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

⁽¹⁾ Adjusted to reflect allocation of capitalized interest.

VTA'S BART SILICON VALLEY EXTENSION

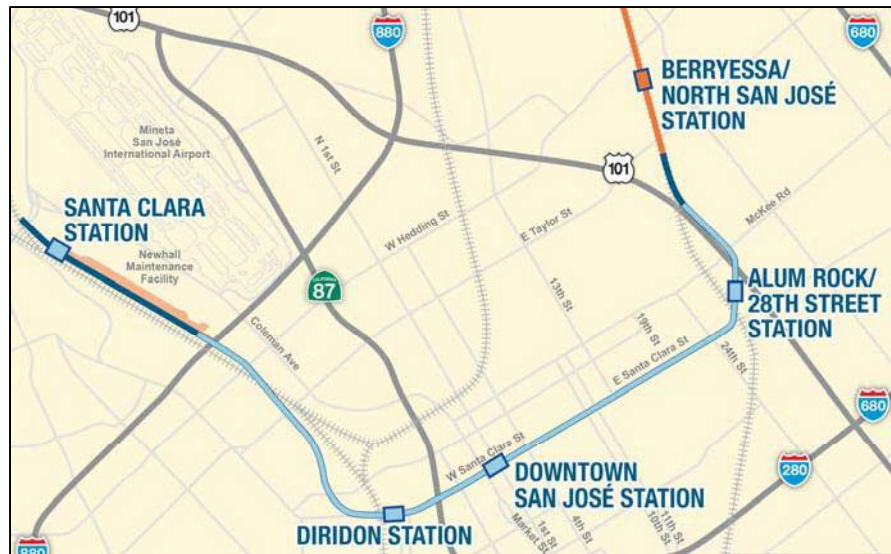
BART Silicon Valley Project Development

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017 ⁽¹⁾	\$557.95
FY2018	42.35
Total Expenditures through FY2018	\$600.30

Project Description:

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



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

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

Ongoing project development efforts are focused on the SVRT Phase II extension.

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

Project Status:

Phase II Conceptual Design is underway. VTA is actively working to procure a General Engineering Consultant (GEC) to advance the Phase II design, including hosting a GEC information forum in May 2018.

Activity This Fiscal Year:

On June 4, 2018, the Federal Transit Administration (FTA) issued a Record of Decision (ROD) for the Phase II Extension. Receiving the ROD is a requirement for projects seeking federal funding, and indicates that extensive environmental analysis and public review has been completed.

VTA is exploring participation in FTA's Expedited Project Delivery (EPD) Pilot Program, which would enable VTA to secure a Full Funding Grant Agreement (FFGA) with FTA through an alternate process that includes a Public Private Partnership component.

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

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

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

⁽¹⁾ Adjusted to reflect allocation of capitalized interest.

Light Rail Program

Extension to Vasona Junction

Project Expenditures (In millions)

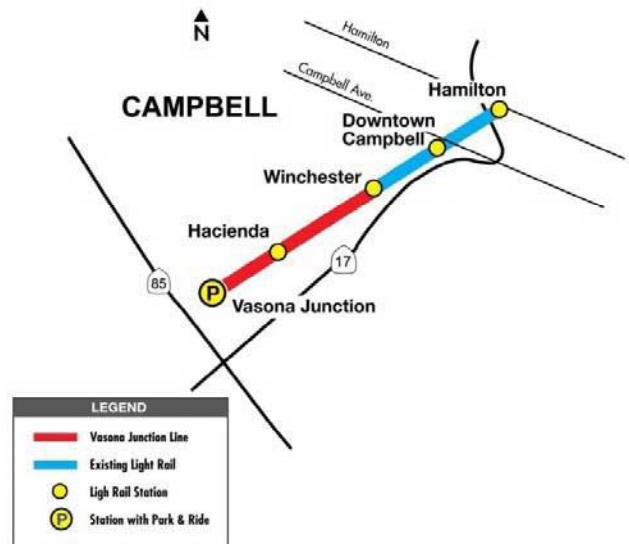
Period	Amount
Inception-to-FY2017 ⁽¹⁾	\$0.99
FY2018	0.32
Total Expenditures through FY2018	\$1.31

Project Description:

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

The Phase 2 extension from the end of the line at Winchester Station in Campbell to Vasona Junction (Winchester Boulevard at Route 85) in Los Gatos will add another 1.5 miles, two stations, and a transit center with parking at Vasona Junction.

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



Project Status:

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

Activity This Fiscal Year:

In June 2016, the VTA Board of Directors approved funding to complete design, acquire right-of-way and relocate utilities. Request for proposal (RFP) was issued in August 2017 and the VTA Board awarded conceptual study contract in May 2018. Study is currently underway.



Railroad alignment in Los Gatos, terminus of the Vasona extension

Light Rail Program

Capitol Expressway Light Rail to Eastridge

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017 ⁽¹⁾	\$143.24
FY2018	2.32
Total Expenditures through FY2018	\$145.56

Project Description:

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

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

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

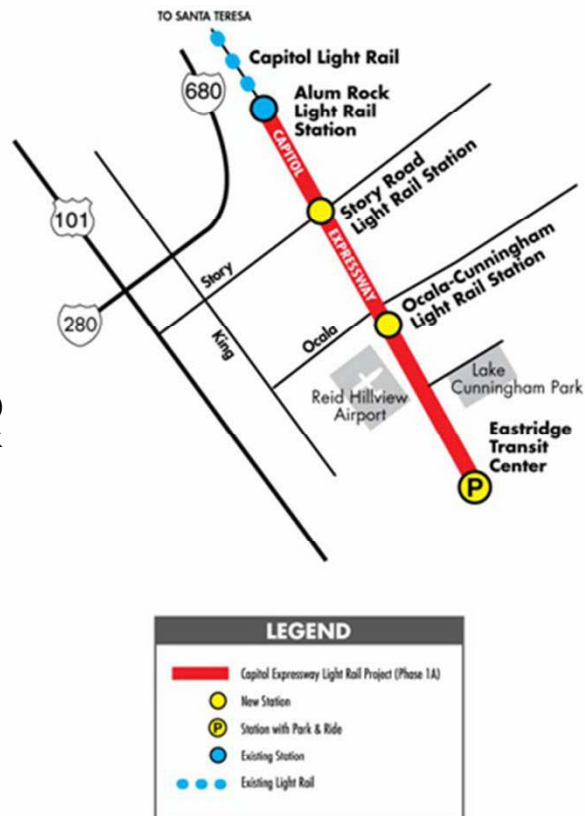
Project Status:

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

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

Activity This Fiscal Year:

All work associated with Phase 1 has been complete. Project closeout is ongoing.



Completed Bus Shelter and Bus Bay at the Eastridge Transit Center

P-0375, P-0476, P-0743, P-0744

⁽¹⁾ Adjusted to reflect allocation of capitalized interest.

Light Rail Program

Light Rail System Improvements

Project Expenditures

(In millions)

Period	Amount
Inception-to-FY2017 ⁽¹⁾	\$91.91
FY2018	3.83
Total Expenditures through FY2018	\$95.74

Description Of Efforts:

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

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



Turnout and switch machine installation near Stevens Creek Bridge

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

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

Southern Light Rail Express. This project developed alternatives for more efficient operation of the southern half of the light rail system to allow express trains and integrate the Almaden shuttle trains into the larger system. The study did not result in a capital project.

North First Street Speed Improvements. This project will construct improvements to increase Light Rail Transit (LRT) speeds along the North First Street corridor, improve transit signal priority, and on-time performance.

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

Project Status:

Construction on the Tasman Drive Pocket Track was completed in August 2014. The Northern Light Rail Express (Mountain View Double Track) construction was completed in December 2015. The study conducted as part of the Southern Light Rail Express project did not result in a capital construction project. Southern Light Rail Express project has been closed. Final design for the N. First St Improvement and 1st/Tasman Modification is ongoing and is expected to be completed early 2019. A consultant for SR 85 Major Transit Investment Study was selected in May 2017. Transit Market Analysis was completed in June 2018. Further planning including concept development is dependent on securing funding.

Activity This Fiscal Year:

Final design for the N. First St Improvement and 1st/Tasman Mods is ongoing and is expected to be completed early 2019. Consultant for the SR 85 Major Transit Investment Study completed the Transit Market Analysis in June 2018.

Light Rail Program

Low Floor Light Rail Vehicles

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$198.35
FY2018	0.00
Total Expenditures through FY2018	\$198.35

Project Description:

Purchase of 70 low floor light rail vehicles to serve the entire VTA Light Rail system. Low floor vehicles provide enhanced Americans with Disability Act (ADA) accessibility and improved service by minimizing boarding and exit times for all riders. Low floor light rail vehicles enable VTA to enhance ADA service by eliminating the need for wheelchair lifts and by providing level boarding for all VTA riders, as well as providing additional space for bicycles.



Project Status: Completed.

Activity This Fiscal Year: None.

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



Low Floor Vehicle at Baypointe Station



Low Floor Vehicles Provide Level Passenger Boarding

Light Rail Program

Eastridge to BART Regional Connector

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$0.54
FY2018	6.33
Total Expenditures through FY2018	\$6.87

Project Description:

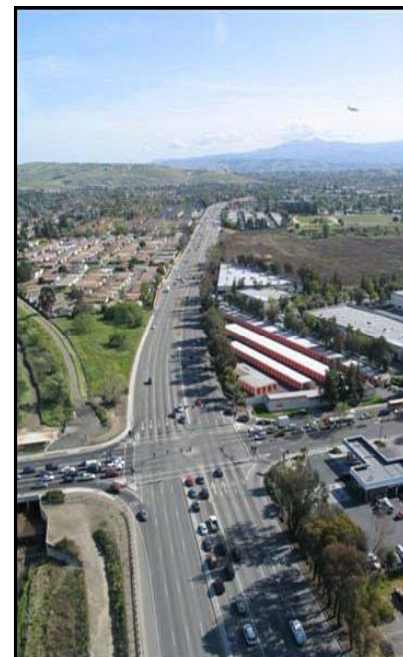
The Capitol Expressway Eastridge to BART Regional Connector proposes to extend the existing Capitol Light Rail (LR) system by 2.4 miles from Alum Rock LR Station to the Eastridge Transit Center.

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

Project Status:

Final design started in July 2017.

Activity This Fiscal Year: Final design and utility relocation design is ongoing and is expected to be completed in late 2019. California Transportation Commission (CTC) allocated \$9.4 million SB1 Local Partnership Program (LPP) formula funds in June 2018. Voters approved the Regional Measure (RM3) in June 2018, and allocation is expected in early 2019.



Aerial View of Project Alignment

Commuter Rail Program

Caltrain Service Upgrades

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$65.94
FY2018	1.46
Total Expenditures through FY2018	\$67.40

Project Description:

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

Project Status:

Mountain View Parking – Project is on hold.

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



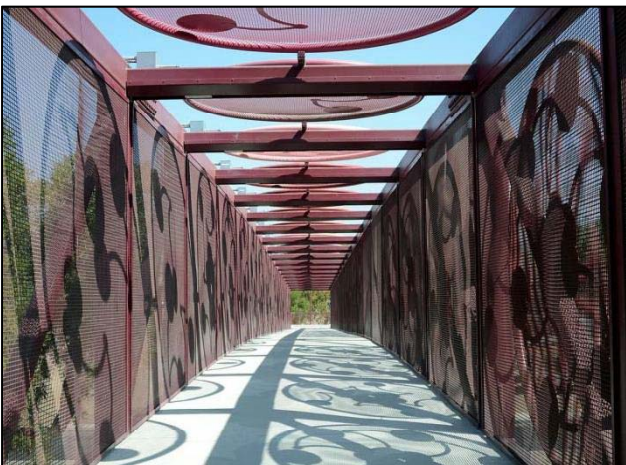
Santa Clara Station Pedestrian Underpass Extension - Project provided an extended pedestrian tunnel under the Union Pacific Railroad (UPRR) tracks at the Santa Clara Station. Construction was completed in June 2017 and opened to public.

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

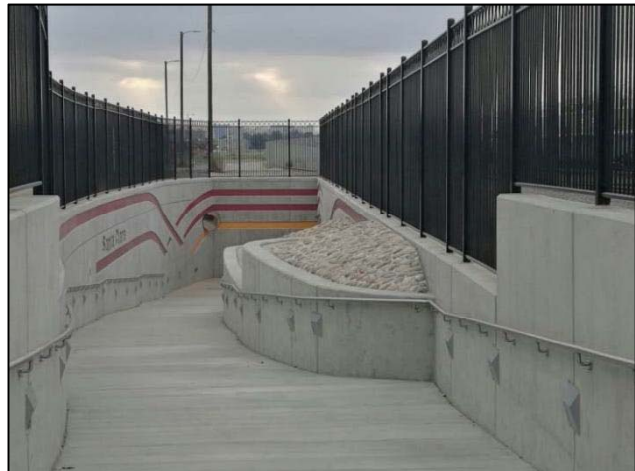
Bike Share Pilot Program – The first phase of the pilot program was launched in August 2013.

Activity This Fiscal Year:

Santa Clara station pedestrian underpass extension project closeout is underway.



Blossom Hill Pedestrian Bridge



Santa Clara Pedestrian Underpass opened to traffic in June 2017

Commuter Rail Program

Caltrain South County

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$17.54
FY2018	0.00
Total Expenditures through FY2018	\$17.54

Project Description:

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

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

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

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

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

Activity This Fiscal Year: None.



Typical South County Crossing

Commuter Rail Program

Caltrain Electrification / High Speed Rail

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$33.80
FY2018	14.97
Total Expenditures through FY2018	\$48.77

Project Description:

Caltrain from San Jose to San Francisco will be upgraded to an electric, fully grade separated system in conjunction with the California High Speed Rail Project. The High Speed Rail Project will also serve south Santa Clara County through Gilroy and Pacheco Pass.

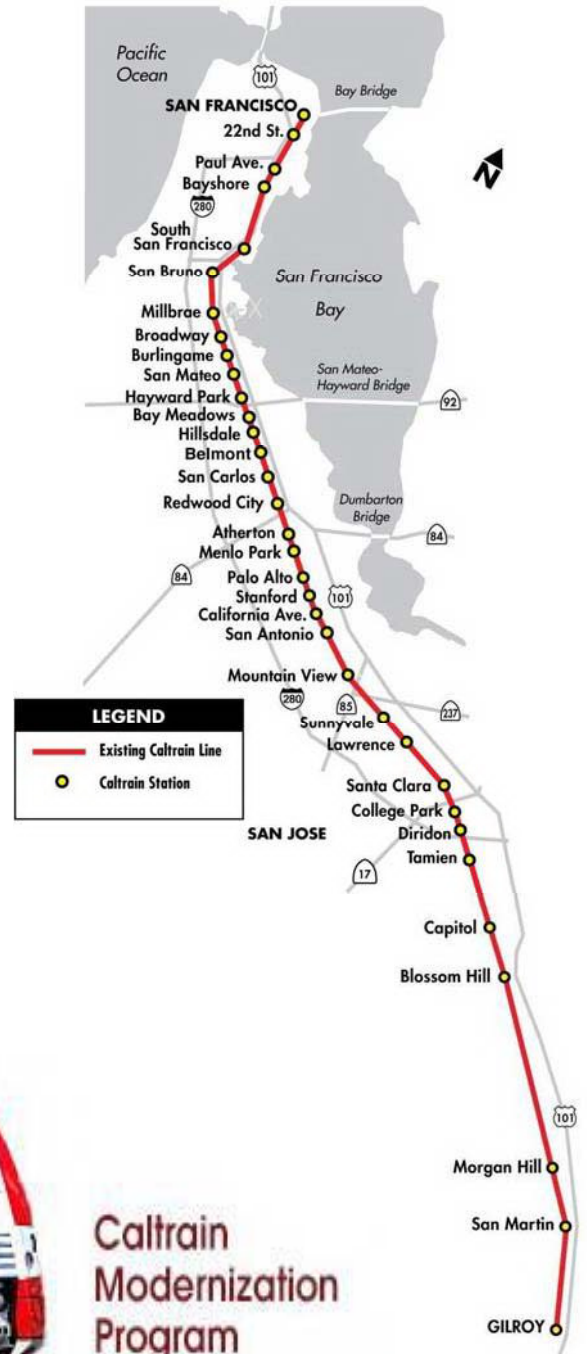
In cooperation with Caltrain and the High Speed Rail Authority, VTA will participate in planning and engineering activities that will ultimately lead to an upgraded Caltrain system.

Project Status:

The contract for design and construction of the corridor's electrification, between San Francisco station at 4th and King Streets and the Tamien Station in San Jose, was awarded to Balfour Beatty Infrastructure, Inc. The contract for the manufacture of high-performance electric trains was awarded to Stadler U.S., Inc. Design and construction is ongoing.

Activity This Fiscal Year:

Design and construction is proceeding with the forecast Revenue Service Date of December 2021. VTA continues to reimburse Caltrain for our share of project related cost.



Caltrain
Modernization
Program

Caltrain Modernization

Commuter Rail Program

Dumbarton Rail Corridor

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$2.29
FY2018	(0.04)
Total Expenditures through FY2018	\$2.25

Project Description:

This project represents VTA's share of matching funds for a partnership with Alameda and San Mateo counties for rebuilding the Dumbarton Rail Corridor.

The original project was to rehabilitate rail bridges and tracks that span the bay between Redwood City and Newark and make improvements to existing tracks in Union City and Fremont. The project will involve the construction of two new rail stations at Menlo Park and Newark, as well as upgrades to the Fremont Centerville Station and a new intermodal station at the Union City BART station.

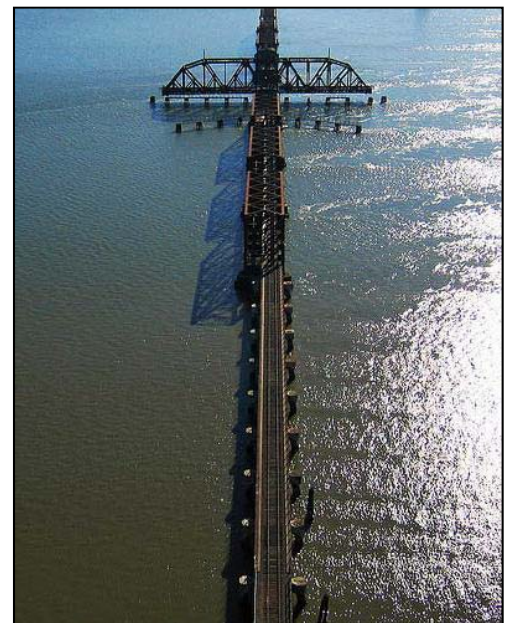
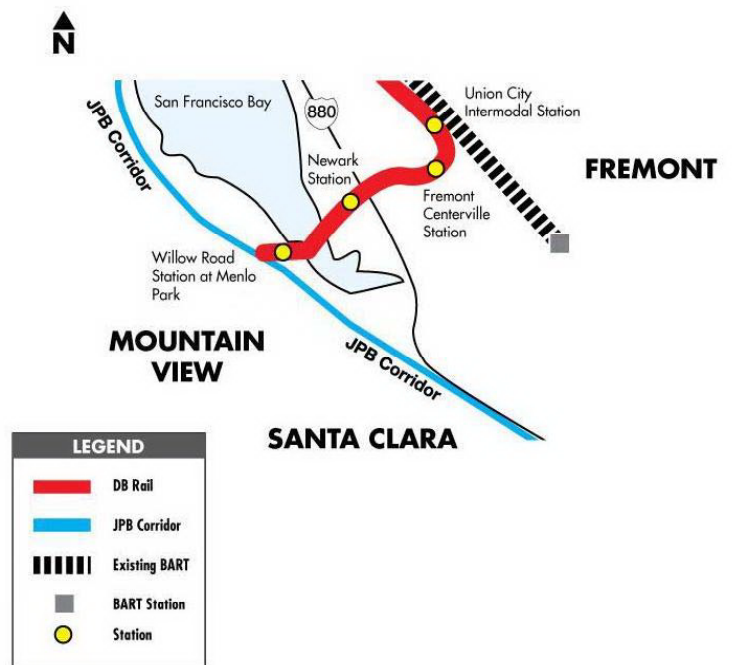
Project Status:

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

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

Activity This Fiscal Year:

VTA is participating in a feasibility study led by SamTrans.



Aerial view of the existing alignment

Commuter Rail Program

Palo Alto Intermodal Transit Center

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$0.21
FY2018	0.00
Total Expenditures through FY2018	\$0.21

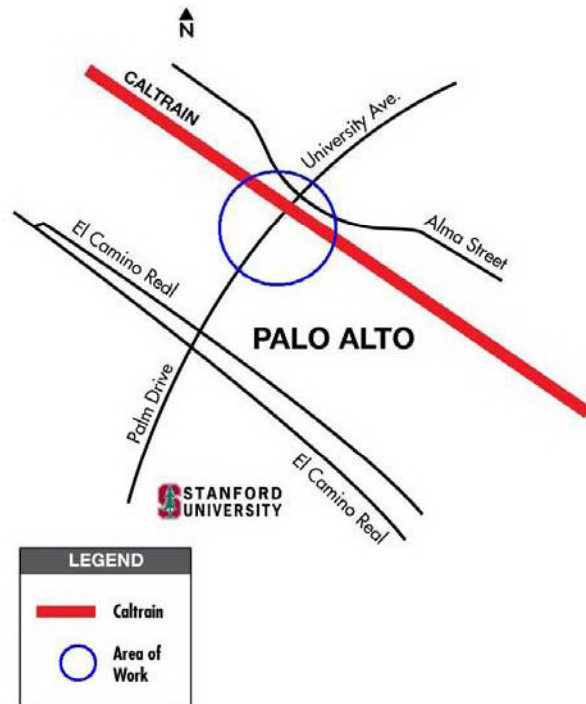
Project Description:

This project will create an intermodal facility for trains, buses, bicycles, autos and pedestrians, and act as a gateway to both Downtown Palo Alto and Stanford University. The project will expand rail and bus passenger service capacity, realign existing roadways, construct pedestrian and bicycle grade-separated crossings, create an urban park and civic space, install public art and incorporate urban design elements.

Project Status:

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

Activity This Fiscal Year: None.



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

Bus Program

Bus Rapid Transit

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017 ⁽¹⁾	\$ 42.70
FY2018	3.63
Total Expenditures through FY2018	\$46.33

Project Description:

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

Project Status:

Stevens Creek Rapid 523 was completed in April 2018. Contract for installation of shelters will be advertised for bids in September 2018. The Stelling Road bus stop improvements was completed by February 2018.

The **DeAnza Transit Center** project is inactive/on hold at this time. A dozen potential designs for a transit center on the DeAnza campus have been prepared and presented to the college administration over many meetings with no acceptance of the project. The Stelling Road Bus Stop Improvements meets VTA's current needs and any additional study of an on-campus transit center would only be undertaken within the context of a larger BRT or transit corridor study on Stevens Creek.

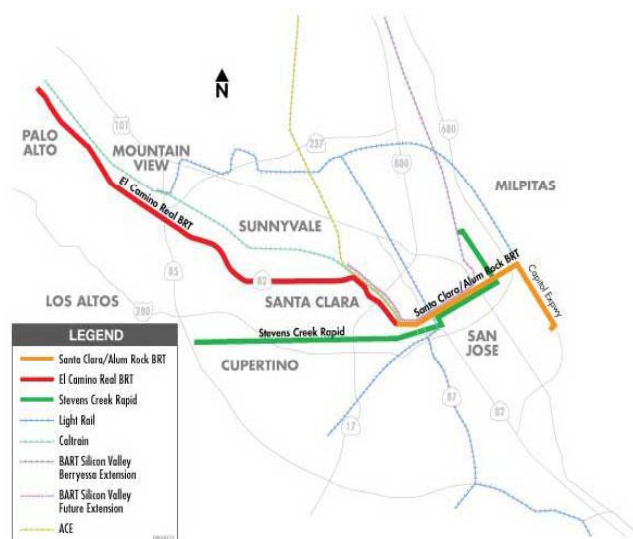
Modifications at Chaboya/North Divisions Phase I (North Yard) were completed in March 2015. RFP for design services for Phase II involving modifications to the Chaboya Yard is planned after completion of a needs study.

Articulated Buses (29 units) have been accepted by VTA and are operational.

VTA local bus network service plan for BART Extension is complete. Express Bus Service Plan will be developed in 2019 under the **BART Transit Integration Analysis** project.

Activity This Fiscal Year:

Civil construction for new shelters, seating, lighting and associated bus stop improvements for the Rapid 523 was completed in April 2018. The Stelling Road bus stop improvements was completed in February 2018.



Specialized BRT Vehicle

Bus Program

Alum Rock – Santa Clara Rapid Transit

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$129.04
FY2018	10.49
Total Expenditures through FY2018	\$139.53

Project Description:

This project introduced Bus Rapid Transit (BRT) in the corridor with dedicated lanes on the eastern half of the corridor and mixed flow operations in the western segment. This BRT project was designed in an alignment consistent with light rail stations, enabling a conversion to light rail in the future, if desired.

Project Status:

All major construction work has been completed and BRT revenue service along the corridor commenced in May 2017. City of San Jose (CSJ) electrical punchlist work was completed in May 2018. Administrative closeout of contracts and agreements is in progress. Curb side shelters along Santa Clara St. will be installed under a separate contract that is planned to be advertised for bids in September 2018.

Activity This Fiscal Year:

Design of curb side shelters and closeout of various contracts and right of way.



BRT Station shelter - Jackson St Eastbound Station

Bus Program

El Camino Real BRT

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$10.48
FY2018	0.03
Total Expenditures through FY2018	\$10.51

Project Description:

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

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

Project Status:

The El Camino Real Rapid Transit Policy Advisory Board decided not to pursue BRT dedicated lane options. They recommended that VTA pursue transit speed and passenger amenity improvements in the corridor. This is currently being scoped.

Activity This Fiscal Year:

Transit speed and passenger amenity improvements in the corridor is currently being scoped.



BRT Photo Simulation at Scott Blvd.

Bus Program

ZEB: Demonstration and Facility Improvements

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$19.45
FY2018	0.00
Total Expenditures through FY2018	\$19.45

Project Description:

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

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

Project Status:

The three ZEBs started revenue service in February 2005. However, the three ZEB buses were decommissioned in 2016 and facilities repurposed.

Activity This Fiscal Year:

None

Project Disposition:

The three ZEBs started revenue service in February 2005 and project was closed. However, the three ZEB buses were decommissioned in 2016 and facilities repurposed.



ZEB at Fueling Station



ZEB Engine

Bus Program

Highway 17 Bus Service Improvements

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$2.53
FY2018	0.00
Total Expenditures through FY2018	\$2.53

Project Description:

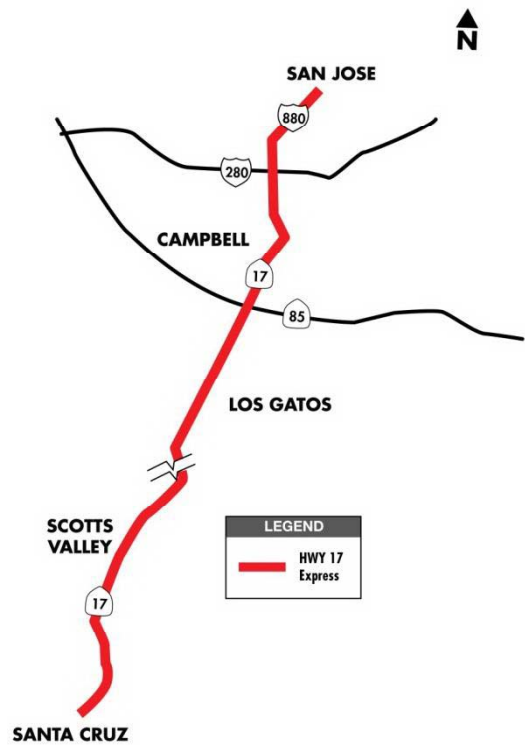
Santa Cruz Metro procured five buses necessary to operate service between Santa Cruz, Scotts Valley, and Downtown San Jose. These buses replaced existing buses that were 20 years old, with an average mileage of 950,000 each.

Project Status:

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

Activity This Fiscal Year:

None.



Highway 17 Express Bus



Highway 17 Express Bus

Mineta San Jose Airport

Mineta San Jose Airport People Mover

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$2.07
FY2018	0.01
Total Expenditures through FY2018	\$2.08

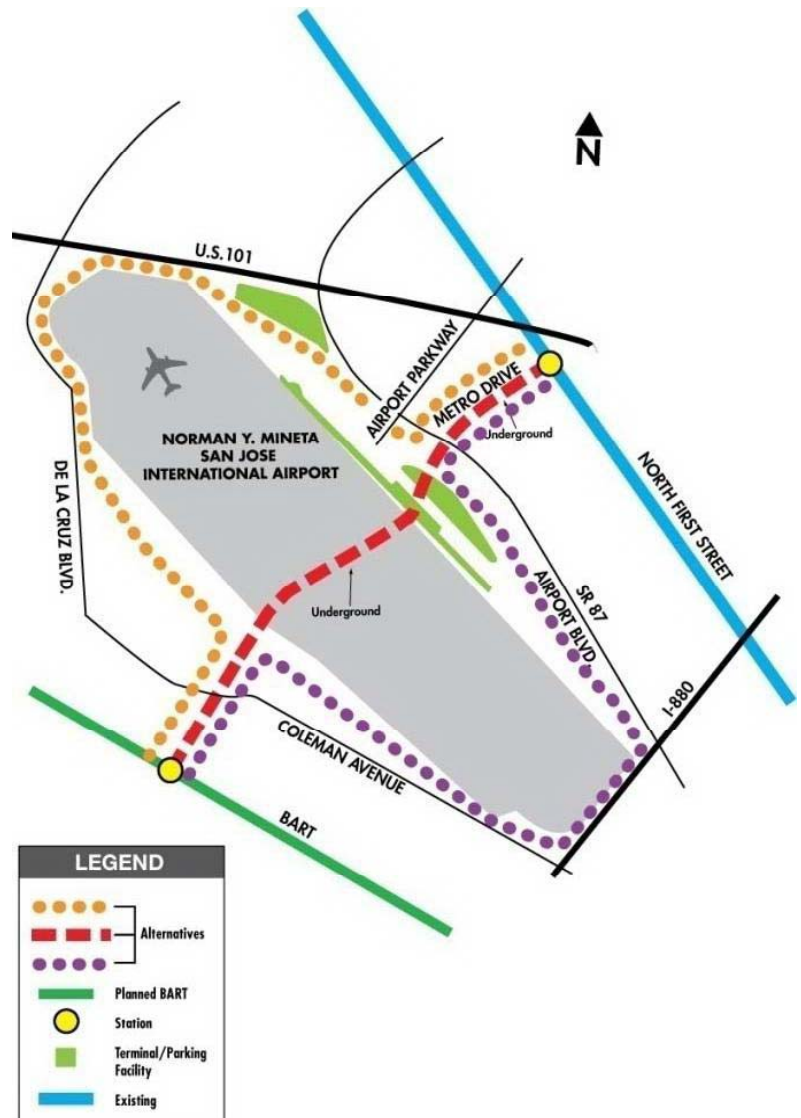
Project Description:

The Airport People Mover Project will provide a dedicated guideway connection from Mineta San Jose International Airport to the Caltrain and future BART stations at the Santa Clara Transit Center, and the VTA Light Rail on North First Street.

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

Project Status:

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



Activity This Fiscal Year:

Planning. This project is being reviewed in light of the development of the Diridon Intermodal Station Plan and how to connect this area with the airport.

Programwide

Measure A Programwide

Project Expenditures (In millions)

Period	Amount
Inception-to-FY2017	\$0.00
FY2018	0.00
Total Expenditures through FY2018	\$0.00

Project Description:

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

Project Status: Active.

Activity This Fiscal Year:

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

COMPLETE TEXT OF 2000 MEASURE A

Shall the Board of Directors of Santa Clara Valley Transportation Authority (VTA) be authorized to enact a retail transactions and use tax ordinance imposing (a) a tax for the privilege of selling tangible personal property at retail upon every retailer in Santa Clara County, the territory of VTA; such tax to be at the rate of one-half of one percent of the gross receipts of the retailer from the sale of all tangible personal property sold by him at retail in the territory of VTA, and (b) a complimentary tax upon the storage, use, or other consumption in Santa Clara County, the territory of VTA; such tax to be at the rate of one-half of one percent of the sales price of the property whose storage, use, or other consumption is subject to the tax, such taxes to be imposed for a period not to exceed 30 years, and to take effect only upon the expiration of the current County of Santa Clara 1996 Measure B ½ cent sales tax in April, 2006, and to be used only to:

- **Extend BART from Fremont through Milpitas to Downtown San Jose and the Santa Clara Caltrain Station, specifically,**

To build a BART Extension from Fremont to Milpitas, San Jose and Santa Clara with a major connection to the Tasman Light Rail line at the Milpitas BART Station. In San Jose to include a BART subway section with stations at San Jose State University, the new San Jose City Hall, Downtown San Jose at Market Street, San Jose Arena and the Diridon Multimodal Station connecting to Caltrain, ACE, Amtrak, the Vasona Light Rail line and the VTA bus service. In Santa Clara, to serve Santa Clara University, and the Caltrain Station with a people mover connection to San Jose International Airport.

- **Provide Connections from San Jose International Airport to BART, Caltrain and the VTA Light Rail, specifically,**

To build a people mover rail line connecting the airport passenger terminals directly with BART, Caltrain and the VTA Light Rail line.

- **Extend Light Rail from Downtown San Jose to the East Valley by**

Building a Downtown/East Valley Light Rail line from Downtown San Jose serving the new San Jose City Hall and San Jose University, out Santa Clara Street to Capitol Avenue to join the Capitol Light Rail line then south to Eastridge Shopping Center.

- **Purchase Low Floor Light Rail Vehicles, specifically**

To better serve disabled, seniors and others; purchase an additional 20 low floor light rail vehicles to join the 30 low floor vehicles now being constructed for the new Tasman, Capitol and Vasona Light Rail lines and 50 new low floor vehicles to replace VTA's existing 50 light rail vehicles.

- **Improve Caltrain: Double Track to Gilroy and Electrify from Palo Alto to Gilroy**

Extend the Caltrain double track from the San Jose Tamien Station through Morgan Hill to Gilroy. Provide VTA's funds for the partnership with San Francisco and San Mateo counties to electrify Caltrain from San Francisco to Gilroy.

- **Increase Caltrain Service, specifically**

Purchase new locomotive train sets for increased Caltrain service in Santa Clara County from Gilroy to Palo Alto and provide additional facilities to support the increased service.

- **Construct a New Palo Alto Intermodal Transit Center**

In partnership with the City of Palo Alto and Stanford University, design and construct a new parkway and underpass for University Avenue from the campus to downtown Palo Alto to improve bicycle, pedestrian and transit access to the campus, Palo Alto Caltrain station and downtown Palo Alto. Upgrade passenger facilities at the historic Palo Alto Caltrain Station; upgrade transit facilities for VTA, SAMTRANS, Dumbarton Express and the Stanford Marguerita and Palo Alto shuttle services.

- **Improve Bus Service in Major Bus Corridors**

For VTA Line 22 (Palo Alto to Eastridge Center) and the Stevens Creek Boulevard Corridor, purchase new low floor articulated buses. Improve bus stops and major passenger transfer points and provide bus queue jumping lanes at intersections to permit buses quick access along the corridors.

- **Upgrade Altamont Commuter Express (ACE)**

Provide VTA's matching funds for additional train sets, passenger facilities and service upgrades for the ACE Commuter Service from San Joaquin and Alameda Counties.

- **Improve Highway 17 Express Bus Service**

Provide VTA's share of funds for the partnership with the Santa Cruz County Transit District for additional buses and service upgrades for the Highway 17 Express Bus Service.

- **Connect Caltrain with Dumbarton Rail Corridor**

Provide VTA's share of matching funds for a partnership with Alameda and San Mateo counties for the rebuilding of the Dumbarton Rail Corridor to connect to Caltrain and train sets for this new service conditioned on Alameda and San Mateo County's funding.

- **Purchase Zero Emission Buses and Construct Service Facilities**

Provide funds to supplement federal funds to expand and replace existing VTA diesel bus fleet from current size of just over 500 vehicles to 750 vehicles with the new zero emission buses and to provide maintenance facilities for this new, clean vehicle propulsion system. All new buses to be low floor for easier boarding by seniors and the disabled.

- **Develop New Light Rail Corridors**

Provide capital funds for at least two new future light rail corridors to be determined by Major Investment Studies (MIS). Potential corridors include: Sunnyvale/Cupertino; Santa Teresa/Coyote Valley; Downtown/East Valley Connection to Guadalupe Line; Stevens Creek Boulevard; North County/Palo Alto; Winchester/Vasona Junction; and, initial study of BART connection from Santa Clara through Palo Alto to San Mateo County.

- **Fund Operating and Maintenance Cost for Increased Bus, Rail and Paratransit Service**

Provide revenue to ensure funding, to at least 2014, and possibly longer, of the following: the new Tasman East, Capitol and Vasona Light Rail Lines, the commuter rail connection to BART, expanded paratransit services, expanded bus fleet of 750 vehicles, the Downtown/East Valley Light Rail line operations, which can commence in 2008, and the BART extension to San Jose which can commence operations by 2010;

all subject to the following mandatory requirements:

- The Tax Must Expire 30 Years After Implementation

If approved by the voters, this half-cent sales tax must expire 30 years after implementation. The tax will be imposed for the period commencing April 1, 2006, when current tax expires and terminate on March 31, 2036. The length of this tax cannot be extended without a vote - and the approval - of the residents of Santa Clara County.

- An Independent Citizen's Watchdog Committee Must Review All Expenditures.

The Independent Citizen's Watchdog Committee will consist of private citizens, not elected officials, who comprise the VTA's Citizen's Advisory Committee.

Responsibilities of the Citizen's Watchdog Committee are:

- **Public Hearings and Reports:** The Committee will hold public hearings and issue reports on at least an annual basis to inform Santa Clara County residents how the funds are being spent. The hearings will be held in full compliance with the Brown Act, California's open meeting law with information announcing the hearings well-publicized and posted in advance.
- **Annual Independent Audits:** An annual audit conducted by an Independent Auditor will be done each fiscal year to ensure tax dollars are being spent in accordance with the intent of this measure.
- **Published Results of Audits and Annual Reports:** The Committee must publish the results of the Independent Auditor and the Annual Report in local newspapers. In addition, copies of these documents must be made available to the public at large.

such authorization being pursuant to the provisions of Section 100250 et seq. of the Public Utilities Code and Sections 7251 et seq. of the Revenue and Taxation Code.