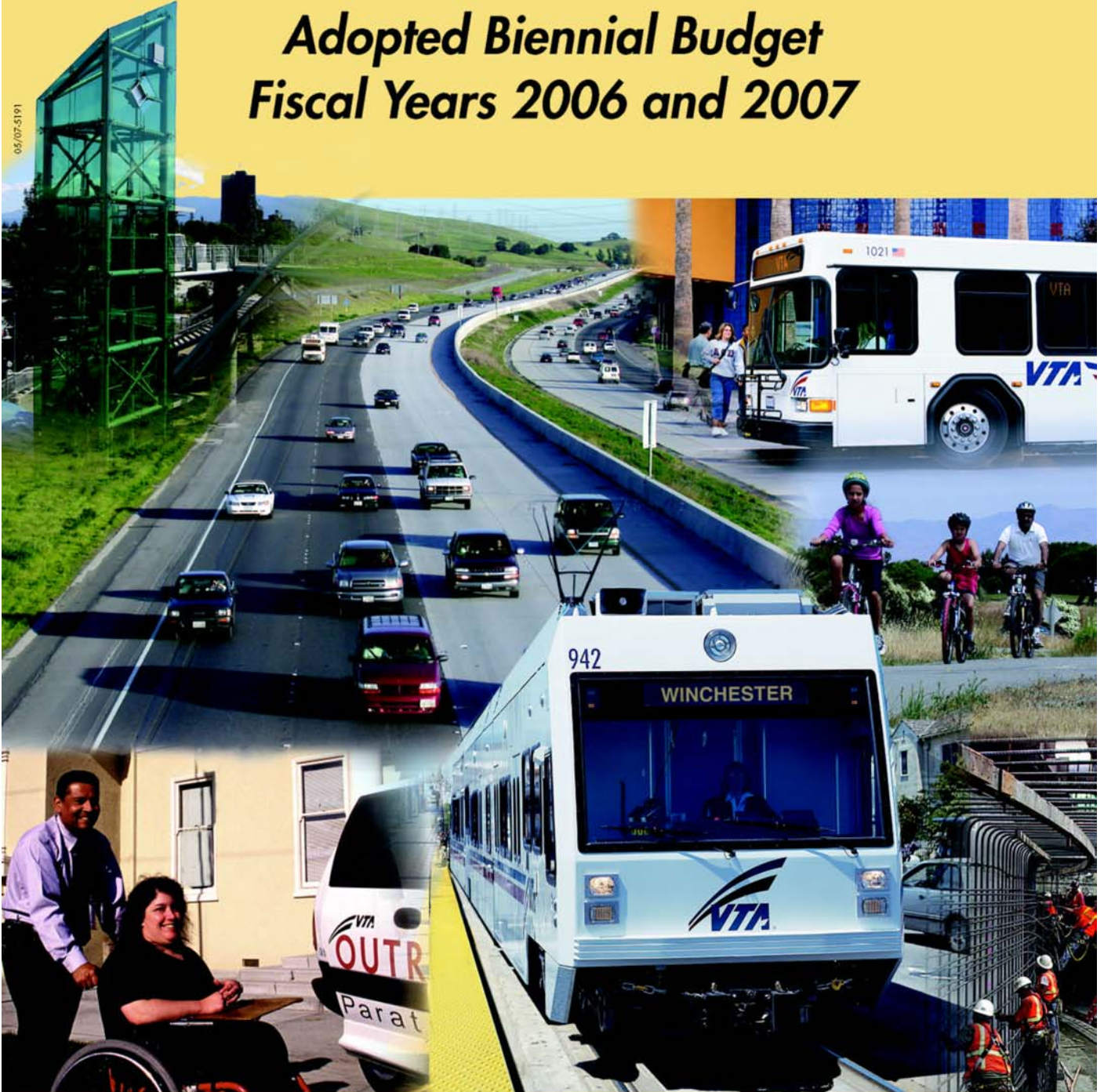


# Santa Clara Valley Transportation Authority

*Adopted Biennial Budget  
Fiscal Years 2006 and 2007*



July 1, 2005 through June 30, 2006 and July 1, 2006 through June 30, 2007

# Santa Clara Valley Transportation Authority

*Biennial Budget  
Adopted June 2, 2005*



*1996 Measure B U.S. 101 Widening Highway Project*



*Paratransit services offer alternatives for senior & disabled customers*



*VTA provides service to major attractions, like the Tech Museum of Innovation*



*Bicycle paths provide another transportation option*



*Low-floor light rail vehicle on the Mountain View – Winchester Line*



*Elevator at the Hamilton Light Rail Station*



*Construction workers building the new light rail tunnel at the San Jose Diridon Station*



3331 North First St., San Jose, CA 95134

**SANTA CLARA VALLEY TRANSPORTATION  
AUTHORITY**

**ADOPTED BIENNIAL BUDGET**

**June 2, 2005**

**FISCAL YEARS 2006 and 2007**

**July 1, 2005 through June 30, 2006**

**and**

**July 1, 2006 through June 30, 2007**



# SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

## 2005 BOARD OF DIRECTORS

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Chairperson  
VTA Board of Directors  
Council Member  
Town of Los Gatos

**Cindy Chavez**  
Vice Chairperson  
VTA Board of Directors  
Vice Mayor  
City of San Jose

**Nora Campos**  
Council Member  
City of San Jose

**David Casas**  
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**Dean Chu**  
Mayor  
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**David Cortese**  
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**Don Gage**  
Supervisor  
County of Santa Clara  
Board of Supervisors

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**Jamie Matthews**  
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## BOARD MEMBER ALTERNATES

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Mayor  
City of Morgan Hill

**Breene Kerr**  
Mayor Pro Tem  
Town of Los Altos Hills

**Pete McHugh**  
Supervisor  
County of Santa Clara  
Board of Supervisors

**Dolly Sandoval**  
Council Member  
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**Ken Yeager**  
Council Member  
City of San Jose

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**James Beall, Jr.**  
Supervisor, County of Santa Clara  
Commissioner, Metropolitan Transportation Commission (MTC)

**John McLemore**  
Vice Chairperson  
Metropolitan Transportation Commission (MTC)

## FISCAL RESOURCES STAFF

**Susan M. Stark**  
Controller

**Roger Contreras**  
Chief Financial Officer

**Jim McCutchen**  
Budget Manager

**Christine Huynh**  
Budget Department

**Pauline Man**  
Budget Department

**Linda Schwartz**  
Budget Department

**Jessica Tran**  
Budget Department

**Vannak Uong**  
Budget Department

*Updated as of December 14, 2005*

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**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY**  
**ADOPTED BIENNIAL BUDGET ~ FISCAL YEARS 2006 and 2007**

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## **GENERAL MANAGER'S BUDGET MESSAGE**

We are extremely pleased to present VTA's FY2006/FY2007 Biennial Budget. After nearly three years of facing one financial crisis after another, through the monumental effort of our employees, cooperation of our labor leadership, our Board of Directors and the understanding of our loyal passengers, we have regained the financial stability necessary to support our current level of operations now and in the foreseeable future.

As many will recall, we entered this past two year budget cycle with Board authorization to issue up to \$80 million in bonds against the 2000 Measure A Sales Tax Revenue (to be implemented in April 2006) to support operations and prevent any further major service reductions. Perhaps the greatest accomplishment by VTA and our employees these past two years was not having to issue these bonds, retaining service levels while reducing our overall costs and actually ending this period making significant contributions to replenish VTA's reserves.

While most will recall the difficulties VTA faced these past few years, there were many significant accomplishments. System performance made giant improvements...99.35% of scheduled service was delivered. While overall system ridership remains down from VTA's peak years, light rail ridership continues to grow at a double-digit pace month after month, particularly after the highly successful opening of Tasman East and Capitol Extensions.

Efforts to revisit "how" several elements of our service are delivered began in earnest with the adoption of a formal Service Management Plan, the focus on Enhanced Bus and Bus Rapid Transit and the soon-to-be implemented Community Bus Service. Most recently, in partnership with SamTrans, VTA introduced three Zero Emission Buses for actual in-service testing.

VTA's construction efforts and accomplishments remain the example those in the industry point to as "the format to follow to do it right". Tasman East and Capitol Light Rail Extensions were completed not only on time, but \$18 million under budget and with no construction claims. This is an outstanding accomplishment by both VTA staff and our consultant teams. The completion of VTA managed highway projects including Hwy. 101, I880, 85/101 South, Bailey/101 Interchange (where VTA was able to prevent the potential loss of highway funds) further reflect the capabilities this organization has refined over the past several years.

VTA's current fiscal stability was enhanced by utilizing creative financial transactions when appropriate. Among them were the completion of two lease to service transactions for our low-floor light rail vehicles and the sub-leasing transactions for VTA's older light rail vehicles to Sacramento and Salt Lake City. Working closely with State officials, VTA was able to facilitate the issuance of GARVEE Bonds for Hwy. 87 improvements.

Many other actions we took the past two years help set the stage for improving VTA's financial stability in the future. The adoption of a formal Fare Policy and its implementation has helped improve VTA's farebox recovery ratio and set the stage for further improvements in the future. Certainly one of the more exciting efforts was the adoption and implementation of a formal Joint Development Policy and Program supported by a professional staff with development expertise. This will not only enhance VTA's transit utilization with complementary developments, but will also provide VTA with a much-needed revenue stream that is not directly tied to sales tax or fares.

The following pages offer details of the many and significant accomplishments by each of VTA's Divisions. I encourage you to take a few moments to read through them and reflect on the significant and positive impacts VTA has on this community and the region.

While VTA is currently financially stable, the months and years ahead are filled with significant challenges in an ever-changing financial environment. When developing this FY2006-FY2007 Budget our primary goal was to present a fiscally sound plan with ample flexibility to adjust to a variety of conditions and issues VTA will need to be prepared to address. We believe we have accomplished this goal.

There should be no doubt in anyone's mind that VTA must have an additional and significant permanent revenue stream if the organization is expected to grow and provide the services conceived in the 2000 Measure A Program of Projects. Grappling with that issue, the question of how much is needed versus palatable, reaching a consensus on form and format will occupy a great deal of VTA's Board of Director's and staff's efforts over the coming months. Key elements of this budget are included to assist the Board in this endeavor ranging from financial analysis to seeking public input to the process.

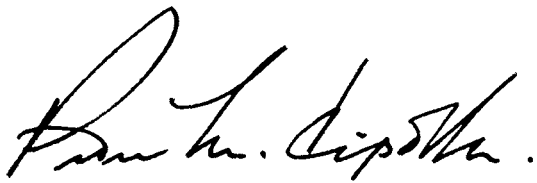
The budget is designed to continue VTA's efforts to maximize cost efficiencies while still delivering quality service. Many on-going service contracts are scheduled to be revisited and re-bid, a necessary step to maintaining fiscal stability. Operations will be conducting a system-wide Comprehensive Operational Analysis to help VTA determine the best methods of service delivery for each area of our community, especially as we expand the Community Bus Program.

Several efforts to improve our ridership while enhancing service to our customers are included in this budget. Among them is a special Summer Youth Pass Program. We are also recommending FREE Fares to all Senior Citizens age 67 or older and the Disabled currently not qualified for ADA/Paratransit Service during off-peak hours, Saturdays, Sundays and Holidays.

As VTA completes its Tenth Anniversary Year and moves into its second decade, a myriad of exciting events and challenges are on the immediate horizon. This Summer, of course, the Vasona Light Rail Extension will open and be supported by VTA's first efforts into the Community Bus Program. On the highway side, before the end of the year, the Board will be presented with recommendations resulting from VTA's High Occupancy Toll Lane Study. And before the end of the following year, VTA staff will be presenting recommendations resulting from the Measure A Rail Corridor Studies. This will be preceded by the Board adoption of formal standards and criteria for future project prioritization.

Certainly one of next year's highlights will be VTA's hosting of the 2006 American Public Transportation Association's Annual Meeting in October. This will present a unique opportunity for VTA and the community to expose thousands of transportation professionals to our many transportation accomplishments and our very special community.

As I indicated at the outset, I am very pleased to present this budget to the Board of Directors and very proud of the VTA employees and their efforts in developing a fiscally sound plan.

A handwritten signature in black ink, reading "Peter M. Cipolla." The signature is written in a cursive style with a large initial 'P' and 'C'.

Peter M. Cipolla  
General Manager  
April 5, 2005

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RESOLUTION NO. 05.06.08

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)  
ADOPTING A BIENNIAL BUDGET OF VTA  
FOR THE PERIOD JULY 1, 2005 THROUGH JUNE 30, 2007  
(FY2006 AND FY2007)**

WHEREAS, on or before April 22, 2005, the General Manager presented the Santa Clara Valley Transportation Authority FY2006 and FY2007 Recommended Budget to the Board of Directors and mailed a copy to each City Manager and Mayor in the County of Santa Clara and to the County Executive; and

WHEREAS, additional copies of the Recommended Budget were distributed to VTA's Advisory Committee membership, libraries in Santa Clara County, Santa Clara County's state and federal legislative delegation, senior and disabled groups, professional community organizations, and the news media, and were available for review on VTA's website [www.vta.org](http://www.vta.org) and at VTA's Downtown Customer Service Center, as well as libraries and city halls throughout the County; and

WHEREAS, the Recommended Budget includes all administrative, operational and capital expenses for the Congestion Management Program together with the apportionment of Congestion Management Program expenses by levy against the Managing Agency and each Member Agency to the extent necessary to fund the Congestion Management Program; and

WHEREAS, the Recommended Budget was reviewed by the Administration and Finance Committee on May 19, 2005, and by the Board of Directors on April 22 and June 2, 2005, and at public meetings conducted throughout the County;

WHEREAS, a list of employee position classifications and pay ranges is included in the recommended budget as Appendix A, and the amount of funds budgeted for wages, salaries and benefits for FY2006 and FY2007 is based upon VTA's position classification and pay plan and is set forth in the Statement of Revenues and Expenses in the Recommended Budget; and

WHEREAS, the Board of Directors desires to adopt a biennial budget for the period of July 1, 2005 through June 30, 2007 (FY2006 and FY2007);

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Transportation Authority that the Recommended Biennial Budget for the Santa Clara Valley Transportation Authority (incorporated herein as though set forth at length), is hereby revised as stated in the attached Board Memorandum and adopted as VTA's budget for FY2006 and FY2007.

BE IT FURTHER RESOLVED that, effective July 1, 2005, positions may be authorized and filled, as required, by the General Manager and General Counsel, as appropriate, provided that total VTA-wide budgeted wages, salaries and benefits account is not exceeded.

BE IT FURTHER RESOLVED, that, as necessary for efficient administration, position classifications may be added, modified, or deleted and salary ranges adjusted with the approval of the General Manager or General Counsel, as appropriate, provided that the changes are in accordance with applicable VTA personnel policies and procedures and are consistent with pay practices in the transportation industry. Such changes shall include pay and classification adjustments arising from agreements between VTA and its recognized labor organizations.

BE IT FURTHER RESOLVED, that capital appropriations, which are not expended during the fiscal year, shall carry over to successive fiscal years until the projects are completed or otherwise terminated.

BE IT FURTHER RESOLVED, that the budget shall consist of five Funds: the Transit Enterprise Fund, the Congestion Management Program Fund, the 1996 Measure B Transportation Improvement Program Fund, the 2000 Measure A Transit Program Fund and the Highway Improvement Fund. The General Manager may reallocate appropriations between budget units and cost groups within each Fund up to the limits of each Fund's annual appropriation. Any net increase in authorized appropriations to any Fund (including an allocation from reserves) shall require an affirmative vote of at least eight Directors.

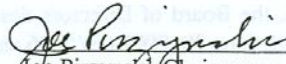
BE IT FURTHER RESOLVED, that the Recommended Assessments of member agencies for the Congestion Management Program are hereby approved.

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors on June 3, 2005 by the following vote:

AYES: DIRECTORS: CAMPOS, CASAS, CHAVEZ, CHU, GAGE, GONZALES, KNISS, LIVENGOOD, MATTHEWS, WILLIAMS, YAEGER, PIRZYNSKI


NOES: DIRECTORS : NONE

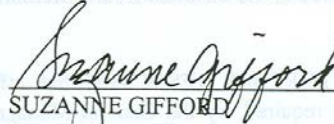
ABSENT: DIRECTORS : CORTESE

  
Joe Pirzynski, Chairperson  
Board of Directors

ATTEST:

APPROVED AS TO FORM:

  
SANDRA WEYMOUTH, Secretary  
Board of Directors

  
SUZANNE GIFFORD  
General Counsel

RESOLUTION NO. 05.06.08

05 06 08 103

**Section I**  
**INTRODUCTION**

***Vision & Mission***





## VISION AND MISSION

In September 1995, the Board of Directors adopted a vision and mission statement for the Santa Clara Valley Transportation Authority (VTA). This statement provides a framework for making future policy, planning and budgetary decisions.

### VISION STATEMENT

*The vision of the Santa Clara Valley Transportation Authority (VTA) is to provide a transportation system that allows anyone to go anywhere in the region easily and efficiently.*

This statement contains the long-range vision for VTA and portrays the desired future VTA seeks to achieve. The vision is regional, including both the immediate areas of Santa Clara County and the bordering Bay Area to which the County is linked economically, socially, and culturally.

### MISSION STATEMENT

*The mission of the Santa Clara Valley Transportation Authority (VTA) is to provide the public with a safe and efficient countywide transportation system. The system increases access and mobility, reduces congestion, improves the environment, and supports economic development, thereby enhancing quality of life.*

The mission or core purpose of VTA is to provide a “safe and efficient countywide transportation system.” The emphasis is on an integrated transportation system that comprises the full range of mobility options, from cars, buses, and rail systems to walking and bicycle trips. The system will allow members of the public to travel easily and comfortably to their destination by the most appropriate means.

### POLICY DIRECTIONS

In adopting the vision and mission in 1995, the Board of Directors specified four key policy directions for VTA. In March 1999, the Board adopted a fifth policy direction related to the 1996 Measure A transportation program of projects.

- Integrate transportation and land use
- Use all transportation options
- Create a safe, convenient, reliable and high-quality bus/rail operation
- Build a regional perspective
- In partnership with the County of Santa Clara, implement the 1996 Measure A transportation program of projects

**VTA FY2006 & FY2007 ADOPTED BUDGET**

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**Section I**  
**INTRODUCTION**

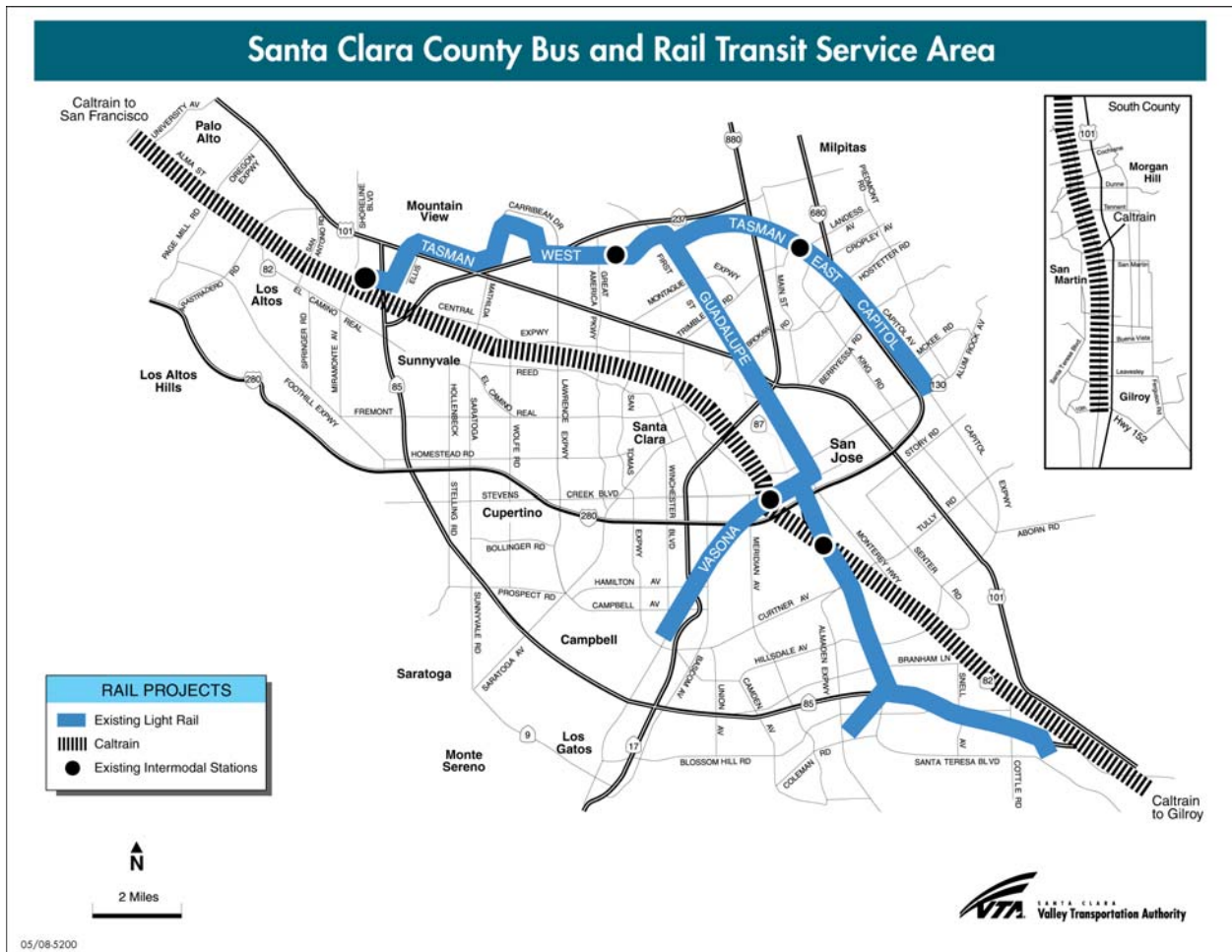
**Current Operations**



## CURRENT OPERATIONS

The Santa Clara Valley Transportation Authority (VTA) is an independent public agency responsible for bus and light rail operation, regional commuter and inter-city rail service, ADA paratransit service, congestion management, specific highway improvement projects, and countywide transportation planning. As such, VTA is both an accessible transit provider and a multi-modal transportation planning and implementation organization involved with transit, roadways, bikeways, and pedestrian facilities.

VTA provides transit services to the 326 square mile urbanized portion of Santa Clara County that is comprised of 15 cities and the County of Santa Clara with a total population of more than 1.7 million residents. A historical summary of the county population by city is presented in Appendix C. VTA operates 69 bus routes and four light rail transit (LRT) lines, a fourth line, the Vasona Corridor, will be added in FY2006, within this service area. In addition, VTA funds paratransit and privately operated shuttle services in the County and participates in providing inter-regional commuter rail and express bus services. All of the bus and rail vehicles are accessible for individuals with disabilities.



## VTA FY2006 & FY2007 ADOPTED BUDGET

In January 1995, VTA was designated as the Congestion Management Agency and changed from being exclusively a transit provider to an organization responsible for countywide transportation planning, funding and congestion management within the County. VTA, in partnership with the County of Santa Clara, assumed the responsibility for implementing the 1996 Measure B Transportation Improvement Program of transit and highway improvement projects. In addition, VTA is responsible for implementing the latest voter-approved transportation improvement measure – the 2000 Measure A, an essential element of VTP 2030.

The following section provides a summary of VTA's services:

### **BUS OPERATIONS**

VTA has an active bus fleet of 423 buses powered by clean diesel fuel, which includes 237 low-floor buses and 3 Zero Emission buses. The average age of the active fleet is about 5.6 years with the buses ranging between 1 to 13 years old. There are approximately 4,300 bus stops and 730 shelters along the bus routes. VTA also maintains nine bus park & ride lots -- five owned by VTA and four provided under a lease, permit, or joint use agreement with other agencies. Buses are operated and maintained from three operating divisions and an Overhaul and Repair (O&R) facility: Cerone Operating Division, Don Pedro Chaboya Operating Division, North Operating Division and Cerone O&R Division.

### **LIGHT RAIL TRANSIT (LRT)**

VTA operates a 42-mile LRT system connecting the Silicon Valley industrial areas of Mountain View, Sunnyvale, Santa Clara, North San Jose and Milpitas to residential areas in East and South San Jose and Campbell. The LRT system has a total of 62 stations and 21 park & ride lots. It operates on three alignments: service between Santa Teresa in South San Jose and Alum Rock in East San Jose service between Mountain View and the Baypointe Station, and shuttle service between Almaden and Ohlone-Chynoweth Stations in South San Jose. A fleet of 100 new Kinkisharyo low floor light rail vehicles operates on these three routes and will be deployed on the new Vasona route, scheduled to open in Summer 2005. All 100 Kinkisharyo light rail vehicles are stored and maintained at the Guadalupe Operating Division near downtown San Jose.

### **PARATRANSIT SERVICES**

VTA contracts with Outreach and Escort, Inc. to serve as a broker and provide the paratransit service through contracts with private transportation providers. Eligible riders call Outreach to schedule their trips. Outreach then assigns the trips based on the most appropriate mode that can meet the riders' needs: taxi, sedan, accessible van, or transfer to or from fixed-route. VTA is in full compliance with the Americans with Disabilities Act (ADA).

### **CONTRACTED AND INTERAGENCY TRANSIT SERVICES**

VTA is also a partner in various ventures that expand the transportation options for our customers. These relationships include commuter rail, inter-county express bus lines, and rail feeder services. They are operated either by contract or through cooperative agreements. The following is a description of these services:

**Peninsula Corridor Joint Powers Board (PCJPB aka Caltrain)**

Caltrain is the commuter rail service provided by the PCJPB, which is governed by representatives from San Francisco, San Mateo and Santa Clara counties. It operates between Gilroy and San Francisco. Eighty-six trains operate between San Jose Diridon Station and San Francisco each weekday, with 53 of these trains extended to the Tamien Station in San Jose where a connection can be made to the Light Rail Transit (LRT) system. Connection to the LRT system can also be made at the Mountain View Caltrain Station. Eight peak-hour weekday trains (four northbound in the morning and four southbound in the evening) extend Caltrain from Tamien station to Gilroy. There are 32 stations along the line; 15 are located in Santa Clara County. The system uses diesel-powered locomotives. The funding share of the operating costs apportioned to each member agency is based upon morning peak period boardings that occur in each county.

**Altamont Commuter Express Rail Service**

The Altamont Commuter Express (ACE) is an 85 mile weekday commuter rail service from Stockton to San Jose via the Tri-Valley area of Alameda County. Operating on the Union Pacific railroad track, ACE service consists of two morning trains originating in Stockton and one morning train originating in Lathrop providing service to San Jose Diridon Station. Three afternoon trains provide return trip service from San Jose. Two of these trains return to Stockton and one terminates in Lathrop. ACE service began in October 1998. The San Joaquin Regional Rail Commission is the owner, operator, and policy making body for ACE service.

The Santa Clara Valley Transportation Authority (VTA), San Joaquin Regional Rail Commission (SJRRRC), and the Alameda County Congestion Management Agency provide funding of ACE service under the terms of a cooperative service agreement.

**Capitol Corridor Intercity Rail Service**

The Capitol Corridor Intercity Rail Service is a 170-mile train corridor from Auburn and Sacramento to San Jose, through Placer, Sacramento, Yolo, Solano, Contra Costa, Alameda and Santa Clara Counties. Operating on the Union Pacific railroad tracks, Capitol Corridor service consists of four daily round trips from Sacramento to San Jose and six daily round trips from Sacramento to Oakland with connecting bus service to and from San Jose. One round trip per day extends beyond Sacramento to Auburn.

The train service parallels the Interstate 80 corridor between Sacramento and Oakland, and Interstate 880 between Oakland and San Jose. Service includes stops in Roseville, Sacramento, Davis, Suisun/Fairfield, Martinez, Richmond, Berkeley, Emeryville, Oakland, Hayward, Fremont, Santa Clara at Great America, and San Jose Diridon Station. The Capitol Corridor Joint Powers Authority (CCJPA), which is comprised of representatives from the eight counties served by the corridor, is responsible for managing the service. Under contract with the CCJPA, the Bay Area Rapid Transit District (BART) manages the service and Amtrak operates the service on tracks owned by Union Pacific Railroad. The funding is provided by the State of California.

## VTA FY2006 & FY2007 ADOPTED BUDGET

### **Inter-county Bus Services**

VTA sponsors two inter-county bus services through cooperative arrangements with other transit systems:

- The Dumbarton Express is a transbay express route operating between the Union City BART Station and the Stanford Research Park in Palo Alto. It provides the only regularly scheduled public transit service over the Dumbarton Bridge. A consortium comprised of representatives from the Alameda-Contra Costa Transit District (AC Transit), the San Francisco Bay Area Rapid Transit District (BART), the City of Union City, the San Mateo County Transit District (SamTrans) and VTA underwrite the net operating costs of the service. SamTrans and VTA are responsible for 50% of the net operating costs and AC Transit, BART and the City of Union City are responsible for the rest.
- The Highway 17 Express provides direct bus service from Santa Cruz to Downtown San Jose. The service is managed and operated by Santa Cruz Metro Transit District (Metro) under a Joint Powers Authority Agreement with VTA. In 2004, Caltrans and the Capitol Corridor Joint Powers Authority (CCJPA) joined as service partners by merging their connector bus service with the Highway 17 Express. This consolidation added new weekend and holiday service, more weekday trips and extended the route to the Downtown Santa Cruz Metro Center. These improvements are fully funded by Caltrans and CCJPA. VTA and Metro continue to share the operating subsidy for the remainder of the weekday service on a 50/50 basis.

### **Rail Shuttle Program**

Under this program, VTA offers financial assistance to employers and entities that wish to operate shuttle bus service between LIGHT RAIL TRANSIT (LRT) stations and nearby employment/activity centers. The service is operated through a private contractor provided by VTA or sponsoring agency. Funding to operate this program is provided by the sponsoring agency, VTA, and grants from the Transportation Fund for Clean Air Act (AB434).

### **Downtown Area Shuttle (DASH) and HP Pavilion Shuttle Programs**

VTA operates a free shuttle (DASH) on weekdays between the downtown San Jose Transit Mall, San Jose State University and the San Jose Diridon Train Station. VTA, the Transportation Fund for Clean Air Act, the City of San Jose, and the San Jose Downtown Association fund this service.

### **San Jose Airport Flyer Service**

VTA, in partnership with the City of San Jose, provides free Airport Flyer bus service connecting San Jose International Airport terminals and airport employee parking lots with VTA's Metro/Airport Light Rail Station and the Santa Clara Caltrain Station. The City of San Jose and VTA equally share the operating costs for this service.

## **CONGESTION MANAGEMENT**

VTA, as the Congestion Management Agency for Santa Clara County, is responsible for coordinating and prioritizing projects for state and federal transportation funds, administering the Transportation Fund for Clean Air Program, and coordinating land use and other transportation planning.



**1996 MEASURE B TRANSPORTATION IMPROVEMENT PROGRAM (MBTIP)**

In November 1996, the voters in Santa Clara County approved Measure A, an advisory measure listing an ambitious program of transportation improvements for Santa Clara County. Also approved on the same ballot, Measure B authorized the County Board of Supervisors to collect a nine-year half-cent sales tax for general county purposes. Subsequently, the County Board of Supervisors adopted a resolution dedicating the tax for Measure A projects. Collection of the tax began in April 1997; however, use of the revenue was delayed pending the outcome of litigation challenging the legality of the sales tax. In August 1998, the California courts upheld the tax allowing the implementation of the Measure A transportation projects to move forward.

In February 2000, the VTA Board of Directors approved a Master Agreement formalizing the partnership with the County of Santa Clara to implement the 1996 Measure B Transportation Improvement Program. With this partnership in place, the County and VTA are in a position to complete a transportation program valued at over \$1.4 billion. VTA is responsible for project implementation and management of the transit and highway projects and assists in the administration of the pavement management and bicycle elements of the program. A more detailed description of the program elements can be found in Section IV of this document.

To monitor the progress of the program, VTA and County staff update the Measure B Program Revenue and Expenditure Plan for each upcoming fiscal year in June. Any scope, schedule or budget changes are formally requested through this document, upon which the VTA Board of Directors and the County Board of Supervisors take action during a joint workshop. In December, VTA and County staff prepare the Measure B Program Status Report, which describes the status of each project within the program. The report is also presented to the VTA Board of Directors and the County Board of Supervisors for review and acceptance. The Measure B tax will expire on March 31, 2006. Some deferred projects may be continued with any residual funds. VTA will close-out the program during FY2006.

**2000 MEASURE A TRANSIT IMPROVEMENT PROGRAM**

In August 2000, the VTA Board of Directors approved placing a measure on the November 7, 2000, General Election ballot allowing Santa Clara County voters the opportunity to vote on transportation improvements funded by a 30 year half-cent sales tax to take effect after the 1996 Measure B sales tax expires (March 31, 2006) in the county. More than 70% of the voters approved the 2000 Measure A.

We are currently estimating projected Measure A Sales Tax Revenue of \$9.9 billion in year of expenditure dollars over the thirty year term. The revenue from this Measure may be used to finance the transit projects and operations specified in 2000 Measure A and listed in VTA's VTP 2030 Transportation Plan. A draft Long-Term Transit Capital Investment Program and Expenditure Plan is currently under review, and will be updated on an annual basis to reflect actual revenues/expenditures, revised projections, and if necessary, revised priorities of the Board of Directors. VTP 2030 provides for a balanced transportation system consisting of transit, roadway, bicycle and pedestrian improvements. A more detailed description of the program elements can be found in Section IV.

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**Section I**  
**INTRODUCTION**

**Executive Summary Schedules**



VTA FY2006 & FY2007 ADOPTED BUDGET

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY  
 FY2006 AND FY2007 ADOPTED BUDGETS  
 VTA ENTERPRISE  
 SOURCES AND USES OF FUNDS SUMMARY  
 (in thousands)

	<u>FY2005</u> <u>Adopted</u> <u>Revenues &amp;</u> <u>Expenditures</u>	<u>FY2005</u> <u>Projected</u> <u>Revenues &amp;</u> <u>Expenditures</u>	<u>FY2006</u> <u>Adopted</u> <u>Revenues &amp;</u> <u>Expenditures</u>	<u>FY2007</u> <u>Adopted</u> <u>Revenues &amp;</u> <u>Expenditures</u>
Total Revenues	\$ 354,831	\$ 335,972	\$ 325,487	\$ 358,857
Total Operating Expenses	\$ 349,574	\$ 327,415	\$ 338,675	\$ 350,657
Operating Revenues Over (Under) Expenses	\$ 5,257	\$ 8,557	\$ (13,188)	\$ 8,200
<hr/>				
Total VTA Enterprise Capital Expenditures	\$ 12,048	\$ 13,579	\$ 10,311	\$ 14,957
Capital Funding:				
Grants & Other Sources	\$ 3,889	\$ 3,889	\$ 1,184	\$ 6,327
VTA Enterprise Share, drawn from Reserves	\$ 8,159	\$ 9,690	\$ 9,127	\$ 8,630
<hr/>				
Beginning Reserves	\$ 35,332	\$ 65,367	\$ 67,459	\$ 49,183
Operating Revenues Over (Under) Expenses	\$ 5,257	\$ 8,557	\$ (13,188)	\$ 8,200
Total VTA Funds for Capital Program	\$ (8,159)	\$ (9,690)	\$ (9,127)	\$ (8,630)
Net Local Capital Program Savings	\$ -	\$ 3,225	\$ -	\$ -
Additional Grants for Carryover Projects	\$ -	\$ -	\$ 4,040	\$ 1,513
Ending Reserves	\$ 32,430	\$ 67,459	\$ 49,183	\$ 50,267
Operating Reserve %	9.28%	20.60%	14.52%	14.33%

NOTE: FY2005 Approved information is for Revenue and Expenditure comparisons only.

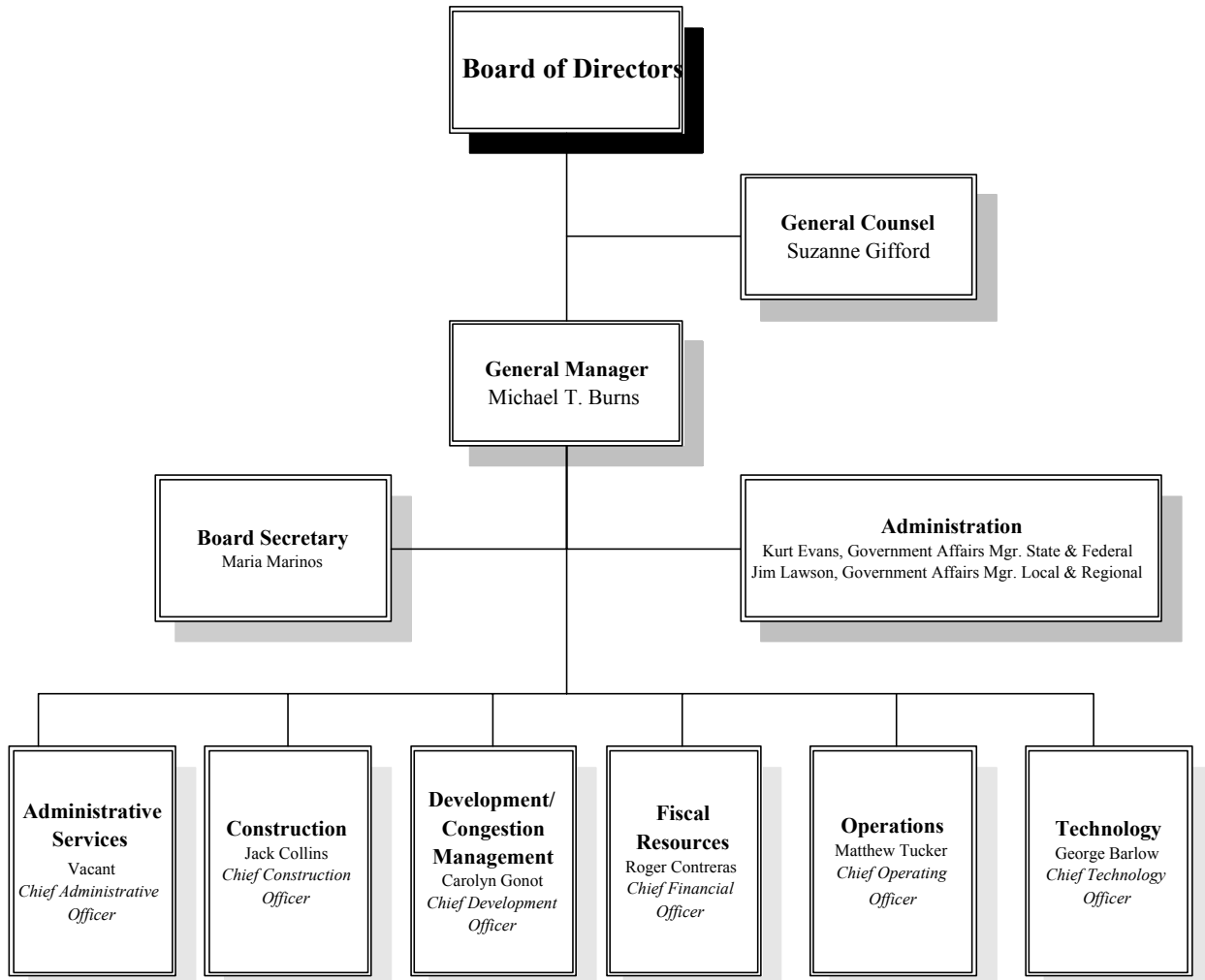
**VTA FY2006 & FY2007 ADOPTED BUDGET**

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY  
FISCAL YEAR 2006 AND FISCAL YEAR 2007 BUDGETS  
EXECUTIVE SUMMARY**

	<b>FY2004</b>	<b>FY2005</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>
	<b>Actual</b>	<b>Adopted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
<b>Ridership (In 000's)</b>					
1 Bus	32,902	33,651	29,800	30,790	30,810
2 Light Rail	5,473	5,909	6,600	7,210	7,290
<b>3 Total Ridership</b>	<b>38,375</b>	<b>39,560</b>	<b>36,400</b>	<b>38,000</b>	<b>38,100</b>
<b>Service Miles (In 000's)</b>					
4 Bus	18,682	18,433	18,310	18,758	18,732
5 Light Rail Train	1,464	1,789	1,795	2,224	2,223
<b>6 Total Service Miles</b>	<b>20,146</b>	<b>20,222</b>	<b>20,105</b>	<b>20,982</b>	<b>20,955</b>
<b>Service Hours (In 000's)</b>					
7 Bus	1,360	1,352	1,349	1,363	1,361
8 Light Rail Train	99	117	117	145	145
<b>9 Total Service Hours</b>	<b>1,459</b>	<b>1,469</b>	<b>1,466</b>	<b>1,508</b>	<b>1,506</b>
<b>REVENUES (In 000's)</b>					
10 <b>Total Revenue</b>	<b>\$ 419,630</b>	<b>\$ 354,831</b>	<b>\$ 335,972</b>	<b>\$ 325,487</b>	<b>\$ 358,857</b>
Major Revenue Components					
11 Half Cent Sales Tax	138,917	139,000	142,005	148,865	156,120
12 TDA	64,993	67,098	67,098	71,044	73,376
13 Fare	30,625	34,524	32,374	36,732	36,857
14 Federal Operating Grants	38,143	37,134	34,429	33,381	34,546
<b>EXPENSES (In 000's)</b>					
15 <b>Total Expense*</b>	<b>\$ 390,597</b>	<b>\$ 349,574</b>	<b>\$ 327,415</b>	<b>\$ 338,675</b>	<b>\$ 350,657</b>
* Excluding Contingency					
Major Expense Components:					
16 Labor Costs	222,722	240,183	229,257	238,613	240,507
17 ADA	25,465	29,533	25,837	26,662	27,446
18 Debt Service	104,199	23,579	23,465	23,336	23,593
19 Caltrain	16,805	15,025	15,025	15,461	15,940
20 Materials & Supplies	7,047	14,978	10,975	12,784	12,925
21 Security	7,687	8,499	7,993	7,880	8,062
22 Other Services	6,071	6,705	6,418	7,567	7,483
23 Fuel	6,060	8,634	8,638	9,976	10,119
<b>24 Operating Cost Recovery Ratio**</b>	<b>13.6%</b>	<b>13.3%</b>	<b>13.4%</b>	<b>14.6%</b>	<b>14.1%</b>
<b>CAPITAL PROJECTS</b>					
Number of Projects:					
25 New Projects		12	20	20	1
26 Augmented Projects		2	-	-	-
27 Carryover Projects		71	60	79	99
<b>28 Total number of Projects</b>		<b>85</b>	<b>80</b>	<b>99</b>	<b>100</b>
Gross Project Expenditures (In 000's)					
29 New Projects	\$ 4,008	\$ 29,565	\$ 28,261	\$ 911	
30 Augmented Projects	1,000				
31 Carryover Projects	991,022	1,160,494	1,190,059	1,245,208	
<b>32 Total Project Budget</b>	<b>\$ 996,030</b>	<b>\$ 1,190,059</b>	<b>\$ 1,218,320</b>	<b>\$ 1,246,119</b>	

\*\* Operating Cost Recovery Ratio includes advertising income, whereas Farbox Recovery Ratio does not.

# Santa Clara Valley Transportation Authority



Updated as of December 14, 2005

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**Section II**  
**OPERATING BUDGET**

**Statement of Revenues & Expenses**



**VTA FY2006 & FY2007 ADOPTED BUDGET**

**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY  
FY2006 AND FY2007 ADOPTED BUDGETS  
STATEMENT OF REVENUES AND EXPENSES**

In thousands	FY2004	FY2005		FY2006	FY2007
	Actual	Adopted Budget	Projected Budget	Adopted Budget	Adopted Budget
1 Fares	\$ 30,625	\$ 34,524	\$ 32,374	\$ 36,732	\$ 36,857
2 1976 1/2 Cent Sales Tax	138,917	139,000	142,005	148,865	156,120
3 TDA	64,993	67,098	67,098	71,044	73,376
4 2000 Measure A Sales Tax**	-	-	-	6,869	28,815
5 STA	4,417	7,537	7,537	6,331	8,112
6 Federal Operating Grants	38,143	37,134	34,429	33,381	34,546
7 State Operating Grants	751	1,104	1,104	1,100	1,100
8 Local Operating Assistance	3,272	221	500	474	-
9 Investment Earnings	2,352	1,500	2,500	2,425	2,097
10 Advertising Income	1,871	1,838	1,838	1,921	1,933
11 Other Income	134,289	64,875	46,588	16,345	15,901
<b>12 Total Revenue</b>	<b>\$ 419,630</b>	<b>\$ 354,831</b>	<b>\$ 335,972</b>	<b>\$ 325,487</b>	<b>\$ 358,857</b>
13 Labor Costs	\$ 222,722	\$ 240,183	\$ 229,257	\$ 238,613	\$ 240,507
14 Materials & Supplies	7,047	14,978	10,975	12,784	12,925
15 Security	7,687	8,499	7,993	7,880	8,062
16 Professional & Special Services	3,226	5,575	5,126	5,807	4,790
17 Other Services	6,071	6,705	6,418	7,567	7,483
18 Fuel	6,060	8,634	8,638	9,976	10,119
19 Traction Power	2,152	3,949	3,074	3,441	3,441
20 Tires	963	1,038	1,004	1,050	1,105
21 Utilities	2,013	2,538	2,383	2,321	2,373
22 Insurance	3,413	3,821	3,821	3,899	4,194
23 Data Processing	2,221	2,726	2,600	2,708	2,652
24 Office Expense	383	630	471	422	422
25 Communications	899	1,611	1,363	1,138	1,208
26 Employee Related Expense	458	1,150	967	1,017	1,011
27 Leases & Rents	569	653	632	638	654
28 Miscellaneous	1,900	1,441	1,306	1,258	1,265
29 Reimbursements	(29,698)	(31,210)	(30,651)	(35,710)	(26,886)
<b>30 Subtotal Operating Expense</b>	<b>\$ 238,087</b>	<b>\$ 272,921</b>	<b>\$ 255,379</b>	<b>\$ 264,807</b>	<b>\$ 275,326</b>
31 ADA*	\$ 25,465	\$ 29,533	\$ 25,837	\$ 26,662	\$ 27,446
32 Caltrain*	16,805	15,025	15,025	15,461	15,940
33 Light Rail Shuttles*	728	955	955	906	927
34 Altamont Commuter Express*	3,441	3,912	3,712	3,842	3,952
35 Highway 17 Express*	317	415	415	427	443
36 Dumbarton Express*	355	390	390	449	413
37 Contribution to Other Agencies	1,060	470	510	567	597
38 Debt Service	104,199	23,579	23,465	23,336	23,593
39 Other Expense	139	373	16	219	20
<b>40 Subtotal Other Expense</b>	<b>\$ 152,510</b>	<b>\$ 74,653</b>	<b>\$ 70,326</b>	<b>\$ 71,868</b>	<b>\$ 73,331</b>
<b>41 Operating &amp; Other Expense</b>	<b>\$ 390,597</b>	<b>\$ 347,574</b>	<b>\$ 325,705</b>	<b>\$ 336,675</b>	<b>\$ 348,657</b>
42 Contingency	-	2,000	1,710	2,000	2,000
<b>43 Surplus/(Deficit) to Reserves</b>	<b>\$ 29,034</b>	<b>\$ 5,257</b>	<b>\$ 8,557</b>	<b>\$ (13,188)</b>	<b>\$ 8,200</b>

\* Amounts include allocation of VTA support staff.

\*\* Represents 18.46% of tax for support of operations.

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**Section II**  
**OPERATING BUDGET**

**Summary of Budget Assumptions**



## SUMMARY OF BUDGET ASSUMPTIONS

The FY2006 and FY2007 Santa Clara Valley Transportation Authority (“VTA”) Operating Budget presented here is significantly improved from the tenor of the budget we presented two years ago. At that time, sales tax revenue was still experiencing an historic decline, forcing VTA to rapidly consume its accumulated reserves. In response to this financial crisis, VTA embarked upon a series of actions designed to reduce costs, enhance revenues, and implement efficiencies. These actions included both service and staff reductions, labor contract revisions, two fare increases, reducing or eliminating capital projects, reorganizing major programs and functions, and generally tightening our belt throughout the entire organization.

These actions allowed VTA to keep from implementing a possible 21% service reduction and to do it without the need of bonding up to \$80 million against future Measure A sales tax revenues. While these measures have had an impact upon our customers, our employees, and the community, these same measures have enabled VTA to stabilize operations and prevent the severe reductions that were being considered two years ago. We have even begun replenishing our cash reserves.

This budget continues to strive for efficiencies while minimizing impacts upon our customers. This is evidenced in the fact that although the proposed overall operating budget for both FY2006 and FY2007 has been reduced from the level of the FY2005 Budget adopted by the Board last June, the level of service provided will increase. This service level increases slightly for bus and significantly for light rail. The increase, both in service miles and hours, includes the opening of the Vasona Corridor Light Rail line and the implementation of Community Buses.

We will submit periodic budget reviews and updates during the course of this two-year budget. These reviews will provide the Board and the public with an opportunity to evaluate VTA’s actual performance after several months of operations. In addition, it presents a forum for VTA management to report to the Board any major differences between budgetary assumptions and actual results that have occurred since the budget adoption and to request resource reallocations that are warranted due to changes caused by both internal and external factors.

## *REVENUES*

### **Ridership and Fares**

Santa Clara County’s economic recession during the first years of this decade created a multi-faceted problem for VTA, especially in the area of ridership and fares. The dramatic downturn in the economy not only reduced sales tax revenues needed to support operations, but the staggering drop in employment also resulted in a decline in ridership. This ridership decrease, in turn, led to a correlating decrease in fare revenue. The Board authorized two fare increases, the last one implemented in January of this year, in order to compensate for falling revenues and address our operating deficits. Another goal of these actions was to increase the percentage of operating costs paid by patrons and the average fare revenue per boarding. Fare increases generally result in an initial ridership loss, followed by a gradual return over the following months. Although every situation is unique, it is generally observed that lost patronage after a fare increase typically returns in the first six months.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

This budget assumes such a recovery following the January 2005 fare increase. In conjunction with the opening of the Vasona light rail line in the summer of 2005 and a continuing improvement in the overall economy, this budget projects an annual increase of 1.6 million riders in FY2006 from the most current FY2005 ridership estimates.

The VTA Fare Policy established a process for fare review to be conducted in conjunction with the development of a biennial budget. Included in the policy is a farebox recovery target along with a January implementation date for any necessary fare increases. It is VTA’s primary goal to achieve the farebox recovery target through increased ridership and lower operating costs. A fare increase will be an option only if these factors do not yield the intended goal. This budget proposes no fare increases in FY2006 or FY2007.

<b>Ridership and Fare Revenue</b>					
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>
<b>In thousands</b>	<b>Actual</b>	<b>Adopted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
<b>Ridership :</b>					
<b>Bus</b>	32,902	33,651	29,800	30,790	30,810
% Change		2.3%	-11.4%	3.3%	0.1%
<b>Light Rail</b>	5,473	5,909	6,600	7,210	7,290
% Change		8.0%	11.7%	9.2%	1.1%
<b>Total Ridership</b>	<b>38,375</b>	<b>39,560</b>	<b>36,400</b>	<b>38,000</b>	<b>38,100</b>
% Change		3.1%	-8.0%	4.4%	0.3%
<b>Total Fare Revenue</b>	<b>\$30,625</b>	<b>\$34,524</b>	<b>\$32,374</b>	<b>\$36,732</b>	<b>\$36,857</b>
% Change		12.7%	-6.2%	13.5%	0.3%
<b>Average Fare Per Boarding</b>	<b>\$0.80</b>	<b>\$0.87</b>	<b>\$0.89</b>	<b>\$0.97</b>	<b>\$0.97</b>
% Change		9.4%	1.9%	8.7%	0.1%

Eco Pass, Residential Eco Pass and San Jose State University’s Transit Access Program continue to be popular with employers, residential communities and students. Currently the VTA Eco pass program includes 130,000 employees, residents and students in the area. These riders and revenues are included in the calculation of the revenues per boarding.

**SALES TAX-BASED REVENUES**

The 1976 half-cent local sales tax and a quarter-cent state sales tax (also known as the Transportation Development Act or TDA) have historically been the two most important income sources to VTA. Beginning in April of 2006, VTA will also be receiving a portion of revenue generated by the 2000 Measure A sales tax for use towards operations. The majority of VTA’s proposed operating revenues are generated from these sales tax measures. The proceeds from these sales taxes are driven by the local economy. The quarter-cent sales tax is derived from the same tax base as the half-cent sales tax but it is collected by the State. The proceeds are



## VTA FY2006 & FY2007 ADOPTED BUDGET

administered and allocated by the Metropolitan Transportation Commission (MTC). The cash flow fluctuates differently from the half-cent tax because the annual receipts are based on forecasts, which are adjusted in subsequent years for over-funding or under-funding in prior years.

### **1976 ½ Cent Sales Tax**

Santa Clara County is slowly emerging from the low ebb of the recession as evidenced by the actual sales tax revenue VTA received in FY2004. The FY2004 receipts represent the first year-to-year increase since FY2001. Current projections for FY2005 reflect a conservatively estimated increase of approximately \$3.1 million over FY2004. This estimate represents the midpoint between the conservative and moderate projections provided by the Center for Continuing Study of the California Economy (CCSCE). We believe that CCSCE's projections are reasonable estimates based on the expected growth of the Bay Area. As a result, this budget includes projected sales tax revenues for FY2006 and FY2007 of \$148.9 million and \$156.1 million, respectively, representing continuing stable growth of 4.83% in FY2006 and 4.87% in FY2007.

### **TDA**

Transportation Development Act funds (TDA) are derived from a quarter cent sales tax levied by the State on taxable transactions occurring in Santa Clara County. The Metropolitan Transportation Commission (MTC) retains a portion of these funds, and approximately 96% is returned to source (i.e., Santa Clara County).

At this time, VTA is conservatively estimating TDA funds available to VTA in FY2006 at \$71 million, a 6% increase over the \$67 million that was available in FY2005. Preliminary estimates from MTC indicate that VTA's TDA funds will increase by 3.5% to \$73.4 million in FY2007.

### **2000 Measure A Sales Tax**

On November 7, 2000, Santa Clara County voters overwhelmingly approved Measure A, which enacted a half-cent sales tax to be collected beginning April 1, 2006 and continuing for a period of 30 years.

This revenue may be used to finance the transit projects and operations specified in the 2000 Measure A and listed in VTA's Valley Transportation Plan and Expenditure Program (VTP 2030). VTP 2030 allocated 18.457% of the sales tax revenue towards funding VTA operations. Using that allocation, this budget estimates revenue of \$6.9 million in FY2006, representing the first three months of revenue collection during the final quarter of the fiscal year, and \$28.8 million in FY2007, which represents the first full fiscal year of revenue.

### **STA**

State Transit Assistance funds (STA) are derived from the State sales tax on gasoline and diesel fuel. STA apportionments are made to regional transportation planning agencies (MTC in the Bay Area Region) based on a formula that allocates 50% of the funds according to population and 50% according to the operator's revenues in the region from the prior fiscal

## VTA FY2006 & FY2007 ADOPTED BUDGET

year. The Bay Area Region will receive about 36.6% of the total STA estimated to be available statewide in FY2006.

According to MTC's most recent fund estimate (MTC Resolution 3686), STA is estimated at \$6.3 million for VTA in FY2006, a 17% decrease from the \$7.5 million received in FY2005. Preliminary estimates from MTC indicate that STA is projected to increase to \$8.1 million in FY2007.

### **FEDERAL OPERATING GRANTS**

The federal operating grants budgeted in FY2006 and FY2007 are provided by Federal Transit Administration (FTA) Section 5307 Urbanized Area Formula grant funds for Preventive Maintenance. Although the FTA Section 5307 program is designed primarily to fund capital acquisitions, funds can also be awarded for preventive maintenance activities. Currently, we treat all bus maintenance costs for revenue and non-revenue vehicles as eligible expenditures.

Prior to the economic downturn, VTA utilized small amounts of Preventive Maintenance (approximately \$8 to 10 million annually) to accelerate cash flow and free-up local funding to underwrite capital funding. However, as the recession hit, sales tax revenues declined and economic conditions worsened. In response to these declining revenues, in FY2002 VTA began to maximize the use of Preventive Maintenance as a bridging strategy to reduce operating deficits. As a result, some of VTA's planned capital replacement projects were deferred because grants that are normally used to replace and refurbish capital assets were used to support the operating budget.

In FY2006 and FY2007, VTA will continue its strategy to maximize the use of preventive maintenance to reduce operating deficits, leaving few Federal funds available for capital projects over the two-year period. This strategy requires that VTA continually prioritize its capital program so that critical capital needs, vital to ensure the long-term health of the infrastructure, are met.

We have estimated that VTA will receive \$33.0 million in Section 5307 Preventive Maintenance in FY2006. In FY2007, we project a slight increase to \$34.2 million.

### **STATE OPERATING GRANTS**

The State operating grants in FY2006 and FY2007 are from the AB 434 Program (Transportation Fund for Clean Air Program). AB 434 funds became available when vehicle registration fees increased by \$4 in the Bay Area to fund projects and programs that help reduce vehicle emissions. VTA will utilize these funds for Light Rail Shuttle operating costs. We anticipate that funds received from this program will remain constant at \$1.1 million in FY2006 and \$1.1 million in FY2007, the same amount as the FY2005 Revised Budget Estimate.

### **INVESTMENT EARNINGS**

The investment earnings are derived from two primary sources. The first source are funds, invested short-term, that have been earmarked to underwrite operating deficits. A money manager whose performance is evaluated by comparing actual results against the Institutional

## VTA FY2006 & FY2007 ADOPTED BUDGET

Money Market benchmark invests these funds. The estimated earnings rate for FY2006 is 2.5% and for FY2007 is 2.75%.

The second source of earnings for the Enterprise Fund are from funds which relate to long-term liabilities for which VTA has set aside and restricted assets, (e.g., accrued vacation and sick leaves.). These funds are invested by a money manager whose performance is evaluated by comparing actual results against the Lehman Brothers U.S. Government Intermediate Bond Benchmark. The estimated earnings rate for FY2006 is 3.5% and for FY2007 is 3.75%.

The estimated composite average of rates of return are 3.0% for FY2006 and 3.0% for FY2007 resulting in estimated earnings of \$2.4 million for FY2006 and \$2.1 million for FY2007.

### **ADVERTISING INCOME**

Advertising income is comprised of two components: advertising on buses and light rail vehicles, and bus shelter advertising. Advertising revenue for bus and light rail vehicles is projected at the minimum annual guaranteed amount of \$1.5 million. We are budgeting \$421,000 in FY2006 and \$433,000 in FY2007 for bus shelter advertising income.

### **OTHER INCOME**

#### **Measure A Repayment Obligation**

The Measure A Repayment Obligation represents redirected 2000 Measure A Sales Tax Revenue, which was previously earmarked for the purchase of 70 low floor light rail vehicles. The redirected funds are intended to make VTA's Enterprise Fund whole for debt service payments incurred because of advancing the acquisition of the low floor light rail vehicles included in 2000 Measure A. Since 2000 Measure A Sales Tax Revenues do not begin actual collection until April 1, 2006, VTA has been using bond proceeds (payable from Measure A) to fund the Repayment Obligation. This budget includes \$14.5 million and \$14.0 million of Repayment Obligation revenue in FY2006 and FY2007, respectively. Of the total \$28.5 million, approximately \$23.0 million is projected to come from actual Measure A sales taxes, which VTA is scheduled to start receiving in FY2006.

#### **Property Rental**

VTA generates rental income from 21 properties held throughout the County. During FY2006 and FY2007, these properties are expected to generate approximately \$1.0 million of rental income in each fiscal year.

VTA FY2006 & FY2007 ADOPTED BUDGET

**EXPENSES**

**Service Levels**

The service miles and hours in the table below reflect the impacts of the 9% service reduction in April 2003 (FY2003) and the 3% service reduction in January 2004 (FY2004). Also reflected are the increases in service miles and hours due to the inauguration of service on the Tasman East and Capitol light rail lines in July 2004 (FY2005).

<b>Service Levels</b>					
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>
<b>In thousands</b>	<b>Actual</b>	<b>Adopted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
<b>Service Miles</b>					
Bus	18,682	18,433	18,310	18,758	18,732
Light Rail Train	1,464	1,789	1,795	2,224	2,223
<b>Total Service Miles</b>	<b>20,146</b>	<b>20,222</b>	<b>20,105</b>	<b>20,982</b>	<b>20,955</b>
% change		0.4%	-0.6%	3.8%	-0.1%
<b>LR Car Miles</b>					
	<b>2,018</b>	<b>2,692</b>	<b>2,637</b>	<b>3,066</b>	<b>3,061</b>
% change		33.4%	-2.0%	13.9%	-0.2%
<b>Service Hours</b>					
Bus	1,360	1,352	1,349	1,363	1,361
Light Rail Train	99	117	117	145	145
<b>Total Service Hours</b>	<b>1,459</b>	<b>1,469</b>	<b>1,466</b>	<b>1,508</b>	<b>1,506</b>
% change		0.7%	-0.2%	2.7%	-0.1%
<b>LR Car Hours</b>					
	<b>133</b>	<b>181</b>	<b>168</b>	<b>195</b>	<b>195</b>
% change		36.1%	-7.2%	7.7%	0.0%

The Vasona light rail line, a 5.3-mile extension with 8 new stations, will become operational in Summer 2005 (FY2006). Light rail service is anticipated to increase in July 2005, adding approximately 425,000 service miles and 28,000 service hours. Combined bus and light rail service miles and combined bus and light rail service hours will increase 3.8% and 2.7% respectively in FY2006.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

**Labor Costs**

<b>Labor Costs and Benefits Rates</b>					
<b>In thousands</b>	<b>FY2004 Actual</b>	<b>FY2005 Adopted Budget</b>	<b>FY2005 Projected Budget</b>	<b>FY2006 Adopted Budget</b>	<b>FY2007 Adopted Budget</b>
<b>Total Labor Costs</b>	<b>\$ 222,722</b>	<b>\$ 240,183</b>	<b>\$ 229,257</b>	<b>\$ 238,613</b>	<b>\$ 240,507</b>

**Benefit Rates:**

ATU	63.4%	74.0%	71.5%	73.1%	74.8%
Non-ATU	53.5%	59.1%	56.6%	58.8%	60.5%

The Adopted Budget assumes all currently negotiated and in force contract provisions for wages and benefits. It reflects provisions for step increases for all employees who are in pay progression. It also includes salary provisions for settlement of new labor contracts scheduled to expire during these budget cycles. The benefit cost increases are driven by health care costs, pension costs and workers' compensation costs.

**Inflation Rate**

During the late 1990's and early 2000's, the Bay Area was the fastest growth region in the nation and the prosperity drove the cost of living higher than the rest of the nation. This trend reversed in mid-2002 when the inflation rate for the Bay Area, which excludes real estate, reached a low of 0.2% in February 2004, while the national average was 1.7%. Since then, both indexes have started to climb as a result of economic recovery. Despite the severe recession that Santa Clara County has experienced, our county remains a strong center of growth and one of the most attractive places to live. It is expected that the inflation rate in Santa Clara County will again surpass the state and the nation once its economy returns to normal. California Department of Finance projects a 2.6% increase in CPI for Santa Clara County in FY2006. We believe that inflation will remain stable and low in the foreseeable future and project an inflation rate of 3.0% for FY2007.

**Contingency**

In order to maintain a more efficient budgeting process, an individual division does not budget for contingency within its own budget. An organization-wide contingency fund is established within the Office of the General Manager to fund urgent and unexpected programs or projects. During development of the FY1998 Budget, the Administration and Finance Committee recommended that VTA's budget policy should include the establishment of a contingency fund (i.e., the General Manager's unallocated fund) at 3.0% of the operating budget. Most of the fund has been used to fund new capital projects. However, due to the current financial situation, we do not believe that we will launch any non-critical new capital projects and new programs during this new two-year budget. Consequently, we should need only \$2.0 million per year for contingency purposes in FY2006 and FY2007, as has been budgeted the past two years. We will re-institute the 3% policy once our financial conditions improve.

## VTA FY2006 & FY2007 ADOPTED BUDGET

### **Reimbursements**

Reimbursements are primarily used to accumulate program and capitalized labor costs for purposes of comprehensive cost monitoring and grant billing purposes. The reimbursement budgets were developed based on two factors:

- A detailed position-level allocation of anticipated labor distribution throughout the organization.
- A projection of all non-labor capital activities that would be subject to a reimbursement calculation.

This budget recommends \$35.7 million for total reimbursements in FY2006 and \$26.9 million in FY2007.

The major reason for the increase in reimbursements in FY2006 from previous years is that, from an accounting perspective, VTA is moving the Congestion Management Program staff into the Transit Enterprise Fund. As staff work on Congestion Management Program activities, they will then charge that program. This will result in a reimbursement to the Transit Enterprise Fund. There should be no additional net costs generated by this accounting change. Another factor in the increase is that VTA is embarking upon a more thorough review of staff time in an effort to allocate all eligible costs to reimbursable activities.

The decrease in reimbursements in FY2007 is a direct reflection of the reduction in size of the overall Capital Program, primarily due to the completion of the 1996 Measure B Transportation Improvement Program.

### **ADA Paratransit**

Paratransit ridership is projected to decline by 3.0% in FY2005 compared to FY2004 actual; and the program cost is projected to decrease by 3.3% for the same period, which translates to a reduction of approximately \$0.9 million in FY2005. Ridership in FY2006 is expected to increase, however, by 1.7%, with costs increasing by 3.2 % due to a contractually obligated paratransit vendor rate increase.

The ridership decline and the substantial reduction in expenditures are primarily due to the implementation of various cost-containment strategies, which were developed as part of the four-phased Paratransit Service Business Practices Improvement Plan. During FY2003, a portion of the plan was implemented which included strategies to reduce program costs by improving operational efficiencies, consolidating vendor operations and renegotiating vendor contracts, reducing broker costs and raising revenues. Additional components of the plan were implemented at the beginning of FY2004 and were designed to control demand through an improved eligibility certification process and better alignment of paratransit services with ADA requirements.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

<b>ADA Trips and Costs</b>					
	<b>FY2004</b>	<b>FY2005</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>
<b>In thousands</b>	<b>Actual</b>	<b>Adopted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
<b>ADA Trips</b>	<b>931</b>	<b>990</b>	<b>903</b>	<b>918</b>	<b>944</b>
% Change		6.3%	-8.8%	1.7%	2.8%
<b>ADA Operating Expense</b>	<b>\$ 25,465</b>	<b>\$ 29,533</b>	<b>\$ 25,837</b>	<b>\$ 26,662</b>	<b>\$ 27,446</b>
% Change		16.0%	-12.5%	3.2%	2.9%
<b>Net Cost Per Trip</b>	<b>\$ 27.35</b>	<b>\$ 29.83</b>	<b>\$ 28.61</b>	<b>\$ 29.04</b>	<b>\$ 29.07</b>
% Change		9.1%	-4.1%	1.5%	0.1%

In March 2005, a revised Paratransit eligibility program was adopted. The revised eligibility program will be implemented in Spring 2005. The revisions to the eligibility program are intended to ease the paratransit application process in response to community comment while maintaining program cost controls through adherence to ADA regulatory specifications concerning eligibility for paratransit service.

**Peninsula Corridor Joint Powers Board (PCJPB aka Caltrain)**

Over the past two years, the Peninsula Corridor Joint Powers Board (“PCJPB” aka “Caltrain”) has used one-time funds and reserves to balance its budget. During this time, each of the three PCJPB parties – San Francisco (Muni), San Mateo County Transit District (SamTrans) and VTA - have kept their subsidies at essentially flat levels, or, as in the case of VTA, increased by a CPI escalator.

At this writing, Caltrain projects a \$13 million deficit in FY2006. At their March 3, 2005 meeting, the PCJPB took actions to start to address this deficit. They set a public hearing for April 7, 2005 in order to declare a fiscal emergency under the California Public Resources Code and California Environmental Quality Act (CEQA) guidelines. They also set another public hearing for the same date to hear public comments on proposed Caltrain fare and service changes that could be implemented to address the budget deficit.

VTA’s current contribution to Caltrain is 40% of the net operating expenses, based on a ridership formula included in the Joint Powers Agreement. VTA’s FY2006 budget for Caltrain is proposed at \$15.5 million. This is a 3% increase over the amount VTA provided in FY2005. The FY2007 is then escalated another 3% to \$15.9 million. These numbers include VTA’s allocated labor cost for the Caltrain program. The amounts VTA will provide to Caltrain are \$14.8 million in FY2006 and \$15.3 million in FY2007.

VTA's proposed budget includes \$2.2 million of local funds in FY2006 and \$2.2 million of local funds in FY2007 to support Caltrain’s FY2007 Capital Budget. The local capital funds that Caltrain receives from VTA and the other two funding partners are used to match state and federal grant funds that are provided to Caltrain. Most Caltrain capital projects are funded with a combination of federal and local funds, and the costs are split equally by the three member

## VTA FY2006 & FY2007 ADOPTED BUDGET

agencies. A complete list of Caltrain capital projects will be included in the Caltrain Capital Budget for FY2006 and FY2007.

### **Altamont Commuter Express (ACE)**

In June 2003, VTA entered into a Cooperative Services Agreement with the Alameda County Congestion Management Agency and the San Joaquin Regional Rail Commission for the provision of ACE services. This agreement replaced the expiring ACE Joint Powers Agreement and provided VTA a cap on its ACE financial commitment, while providing the San Joaquin Regional Rail Commission the ability to increase the service and the institutional control that they desire.

The San Joaquin Regional Rail Commission has yet to approve the FY2006 ACE Operating and Capital budget. However, under the new Cooperative Agreement, VTA's share for ACE is to be the FY2003 share adjusted each year by the CPI. VTA's proposed FY2006 budget for ACE includes \$2.5 million for the direct train-operating subsidy. The FY2007 direct train-operating subsidy is escalated by 3% to \$2.6 million. These amounts also fund ACE's use of the San Jose Diridon and Santa Clara Stations.

The budget also includes \$1.1 million in FY2006 and \$1.1 million in FY2007 for providing ACE shuttles in Santa Clara County. This activity is reimbursable from outside sources including ACE, Transportation Fund for Clean Air grants and employer matches for certain shuttles. VTA staff manages this program and contracts with a private carrier to provide the service on ACE's behalf. The allocated costs of VTA support to the overall ACE program are \$242,000 in FY2006 and \$247,000 in FY2007. VTA has included no local funds in FY2006 or FY2007 to support ACE capital projects. This is in conformance with the terms of the Cooperative Agreement.



**Section III**  
**OPERATING BUDGET By DIVISION**

**Major Accomplishments**



## FY2004 & FY2005 MAJOR ACCOMPLISHMENTS

### ADMINISTRATIVE SERVICES DIVISION

#### **Technology:**

- Established a Technology Steering Committee and Technology Working Group comprised of senior management from across the enterprise. This management structure enables VTA to plan, prioritize and monitor existing and future technology programs.
- Development of Technology Strategic Plan and 5-year Technology Capital Investment Plan.
- Restructured Department to enhance service delivery strategy to better leverage the Department's resources and thereby produced staffing cost savings by approximately \$1.2 million annually.
- Implemented Backup Recovery Center where major system data can be quickly recovered in the event of a disaster or other problem.
- Installed closed circuit surveillance systems for Tasman East elevators, Chynoweth light rail station, and Eastridge transit center.
- In conjunction with the Metropolitan Transportation Commission (MTC), successfully deployed Santa Clara County's portion of the 511 website for customers to plan routes via the web and developed the process used to update information for MTC's online trip planner system.
- Implemented Tsunami Aid payroll deductions for VTA employees to easily provide help for victims.

#### **Employee Relations:**

- Completed contract negotiations with Amalgamated Transit Union (ATU) and the Transportation Authority Engineers and Architects' Association (TAEA).
- Reduced the number of Equal Employment Opportunity (EEO) complaints by nearly 50%.

#### **Employee Services:**

- Implemented Kaiser \$5/\$5/\$50 plan for Non-Represented, Service Workers Local 715 (SEIU 715), TAEA, and ATU; and Valley Health Plan for ATU represented employees.
- Passed Department of Motor Vehicle audit (pull notice program) - VTA is currently 100% in compliance.

#### **Risk Management:**

- Managed the Owner Controlled Insurance Programs, which produced savings of over \$6.8 million since the inception of the Light Rail and Highway construction projects.
- Underground Storage Tank Cleanup Fund reimbursement for North Bus Division expenses, \$155,000.
- Combined efforts with Operations Division on the Transitional Work Program (TWP) for ATU represented employees. Risk Management Department provides the administration and monitoring support for this program. Since implementation by Operations on January 1, 2005, the TWP has successfully assisted injured or sick employees who are temporarily unable to perform their regular assignments due to medical restrictions from industrial and non-industrial injury or illness by providing temporary work assignments until they are

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physically able to perform all of their regular job functions. As of the end of February 2005, there were 18 participants and savings were made in temporary disability payments and in Loss Time Days.

- In FY2005 VTA experienced decreases of 33% in Workers' Compensation (WC) Payments, 30% in WC Claims Filed, 29% in WC New Reserves, 8% in Open WC Claims, 9% in WC Open Reserves, 66% in Lost Workdays associated with New WC claims filed, and 59% in Overall Lost Workdays which produced significant savings totaling \$5.4 million (\$2.2 million Payments, \$0.8 million New Reserves, \$2.4 million Open Reserves).

### CONSTRUCTION DIVISION

#### **Transit Operations Projects:**

- Completed construction of the North Division Reconstruction Project.
- Completed raising the Guadalupe platform stations north of Ayer/Japantown and advertised for construction of the next phase of platform modifications in the Transit Mall.
- Completed construction of Cerone Division Improvements, Cerone Zero Emission Buses (ZEB) Demonstration Project, and Guadalupe Light Rail Vehicle (LRV) Facility Expansion.
- Started construction of Chaboya Division improvements.
- T-Signals replaced on Tasman West.
- Installed cameras at key transit center locations.

#### **1996 Measure B Transportation Improvement Program – Transit:**

- Completed Tasman East and Capitol Light Rail Projects on time and \$18 million under budget without construction claims.
- Started construction on all remaining contracts for the Vasona Light Rail Project.
- Resolved outstanding California Public Utilities Commission (CPUC) issues on the Vasona Light Rail Project.
- Completed construction on the double track project from Tamien Station to Lick and the Santa Clara Station as part of the Caltrain Service Improvements Program.
- Began construction of the Palo Alto Transit Center and Historic Depot improvements as part of the Caltrain Service Improvements Program.

#### **1996 Measure B Transportation Improvement Program – Highway:**

- Completed construction of improvements for the Route 85/101 (South) Interchange.
- Complete Route 237/880 Interchange Project in Milpitas.
- Completed Route 85/87 Landscaping Project.
- Began construction of Phase B1 of Route 152 Improvements in Gilroy.
- Began construction of Route 85/101 (South) Interchange Landscaping Project.
- Began construction of Route 880 Landscaping Project.

#### **2000 Measure A Transit Improvement Program:**

- Started the preliminary engineering and value engineering studies for the Silicon Valley Rapid Transit Corridor Project (SVRT).
- Started preliminary engineering for the Capitol Expressway Light Rail Project.

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- Acquired Newhall Yard for SVRT Project and future Caltrain access rights for 5 additional trains to Gilroy.
- Started engineering for Caltrain South County track improvements in order to accommodate additional trains to Gilroy.

### **Valley Transportation Plan (VTP) Highway Projects:**

- Completed Bailey/US 101 Interchange for City of San Jose on time and under budget in December 2004.
- Started construction of the I-880/Coleman Avenue Interchange Project for the City of San Jose.
- Started construction of Route 87 (North) High Occupancy Vehicle (HOV) lane improvements in October 2004.
- Caltrans started construction of Route 87 (South) HOV lane improvements in December 2004.

## **DEVELOPMENT & CONGESTION MANAGEMENT DIVISION**

### **1996 Measure B Transportation Improvement Program – Highway:**

- Completed the following construction projects:
  - Improvements as part of the I-880 Widening, and the Consolidated Biological Mitigation projects.
  - Phase A-2 of Route 152 Improvements in Gilroy.
- Began construction on the following contracts: (a) Route 87 (South) HOV lanes in San Jose; (b) Route 87 (North) HOV lanes in San Jose; (c) Replacement planting/landscaping for Route 85/87 Interchange.

### **2000 Measure A Transit Improvement Program:**

- Continued the conceptual studies for the Silicon Valley Rapid Transit Corridor Study of the Bay Area Rapid Transit (BART) system.
- Completed the Final Environmental Impact Report (EIR) for the Silicon Valley Rapid Transit Corridor. The EIR was certified and 16.3 mile BART Extension project description was adopted by the VTA Board.
- Completed conceptual engineering studies for the Silicon Valley Rapid Transit Corridor.
- Completed the Downtown East Valley (Capitol Expressway project) Conceptual Engineering phase, including the Draft and Final Environmental Impact Study/Environmental Impact Report (EIS/EIR).
- Completed the Conceptual Engineering for the Downtown East Valley (DTEV), (Santa Clara/Alum Rock project) and the Draft EIS/EIR.

### **Congestion Management Program:**

- Completed the Final Draft of Valley Transportation Plan (VTP) 2030.
- Completed the I-680/I-880 Cross-Connector Study.
- Completed the Draft Southern Gateway Transportation and Land Use Study.
- Completed the update of the Countywide Transportation Model.

## VTA FY2006 & FY2007 ADOPTED BUDGET

### **Commercial Development Program:**

- Developed both the Joint Development Policy and Developer Selection Process to generate revenue for VTA, increase utilization of public transit system, and promote Transit-Oriented Development (TOD).
- Identified four joint development sites and sent out solicitations to developers to begin the process of developing those sites.

### **Transit Planning & Development:**

- Completed the FY2004-2013 Short Range Transit Plan (SRTP).
- Secured Federal Grants of approximately \$50 million (including Preventive Maintenance funds) and State Transportation Development Act/State Transit Assistance (TDA/STA) funds of \$70 million.

### **Highway Project Development & Administration:**

- Completed environmental clearance and preliminary engineering for Route 101 Operational improvements project.
- Completed High Occupancy Vehicle, High Occupancy Toll (HOT) Lane Feasibility Study with recommended alternatives.
- Commenced preliminary engineering/environmental approval activities for highway projects selected by the VTA Board in implementation of Valley Transportation Plan (VTP) 2030.

### **Marketing & Public Affairs:**

- As VTA's primary internal and external voice, issued approximately 360 news releases and responded to approximately 1,200 media inquiries.
- Completed comprehensive promotional campaigns for the Tasman/East Capital Light Rail Extension, the "We Delivered" Campaign to thank voters for making 1996 Measure B projects possible, holiday shopping, Downtown Ice, and underutilized routes.
- Responded to over 800,000 customer telephone contacts.
- Coordinated community outreach activities for more than 24 active capital projects, and developed opening events for four projects. Also coordinated five project tours and presentations for local elected officials and foreign visitors.
- Disseminated VTA service and program information through onsite customer assistance at transit centers, shopping malls, community events, Youth Outreach Program presentations, and visits to senior/disabled centers and residential complexes, reaching over 10,000 potential riders.
- Maintained Eco Pass participation with 76 employers, residential communities and universities representing over 127,000 individuals.
- Continued partnerships with organizations throughout the county, increasing VTA's visibility in the community. Prominent partnerships included the Tapestry Arts Festival, San Jose's Annual Downtown Ice, Annual International Mariachi Festival, Eastridge Mall, Great Mall, Stanford Shopping Center, and Westfield Shoppingtowns at Oakridge and Valley Fair.
- Coordinated installation of nine Community Oriented Design Enhancements (CODE) projects.

## VTA FY2006 & FY2007 ADOPTED BUDGET

### FISCAL RESOURCES DIVISION

- Completed a subleasing transaction involving VTA's older Urban Transportation Development Corporation (UTDC) Light Rail vehicles to Salt Lake City and Sacramento Regional Transit District.
- Completed two lease to service financial transactions for Low Floor Light Rail Vehicles.
- Completed refinancing of Measure A repayment obligation.
- Accrued company-wide investment earnings of \$51.8 million in FY2004 and anticipate \$43.1 million for FY2005.
- Modified scoring methodology of the contractor pre-qualification program.
- Successfully implemented the first VTA Biennial Operating Budget.
- Developed and implemented VTA Fare Policy.
- Received Certificate of Achievement for Excellence in Financial Reporting for the June 30, 2003 Comprehensive Annual Financial Report (CAFR) from the Government Finance Officers Association (GFOA).
- Processed vendor payments within fifteen days of receipt.

### OPERATIONS DIVISION

#### Service Performance Highlights:

- For FY2004, 99.35% of the scheduled service was delivered, an improvement from the 99.23% recorded in FY2003.
- Miles between chargeable accidents improved by 44.3% compared to last year fiscal year.
- Miles between mechanical delays improved 20.9% and reached an all time high performance level.
- Light Rail ridership increased 10% in the fourth quarter of FY2004.

#### Efficiencies:

- The Operations Division implemented a significant reorganization in January 2004 to streamline its operations and improve cost efficiency. This productivity program is benchmarked against transit industry standards and resulted in significant reduction of expenses.
- Operator attendance has improved significantly. In June 2004 the operator utilization rate was 82.92%, the highest utilization rate in the past three years. This efficiency improvement allowed us to reduce the number of extra board bus operator positions.
- During FY2004 and FY2005, Paratransit service expenditures declined by \$3.6 million when compared to FY2003.
- Developed a new operating scenario for the Tasman East/Capitol light rail line linking it with the Guadalupe line. This new operating scenario provided a better balance to the rail operation and lowered the previously estimated annual operating costs by \$1.6 million. The new rail-operating plan was implemented in June 2004.

#### Innovations:

- Zero Emission Bus (ZEB) program - Received three hydrogen fuel cell ZEBs. Completed construction of a hydrogen fueling facility at the Cerone Operating Division and nearing

## VTA FY2006 & FY2007 ADOPTED BUDGET

completion of ZEB maintenance bays. Established operating protocols and are training mechanics and first responders.

- Enhanced Bus/Bus Rapid Transit – Started key efforts to implement Enhanced Bus/Bus Rapid Transit service in the Line 22 corridor including installation of bus signal priority hardware and software at over 60 intersections along El Camino and Alameda.

### **Additional Accomplishments:**

- Combined efforts with Administrative Services Division on the Transitional Work Program (TWP) for ATU represented employees. The Operations Division implemented TWP on January 1, 2005 to assist injured or sick employees who are temporarily unable to perform their regular assignments due to medical restrictions (industrial and non-industrial injury or illness). The TWP provides temporary work assignments for employees whose treating physicians determine that they are unable to perform all of their regular jobs functions. Work assignments include either modifying their current position or placement in an alternate (special duty) position.
- Developed the VTA Service Management Plan as recommended by the Ad-Hoc Financial Stability Committee. This plan presents service standards and evaluation measures for managing the existing system, changing service, and designing and implementing new service.
- Trained all first responders on the new Kinkisharyo low floor light rail vehicle for emergency vehicle entry, hostage situations and threats of terrorism. Provided training on the anhydrous ammonia equipped buses Nitrogen Oxide (NOx) Demonstration Test Program and hydrogen fueled buses and development of mutual aide support with outside agencies in the event of a manmade or natural disaster.
- Developed and implemented the Security and Emergency Preparedness Program Plan. This plan provides basic terrorism awareness training, references VTA's Emergency Operations Plan and the Business Recovery Plan. This includes the Homeland Security Alert System (HSAS) and the procedures that define VTA's response at various threat levels.
- Joined Transit Watch, a public awareness campaign developed by the U.S. Department of Transportation's Federal Transit Administration (FTA) in November 2003. Transit Watch is intended to be a nationwide safety and security awareness program that encourages the active participation of transit passengers and employees in maintaining a safe transit environment. Transit Watch car cards are posted on buses and light rail vehicles throughout VTA's system asking VTA employees and passengers to help keep VTA safe by being alert to activities, objects, or situations that seem suspicious.
- Developed the Security Incident Reports Program in April 2004 to encourage communication about security issues between Protective Services and VTA employees and contractors. All Security Incident Reports are entered into a database that allows Protective Services staff to easily and quickly identify security trends and develop reports on security activity that occurs on the VTA transit system.



**Section III**  
**OPERATING BUDGET By DIVISION**

**Goals, Projects, & Major Efforts**



## **FY2006 & FY2007 GOALS, PROJECTS AND MAJOR EFFORTS**

### **OFFICE OF THE GENERAL MANAGER**

- VTA will host the American Public Transportation Association (APTA) 2006 Annual Conference which brings transportation professionals together from all over the world for the purpose of planning, strategizing, sharing experience and information, learning and networking. This conference normally draws approximately 4,500 people providing positive economic impact to San Jose and regional businesses as well as international exposure.
- Publish the VTA Performance Report, which is a succinctly condensed report, highlighting significant VTA activities and accomplishments of recent past, present and new future. The document will be designed for wide distribution to a variety of constituents.

### **ADMINISTRATIVE SERVICES DIVISION**

#### **Technology:**

- Retire business systems that are not meeting user expectations, thereby eliminating the annual maintenance fee and reducing staff requirements.
- Leverage the SAP investment by migrating legacy business applications.
- Begin the design and implementation on the “Real Time Customer Information” project to provide real time passenger information to our customers. This would include electronic signs at stations transit centers, major bus stops and Bus Rapid Transit (BRT) stations.
- Begin SAP upgrade, including an upgrade of applicable software and hardware platform to ensure efficient operations, enhanced reliability and compatibility with other VTA operating systems.
- Develop and maintain critical staff skills in conducting VTA business using SAP technology tools.

#### **Human Resources:**

- File an Affirmative Action Plan / Equal Employment Opportunity (AAP/EEO) Program update with Federal Transit Administration (FTA).
- Develop and implement Executive Management Succession Planning Program.
- Reconvene monthly labor management meetings between the Amalgamated Transit Union (ATU) and VTA.
- The current collective bargaining agreements between VTA and Service Employees International Union Local 715 (SEIU); and VTA and the Transportation Authority Engineers and Architects’ Association, expire in May 2006 and July 2006 respectively. VTA will initiate contract negotiations with each of the collective bargaining units and successfully complete negotiations in 2006.

### **CONSTRUCTION DIVISION**

#### **Transit Operations Projects:**

- Complete construction of the Transit Mall platform modifications by September 2006, before the American Public Transit Association (APTA) Annual Conference in downtown San Jose.

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- Complete T-Signal retrofit on Guadalupe Light Rail System.
- Complete light rail drainage project at National Aeronautics and Space Administration (NASA) in Mountain View.
- Complete San Carlos Street rail replacement in late 2005.

### **1996 Measure B Transportation Improvement Program – Transit:**

- Open the Vasona Light Rail Project in the summer of 2005, six months early and on budget.
- Complete Palo Alto Caltrain Transit Center and Historic Depot improvements by summer of 2005.
- VTA “Close-out Plan” for Measure B Program to be complete by December 2005. The draft plan will include a discussion on how to complete the balance of deferred projects if funds are available and recommendations for handling ongoing Measure B commitments on landscaping and biological mitigation site maintenance.
- Assist in the preparation of the June 2006 Measure B Revenue & Expenditure Plan.

### **1996 Measure B Transportation Improvement Program – Highway:**

- Complete the following:
  - Route 152B construction
  - Route 85/101 (South) Landscaping and start plant maintenance phase
  - Route 880 Landscaping and start plant maintenance phase
  - Route 17E Auxiliary lane construction by mid 2006
  - Route 85 Noise Mitigation construction by mid 2006
- Construction on the Route 85/101 (North) Interchange project in Mountain View in early 2006.
- Installation of highway planting landscaping projects on I-880 Widening and 85/101 South Interchange Projects.

### **2000 Measure A Transit Improvement Program:**

- Complete Preliminary Engineering and revised estimate for the Capitol Expressway Light Rail Project from Alum Rock to Nieman Station by December 2005.
- Complete Preliminary Engineering estimate for the Silicon Valley Rapid Transit (SVRT) Project by April 2006 for New Rail Starts submittal to Federal Transit Administration.
- Working with Board, stakeholders and Development and Congestion Management Division assist in implementation strategy for 2000 Measure A Capital Program.
- Complete all SVRT Preliminary Engineering efforts by December 2006.
- Begin design of Caltrain South County track improvements with Union Pacific Railroad.
- Assist Development and Congestion Management Division with the preparation of the Caltrain Capital Improvement Program.

### **Valley Transportation Plan (VTP) Highway Projects:**

- Complete interchange construction work for the I-880/Coleman Avenue Interchange project for the City of San Jose.
- Complete the River Oaks Bicycle/Pedestrian Bridge in San Jose and Santa Clara.

**DEVELOPMENT & CONGESTION MANAGEMENT DIVISION**

**Congestion Management Program:**

- Develop the following:
  - The 2005 Congestion Management Program
  - Capital Improvement Program (CIP) element of the 2005 Congestion Management Program (CMP)
  - Expenditure Plan for New Vehicle Registration Fee
  - 2006 State Transportation Improvement Program (STIP)

**Commercial Development Program:**

- Enter into Exclusive Negotiating Agreements and finalize Development Agreements/Ground Leases with developers for the following:
  - Tamien, Curtner, and Capitol park and ride property for Joint Development projects
  - San Carlos/Sunol excess property site
  - Exchanged property at Page Mill Road and El Camino Real (park and ride site) for a joint development property
  - Joint development project on the park and ride site at Lawrence Expressway and Moorpark.
- Advertise a Joint Development Solicitation for the I-880/Alder (Milpitas) Light Rail Station park and ride lot, Cottle Light Rail Station park and ride lot, Snell/Highway 85 Light Rail park and ride lot and Blossom Hill/Highway 85 Light Rail Station park and ride lot sites.

**Transit Planning:**

- Complete the following:
  - 2005-2014 Short Range Transit Plan (SRTP)
  - Long Term Transit Capital Investment Program
  - South County Circulation Study
  - Route 880 Corridor Study
  - South County Transportation Study
  - 2005 FTA New Starts Update Report
  - Community Outreach for Preliminary Engineering and Value Engineering for the Silicon Valley Rapid Transit Corridor Project (final BART EIR/EIS)
  - Final Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the Downtown East Valley (DTEV), (Santa Clara/Alum Rock) Project and release same (Santa Clara/Alum Rock Environmental Document)
  - Gilroy and East San Jose community-based plans
- Continue work on Draft and Final Environmental Impact Statement (EIS) for the Silicon Valley Rapid Transit Corridor (SVRTC).
- Begin support studies for the Silicon Valley Rapid Transit Corridor related to economic analysis, urban design, station area planning and parking strategies (BART Economic Impact Analysis).
- Participate in/support Dumbarton Rail, Line 22 BRT Implementation, Peninsula Corridor Joint Powers Board (“PCJPB” aka Caltrain) Diridon Station Study and Metropolitan Transportation Commission (MTC) Regional Rail Study.

## VTA FY2006 & FY2007 ADOPTED BUDGET

- Develop the Capital Transit Expansion Program (for a future rail and bus service expansion policy) and develop the Rail Corridor Study.
- Begin Caltrain Capital Improvement plan.
- Develop recommendations for High Occupancy Toll (HOT) lanes feasibility study to arrive at HOT lane recommendations.

### **Programming & Project Development:**

- Award construction contract for River Oaks Bicycle/Pedestrian Bridge.
- Begin preliminary engineering of High Occupancy Toll (HOT) Lane Demonstration Project and complete the HOT Lane Recommendation Study.
- Complete Guadalupe Corridor Right of Way Resolution.
- Prepare Long Term Resource Management Plan for Checkerspot Butterfly Habitat.
- Complete construction of the River Oaks Bicycle/Pedestrian Bridge in San Jose and Santa Clara.
- Complete environmental document for the Route 152/156 Interchange Project.
- Complete environmental document for US 101 Improvements in San Jose (Highway 101 corridor)
- Develop property acquisition policy for future transit facilities (Property Acquisition Policy to be submitted for Board Adoption).

### **Marketing & Public Affairs:**

- Initial Marketing: Create and implement a comprehensive marketing and public relations plan.
- Move from reactive to proactive internal and external communications, contributing to more positive and accurate identity.
- Enhance the quality of onsite customer service and increase telephone customer contact answer rate.
- Enhance community outreach and public affairs efforts to support capital projects, including the Bay Area Rapid Transit (BART) to San Jose/Santa Clara, Downtown East Valley transit projects, Vasona Light Rail project and Route 85/101 (North) Interchange project.
- Create, research, implement and evaluate for effectiveness major marketing campaigns targeted at specific audiences to attract new riders.
- Promote ridership on underutilized bus routes.
- Continue the promotion of the Vasona Light Rail Extension and improvements in the Line 22 corridor.
- Target new Eco Pass customers with special promotions in current and new service corridors, while retaining current Eco Pass customers.
- Increase Youth Outreach Program (YOP) presentations by five percent and increase utilization of Class Passes by ten percent.
- Complete design, fabrication and installation of eight Community Oriented Design Enhancements (CODE) projects for the Vasona Light Rail Project and two Caltrain projects.
- Complete marketing surveys of the eligibility process and satisfaction of paratransit services, as well as current and potential VTA riders.
- Introduce a youth pass promoting new riders to the system while retaining those who utilize the system during the school year.

## VTA FY2006 & FY2007 ADOPTED BUDGET

- Develop senior/disabled free ride promotion, offering seniors and those with disabilities free rides on VTA transit during off-peak hours and weekends.
- Develop “Spare the Air” days, offering free rides during morning hours on up to five designated Spare the Air Days.
- Develop a Major School Program to enhance outreach efforts to specific schools located within ¼ mile of bus and light rail, promote school field trip program, and partner with school and educators to introduce more youth to public transportation.

### FISCAL RESOURCES DIVISION

- Remarket Measure A Bonds with mandatory tender date of October 2006.
- Evaluate and, if beneficial, issue Pension Obligation Bonds to fund VTA’s unfunded pension liability and reduce annual cost of amortizing the liability.
- Implement an upgrade to the financial management module in (SAP) system, including conversion to fund accounting.
- Hold a vendor fair at least once a year.
- Play a key role in the implementation of the Executive Information System.
- Attain certification from Municipal Treasurers’ Association’s “Investment and Policy Certification Program”.
- Successfully complete annual financial audits with no major exceptions.
- Submit Comprehensive Annual Financial Report (CAFR) to Government Finance Officers’ Association (GFOA) for professional evaluation.
- Prepare Biennial Operating & Capital Budget for Board review in April with scheduled adoption in June.
- Assist in implementation of TransLink on VTA systems.
- Implement an Annual Compliance Review Plan.
- Implement an automated budget system to replace the current manual spreadsheet process.

### OPERATIONS DIVISION

#### **Administration:**

- Continue to develop and implement administrative procedures to standardize and streamline administrative processes.
- Develop and implement additional strategies and programs to reduce employee absenteeism and effectively manage lost time.
- Continue to implement strategies to improve productivity and reduce operating expenses.

#### **Protective Services:**

- Conduct a comprehensive analysis of VTA’s security program and, based on its findings and conclusions, issue a Request for Proposals (RFP) for security services.
- Continue the expansion of the On Board Closed Circuit Television (CCTV) including the installation of CCTV at key locations along the Vasona Line.
- Provide ongoing Security Awareness training for Santa Clara Valley Transportation Authority (VTA) employees and contractors.

## VTA FY2006 & FY2007 ADOPTED BUDGET

- Continue to update the Security Emergency Preparedness Program Plan on an annual basis, conduct security assessments for all Divisions and facilities and convene the Security Breach Review Committee during emergencies or on a quarterly basis.
- Continue to provide education and familiarization training, schedule drills and training exercises for first responders (police and fire) for bus and light rail.
- Maintain a light rail fare evasion rate of 3% or less.

### **Service and Operations Planning:**

- Conduct a Comprehensive Operations Analysis (COA) of VTA bus and light rail services to attract new customers and improve overall system productivity and efficiency.
- Develop programs to increase transit ridership.
- Introduce local community based bus services using small transit vehicles to lessen the impact upon the communities served and provide a flexible, community oriented public transportation alternative. In Los Gatos, implement rail feeder community bus lines in August 2005.
- Analyze ridership, demographic, market segmentation results and operational characteristics of existing services to determine VTA's effectiveness in providing efficient transportation services. Conduct mode choice analyses to better understand tradeoffs travelers make in considering travel options.
- Complete development of Advanced Communications System (ACS) customized reports to be used by VTA management and operating personnel.
- Install 35 new shelters in the City of Palo Alto as part of the Transit Shelter Advertising Program. Continue implementing passenger amenity and accessibility improvements to VTA's 4300 bus stops.
- Continue study and implementation of VTA's Enhanced Bus/Bus Rapid Transit (BRT) program. Key efforts include the development of BRT design guidelines and studies on exclusive bus lanes, stations and other project elements leading to full BRT corridor development.
- Implement the Bus Signal Priority project on high volume transit corridors in VTA's service area. Using a FY2005 congressional earmark this \$1.0 million program will enable VTA buses to move faster and more reliably through congested arterial corridors.
- Implement the Passenger Information project to provide real time bus and rail information to passengers at transit centers, key bus stops and light rail stations, through vta.net and the regional TravInfo/511 system.

### **Accessible Services:**

- Implement travel training program.
- Develop partnerships with groups to improve transportation for senior and disabled persons.

### **Bus Operations:**

- Meet or exceed the goal of providing 99.3 percent of scheduled bus services.
- Review and implement changes to the Bus Operator's Rulebook and Procedures for the VTA system.
- Perform evaluation of Zero Emission Buses (ZEB) in revenue service.



## VTA FY2006 & FY2007 ADOPTED BUDGET

- Improve the mechanical schedule loss by exceeding the coach reliability goal of 6,000 miles for buses.
- Establish Maintenance Process Guidelines for maintenance tasks, to improve productivity and performance.
- Remove and replace the current exhaust filters on 129 buses with California Air Resource Board (CARB) stipulated 85% Preventive Maintenance (PM) exhaust reduction filters.

### **Rail Operations:**

- Meet or exceed the goal of providing 99.9 percent of scheduled service.
- Plan and coordinate all pertinent Operations Division programs to effect the activation of the Vasona light rail extension, which includes eight new stations and two new Park and Ride Lots. Desired outcome is to successfully complete timeline goals in preparation for planned revenue service in August 2005.

### **Operations Support Services:**

- Develop management information systems tools to support maintenance productivity improvement programs.
- Assess new functionality and provide administrative and subject matter expert support for major upgrade of Materials Management module in Systems, Applications and Products in Data Processing (SAP) system in FY2006 and FY2007. Support major upgrade of SAP maintenance module.
- Complete implementation of bar code technology for bus and rail parts inventory management
- Implement an effective rebuild and overhaul production planning and materials budgeting process for bus and rail maintenance.
- Procure and install a new bus vacuum system at Cerone, to complement three new bus washes and a new state of the art wastewater treatment system.

### **Operations Engineering:**

- Complete the reliability test program and close out the procurement contract for 100 low floor light rail vehicles, including the development of detailed specifications and procurement documents for alternate parts.
- Continue to demonstrate technology that has the potential to reduce Nitrogen Oxide (NOx) emissions by 70% or more on three buses operating in revenue service over a three-year period. The technology tested should reduce NOx emissions and demonstrate the durability of emission control systems.
- Manage the demonstration program for three Zero Emission Buses including the associated fueling facility and maintenance activities.

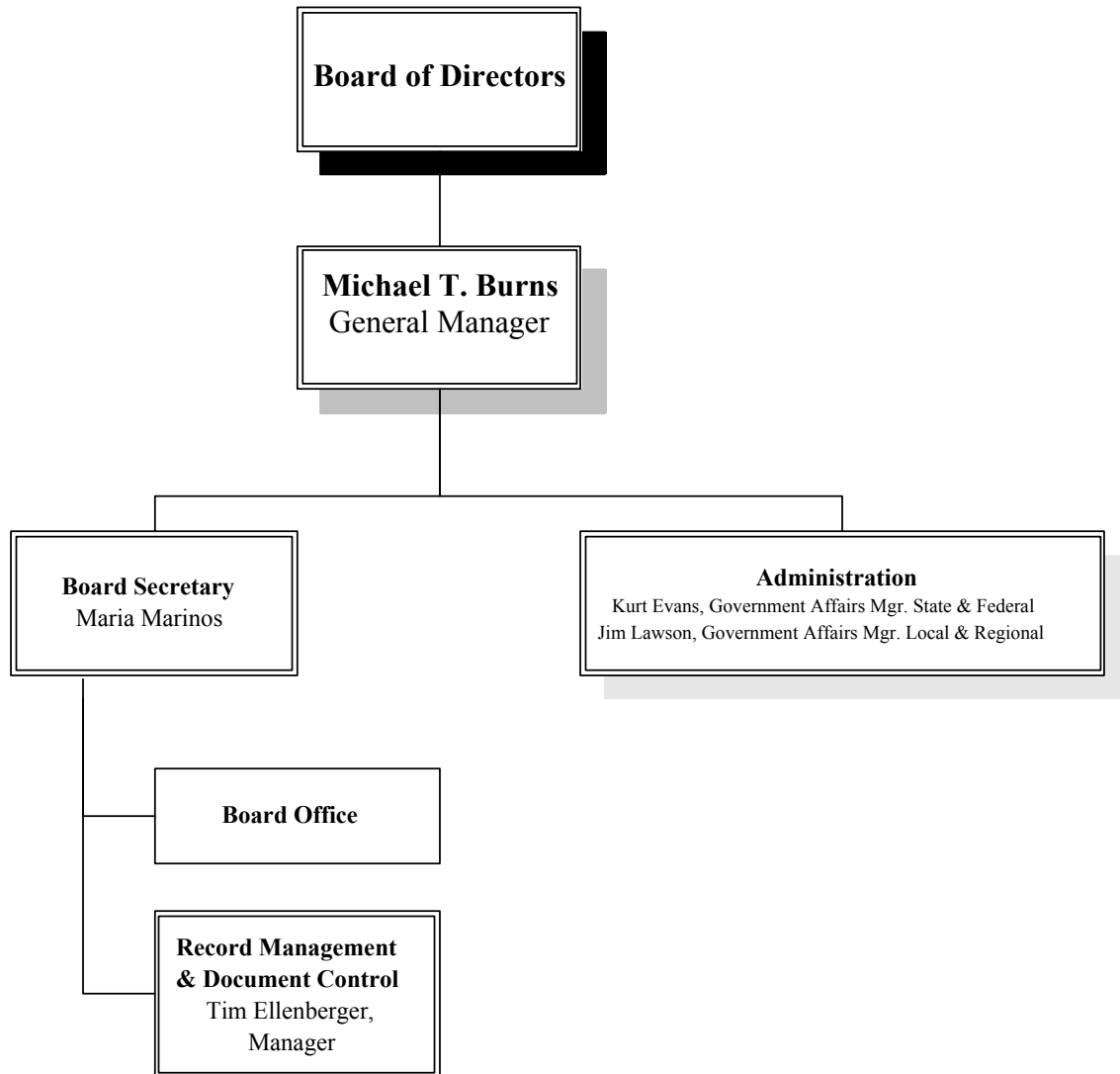
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**Section III**  
**OPERATING BUDGET By DIVISION**

**Division Budget Summaries**



## OFFICE OF THE GENERAL MANAGER



Positions  
FY 2005 36 - Count as of March 9, 2005  
FY 2006 36 - Count as of July 1, 2005  
FY 2007 36 - Count as of July 1, 2006

*Updated as of December 14, 2005*

## VTA FY2006 & FY2007 ADOPTED BUDGET

### **RESPONSIBILITIES**

The General Manager's Office is responsible for the management of the Santa Clara Valley Transportation Authority (VTA) according to the policies adopted by the Board of Directors. General duties include the development of program and policy alternatives for consideration by the Board and management of the authority's staff activities. Specific functions within the General Manager's Office include support of the Board through the Board Secretary, policy development, strategic planning, and intergovernmental and business relations.

### **MAJOR PROGRAMS**

The Office of the Board Secretary is responsible for all Board-related activities. These include the preparation and publication of agendas, notices, minutes of meetings, hearings, and other matters within the jurisdiction of the Board. Additionally, the Record Management and Document Control department maintains documents and prepares "as-built" plans for most of the large capital projects and is responsible for VTA's document reproduction center.

The Chief of Staff assists and participates in planning, organizing, and facilitating the activities of the General Manager. In this capacity, the Chief of Staff facilitates and coordinates with Executive Management on items critical to VTA including strategic planning and analysis, program development, and internal and external policy development.

Government Affairs is primarily responsible for developing and coordinating VTA's legislative and intergovernmental relations programs. Specifically, it analyzes the impact of state and federal legislative issues, and develops and coordinates VTA's strategy for responding to these issues. It manages VTA's legislative advocacy efforts in Washington, D.C. and Sacramento. Government Affairs also coordinates VTA's outreach efforts to the local community, the cities, and respective state and federal legislative delegations.

Government Affairs also serves as VTA's principal liaison with the joint powers boards (Caltrain, ACE, and Capitol Corridor) and Regional Policy Advisor Board for the Dumbarton Rail project. Government Affairs supports VTA's liaison activities with business organizations, other community groups within the county, and to some extent, specific governmental institutions.

Various special projects and programs (both internal and external) are also coordinated out of the General Manager's Office.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

<b>GENERAL MANAGER</b>					
<b>In thousands</b>	<b>FY2004</b>	<b>FY2005</b>		<b>FY2006</b>	<b>FY2007</b>
	<b>Actual</b>	<b>Adpoted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
Labor Costs	\$ 3,212	\$ 3,484	\$ 3,288	\$ 3,664	\$ 3,804
Materials & Supplies	5	9	9	7	7
Professional & Special Services	260	339	339	364	390
Other Services	369	422	422	308	316
Office Expense	25	24	24	27	27
Employee Related Expense	31	156	156	141	141
Leases & Rents	314	295	295	301	309
Miscellaneous	272	397	397	428	428
Contribution to Other Agencies	-	-	-	263	281
Other Expense	-	343	3	203	3
Contingency	-	2,000	1,710	2,000	2,000
<b>Total Expense</b>	<b>4,488</b>	<b>7,469</b>	<b>6,643</b>	<b>7,708</b>	<b>7,708</b>
Reimbursements	(960)	(896)	(896)	(1,352)	(1,365)
<b>Net Total</b>	<b>\$ 3,528</b>	<b>\$ 6,572</b>	<b>\$ 5,747</b>	<b>\$ 6,356</b>	<b>\$ 6,343</b>

**MAJOR BUDGETARY CHANGES**

**Contingency**

In order to maintain a more efficient budgeting process, an individual division does not budget for contingency within its own budget. An organization-wide contingency fund is established within the Office of the General Manager to fund urgent and unexpected programs or projects. During development of the FY1998 Budget, the Administration and Finance Committee recommended that VTA's budget policy should include the establishment of a contingency fund (i.e., the General Manager's unallocated fund) at 3.0% of the operating budget. Most of the fund has been used to fund new capital projects. However, due to the current financial situation, we do not believe that we will launch any non-critical new capital projects and new programs during this new two-year budget. Consequently, we should need only \$2.0 million per year for contingency purposes in FY2006 and FY2007, as has been budgeted the past two years. We will re-institute the 3% policy once our financial condition improve.

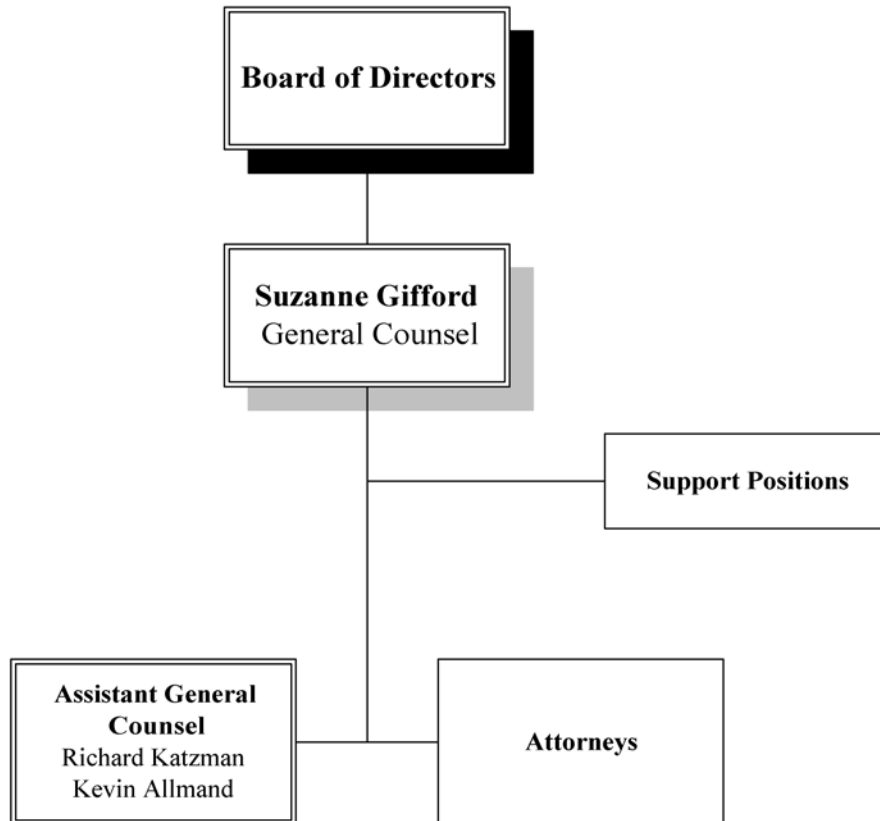
**Miscellaneous Expense**

VTA will be hosting the 2006 APTA conference and \$200,000 is being budgeted for associated costs.

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## OFFICE OF THE GENERAL COUNSEL



Positions  
FY 2005 9 - Count as of March 9, 2005  
FY 2006 9 - Count as of July 1, 2005  
FY 2007 9 - Count as of July 1, 2006

**VTA FY2006 & FY2007 ADOPTED BUDGET**

**RESPONSIBILITIES**

The General Counsel’s Office provides legal advice and counsel to all of the divisions and departments, as well as to the General Manager and the Board of Directors, with respect to all facets of VTA’s operations, including the Congestion Management Program.

**MAJOR ACTIVITIES**

Assist divisions and departments to achieve their goals by providing legal advice and support:

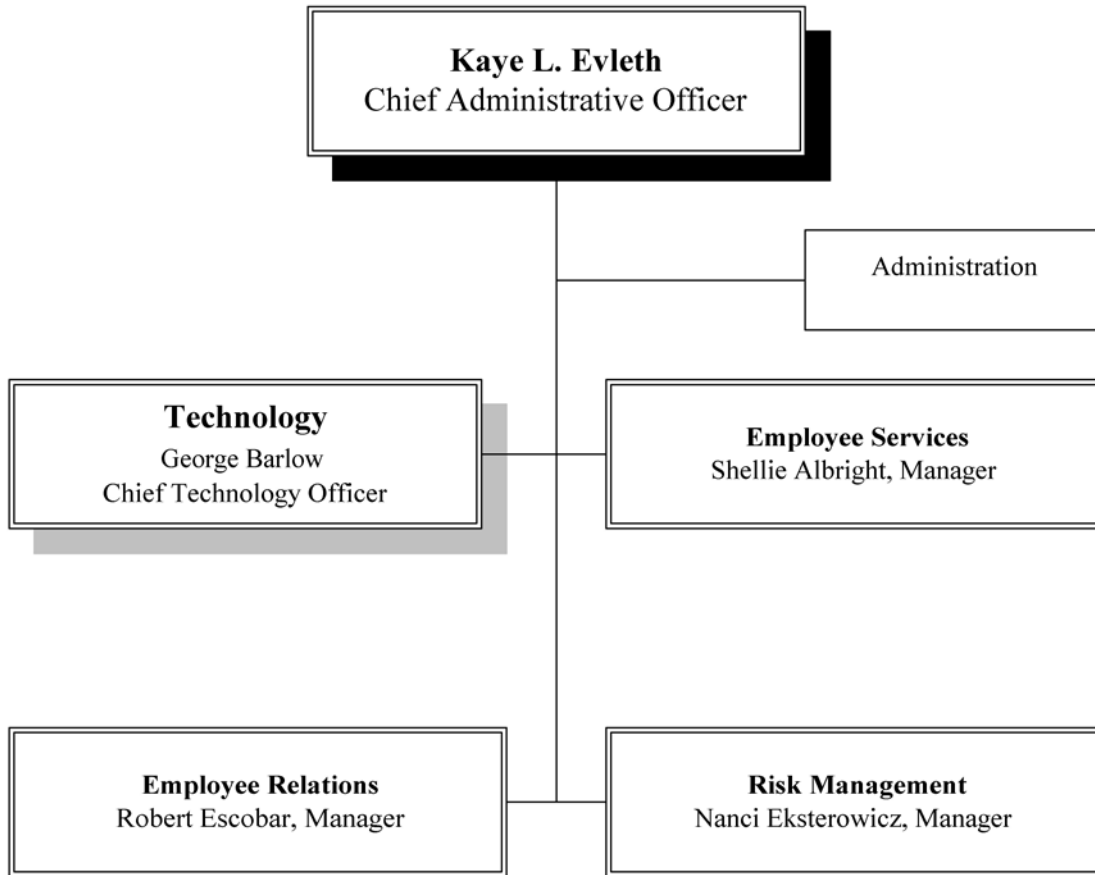
- In connection with labor/employment issues, including representing VTA in litigation and in arbitration hearings
- Concerning contract, real estate, construction and public agency law issues
- By reviewing, analyzing and drafting administrative policies and procedures and legislation
- By representing VTA in other litigation
- Provide legal support to the VTA-ATU Pension Board and to the VTA Deferred Compensation Committee
- Retain and supervise outside counsel who provide specialized legal services

<b>OFFICE OF THE GENERAL COUNSEL</b>					
<b>In thousands</b>	<b>FY2004</b>	<b>FY2005</b>		<b>FY2006</b>	<b>FY2007</b>
	<b>Actual</b>	<b>Adpoted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
Labor Costs	\$ 1,240	\$ 1,556	\$ 1,404	\$ 1,579	\$ 1,637
Professional & Special Services	66	211	211	200	210
Other Services	8	-	-	7	7
Office Expense	2	2	2	2	2
Communications	-	-	-	1	1
Employee Related Expense	4	8	8	7	21
Miscellaneous	16	20	20	15	15
<b>Total Expense</b>	<b>1,337</b>	<b>1,797</b>	<b>1,645</b>	<b>1,811</b>	<b>1,893</b>
Reimbursements	(388)	(279)	(279)	(247)	(250)
<b>Net Total</b>	<b>\$ 949</b>	<b>\$ 1,518</b>	<b>\$ 1,366</b>	<b>\$ 1,564</b>	<b>\$ 1,643</b>

**MAJOR BUDGETARY CHANGES**

No significant changes are proposed.

## ADMINISTRATIVE SERVICES DIVISION



Positions

FY 2005 115 - Count as of March 9, 2005

FY 2006 111 - Count as of July 1, 2005

FY 2007 110 - Count as of July 1, 2006

## **RESPONSIBILITIES**

The Administrative Services Division is responsible for the business and employee support functions, including human resources, risk management, and technology.

## **MAJOR PROGRAMS**

### **Technology:**

The Technology Department enables VTA to achieve business goals through the effective management of its technology. The Technology Department manages business systems (i.e. finance, payroll, and network infrastructure) and transportation systems (i.e. Advanced Communications System and Closed Circuit Television (CCTV)) that serve the administrative and operational needs of VTA and its bus and light rail system.

### **Human Resources:**

Human Resources is responsible for providing organizational support in the areas of employee/labor relations, employee development and training, equal employment opportunity programs, recruitment, selection, compensation, classification, benefits administration, substance abuse testing, workers' compensation, and claims management and safety.

#### **Employee Relations Department**

The Equal Opportunity Program is responsible for preparing and administering VTA's Equal Employment Opportunity/Affirmative Action Plan; ensuring compliance with state and federal non-discrimination laws and regulations; and conducting discrimination complaint investigations.

Activities in the Labor Relations unit are primarily focused on conflict resolution and include negotiating and administering collective bargaining agreements with the labor organizations; providing training and consultation on employee relations issues, including discipline, grievance and arbitration processes; and conducting research regarding labor trends and issues.

The Employee Development Program is responsible for the coordination of employee training programs. Such programs may include customer service, computer skills, performance management, tuition assistance, and new employee orientation. The program also focuses on working with managers and employees to increase employee participation in achieving VTA goals and objectives. Activities in this area include, but are not limited to, team building, employee recognition, and coaching.

#### **Employee Services Department**

The Classification and Compensation and the Personnel Services units work cooperatively to conduct studies that appropriately define the work for classes within VTA, ensure that compensation is appropriate and competitive, and maintain the employee, compensation, and classification record-keeping systems for VTA.

## VTA FY2006 & FY2007 ADOPTED BUDGET

The Recruitment and Selection unit is responsible for recruitment, including targeted outreach, and administering examinations for candidates to fill vacancies throughout VTA with qualified employees.

The Benefits Administration unit is responsible for administering employee and retiree benefits programs, including medical, dental, vision, life insurance, Accidental Death and Dismemberment (AD&D), disability insurance, Health & Dependent Flexible Spending Accounts, and Consolidated Omnibus Budget Reconciliation Act (COBRA).

The Retirement Services unit is responsible for administering the deferred compensation, ATU and PERS retirement programs; and serving as staff to the VTA/ATU Pension Board and the VTA Deferred Compensation Committee.

### **Risk Management Department:**

The Risk Management Department is responsible for identifying, assessing, preventing, controlling, and financing accidental losses that result from operations and construction activities. Specific functions include management of self-insured Worker's Compensation and Liability claims, safety programs, Substance Abuse Control programs, employee assistance programs, and Operations and Construction insurance programs.

VTA's Safety Programs include employee safety and health, safe driving awards, bus, rail, and highway operations and construction safety, environmental compliance and the Emergency Response Plan. Risk Management also administers the employee Americans with Disabilities Act (ADA) and Family and Medical Leave Act (FMLA) claims.

The Substance Abuse Control Program is responsible for administering the Drug-Free Workplace Act and the FTA required substance abuse testing program for safety-sensitive employees, including detection, case management, and employee training.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

<b>ADMINISTRATIVE SERVICES DIVISION</b>					
<b>In thousands</b>	<b>FY2004</b>	<b>FY2005</b>		<b>FY2006</b>	<b>FY2007</b>
	<b>Actual</b>	<b>Adpoted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
Labor Costs	\$ 12,832	\$ 14,072	\$ 13,012	\$ 13,951	\$ 14,491
Materials & Supplies	3	32	20	34	34
Professional & Special Services	896	977	1,133	905	916
Other Services	75	717	588	1,107	1,207
Insurance	4,413	3,821	3,821	3,899	4,194
Data Processing	2,093	2,575	2,445	2,545	2,501
Office Expense	59	102	91	72	72
Communications	895	1,606	1,356	1,130	1,200
Employee Related Expense	270	474	424	475	478
Leases & Rents	60	69	69	72	74
Miscellaneous	21	54	46	31	31
Other Expense	3	-	-	2	2
<b>Total Expense</b>	<b>21,620</b>	<b>24,498</b>	<b>23,005</b>	<b>24,221</b>	<b>25,198</b>
Reimbursements	(897)	(1,232)	(843)	(1,318)	(1,251)
<b>Net Total</b>	<b>\$ 20,722</b>	<b>\$ 23,266</b>	<b>\$ 22,161</b>	<b>\$ 22,903</b>	<b>\$ 23,948</b>

**MAJOR BUDGETARY CHANGES**

**Technology:**

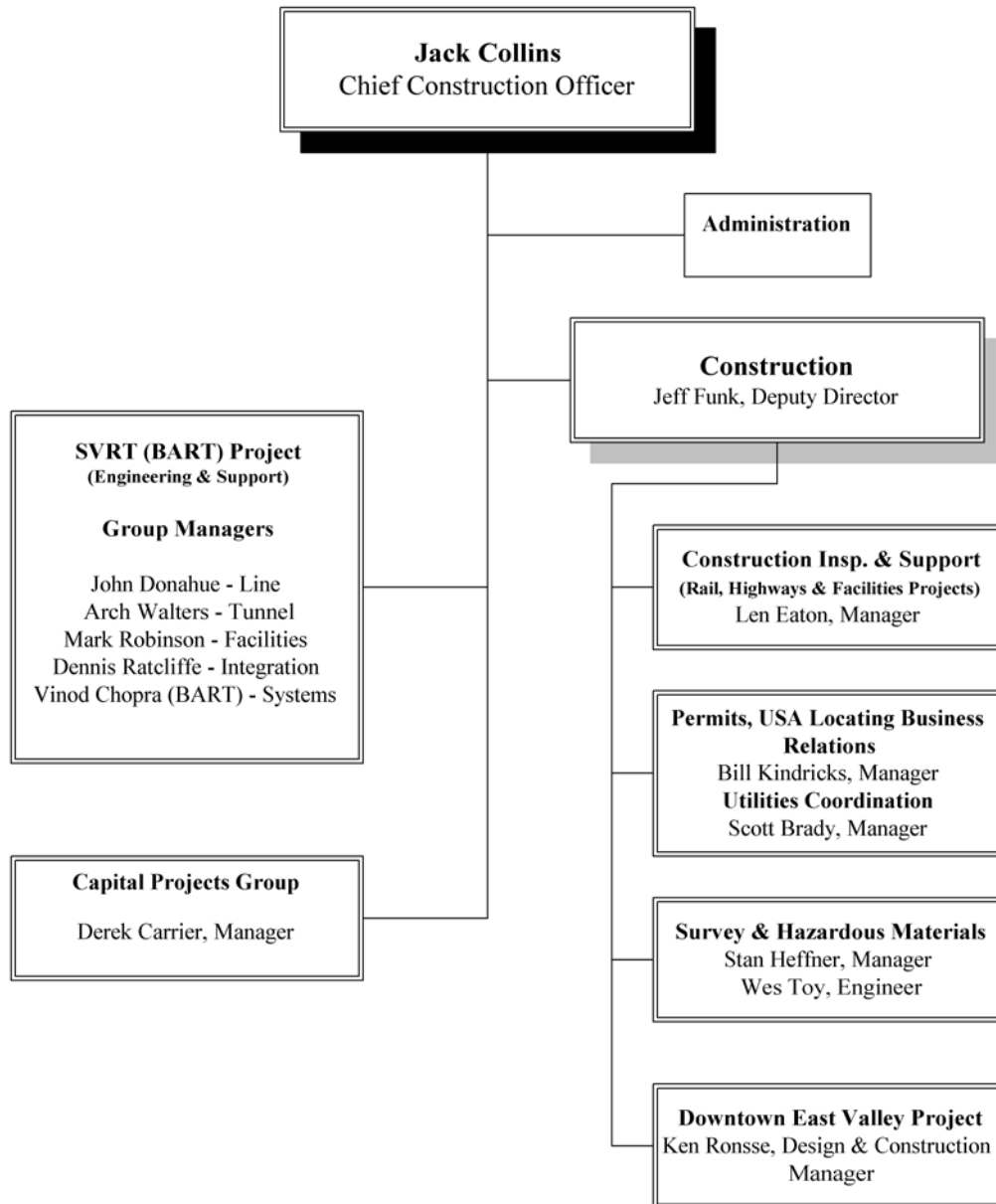
This past year VTA established a Technology Steering Committee and Technology Working Group comprised of senior management from across the enterprise. This management structure enables VTA to plan, prioritize and monitor existing and future technology programs. The result of this change was a Technology Strategic Plan and a 5-year Capital Investment Program for technology. This effort combined with the new organizational structure, reflects and enhances the service delivery strategy to better leverage the Technology Department’s resources and has reduced staff costs approximately \$1.2 million annually since its establishment.

Positions deleted over the next two years reflect a decrease in the service provided to Construction Division due to a decrease in their workload.

**Human Resources:**

This past year five positions were deleted in response to the decreasing workload demands and streamlining business processes. No significant changes are proposed over the next two years.

## CONSTRUCTION DIVISION



Positions  
 FY 2005 120 - Count as of March 9, 2005  
 FY 2006 119 - Count as of July 1, 2005  
 FY 2007 103 - Count as of July 1, 2006

## VTA FY2006 & FY2007 ADOPTED BUDGET

### **RESPONSIBILITIES**

The Construction Division completes engineering designs and implements construction projects that are part of VTA's rail, facilities, and highway transportation improvement program. The division accomplishes this task by managing the preparation of construction plans and specifications, administration of construction contracts and coordination of project hand-over and acceptance with VTA Operations or city and state agencies. Additionally, the division has ongoing responsibilities in project utility coordination, permits, field-surveying activities including "as-built" drawings, and capital project management support for other VTA divisions.

### **MAJOR PROGRAMS**

The Construction Division delivers three types of projects: Rail, Facilities, and Highways.

Rail expansion projects that are being managed by the Construction Division total \$7.0 billion (in year of expenditure dollars) with \$907 million funded as part of the 1996 Measure B Transportation Improvement Program and federal and state grants. The project team has started preliminary engineering for the \$5.3 billion BART extension to Silicon Valley and the \$430 million Capitol Expressway Light Rail extension.

The Division also designs and constructs VTA facility modification and expansion projects, including transit centers, Caltrain stations, bus stops, and operating, maintenance and administrative facilities. The largest facility project in FY2006 and FY2007 will be the \$16 million downtown platform modification project that will allow level boarding for all VTA light rail passengers.

The Division is managing the project delivery of \$509 million in highway improvement projects funded as part of the 1996 Measure B Transportation Improvement Program and State Transportation Improvement Plan (STIP). The Division has completed construction of a local highway project, the Route 101/Bailey Interchange, as requested by the City of San Jose. In addition, design has been completed and construction is commencing on the River Oaks Bike/Pedestrian Bridge, as requested by the Cities of San Jose and Santa Clara. Funding for these Valley Transportation Plan (VTP) projects is from other local and state agencies and VTA costs are fully reimbursed.

The Capital Projects Group is responsible for managing cost and schedule reporting on VTA's major Capital projects. The group is instrumental in tracking capital expenditures and forecasting costs to complete and works closely with VTA's Fiscal Resources Division in transferring capital assets once projects are completed. The group also maintains state of the art project controls software tools for reporting costs and tracking changes that are integrated into VTA's SAP enterprise software.

The Permits Department within the Construction Division issues Construction Area and Restricted Access Permits to parties performing work within VTA facilities or near light rail facilities. In addition, Permits staff respond to Underground Service Alert requests, as required by law, to mark our underground utility facilities before construction excavations take place.



## VTA FY2006 & FY2007 ADOPTED BUDGET

The following major projects underway by VTA's Construction Division were used as a basis for determining staffing levels for the next two years:

### **1996 Measure B Rail Projects:**

The Vasona Light Rail Project (\$317 million) will open in the summer of 2005. The project consists of building a new 5.2 mile light rail line from Downtown San Jose to Winchester Boulevard in Campbell. While construction work will be complete in early FY2006, some construction division staff will be involved in closing out contracts and cost sharing agreements with cities.

The Caltrain Service Improvement Program (\$52 million) involves a number of service improvements for Caltrain in Santa Clara County. The 1996 Measure B Transportation Improvement Program and State Transportation Congestion Relief Program Grants fund a program of projects. Projects include the improvement to Caltrain stations and park and ride lots at Palo Alto.

### **2000 Measure A Transit Improvement Projects:**

The Silicon Valley Rapid Transit Project is a 10 year design and construction effort estimated at \$5.3 billion (in year of expenditure). The project is currently in the Preliminary Engineering and Draft Environmental Clearance phase. Preliminary Engineering is budgeted at \$170 million and estimated to be completed by late 2006.

The Capitol Expressway Light Rail Project, one of the Downtown East Valley Transit Improvements, was advanced to preliminary engineering in the fall 2004 following a budget authorization from the VTA Board of \$16 million to perform preliminary engineering for the project. The Division is responsible for the preliminary engineering activities on the \$430 million project that would extend light rail from the Alum Rock station to the future Nieman station.

### **Other Rail and Facilities Projects:**

- River Oaks Pedestrian Bridge
- Palo Alto Transit Center Improvements
- Palo Alto Historic Depot
- Hazardous Materials Remediation and Monitoring
- Various Bus Operation and Maintenance Facility Modification Projects
- Transit Mall Platform modifications
- Manila Drive Drainage modifications
- Transit Mall Rail Rehabilitation

### **1996 Measure B Highway Projects:**

- Routes 237/880 - Interchange Completion - Stage 'C' in Milpitas (opens early 2005)
- Routes 85/101 (N) - Interchange and HOV Direct Connector in Mountain View (opens early 2006)
- Route 152 B1 – road widening and signalized intersection at Gilroy Foods in Gilroy (opens early 2006)
- Route 17 E Auxiliary Lane in Campbell

**VTA FY2006 & FY2007 ADOPTED BUDGET**

- Route 85 Noise Mitigation Project

**Other Highway Projects:**

As part of a State Grant Anticipation Revenue Vehicle (GARVEE) bond financing program and other state and City of San Jose funds, VTA is managing the construction of a \$202 million local program of highway improvements in the Valley Transportation Plan (VTP).

- I-880 Coleman Interchange for City of San Jose (opens mid 2006)
- Route 87 - HOV lanes from Julian Street to I- 280 (opens late 2006)

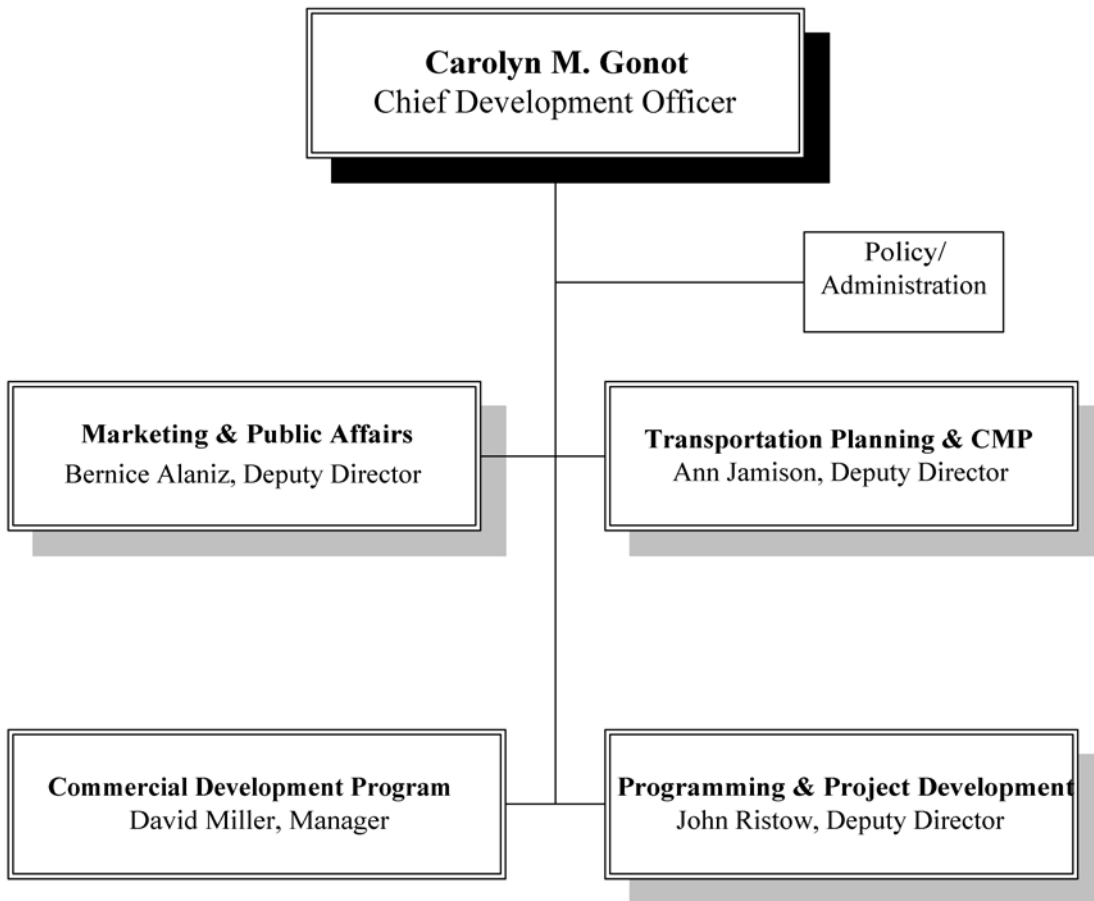
<b>CONSTRUCTION DIVISION</b>					
<b>In thousands</b>	<b>FY2004</b>	<b>FY2005</b>		<b>FY2006</b>	<b>FY2007</b>
	<b>Actual</b>	<b>Adpoted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
Labor Costs	\$ 12,958	\$ 15,346	\$ 13,795	\$ 14,298	\$ 11,549
Materials & Supplies	20	38	34	9	4
Professional & Special Services	20	200	110	50	50
Office Expense	12	24	14	18	18
Employee Related Expense	18	40	27	36	36
Leases & Rents	0	1	1	-	-
Miscellaneous	4	10	8	8	8
Other Expense	5	-	-	-	-
<b>Total Expense</b>	<b>13,037</b>	<b>15,659</b>	<b>13,989</b>	<b>14,419</b>	<b>11,664</b>
Reimbursements	(16,812)	(15,569)	(15,699)	(18,501)	(11,097)
<b>Net Total</b>	<b>\$ (3,774)</b>	<b>\$ 91</b>	<b>\$ (1,709)</b>	<b>\$ (4,082)</b>	<b>\$ 567</b>

**MAJOR BUDGETARY CHANGES**

**Capital Program Staff Support Reduction**

The Construction Division consists of 119 VTA staff along with a team of consultant staff that fluctuates depending on the number of projects being implemented. Staffing levels dip by the end of FY2006 to 112 and to 74 by the end of FY2007. This dramatic drop in construction division staffing is directly related to a shrinking number of highway and rail construction projects moving from planning into construction. The proposed FY2006 operating budget for the Division is \$14.6 million. Reimbursements from other grants and funding sources are estimated at \$18.5 million. The proposed FY2007 operating budget for the Division is \$11.5 million, with reimbursements from other grants and funding sources estimated at \$11.1 million.

## DEVELOPMENT & CONGESTION MANAGEMENT DIVISION



Positions

FY 2005 129 - Count as of March 9, 2005

FY 2006 129 - Count as of July 1, 2005

FY 2007 129 - Count as of July 1, 2006

## RESPONSIBILITIES

The Development & Congestion Management Division (D&CM) is responsible for the planning, marketing, development, programming and congestion management functions for VTA.

For FY2006, the planning and development portion of the division will incorporate a major reorganization to improve efficiency and reduce cost by combining similar functions. As a result, D&CM will consist of five major departments: Congestion Management Program (CMP); Transportation Planning; Programming & Project Development; Commercial Development Program; and Marketing & Public Affairs. These are described in further detail in the following.

## MAJOR PROGRAMS

### ***1. CONGESTION MANAGEMENT PROGRAM:***

Congestion Management Agencies (CMA) were created in 1990 by Proposition 111 and its accompanying legislation, which required that every county with an urbanized population of more than 50,000 establish a CMA. CMAs were designed to meet the goals of increasing the efficiency of existing transit and roadway systems, planning the best capital improvements to these systems, and improving the local land use decision-making process.

In 1994, VTA was designated as the CMA for Santa Clara County through a joint powers agreement entered into by the fifteen cities and the County of Santa Clara. VTA's Congestion Management Program (CMP) serves as the CMA for Santa Clara County. The CMP, which is fiscally separate from VTA Transit, is funded through assessments to local jurisdictions (Member Agencies), federal and state planning grants, grant program manager administration fees, SB 45 Monitoring Funds, and fees for services provided. The CMP's major responsibilities and programs are:

**Congestion Management Program (CMP) and Capital Improvement Program (CIP):** The Congestion Management Program is responsible for preparing and implementing the county's statutorily mandated Congestion Management Program. Adoption of a CMP is necessary to qualify for certain transportation funds made available through the state gas tax increase authorized in 1990. The CMP sets performance standards for roadways, public transit, and other modes of transportation, and shows how local jurisdictions will meet those standards through a ten-year Capital Improvement Program, land use strategies and other actions designed to reduce congestion and improve air quality. Under development is a policy to link local land use decision-making to transportation funding through the CMP Capital Improvement Program. The CMP is updated every two years and normally, on an annual basis the elements of the CMP are monitored and CMP staff prepares a monitoring and conformance report.

**Valley Transportation Plan (VTP) 2030:** This is the long-range transportation plan for the county, which drives overall planning and programming efforts of VTA. VTP 2030 includes programs and policies for delivering a multimodal transportation system for Santa Clara County by providing a framework for making key transportation decisions, a plan for investing in our transportation system, and strategic direction for VTA's involvement in land use and other livability issues. VTP 2030 was adopted by the VTA Board of Directors on February 3, 2005. The next scheduled update is in three years.

## VTA FY2006 & FY2007 ADOPTED BUDGET

**Grant Programming:** The Congestion Management Program is responsible for fund programming and/or oversight of the following Federal, State, regional and local grant programs:

### Federal

- *Federal Surface Transportation Program/Congestion Mitigation - Air Quality Improvement Program (STP/CMAQ):* STP funds are used to address problems caused by urban and suburban congestion by funding improvement projects across all transportation modes. CMAQ funds are to be used to implement the transportation provisions of the 1990 Federal Clean Air Act. The STP and CMAQ funding programs were wrapped into the Federal Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and continued when Congress enacted the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) in mid-1997. Congress is currently considering a successor bill. VTA determines the countywide priorities for these funds, subject to final approval of the Metropolitan Transportation Commission (MTC).
- *Transportation Enhancement (TE):* Transportation Enhancement Act 21 (TEA-21) provides for a 10% set-aside of each state's STP allocation to be used for "Transportation Enhancement" (TE) above and beyond normal capital improvements that fit within the 12 categories described in the TEA-21 legislation. In California, TE funds are distributed to the counties based on formulas in state statute. Within the MTC region, VTA, acting in its capacity as the CMA for Santa Clara County, programs the local share subject to MTC guidelines.

### State

- *Regional Improvement Program (RIP):* Senate Bill 45 (SB-45), which was signed into law at the end of the 1997 legislative session, consolidated several state transportation funding programs and directed 75% of the funds from the State Highway Account (SHA) into the Regional Improvement Program (RIP). Each county receives a "County Share". VTA determines the countywide priorities for these funds subject to final approval by MTC and the California Transportation Commission (CTC) via the State Transportation Improvement Program (STIP) process.

### Local

- *Transportation Fund for Clean Air Program Manager Fund (TFCA 40%):* In 1991, state statute authorized the Bay Area Air Quality Management District (BAAQMD) to increase vehicle registration fees by up to \$4.00 per vehicle to implement certain transportation control measures contained in the District's adopted Clean Air Plan. Forty percent (40%) of these funds are distributed to each county based on a proportional share of paid vehicle registrations. These funds are allocated and administered by a program manager selected within each county. VTA's Congestion Management Program is the program manager for the TFCA 40% Funds for Santa Clara County.
- *Transportation Development Act Article 3:* The California State Legislature enacted the Transportation Development Act (TDA) in 1972. Article 3 of this act provides for the return of a portion of the sales tax receipts in each county to fund bicycle and pedestrian

## VTA FY2006 & FY2007 ADOPTED BUDGET

improvements. MTC administers the program Bay Area-wide, while VTA develops annual countywide program priorities.

**Programmed Project Monitoring and Assistance:** The State Transportation Improvement Program (STIP) contains a timely use of funds provision that requires project sponsors to deliver the project on time or risk loss of the grant funding. This legislation also increased the responsibility of local agencies, such as VTA, to not only program transportation funds but to also monitor project progress and potentially provide assistance to ensure timely completion. Because of the substantial fiscal impact on the countywide Capital Improvement Program due to delayed project construction, CMP staff is providing active oversight of the delivery of CIP projects. This oversight includes a significant level of direct involvement by division staff, utilizing consultant engineering assistance, in large, high profile state highway projects managed by Caltrans. CMP staff also provides to the Board of Directors and Advisory Committees the Programmed Projects Quarterly Monitoring Report, which tracks the progress of projects funded through programming actions of the VTA Board of Directors.

**Bicycle and Pedestrian Planning Program:** The 20-year Countywide Bicycle Plan was adopted by the Board of Directors in October 2000 and updated in December 2004. A twenty-year Bicycle Expenditure Program was developed and approved for projects totaling approximately \$99.3 million. The Bicycle Planning Program administers and distributes funds to Member Agencies to implement and construct the projects.

In 2001, at the request of the VTA Board of Directors the existing Bicycle Advisory Committee was re-established as the Bicycle and Pedestrian Advisory Committee (BPAC) and its duties modified to include pedestrian issues. The Board also requested that staff develop a VTA Pedestrian Program that delineates the agency's pedestrian-related activities. The first major product of the Pedestrian Program was the Pedestrian Technical Guidelines, which the Board adopted in October 2003.

### ***2. TRANSPORTATION PLANNING:***

Transportation Planning is responsible for the planning and conceptual design of all major transit projects including new rapid transit corridors, multimodal planning, VTA's transit oriented development program, and CMP planning activities.

Objectives include: Conducting system and corridor planning, supporting environmental clearance, completing Conceptual Engineering and supporting Preliminary Engineering for programmed 2000 Measure A projects; completing transit planning projects including the Short Range Transit Plan (SRTP); coordinating VTA planning with external agencies; supporting planning activities for Caltrain, ACE and Bus Rapid Transit (BRT) projects; conducting planning, research, advocacy and development review activities in support of Transit-Oriented Development (TOD), with particular emphasis on TOD projects on VTA property; and ensuring required compliance activities for Transportation for Livable Communities (TLC) projects. Transportation Planning also provides staff services to the Congestion Management Program.

## VTA FY2006 & FY2007 ADOPTED BUDGET

Current tasks include:

- Silicon Valley Rapid Transit Corridor Project – planning, design and environmental support including the FTA New Starts process.
- Downtown East Valley
  - Support the preparation of environmental documents, conceptual design, and preliminary engineering for the Capitol Light Rail Extension
  - Lead the planning efforts and support the preparation of environmental documents and conceptual design for the Santa Clara/Alum Rock Corridor
- Caltrain Capital Improvement Planning
- Dumbarton Rail Corridor Planning/Other Commuter Rail planning support
- Line 22 Bus Rapid Transit, enhanced bus and community bus implementation support
- Preparation of the Short Range Transit Plan (SRTP)
- Station area planning for current and future rail transit stations
- Planning support to the VTA Joint Development Program
- Planning support for the development of VTA properties

### ***3. PROGRAMMING & PROJECT DEVELOPMENT:***

Programming & Project Development (P&PD) is responsible for: development and administration of highway improvement projects and studies; preparation of environmental documents; appraisal, acquisition and management of all VTA real estate assets; programming and grant management; and traffic engineering and planning services. It consists of:

**Highway Project Development (HPD)** is responsible for highway development activities including planning, conceptual and preliminary engineering, and final design. The construction phase is managed by VTA Construction Division staff in partnership with Caltrans. HPD duties are accomplished using a combination of full-time VTA staff and consultants that provide direct project implementation support.

The major phases to implement each highway project are:

- Conceptual Alternative Analysis
- Preliminary Engineering (Project Study Report)
- Environmental clearance (environmental evaluation, documentation and approval)
- Project Approval (Project Report)
- Final Design (Preparation of Plans, Specifications and Estimates)
- Right-of-way certification and utility relocation coordination
- Advertise, bid and award construction contracts
- Construction of the project
- Close out of project (contract close out, right of way transfers, preparation of as-built plans)

## VTA FY2006 & FY2007 ADOPTED BUDGET

The six remaining Highway Program projects funded by the 1996 Measure B Transportation Improvement Program are:

- Routes 85/101 Interchange in Mountain View
- Route 87 HOV lane from I-280 to Route 85
- Route 87 HOV lane from Julian Street to Route 280
- Route 152 Project B, Phase 1 widening from Llagas Creek Bridge to Miller's Slough
- Route 85 noise mitigation
- Consolidated Biological Mitigation Project

The other current Highway Program projects that are contained in VTP 2030 but are funded by sources other than the 1996 Measure B Transportation Improvement Program are:

- I-880/Coleman Avenue Interchange Improvement
- Route 152/156 Interchange Improvements
- River Oaks Bicycle/Pedestrian Bridge
- I-280/I-880/Stevens Creek Boulevard Interchange
- Route 101/4th Street Interchange
- Route 237/101/Mathilda Avenue Interchange
- Route 25/101 Interchange
- Route 101/Mabury Interchange
- I-680/I-880 Cross Connector Project Study Report (PSR)
- High Occupancy Toll (HOT) Lane Demonstration Project
- Route 101 Operational Improvements
- I-880 Corridor Study
- South County Circulation Study

**Environmental Planning** prepares all of VTA's environmental documents including those required for the 1996 Measure B Transportation Improvement Program transit and highway projects and ensures that VTA implements the required mitigation measures/conditions during construction activities for 2000 Measure A funded projects as well as other projects. It effectively integrates land use and transportation through coordinated VTA review of City and County development projects and plans. Current tasks include:

- EIS/EIR for Silicon Valley Rapid Transit Corridor (BART) and Downtown East Valley LRT projects
- 1996 Measure B Transit Project Environmental Documents
- Measure B and other Highway Project Environmental Documents

**Real Estate & Highway Project Administration** appraises and acquires property for all VTA capital projects and manages VTA's existing real estate assets. Objectives include: management, administration and coordination of the real estate process to ensure the purchase of various property rights necessary for the 1996 Measure B and 2000 Measure A projects as well as other projects; participating in and supporting the planning and development and early acquisition activities for BART and Downtown/East Valley Rail Projects; managing real property assets



## VTA FY2006 & FY2007 ADOPTED BUDGET

including maximizing income, both tangible and intangible, for internal and external customers; managing, administering and coordinating VTA real estate assets with focus on maximizing revenue and/or transit ridership, improving station environment and complementing existing or planned zoning for the area. Also managing professional service contracts for highway project cooperative agreements with partnering agencies and highway project grant administration. Current tasks include:

- Planning for Right of Way Acquisitions for Silicon Valley Rapid Transit Corridor (SVRT) and Downtown East Valley Light Rail Transit projects
- 1996 Measure B Real Estate Acquisitions – Caltrain Stations, Tasman East, Capitol and Vasona Light Rail Projects
- Management, Sale or Development of Excess Property
- Management of Additional Leases, Permits, Easements and Issues arising from the Purchase of Union Pacific Rail Road Right of Way Corridor
- Management of Guadalupe Corridor Right of Way Title/Issues Closeout and Title Clearance process
- Management of the Transfer of Parcels to Utility Companies and Respective Cities (Tasman East, Capitol and Vasona Light Rail Projects)

**Traffic Engineering and Highway Planning** provides traffic engineering, traffic operations and transportation planning expertise for various VTA programs and projects and also for Congestion Management Program (CMP) Member Agencies. This section is responsible for managing and conducting review of traffic studies for land use development and other roadway projects; managing and overseeing technical input on roadway/highway planning and project development studies (e.g., highway corridor and gateway studies and Santa Clara County High Occupancy Toll Lane Feasibility Study); participating in development of regional policies and guidance related to transportation planning, traffic operations and Intelligent Transportation Systems (ITS); managing and providing technical direction on the annual CMP monitoring program; and providing technical input on VTA transit programs and projects (e.g., Silicon Valley Rapid Transit, Bus Rapid Transit Program, and Dynamic Passenger Information Project). Traffic Engineering and Highway Planning also provides staff services to the Congestion Management Program.

**Grants, Programming & Monitoring** advocates for, programs and manages Federal, State and Regional transit grant revenues to support VTA's on-going transit capital and operations programs. It also provides funding, budgetary and regulatory support to VTA project managers and management to maximize the use of external revenues on transit capital projects and preventative maintenance and ensures agency compliance with current Federal and State grant management rules and audit requirements to maintain VTA's grant eligibility status. Grants, Programming & Monitoring also provides staff services to the Congestion Management Program.

#### **4. COMMERCIAL DEVELOPMENT PROGRAM:**

The intent of VTA's Commercial Development Program (CDP) is to create a long-term, continuing source of revenue to support VTA operations and to increase utilization of this community's public transit system. This will be accomplished by VTA partnering with private

## VTA FY2006 & FY2007 ADOPTED BUDGET

developers to develop for transit-oriented purposes land that VTA currently owns or will purchase. VTA will retain ownership of that property as an ongoing source of revenue.

The CDP focuses on creating a long-term revenue source for VTA, emphasizes planning for the highest and best uses at transit stations and along rail corridors, and emphasizes increased ridership. A core objective is the use of VTA land assets to create a long-term source of revenue at a rate of return that is competitive in the market. Developing housing or commercial uses that can command the highest reasonable rents will enable VTA to achieve revenues while providing a profit incentive to developers to ensure that projects will be financed and will perform as financially sound over time.

VTA owns several acres of property at light rail stations, which are considered available for joint development projects due to the underutilization of parking. In the future VTA will also be acquiring property for BART stations, for additional light rail stations and corridors, particularly where multimodal stations are planned to include Caltrain and BART co-locating with VTA light rail.

### **5. *MARKETING & PUBLIC AFFAIRS:***

**Customer Service** provides VTA service recipients and potential service recipients with accurate, timely assistance through a variety of programs and formats. The department serves the public through a telephone contact center, the Downtown and River Oaks Customer Service Centers, community events, site visits, and via [www.vta.org](http://www.vta.org). Utilizing the on-line CARE (Customers Are Resources to Excellence) system, the department facilitates the resolution of customer concerns by working with the operating divisions on service issues. In addition, Customer Service distributes printed transit information throughout Santa Clara County, coordinates the Youth Outreach (YOP) and “Class Pass” programs. Staff promotes VTA services and makes presentations to local schools, including information about transit services and safety lessons. Customer Service also acts as VTA’s website content lead.

**Public Affairs** is responsible for upholding the VTA image through internal and external communications. It initiates and responds to media contacts; maintains updated information about VTA and its projects; and publishes the *General Manager’s Report* and the *Monday Exchange*. Public Affairs responds to VTA Bus, Light Rail and highway construction emergencies 24 hours a day, and maintains liaison with public information officers from organizations throughout the region.

**Creative Services** acts as the primary resource for creative design and production services for all VTA departments to ensure that VTA materials meet established graphic standards, and are easy to understand.

**Market Development and Sales** identifies target markets and develops positive advertising campaigns to promote utilization of VTA transit services. Their sales program positively influences ridership and revenue through the sale of VTA tickets and passes, communicates vital service and fare information to VTA’s customers, and manages the revenue-generating transit advertising contract.

## VTA FY2006 & FY2007 ADOPTED BUDGET

**Community Outreach** relays critical project information to the public and encourages their involvement and input beginning with initial planning through project completion. The following project groups are included in outreach efforts: 1996 Measure B projects, 2000 Measure A projects, VTP 2030 projects, VTA Transit Enterprise projects, and other projects as authorized by the VTA Board of Directors.

**Community Oriented Design Enhancements (CODE) and VTP 2020 Projects Design Enhancements (DE) Programs** work in partnership with local jurisdictions to integrate high quality design enhancements to increase transit ridership by creating a positive aesthetic experience for riders. CODE fosters community support for transportation projects by including citizens in the selection and design process for projects, and ensures that projects reflect the identity of the neighborhoods and communities in which they are located, building community pride and project ownership.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

<b>DEVELOPMENT DIVISION</b>					
<b>In thousands</b>	<b>FY2004</b>	<b>FY2005</b>		<b>FY2006</b>	<b>FY2007</b>
	<b>Actual</b>	<b>Adpoted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
Labor Costs	\$ 8,662	\$ 10,300	\$ 9,200	\$ 15,018	\$ 15,593
Materials & Supplies	2	14	12	8	8
Professional & Special Services	337	656	656	1,751	1,041
Other Services	697	1,004	755	1,583	1,318
Utilities	(3)	1	1	-	-
Data Processing	1	3	3	3	3
Office Expense	33	44	43	38	38
Employee Related Expense	11	46	39	39	38
Leases & Rents	77	93	92	95	95
Miscellaneous	8	45	43	100	81
Contribution to Other Agencies	408	205	245	-	-
Other Expense	21	-	-	13	14
<b>Total Expense</b>	<b>10,254</b>	<b>12,411</b>	<b>11,089</b>	<b>18,648</b>	<b>18,229</b>
Reimbursements	(2,700)	(3,409)	(3,409)	(7,771)	(7,351)
<b>Net Total</b>	<b>\$ 7,554</b>	<b>\$ 9,001</b>	<b>\$ 7,680</b>	<b>\$ 10,877</b>	<b>\$ 10,877</b>

**MAJOR BUDGETARY CHANGES**

Due to efficiencies realized by the D&CM reorganization, VTA is able to establish the Commercial Development Program with no effect in the overall staffing level for the division. The overall staffing for the division remains at 129 for FY2006 and FY2007.

The division's budget includes the following major changes:

The existing 27 positions in the Congestion Management Program (CMP) will be transferred to Transit Enterprise. These positions will continue to provide services to CMP and will charge CMP accordingly. However, this accounting change translates into an approximate \$0.5 million net increase of Transit Enterprise wages and benefits between FY2005 and FY2006. This change, which pools and consolidates similar functions, allows for the more efficient deployment of staffing resource to meet demand.

A Commercial Development Program has been established to create a long-term, continuing source of revenue to support VTA operations and to increase utilization of this community's public transit system. In FY2005, VTA hired a Commercial Development Manager. In FY2006 and FY2007, this program will have two full-time employees; however, the division does not increase the overall staffing level. To fund this program, \$0.8 million in FY2006 and \$0.3 million in FY2007 have been allocated to provide specialized appraisal, legal, financial and other professional services necessary for development of housing or commercial uses of VTA real property. These amounts are partially offset by anticipated developer contributions to be received of \$0.3 million for each of these specific years.

The Marketing & Customer Service department has been renamed Marketing & Public Affairs to emphasize the push toward increasing VTA ridership and enhancing VTA's public affairs efforts. Accordingly, the department's FY2006 and FY2007 budgets for professional services

**VTA FY2006 & FY2007 ADOPTED BUDGET**

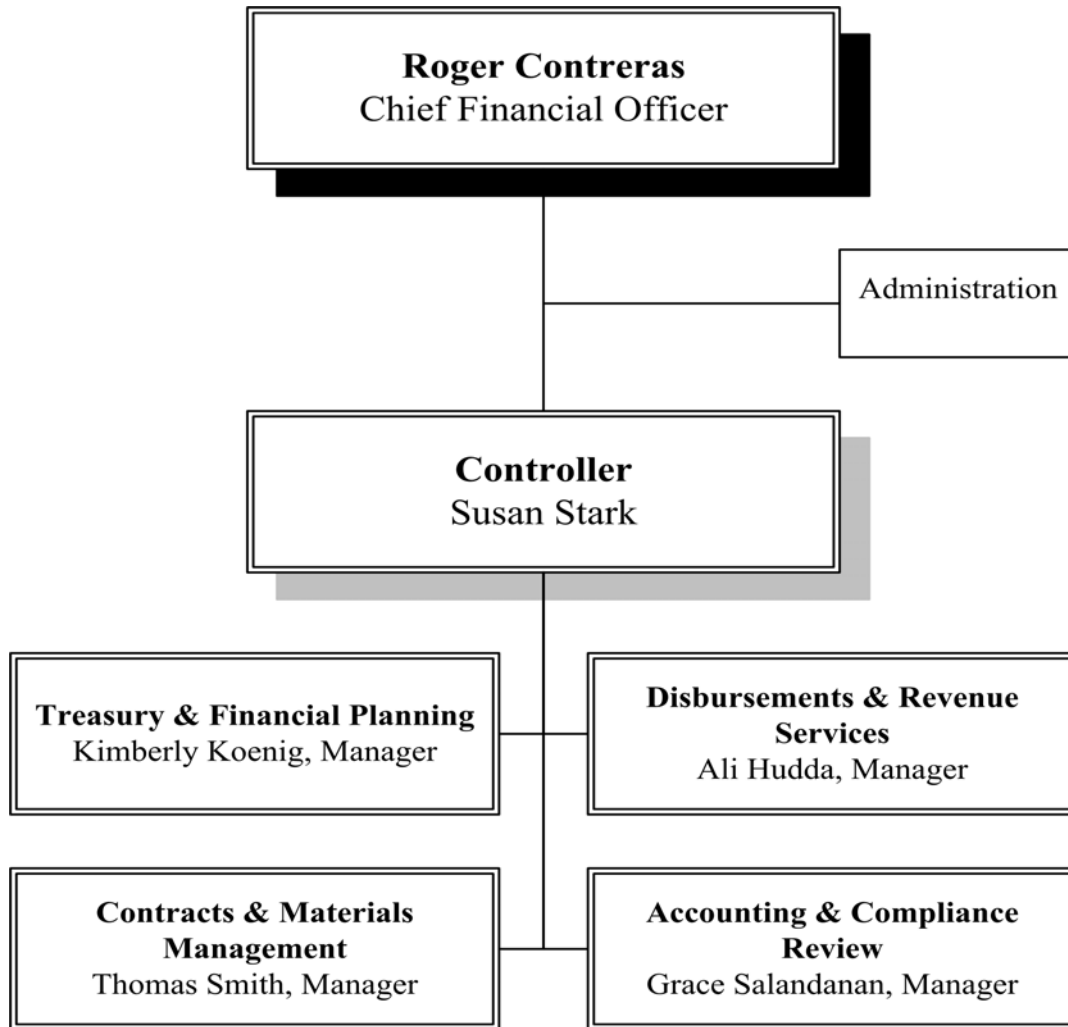
and advertising have been increased by \$0.3 million and \$0.5 million, respectively in each year. VTA is currently evaluating marketing services, advertising, and division staffing and responsibilities. As part of this evaluation, VTA is developing a Marketing Strategic Plan. Based upon the outcome of the plan, VTA will likely make changes to budget elements, but it is anticipated that these changes will not have a detrimental effect on the overall division and agency budget.

<b>CONGESTION MANAGEMENT PROGRAM (CMP)</b>					
<b>In thousands</b>	<b>FY2004</b>	<b>FY2005</b>		<b>FY2006</b>	<b>FY2007</b>
	<b>Actual</b>	<b>Adopted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
Federal Operating Grants	\$ 223	\$ 679	\$ 679	\$ 685	\$ 650
State and Local Operating Grants	293	330	330	565	187
Administrative fees	80	115	115	120	130
Investment Earnings	(6)	-	-	-	-
Member Assessments	1,783	2,174	2,174	2,326	2,489
Other revenues	18	25	25	-	-
<b>Total Revenue</b>	<b>\$ 2,391</b>	<b>\$ 3,323</b>	<b>\$ 3,323</b>	<b>\$ 3,696</b>	<b>\$ 3,456</b>
Wages & Benefits	\$ 2,903	\$ 3,590	\$ 3,590	\$ -	\$ -
Materials & Supplies	-	2	2	2	2
Professional & Special Services	212	1,130	1,130	1,025	760
Other Services	52	60	60	2,574	2,708
Data Processing	7	25	25	75	75
Office Expense	9	20	20	20	21
Communications	1	5	5	5	5
Employee Related Expense	18	47	47	47	48
Leases & Rents	82	86	86	88	88
Miscellaneous	88	122	122	124	127
Other Expense	103	12	12	12	12
<b>Total Expense</b>	<b>\$ 3,471</b>	<b>\$ 5,099</b>	<b>\$ 5,099</b>	<b>\$ 3,972</b>	<b>\$ 3,846</b>
Reimbursements	\$ (1,184)	\$ (2,290)	\$ (2,290)	\$ -	\$ -
<b>Net Expense</b>	<b>\$ 2,287</b>	<b>\$ 2,809</b>	<b>\$ 2,809</b>	<b>\$ 3,972</b>	<b>\$ 3,846</b>

The Congestion Management Program (CMP), which is fiscally separate from Transit Enterprise, is funded through Member Agency fees, federal and state planning grants, program manager fees and payment for services provided. Member Agency fees for FY2006 and FY2007, as specified in the CMP Strategic Six-Year Financial Plan evaluated by the VTA Board of Directors in September 2004, are \$2.3 million and \$2.5 million, respectively (see Appendix H for details.) In addition, due to the state's budget crisis, as was done for FY2005 the CMP has assumed the elimination of \$0.6 million of SB-45 State Transportation Improvement Program (STIP) Project Monitoring funds due to their likely deferral or elimination. There are no major additional expenditures planned for the CMP.

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## FISCAL RESOURCES DIVISION



Positions

FY 2005 120 - Count as of March 9, 2005

FY 2006 112 - Count as of July 1, 2005

FY 2007 105 - Count as of July 1, 2006

## VTA FY2006 & FY2007 ADOPTED BUDGET

### RESPONSIBILITIES

The Fiscal Resources Division fulfills the Controller and Treasury functions for Santa Clara Valley Transportation ("VTA"), including financial reporting, accounting, budgeting, internal audit, investment, cash management, payroll, accounts receivable, accounts payable, and farebox revenue services. In addition, purchasing, messenger/mail services, contracts administration, and disadvantaged business enterprise program are the responsibility of the Fiscal Resources Division.

### MAJOR PROGRAMS

Accounting & Compliance Review is responsible for managing the financial accounting activities and compliance monitoring activities. Accounting is responsible for maintaining the financial accounting system and records for all of VTA's business and administrative financial activities, external and internal financial reporting, revenue billings for projects, program contracts, and other program services and cash deposits functions. Compliance Review, formerly Internal Audit, is an independent appraisal activity established within VTA to examine and evaluate its activities as a service to management. The objective is to assist members of the organization in the effective discharge of their responsibility by furnishing them with analyses, appraisals, counsel, and information concerning the activities reviewed. This objective includes effective control at a reasonable cost.

Contracts and Materials Management is responsible for commodity and non-professional service procurements; all construction and professional services contracting; the administration of the Pre-qualification Pilot Program; all aspects of Disadvantaged Business Enterprise (DBE) program compliance; messenger and mail service, central receiving, and surplus property disposal.

Disbursements & Revenue Services is responsible for payments to employees and outside vendors and revenue collection for the Bus and Light Rail operations. Disbursements handles Payroll for VTA employees and ATU retirees, and payments to vendors through Accounts Payable; reports payroll and remits withheld taxes for VTA employees; prepares financial reports for the VTA/ATU Pension and related trust funds. Revenue Services manages the activities of fare media sales, Bus and Light Rail fare, counting, depositing, and reconciling and any other fare related activities.

Treasury & Financial Planning is comprised of three units: Debt Administration, Investment Services, and Budget Administration. The Budget Administration unit assists the Chief Financial Officer and the divisions with the development of annual budget requests and prepares VTA's budget for the Board of Directors' consideration; monitors and modifies the budget throughout the fiscal year; and performs financial and operational analyses, as well as updating forecasts on a regular basis. The Debt Administration unit is responsible for identifying the need for, and implementing debt related transactions as well as dealing with programmatic issues that may have fiscal implications to the organization. This unit is responsible for preparing and analyzing the financial capacity of VTA. Debt Administration also oversees the investment of VTA's debt service reserve funds from the trustee and is responsible for monitoring the transfer of sales tax monies from the State Board of Equalization to the bond trustees and to VTA's bank



**VTA FY2006 & FY2007 ADOPTED BUDGET**

account. The Investment Services unit is responsible for establishing effective investment strategy, reviewing and recommending changes to VTA's investment policies, analyzing investment portfolio performance, reporting investment performance to the Board of Directors, designing and managing cash management and cash forecasting systems, and monitoring and coordinating the timely receipt of federal and state grant funds. The day-to-day investment functions include managing and monitoring cash flows as well as banking related activities.

<b>FISCAL RESOURCES DIVISION</b>					
<b>In thousands</b>	<b>FY2004</b>	<b>FY2005</b>		<b>FY2006</b>	<b>FY2007</b>
	<b>Actual</b>	<b>Adpoted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
Labor Costs	\$ 11,685	\$ 13,231	\$ 12,146	\$ 12,572	\$ 12,220
Materials & Supplies	7	10	4	4	4
Professional & Special Services	943	1,240	956	877	879
Other Services	253	306	265	272	280
Data Processing	1	3	2	2	2
Office Expense	54	114	53	62	61
Communications	4	5	7	7	7
Employee Related Expense	5	7	17	23	28
Leases & Rents	1	9	-	-	-
Miscellaneous	219	291	256	260	266
Other Expense	(1)	3	0	0	0
Non-Operating Bud items	-	-	-	-	-
Contingency	-	-	-	-	-
<b>Total Expense</b>	<b>13,173</b>	<b>15,217</b>	<b>13,705</b>	<b>14,079</b>	<b>13,747</b>
Reimbursements	(2,126)	(2,186)	(1,885)	(2,067)	(1,756)
<b>Net Total</b>	<b>\$ 11,047</b>	<b>\$ 13,032</b>	<b>\$ 11,820</b>	<b>\$ 12,012</b>	<b>\$ 11,991</b>

**MAJOR BUDGETARY CHANGES**

**Wages & Benefits**

Fiscal Resources has already embarked upon a reorganization and streamlining of business processes, which resulted in a net reduction of 4 positions in FY2005. Another 8 positions are scheduled to be deleted in FY2006 and 7 positions in FY2007 in response to a decreasing workload as the level of overall construction activity diminishes. Total savings in salaries and benefits from these deleted positions is estimated at \$1.2 million cumulative for both FY2006 and FY2007.

**Other Reductions**

During Fiscal Years 2006 and 2007 the Fiscal Resources Division is also reducing Professional & Special Services cost by \$0.4 million and various other line items by approximately \$53,000.

The reduction to Professional & Special Services is a result of eliminating some consulting services and investment studies in the Treasury & Financial Planning Department. The \$53,000 drop in the other line items reflect estimated budget savings in publication and printing costs as well as general office supplies.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

**NON-DEPARTMENTAL**

**RESPONSIBILITIES**

VTA groups all the expenses that are beyond the control of an individual division, difficult to be allocated meaningfully to any division or unrelated to actual operations into a non-departmental division. The rationale is that since the divisions have no control over these expenses, they should not be held responsible or accountable for them. The typical expenses are debt service expense, general liability adjustments, and prior year adjustments.

<b>NON-DEPARTMENTAL DIVISION</b>					
<b>In thousands</b>	<b>FY2004</b>	<b>FY2005</b>		<b>FY2006</b>	<b>FY2007</b>
	<b>Actual</b>	<b>Adpoted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
Labor Costs	\$ 68	\$ -	\$ 70	\$ 70	\$ 72
Materials & Supplies	(75)	-	-	-	-
Professional & Special Services	3	-	-	-	-
Other Services	(46)	-	-	-	-
Tires	13	-	30	-	-
Insurance	(1,000)	-	-	-	-
Miscellaneous	(81)	20	(62)	-	-
Debt Service	104,199	23,579	23,465	23,336	23,593
Other Expense	12	-	-	-	-
<b>Total Expense</b>	<b>103,093</b>	<b>23,599</b>	<b>23,503</b>	<b>23,406</b>	<b>23,665</b>
Reimbursements	5	-	-	-	-
<b>Net Total</b>	<b>\$ 103,099</b>	<b>\$ 23,599</b>	<b>\$ 23,503</b>	<b>\$ 23,406</b>	<b>\$ 23,665</b>

**MAJOR BUDGETARY CHANGES**

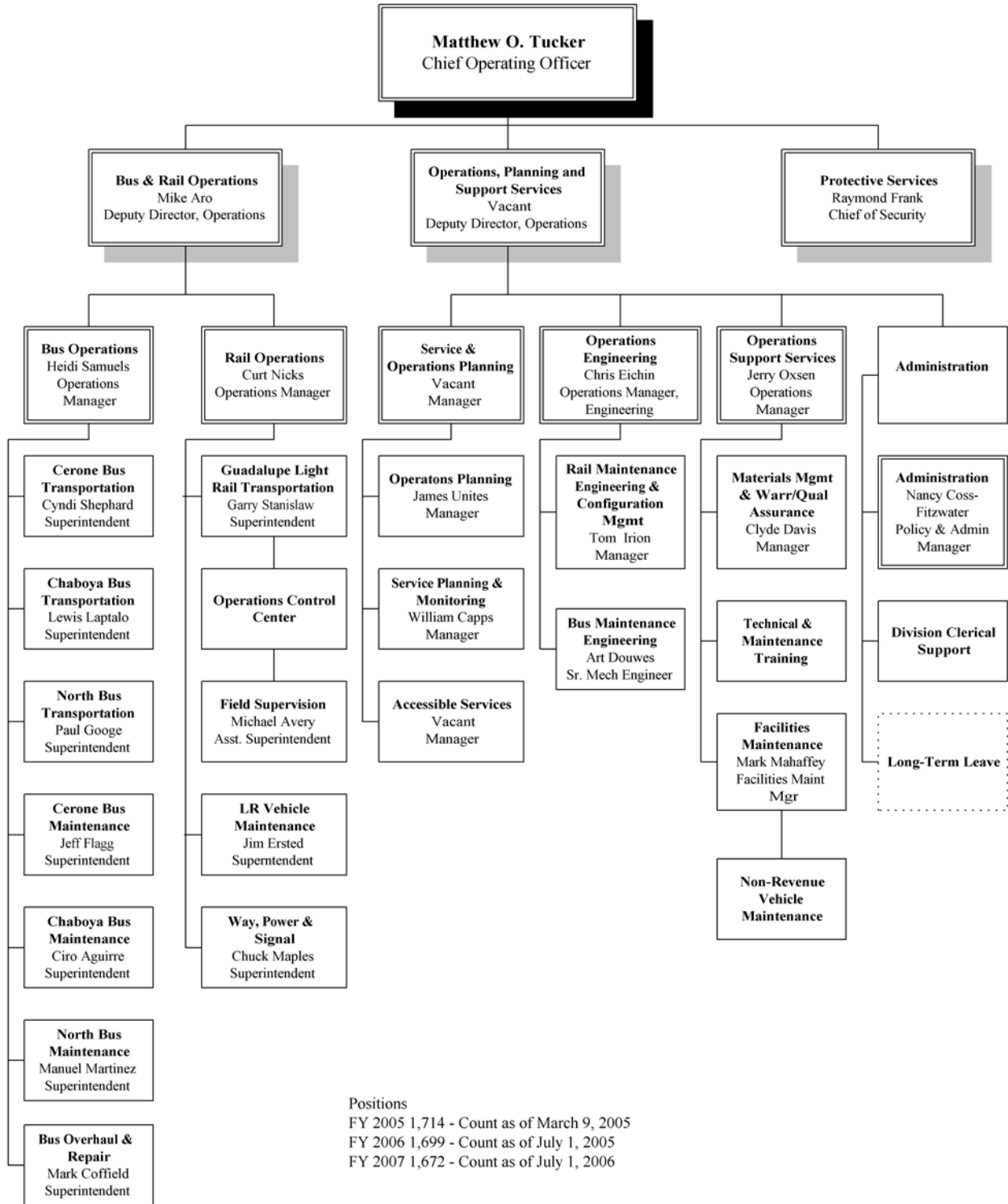
**Interest Expense**

The FY2006 and FY2007 Budget for VTA’s long-term debt obligation is estimated to be \$23.3 million and \$23.6 million. The amounts include expense from three categories: interest expense, principal payments, and other bond charges. Interest expense is estimated to be \$13.6 million and \$13.5 million, using a rate of 2.18 % and 2.47% for variable rate debt obligations (1998 & 2000 Series A Sales Tax Revenue Bonds). Principle payments equal to \$9.3 million and \$9.7 million. Other bond charges are estimated to be \$.4 million for each fiscal year and the charge include trustee fees, remarketing fees, letter of credit fees, rating fees, and administrative fees.

**Liability Self Insurance**

The excess reserves from the liability self-insurance program was fully realized through FY2004. There are no excess reserves for the current fiscal year and none is anticipated for FY2006 and FY2007.

# OPERATIONS DIVISION



## VTA FY2006 & FY2007 ADOPTED BUDGET

### RESPONSIBILITIES

The Operations Division is responsible for delivering safe, courteous and reliable transit service to the residents of Santa Clara County. This Division consists of six functional units: Bus Operations, Rail Operations, Operations Support Services, Operations Engineering, Service and Operations Planning, and Protective Services.

Bus Operations is responsible for the operation of VTA's 69 bus routes, offering service to approximately 326 square miles in the urbanized areas of Santa Clara County. Over 800 operators provide more than 18.6 million miles of bus and light rail service on an annual basis. Three bus operating facilities, including operations and maintenance facilities, and one overhaul and repair facility support Bus Operations.

Rail Operations is responsible for the operation of VTA's Light Rail routes, providing 42 miles of light rail service, and the maintenance of 100 light rail vehicles, light rail track and light rail power systems. Light Rail services include the Guadalupe light rail line, which runs from South San Jose to East San Jose via the Baypointe Station on Tasman Drive, the Tasman light rail line, which runs from Mountain View to the Baypointe Station, the Almaden shuttle, which runs between the Almaden and Ohlone-Chynoweth stations, and the new Vasona line which will run from Downtown San Jose to Winchester Boulevard in Campbell via the Diridon Caltrain station.

Operations Support Services is responsible for the management of warranty and quality assurance programs, administration and maintenance of the non-revenue vehicle fleet, management and administration of non-revenue vehicle procurement contracts, development and implementation of bus and rail operator, and maintenance training programs, administration of operations information systems and the development, administration and distribution of maintenance standard operating procedures.

### MAJOR PROGRAMS

**Service and Operations Planning** consists of Service Planning, Accessible Services and Operations Planning. **Service Planning** is responsible for planning, scheduling and monitoring VTA's bus routes and light rail service. **Accessible Services** ensures compliance with the Americans with Disabilities Act (ADA) and manages the paratransit program. **Operations Planning** has responsibility for the operation of light rail and Altamont Commuter Express (ACE) shuttles, and coordination of ACE, Caltrain, Dumbarton Bridge and Highway 17 Express services. In addition, Operations Planning has responsibility for passenger facility planning, coordination of the shelter and bus stop programs, monitoring Tamien Child Care Center operations, analysis and reporting of transit system performance, and management of the Advanced Communication System (ACS) project.

**Protective Services** provides security for VTA bus and light rail service and facilities. This department coordinates law enforcement activities with the contracted Santa Clara County Office of the Sheriff – Transit Patrol unit and Securitas Security Services Inc., a private security contractor. Protective Services is also responsible for coordinating Fire/Life and Safety drills and exercises, acting as the liaison between first responders and VTA for emergency situations that may occur on bus and light rail, the CCTV program, revenue collection and protection,

## VTA FY2006 & FY2007 ADOPTED BUDGET

management of VTA's Lost & Found program, the Vandalism Abatement program, employee security systems and fare inspection on light rail.

**Bus Transportation** consists of Cerone Transportation, Chaboya Transportation, and North Transportation. The section is responsible for the daily operations of VTA's bus routes.

**Bus Maintenance** consists of North Maintenance, Chaboya Maintenance, Cerone Maintenance and Overhaul and Repair. The section is responsible for the timely and reliable preventive maintenance, running repair, heavy repair, engine rebuilding, other maintenance services, inspections and servicing of VTA's active fleet of 426 buses which include 35 and 40 foot coaches, as well as 60 foot New Flyer articulated buses 3 Zero Emission buses.

**Rail Transportation** consists of Guadalupe Transportation. The section is responsible for the daily operations of the Guadalupe and Tasman light rail lines. It also consists of the Field Supervision, Operations Control Center, and Dispatch units, which facilitate improved communication and efficiency among all units in the Operations Division.

**Rail Maintenance** consists of Light Rail Vehicle Maintenance and Way, Power and Signal Maintenance. Light Rail Vehicle Maintenance is responsible for the timely and reliable maintenance, preventive maintenance, inspections, repair and servicing of VTA's fleet of 100 Kinkisharyo low floor light rail vehicles. Way, Power and Signal Maintenance is responsible for timely and reliable maintenance, preventive maintenance of right of way, rail system power, tracks, signals, Supervisory Control and Data Acquisition (SCADA), wayside communications, station, transit center and bus stop facilities, and related equipment, park and ride lot maintenance, and evaluation of rail maintenance efficiency.

**Facilities Maintenance** consists of Facilities Maintenance and Non-Revenue Vehicle (NRV) Maintenance and NRV fleet management. This section is responsible for the planned and unscheduled (on-call) facility maintenance including preventive maintenance, painting and roofing, inspections, repair of VTA's buildings, shelters, grounds (except right-of-way), related equipment, hazardous waste disposal and overall environmental regulatory record keeping and oversight. The Facilities Maintenance Section evaluates the efficiency and safety of all facilities and related equipment. This section also assists in the evaluation and planning of facility modifications, upgrades, expansions, and equipment replacements.

**Technical Training** is responsible for the initial and refresher training of Bus and Light Rail operators as well as the development of all rules and procedures governing bus and rail operations. Training programs include Verification of Transit Training (VTT) safety and renewal classes, customer service training, DMV certification, post-accident retraining, contractor restricted access training and fire/life safety training for department personnel.

**Maintenance Training** is responsible for providing maintenance training for bus and rail maintenance technicians, including preventive maintenance, electrical, electronic, engine and transmission overhaul, passenger lift and headsign repair, air conditioning, forklift operation certification, hydrogen safety and awareness and security threat response training.

## VTA FY2006 & FY2007 ADOPTED BUDGET

**Materials Management** and QA/Warranty consist of Bus Parts and Light Rail Parts. The section is responsible for the timely ordering, replenishment, receipt, issue and management of bus and light rail parts inventory at all of VTA's facilities (Cerone, Chaboya, North and Guadalupe). This section operates one main warehouse and three operating storerooms for bus parts and one main warehouse and one operating storeroom for rail parts. The section also includes the administration of bus and rail warranty claims programs.

**Operations Engineering** consists of Bus Engineering, Rail Engineering and Rail Activation. Bus and Rail Engineering units are responsible for the management and administration of all revenue vehicle procurement contracts as well as the technical specifications for the procurement of components and for the development of scheduled maintenance service inspection programs for revenue vehicles. These units are also responsible for all engineering activities relating to the bus fleet and the light rail system including integrating new routes into the existing service plan. In addition, Rail Engineering is responsible for Configuration Management for rail vehicles and wayside systems.

**Rail Activation** develops and implements programs and functions for all planned light rail and commuter rail lines operated by VTA. Successful implementation of the rail projects requires that all tasks necessary for the initiation of revenue service be comprehensively identified and accomplished in a systematic, integrated and timely fashion.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

<b>OPERATIONS DIVISION</b>					
<b>In thousands</b>	<b>FY2004</b>	<b>FY2005</b>		<b>FY2006</b>	<b>FY2007</b>
	<b>Actual</b>	<b>Adpoted Budget</b>	<b>Projected Budget</b>	<b>Adopted Budget</b>	<b>Adopted Budget</b>
Labor Costss	\$ 172,065	\$ 182,193	\$ 176,341	\$ 177,461	\$ 181,141
Materials & Supplies	7,085	14,875	10,897	12,722	12,868
Security	7,687	8,499	7,993	7,880	8,062
Professional & Special Services	701	1,953	1,722	1,660	1,304
Other Services	4,715	4,256	4,389	4,290	4,356
Fuel	6,060	8,634	8,638	9,976	10,119
Traction Power	2,152	3,949	3,074	3,441	3,441
Tires	950	1,038	974	1,050	1,105
Utilities	2,016	2,538	2,383	2,321	2,373
Data Processing	126	145	150	158	146
Office Expense	198	320	244	204	205
Communications	(0)	-	-	-	-
Employee Related Expense	119	419	296	295	270
Leases & Rents	116	187	176	170	175
Miscellaneous	1,442	606	599	415	437
ADA*	25,465	29,533	25,837	26,662	27,446
Caltrain*	16,805	15,025	15,025	15,461	15,940
Light Rail Shuttles*	-	955	955	906	927
Altamont Commuter Express*	-	3,912	3,712	3,842	3,952
Highway 17 Express*	-	415	415	427	443
Dumbarton Express*	-	390	390	449	413
Contribution to Other Agencies	653	265	265	304	316
Other Expense	98	26	13	-	-
<b>Total Expense</b>	<b>248,451</b>	<b>280,134</b>	<b>264,487</b>	<b>270,093</b>	<b>275,439</b>
Reimbursements	(5,820)	(7,639)	(7,639)	(4,453)	(3,815)
<b>Net Total</b>	<b>\$ 242,631</b>	<b>\$ 272,494</b>	<b>\$ 256,848</b>	<b>\$ 265,639</b>	<b>\$ 271,623</b>

\* Amounts include allocation of VTA Support Staff.

**MAJOR BUDGETARY CHANGES**

**Staffing**

The Operations Division began FY2005 with 1,757 budgeted positions. A comprehensive efficiency and productivity enhancement plan has resulted in a budget of 1,701 positions for FY2006 and 1,674 for FY2007. The reduction in staff in the FY2006 and FY2007 biennial budget includes a net reduction of 26 administrative and clerical positions and 30 service and maintenance positions. It also includes the addition of 20 light rail operator positions added in FY2005 in support of the new Vasona Light Rail line, scheduled to open in Summer 2005. Despite contractual wage increases and the continued increases in benefits costs, driven primarily by rising health care costs, the Operations Division projects salary savings (wages and benefits) of \$5.2 million in FY2006 and \$2.1 million in FY2007 compared to the adopted FY2005 budget.

**Protective Services**

VTA's system-wide security is provided through a combination of County Sheriff Peace Officers and contracted private security unarmed and armed transit security officers. The FY2006 and

## VTA FY2006 & FY2007 ADOPTED BUDGET

FY2007 budget retains a comparable level of Sheriff's Transit Patrol. The Auxiliary Security Services contract reflects operational changes to improve responsiveness while beginning to streamline the cost of the contract consistent with VTA's needs.

### **Accessible Services**

VTA, Outreach and a consultant team developed and implemented various strategies to improve productivity, increase revenue, contain costs and control demand. As a result of the implementation of the plan, the adopted FY2006 Paratransit budget has been reduced by approximately \$2.9 million from the FY2005 Adopted Budget. The adopted budget is \$26.7 million for FY2006 and \$27.4 million for FY2007.

### **Diesel Fuel Price Assumption**

The FY2005 budget assumption for low sulfur diesel fuel was \$1.65 per gallon. At the closed of the third quarter of FY2005, the price of low sulfur diesel fuel increased to \$1.85 per gallon, raising the current year-to-date average to \$1.56 per gallon. The proposed budget assumption for FY2006 is \$1.95 per gallon and \$2.00 per gallon in FY2007. Diesel fuel costs have fluctuated widely during FY2004 and FY2005 due to the ongoing situation in the Middle East and the strain on the worldwide oil supply due to increased demand. These factors have influenced the increase in VTA's budgeted cost per gallon. The total fuel budget for FY2006 is \$9.9 million and \$10.1 million in FY2007 based on 18.8 and 18.7 million bus service miles respectively.

### **Traction Power Price Assumption**

During FY2004, the actual average cost of traction power was \$0.122 per kWh and the estimated traction power cost for FY2005 is \$0.134 per kWh. In July 2005, VTA will open service on the Vasona line, which will increase the annual light rail car miles by 13.9%. For FY2006 and FY2007, staff implemented a more refined methodology to project traction power costs in preparation of the budget. As a result, the total traction power budget projected for FY2006 and FY2007 is \$3.4 million annually compared to \$3.9 million budgeted in FY2005.



**Section IV**  
**CAPITAL BUDGET**

**Introduction**



## CAPITAL BUDGET INTRODUCTION

The FY2006 and FY2007 Adopted Capital Program presents two differing pictures concerning capital activities at VTA. On the one hand, the 2000 Measure A Capital Improvement Program has VTA moving forward on a series of major transit capital improvements, including the Silicon Valley Rapid Transit Project, Downtown – East Valley Transit Improvement Project, Zero-Emission Vehicles and Facilities, Low-floor Light Rail Vehicles, Bus Rapid Transit, and Caltrain Service Improvements. On the other hand, the VTA Enterprise-funded Capital Improvement Program remains constrained as the organization continues to balance the need for basic capital infrastructure investment against essential operating needs. As in previous years, the Capital Improvement Program Oversight Committee (CIPOC), which is composed of the Chief Officers from all five divisions within VTA, has continued its ongoing review and monitoring of the entire capital program. This process continually examines every capital project as to its criticality to our operations, strategic plan, and goals.

This budget funds fifteen VTA Enterprise projects, including the Caltrain Capital Contribution, over the two-year period, requiring a total new VTA enterprise fund commitment of \$17.8 million.

The 2000 Measure A Program funds six projects over the two-year period, requiring \$30.8 million in 2000 Measure A funds.

There are also 79 unfinished projects (excluding the Measure B Program) being carried forward from prior capital budgets. A summary and detailed listing of these carry-forward projects, along with the proposed new and augmented projects, follows at the end of this section.

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**Section IV**  
**CAPITAL BUDGET**

**VTA Enterprise Capital Projects**



**VTA ENTERPRISE  
FY2006 & FY2007 ADOPTED CAPITAL PROJECTS**

*Caltrain Capital Contribution*

The local capital funds that Caltrain receives from VTA and the other two funding partners are used to match state and federal grant funds that are provided to Caltrain. Most Caltrain capital projects are funded with a combination of federal and local funds, and the costs are split equally by the three member agencies. VTA's proposed FY2006 Budget includes \$2.2 million to support Caltrain's Capital Budget in FY2006 and \$2.2 million in FY2007. The two-year total of \$4.4 million is consistent with the VTA local capital funding need identified in Caltrain's adopted FY 2004-2013 Short Range Transit Plan.

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 2,228,242	\$ 2,180,000
Grant Funding	-	-
Net VTA Funds	\$ 2,228,242	\$ 2,180,000

*Information Systems, Communications, and Technology*

**SAP Upgrade**

To maintain a reliable and consistent ability to utilize SAP at VTA, the SAP software must be upgraded and the SAP hardware must be replaced. VTA's current SAP hardware is becoming outdated, and VTA risks future hardware failures for which no hardware replacement will be available. The UNIX servers supporting the SAP environment will be replaced since the hardware is reaching the end of its lifecycle and the vendor has announced the end of production. Approximately 12 servers will be replaced with newer equipment that can support the upgraded SAP environment. The SAP software is also becoming outdated, with maintenance fees for the software scheduled to increase starting in 2007. The software will be upgraded from version 4.6C to version MySAP ERP 2005.

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 1,405,888	\$ 2,537,603
Grant Funding	-	-
Net VTA Funds	\$ 1,405,888	\$ 2,537,603

**TransLink TVM Integration**

TransLink is a regional fare payment system for the nine-county San Jose/San Francisco/Oakland Bay Area. VTA, along with Caltrain, is a member of the TransLink Consortium. The Metropolitan Transportation Commission (MTC) has allocated Regional Measure 2 (RM2) funds to integrate VTA's 156 Ticket Vending Machines (TVM), and Caltrain's 112 TVMs, with TransLink Add-Value Machine (AVM) capabilities. This integration would not only allow customers to add value to their TransLink cards at all VTA and Caltrain TVMs, but it would also add credit/debit functionality to all VTA TVM's for customers to

**VTA FY2006 & FY2007 ADOPTED BUDGET**

purchase tickets and/or to add value to their TransLink cards. VTA and Caltrain will enter into a cooperative agreement for allocating the funding during this project. Since the funding will be provided using RM2 funding, these integration costs will be fully reimbursed by MTC.

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 624,703	\$ 3,652,058
Grant Funding	624,703	3,652,058
Net VTA Funds	\$ -	\$ -

***Operating Equipment***

**Rail Replacement and Rehabilitation**

This ongoing activity helps maintain running rail on the Light Rail system at optimum levels. Work on rail that can be preserved may include the use of welding to extend its life. Rail that has begun to exhibit surface and subsurface cracking must be replaced. FY2006 activities will include routine rail rehabilitation in high-wear areas throughout the system. The rail at First Street and Younger will be replaced in FY2007.

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 170,000	\$ 1,887,000
Grant Funding	136,000	1,509,600
Net VTA Funds	\$ 34,000	\$ 377,400

**Facilities and Equipment Emergency Repair Allowance**

This ongoing account allows VTA to expedite unplanned repairs that may be required at facilities or to equipment that is essential to normal or safe operations. These funds are administered by the Chief Operating Officer, and are not used for regular anticipated maintenance activities.

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 300,000	\$ 300,000
Grant Funding	-	-
Net VTA Funds	\$ 300,000	\$ 300,000

**Maintenance Equipment Replacement Program**

This capital item allows for the scheduled replacement of equipment that has reached the end of its useful life. It allows VTA to proactively keep its equipment in a state of good repair, while reducing repair expenses and downtime. The Steam Rack Lift at the Cerone Division is scheduled for replacement in FY2006, due to its age, unavailability of parts, and the need to replace it prior to failure.



**VTA FY2006 & FY2007 ADOPTED BUDGET**

	<b>FY2006</b>		<b>FY2007</b>
Project Budget	\$ 108,329	\$	-
Grant Funding	-		-
Net VTA Funds	\$ 108,329	\$	-

**Bus Signal Priority**

Bus Signal Priority enables VTA buses to move faster or more reliably through the corridors on which it is implemented. Historically, passenger surveys have indicated that transit speeds should be faster, to try to achieve auto competitive trip times. Bus Signal Priority implementation will help ensure that buses run on schedule and with lower trip times. Ultimately, improved trip times and reliability should result in more system confidence and higher ridership. Staff will develop a corridor-specific project plan in FY2006 and actual implementation is scheduled for FY2007.

	<b>FY2006</b>		<b>FY2007</b>
Project Budget	\$ -	\$	911,042
Grant Funding	-		728,834
Net VTA Funds	\$ -	\$	182,208

***Operating Facilities***

**Chaboya Bus Wash Rehabilitation and Detail Area**

This project will improve the control systems for the two existing drive washers, by installing traffic light-type speed control signals and monitoring equipment (CCTV) to allow bus speeds to be more closely regulated.

The other major element of this project will be to construct a covered bus detailing area similar to that constructed at the new North Division, which will allow for more efficient and thorough interior “detail” cleaning of buses on a concrete surface with drainage. This will also assist in storm water pollution prevention.

	<b>FY2006</b>		<b>FY2007</b>
Project Budget	\$ 2,120,000	\$	-
Grant Funding	-		-
Net VTA Funds	\$ 2,120,000	\$	-

**Pavement Management Program**

This is an ongoing program to keep VTA-owned parking lots and driveways in a state of good repair. Typically, activities in this program include scheduled slurry sealing and restriping as well as performing minor repairs and repaving, if needed. Due to budget constraints, this request

**VTA FY2006 & FY2007 ADOPTED BUDGET**

is comprised solely of an annual allowance for minor repairs, inspections, spot sealing, and other preventative maintenance.

		<b>FY2006</b>		<b>FY2007</b>
Project Budget	\$	240,000	\$	240,000
Grant Funding		-		-
Net VTA Funds	\$	240,000	\$	240,000

**Roofing Management Program**

This is an on-going, comprehensive long-term program to maximize the useful life and integrity of VTA facilities. This program includes the pro-active scheduling of roofing rehabilitation prior to major failure, as well as unscheduled repairs, seasonal cleaning, annual roof inspections, and emergency leak response.

		<b>FY2006</b>		<b>FY2007</b>
Project Budget	\$	195,000	\$	195,000
Grant Funding		-		-
Net VTA Funds	\$	195,000	\$	195,000

**Painting Management Program**

This is an on-going, comprehensive long-term program to maintain the appearance and integrity of VTA facilities. Due to financial constraints, this year's request is comprised solely of an annual allowance for unscheduled painting and touch-ups.

		<b>FY2006</b>		<b>FY2007</b>
Project Budget	\$	240,000	\$	240,000
Grant Funding		-		-
Net VTA Funds	\$	240,000	\$	240,000

**HVAC Scheduled Replacement Program**

The VTA Heating Ventilation and Air Conditioning (HVAC) Scheduled Preventative Maintenance Replacement Program is a long-term program intended to take advantage of technological advances in HVAC equipment that creates cost effectiveness in replacing old and outdated equipment. The majority of HVAC units being replaced are at the operating divisions and are twenty to twenty-five years old. Chaboya Division Building A has two 20-ton units scheduled for replacement and River Oaks has a Condensing Unit on Building C scheduled for replacement.

		<b>FY2006</b>		<b>FY2007</b>
Project Budget	\$	234,000	\$	211,000
Grant Funding		-		-
Net VTA Funds	\$	234,000	\$	211,000

VTA FY2006 & FY2007 ADOPTED BUDGET

*Passenger Facilities*

**Bus Stop Improvement Program**

VTA has been committed to maintaining and improving safe bus stops, bus stop accessibility and sound operating conditions for transit vehicles, operators and our customers. This Capital Project Request will provide for curb, gutter, and pavement repairs at bus stops throughout the County that are deemed to be in the most need of repair.

		<b>FY2006</b>		<b>FY2007</b>
Project Budget	\$	250,000	\$	250,000
Grant Funding		-		-
Net VTA Funds	\$	250,000	\$	250,000

**Transit Enhancement Projects**

Transit Enhancement projects are Federally funded projects that can include preservation or rehabilitation of historic transit facilities; installation of bus shelters, landscaping, and other scenic beautification; public art; pedestrian access and walkways; bicycle access; transit access to parks; signage; and enhanced access for persons with disabilities to mass transportation. VTA has been committed to maintaining and improving safe bus stops, bus stop accessibility and sound operating conditions for transit vehicles, operators and our customers. This Capital Project Request will provide for curb, gutter, and pavement repairs at bus stops throughout the County that are deemed to be in the most need of repair. These funds will be used for projects at Caltrain Commuter Rail stations and other transit facilities within Santa Clara County.

		<b>FY2006</b>		<b>FY2007</b>
Project Budget	\$	529,000	\$	545,000
Grant Funding		423,200		436,000
Net VTA Funds	\$	105,800	\$	109,000

*Rail Facilities Expansion*

The Rail Facilities Expansion projects for FY2006 and FY2007 are funded by Measure A. The list and description of these projects can be found in the Measure A part of the Capital Program section of this budget document (immediately follows this list of VTA Enterprise projects).

*Revenue Vehicles*

**Community Buses**

VTA’s Short Range Transit Plan includes the purchase of small capacity buses. The purchase of smaller vehicles represents the initial steps of using market segmentation to entice more residents to use VTA services and provide services that meet the diverse development patterns, community densities and travel patterns in Santa Clara County. Using smaller buses provides greater operational flexibility to implement either fixed or flexible routing strategies. This program calls for purchasing 10 buses in FY2006 and 11 buses in FY2007.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 1,666,045	\$ 1,808,297
Grant Funding	-	-
Net VTA Funds	\$ 1,666,045	\$ 1,808,297

**Section IV**  
**CAPITAL BUDGET**

**2000 Measure A Transportation Improvement Program ~ Introduction**



## 2000 MEASURE A TRANSIT IMPROVEMENT PROGRAM

The 2000 Measure A Transit Improvement Program, a 30-year plan of major transit improvement capital projects, was approved in November 2000 by over 70 percent of Santa Clara County's voters. 2000 Measure A listed the following countywide transit improvement projects:

- Fund operating and maintenance costs for increased bus, rail and paratransit service.
- Extend BART to Silicon Valley through the Silicon Valley Rapid Transit Corridor (SVRTC).
- Provide connections from Mineta San Jose International airport to BART, Caltrain and VTA light rail.
- Extend Light Rail from Downtown San Jose to the East Valley.
- Purchase low-floor light rail vehicles.
- Improve Caltrain: double-track to Gilroy and electrify from Palo Alto to Gilroy.
- Increase Caltrain service.
- Construct a New Palo Alto Intermodal Transit Center.
- Improve bus service in major bus corridors.
- Upgrade Altamont Commuter Express (ACE).
- Improve Highway 17 Express bus service.
- Connect Caltrain with Dumbarton Rail corridor.
- Purchase Zero Emission buses and construct service facilities.
- Develop new light rail corridors.

The 2000 Measure A Transit Improvement Program is one component of VTA's long range countywide transportation plan, Valley Transportation Plan (VTP) 2030. VTP 2030 outlines a balanced approach to improvements to roadways and highways, public transit, bicycle and pedestrian facilities, and technology infrastructure. VTP 2030 was reviewed by local jurisdictions and adopted by the VTA Board of Directors on February 3, 2005.

Measure A Bonds - On August 7, 2003, the VTA Board of Directors authorized the issue of up to \$550 million of 2000 Measure A Sales Tax Revenue Bonds to fund: 1) accelerated reimbursement of the Repayment Obligation<sup>1</sup>; 2) retirement of the 2002 Grant and Bond Anticipation Notes; 3) operating costs associated with deferral of service reductions; 4) preliminary engineering for the BART extension; 5) capitalized interest, cost of issue, potential debt service reserve fund; and 6) other projects as determined by the Board, including preliminary engineering for Downtown East Valley transit improvements.

As of December 9, 2004 three series of bonds (2003 Series A, 2004A, and 2004B Bonds) have been issued under this Board authorization. Each series of Bonds is structured as a long-term issue maturing April 1, 2036 (when the 2000 Measure A sales tax ends), but with a mandatory tender on October 2, 2006. The rate of interest through the mandatory tender date is fixed. The

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<sup>1</sup> Reimbursement to VTA for the debt service payments VTA has made/will make on the 2001 Series A bonds until FY 2006, when collection of the 2000 Measure A sales tax begins. 2001 Series A bonds in the amount of \$200 million were issued for the 1996 Measure B Tasman, Capital, and Vasona light rail extension projects in exchange for Measure B sales tax revenue, which was used to advance the purchase of light rail vehicles included in 2000 Measure A.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

intent is that the Bonds will either be remarketed or refunded on the tender date (or a combination of both). This structure was designed to provide VTA with the interest benefits associated with a short-term financing but with a framework similar to that of a long-term financing. It will also provide VTA the needed flexibility to retire a portion of the debt should other funds become available.

The current total of net bond proceeds made available for projects is \$392.0 million. Due to cost-cutting and efficiency measures implemented by VTA, which eliminated the need to use \$80 million of Measure A bonds and updated cash flow requirements for the SVRT and DTEV projects, VTA does not expect to issue additional debt under this Board authorization and has reduced the estimated amount of Measure A Bonds and corresponding debt service included in the Plan to reflect this assumption.

Table 1 Use of Bond Proceeds (2003 Series A, 2004A, & 2004B)	
Projects	Bond Proceeds (\$ millions)
BART Preliminary Engineering	\$132.2
DTEV, Conceptual Engineering	\$4.0
DTEV, Preliminary Engineering	\$16.0
Repayment Obligation	\$67.3
Up Right-of-Way Purchase-Fremont to San Jose	\$81.5
UP Right-of-Way Purchase-Newhall Yard	\$37.3
Additional South County Caltrain Round Trip Service	\$10.0
Dumbarton Rail	\$0.705
Rail Corridor Study	\$0.770
Capitalized Interest/Cost of Issue	\$42.2
<b>Total</b>	<b>\$ 392.0</b>

**Measure A Progress**

VTA has already begun work on 2000 Measure A by issuing a limited amount of bonds to purchase 70 additional low-floor vehicles; to acquire right-of-way; and to conduct environmental studies, preliminary engineering and design work for projects identified in 2000 Measure A. This section describes some key capital projects for which 2000 Measure A funding is committed, including those that will require additional funding from other sources and, in some cases for which full project funding is not yet identified.

**Low-floor Light Rail Vehicles** – VTA has committed to improving accessibility by converting the Light Rail Vehicle (LRV) fleet to low-floor vehicles. All low-floor vehicles are on-site and in revenue service as of December 2004. This is the first Measure A project to be completed.

**Zero Emission Vehicles and Facilities** –Three Zero Emission buses (ZEB) are on site. VTA began the ZEB demonstration in late February 2005. In addition to the procurement of the fuel cell buses, the \$18.5 million demonstration program includes the installation of a hydrogen



## VTA FY2006 & FY2007 ADOPTED BUDGET

fueling facility and modification of the Cerone Division maintenance facility to accommodate the fuel cell buses, the training of staff, and public and emergency departments and an evaluation of the overall program. Work at Cerone Division to support the ZEB demonstration was completed in spring 2005. Future Measure A expenditures would fund the differential cost between a standard 40 foot bus and ZEB bus, with up to 15% of the active fleet (approximately 60 buses) being converted to ZEB's by 2020 and a ZEB replacement cycle beginning in 2026.

**Downtown East Valley Transit Improvement Plan** – Began \$16 million in Preliminary Engineering on Capitol Expressway Light Rail project to Nieman Station. Continued Environmental Clearance for Santa Clara/Alum Rock segment that evaluates single car light rail or enhanced bus alternatives. A Draft Environmental Impact Statement / Environmental Impact Report (EIS/EIR) will be circulated without a defined preferred alternative. The VTA Board will decide between the two proposed transit modes.

**Silicon Valley Rapid Transit Corridor Project** – The VTA Board adopted the project description for the 16.3-mile extension of BART to Milpitas, San Jose and Santa Clara and approved the Final Environmental Impact Report in December 2004. VTA began Preliminary Engineering (PE) in the spring of 2004 and is scheduled to complete PE in mid to late 2006. VTA completed the purchase of 11 miles of Union Pacific (UP) railroad right of way from Fremont to San Jose and acquired UP's 48 acre Newhall Yard. VTA continues to work with the FTA on federal environmental clearance, and federal and state funding commitments before advancing to final design. Revenue service is anticipated by late 2015 assuming funding issues are resolved.

**Bus Rapid Transit Corridors** – VTA has embraced the concept of Bus Rapid Transit (BRT) and identified three BRT corridors in VTP 2020. VTA currently has two BRT corridors under active development – the Line 22 BRT corridor and the Monterey Highway BRT Corridor. VTP 2020 also identifies the Stevens Creek Boulevard as a potential BRT corridor.

**Caltrain Service Improvements** – VTA, in cooperation with the Peninsula Corridor Joint Powers Board (PCJPB, aka Caltrain), is directly improving or financially supporting many aspects of the Caltrain service. Key elements include system rehabilitation, upgraded station facilities, new express service, and expanded service to Gilroy. VTA has programmed a \$45 million five year service improvement project that will double track approximately 8.5 miles between San Jose and Gilroy and make some storage track improvements in Gilroy. This effort coupled with negotiated access fee payments to Union Pacific will allow up to 5 additional Caltrain round trips (subject to demand) to Gilroy by 2010.

**Caltrain Electrification** – Based on direction from VTA Board of Directors the Measure A Expenditure Plan programmed VTA's contribution to match Caltrain's Short Range Transit Plan. The current plan envisages that electrification equipment procurement and construction will take place from 2014 through 2018.

## VTA FY2006 & FY2007 ADOPTED BUDGET

### **Additional 2000 Measure A Projects:**

- New Light Rail Corridors – Programmed \$1.3 million to begin Study in 2005. At least two future light rail corridors are to be identified for construction out of seven potential candidate corridors listed.
- Transit connection to Mineta San Jose International Airport – This project would provide a people mover link from Mineta San Jose International Airport to Caltrain and, potentially, future BART in Santa Clara. The current 2000 Measure A Plan assumes this connection would be in place in conjunction with the BART-Santa Clara Station opening.
- Altamont Commuter Express (ACE) Rail Service Upgrade – There are two phases of service frequency improvements to ACE service that need to be studied in terms of timing of service improvements.
- Dumbarton Rail Corridor – Programmed VTA contribution for Environmental studies/reports. The project provides VTA's share of matching funds (\$44 million) for a partnership with Alameda and San Mateo counties for the rebuilding of the Dumbarton Rail Corridor. The service would run over the Dumbarton Rail Bridge between the Union City BART station in Alameda County and Caltrain in San Mateo and Santa Clara counties. The project environmental document clearance is being initiated with VTA's partners in San Mateo and Alameda Counties.
- Highway 17 Bus Service Improvements – funding for additional buses and service upgrades for the Highway 17 Express Bus service.

**Section IV**  
**CAPITAL BUDGET**

**2000 Measure A Capital Projects**



**2000 MEASURE A  
FY2006 AND FY2007 ADOPTED CAPITAL PROJECTS**

*Rail Facilities Expansion*

**Caltrain South County Capacity Improvements**

This project will provide expanded commuter rail service to the South County area by guaranteeing rail slots for five additional roundtrips to Gilroy. These improvements will insure adequate capacity for freight and commuter rail service and will include property acquisition, design and construction of drainage, grading, railroad track, structures, highway grade crossings, signal systems, passenger station revisions, and passenger car storage facility.

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 6,000,000	\$ 9,000,000

**Downtown East Valley Capitol Expressway Light Rail Transit (LRT) Final Design**

This project is a 3.5 mile extension of light rail from the existing Alum Rock station to the future Neiman station, as well as a Light Rail Vehicle (LRV) storage facility located near Quimby Road. The project is currently in the preliminary engineering phase.

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 9,845,000	\$ 2,267,000

**Bus Rapid Transit**

Bus Rapid Transit is an emerging service delivery method for VTA. The Line 22 Corridor has been chosen as the first to be developed in the County, as it is the backbone of VTA bus service. Key benefits will be reduced passenger travel times, improved station stop environments, upgraded lighting and passenger information. This project will include conceptual engineering and environmental clearance for the El Camino Rapid Corridor from Downtown San Jose to Palo Alto. The east side of the corridor is currently being done as part of the Downtown East Valley Project.

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 1,130,000	\$ 1,000,000

**New Rail Corridors Study**

This study will provide the analysis required to assist the Board regarding the identification and prioritization of specific corridors and improvements, as broadly outlined in 2000 Measure A. It will define, evaluate, and prioritize the rail corridors, followed by a Programmatic Environmental Impact Report (EIR).

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 850,000	\$ 450,000

VTA FY2006 & FY2007 ADOPTED BUDGET

**Caltrain Improvement Plan**

This project will primarily be a VTA staff effort to update the previous Caltrain Improvement Plan developed for the 1996 Measure B Caltrain Improvement Program. It will include project definition studies/reports, conceptual design, cost estimates, and environmental review for individual elements of the plan.

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 100,000	\$ 100,000

**Palo Alto Intermodal Transit Center**

The City of Palo Alto is proceeding with a Programmatic EIR for the Palo Alto Intermodal Transit Center (PAITC) Master Plan, including conceptual design. This work is being done with Federal funds under VTA's authority. VTA will be providing grant administration and environmental planning services to the City, reimbursable from Federal and City funds. This budget will fund VTA planning staff services to participate with City efforts related to future 2000 Measure A transit improvements associated with the PAITC Master Plan.

	<b>FY2006</b>	<b>FY2007</b>
Project Budget	\$ 25,000	\$ 25,000

**Section IV**  
**CAPITAL BUDGET**

**VTA Enterprise and Measure A NEW & CARRYOVER SUMMARY**





VTA FY2006 & FY2007 ADOPTED BUDGET

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY  
 FY2006 and FY2007 CAPITAL PROGRAM SUMMARY  
 (In \$000's)

CAPITAL PROJECT PROGRAMMING					
(EXCLUDING 1996 MEASURE B TRANSPORTATION IMPROVEMENT PROGRAM)					
Program Group	Existing Capital Program	Adopted Capital Program (Total)	Adopted Capital Program (VTA Share)	Revised Estimated Total Reimbursement	Revised Total Net VTA Share
<b>New Projects</b>					
Caltrain Capital Contribution	-	4,408	4,408	-	4,408
Info Sys, Comm, & Tech	-	8,220	3,943	(4,277)	3,943
Operating Equipment	-	3,676	1,301	(2,375)	1,301
Operating Facilities	-	3,915	3,915	-	3,915
Passenger Facilities	-	1,574	715	(859)	715
Rail Facilities Expansion	-	30,792	-	(30,792)	-
Revenue Vehicles & Equipment	-	3,474	3,474	-	3,474
<b>Total New Projects</b>	<b>\$ -</b>	<b>\$ 56,059</b>	<b>\$ 17,756</b>	<b>\$ (38,303)</b>	<b>\$ 17,756</b>
<b>Carryover Projects</b>					
ADA	422	-	-	-	422
Bus Facility Expansion	86,825	-	-	(30,307)	56,518
Info Sys, Comm, & Tech	24,129	-	-	(12,672)	11,457
Non-Revenue Vehicles	1,299	-	-	(61)	1,237
Operating Equipment	9,039	-	-	(5,523)	3,516
Operating Facilities	14,075	-	-	(4,399)	9,676
Other	55	-	-	-	55
Passenger Facilities	38,472	-	-	(10,120)	28,352
Rail Facility Expansion	764,570	-	-	(718,630)	45,940
Revenue Vehicles & Equipment	251,175	-	-	(232,018)	19,157
<b>Total Carryover</b>	<b>\$ 1,190,061</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,013,730)</b>	<b>\$ 176,330</b>
<b>Total Capital Projects</b>	<b>\$ 1,190,061</b>	<b>\$ 56,059</b>	<b>\$ 17,756</b>	<b>\$ (1,052,033)</b>	<b>\$ 194,086</b>

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**Section IV**  
**CAPITAL BUDGET**

**VTA Enterprise and Measure A NEW & CARRYOVER DETAIL**  
**SCHEDULE**



**VTA FY2006 & FY2007 ADOPTED BUDGET**

<b>In \$000's</b>	<b>Existing Capital Program</b>	<b>Adopted Capital Program (Total)</b>	<b>Adopted Capital Program (VTA Share)</b>	<b>Revised Estimated Total Reimbursement</b>	<b>Revised Total Net VTA Share</b>
<b>NEW PROJECTS</b>					
Caltrain Capital Contribution FY06	-	2,228	2,228	-	2,228
Caltrain Capital Contribution FY07	-	2,180	2,180	-	2,180
<b>Caltrain Capital Contribution</b>	<b>\$ -</b>	<b>\$ 4,408</b>	<b>\$ 4,408</b>	<b>\$ -</b>	<b>\$ 4,408</b>
SAP Upgrade FY06 FY07	-	3,943	3,943	-	3,943
TransLink TVM Integration FY06 FY07	-	4,277	-	(4,277)	-
<b>Info Sys, Comm, &amp; Tech</b>	<b>-</b>	<b>8,220</b>	<b>3,943</b>	<b>(4,277)</b>	<b>3,943</b>
Rail Replacemnt & Rehabilitation FY06	-	170	34	(136)	34
Facilities & equip Emergency allowance FY06	-	300	300	-	300
Bus Signal Priority FY07	-	911	182	(729)	182
Facilities Maint Equip Replacemnt Program FY06	-	108	108	-	108
Rail Replacemnt & Rehabilitation FY07	-	1,887	377	(1,510)	377
Facilities & equip Emergency allowance FY07	-	300	300	-	300
<b>Operating Equipment</b>	<b>-</b>	<b>3,676</b>	<b>1,301</b>	<b>(2,375)</b>	<b>1,301</b>
Pavement Management Program FY06	-	240	240	-	240
HVAC Scheduled Replacement Program FY06	-	234	234	-	234
Chaboya Bus Wash Rehab & Detail Area	-	2,120	2,120	-	2,120
Roofing Management Program FY06	-	195	195	-	195
Painting Management Program FY06	-	240	240	-	240
Pavement Management Program FY07	-	240	240	-	240
HVAC Scheduled Replacement Program FY07	-	211	211	-	211
Roofing Management Program FY07	-	195	195	-	195
Painting Management Program FY07	-	240	240	-	240
<b>Operating Facilities</b>	<b>-</b>	<b>3,915</b>	<b>3,915</b>	<b>-</b>	<b>3,915</b>
Bus Stop Pavement and Duckouts	-	250	250	-	250
Transit Enhancement Projects FY06	-	529	106	(423)	106
Bus Stop Pavement and Duckouts FY07	-	250	250	-	250
Transit Enhancement Projects FY07	-	545	109	(436)	109
<b>Passenger Facilities</b>	<b>-</b>	<b>1,574</b>	<b>715</b>	<b>(859)</b>	<b>715</b>
Caltrain South County Capacity Improvements		15,000	-	(15,000)	-
Downtown East Valley Capitol Expwy Final Design		12,112	-	(12,112)	-

**VTA FY2006 & FY2007 ADOPTED BUDGET**

<b>In \$000's</b>	<b>Existing Capital Program</b>	<b>Adopted Capital Program (Total)</b>	<b>Adopted Capital Program (VTA Share)</b>	<b>Revised Estimated Total Reimbursement</b>	<b>Revised Total Net VTA Share</b>
Bus Rapid Transit		2,130	-	(2,130)	-
Palo Alto Intermodal Transit Center		50	-	(50)	-
New Rail Corridors		1,300	-	(1,300)	-
Caltrain Improvement Plan		200	-	(200)	-
<b>Rail Facilities Expansion</b>	<b>-</b>	<b>30,792</b>	<b>-</b>	<b>(30,792)</b>	<b>-</b>
Expansion Gasoline High Floor Small Community Buses FY06	-	1,666	1,666	-	1,666
Expansion Gasoline High Floor Small Community Buses FY07	-	1,808	1,808	-	1,808
<b>Revenue Vehicles &amp; Equip</b>	<b>-</b>	<b>3,474</b>	<b>3,474</b>	<b>-</b>	<b>3,474</b>
<b>Total New Projects</b>	<b>\$ -</b>	<b>\$ 56,059</b>	<b>\$ 17,756</b>	<b>\$ (38,303)</b>	<b>\$ 17,756</b>

<b>In \$000's</b>	<b>Existing Capital Program</b>	<b>Adopted Capital Program (Total)</b>	<b>Adopted Capital Program (VTA Share)</b>	<b>Revised Estimated Total Reimbursement</b>	<b>Revised Total Net VTA Share</b>
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**CARRYOVER PROJECTS**

FY04 Bus Stop Improvement Prgm	422	-	-	-	422
<b>ADA</b>	<b>\$ 422</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 422</b>
North Yard Reconstruction	42,652	-	-	(20,227)	22,425
Line 22 Improvements	3,540	-	-	(1,680)	1,860
Bus Facilities Expansion	15,813	-	-	-	15,813
Cerone Division Rehab & Expansion*	24,820	-	-	(8,400)	16,420
<b>Bus Facility Expansion</b>	<b>86,825</b>	<b>-</b>	<b>-</b>	<b>(30,307)</b>	<b>56,518</b>
Radio Communications System(2)	20,183	-	-	(12,672)	7,511
Transit Facilities CCTV Demonstration Project	319	-	-	-	319
Electronic Scheduling & Runcutting Software	700	-	-	-	700
FY04 IT Infrastructure Replacement Prgm	202	-	-	-	202
FY04 IT Disastser Recovery Site Infrastr	223	-	-	-	223
FY04 Nework Monitoring	69	-	-	-	69
FY05 Manag. Reporting & Budget Re-Eng.	1,374	-	-	-	1,374
FY05 Tech. Infrastructure Replacement	127	-	-	-	127
Exchange Server Upgrade	115	-	-	-	115
Closet Network Switch Upgrade	30	-	-	-	30
Upgrade Domain Controllers	76	-	-	-	76
Network Security	152	-	-	-	152
Assessment of SAP Treasury Management Functions	100	-	-	-	100

**VTA FY2006 & FY2007 ADOPTED BUDGET**

<b>In \$000's</b>	<b>Existing Capital Program</b>	<b>Adopted Capital Program (Total)</b>	<b>Adopted Capital Program (VTA Share)</b>	<b>Revised Estimated Total Reimbursement</b>	<b>Revised Total Net VTA Share</b>
Bar Code Scanning in Parts Rooms	132	-	-	-	132
ATU Non-Operator Card Swipe/SAP interface	197	-	-	-	197
Operator Timekeeping System Analysis	30	-	-	-	30
Assessment of SAP usage of Funds in recording transactions	100	-	-	-	100
<b>Info Sys, Comm, &amp; Tech</b>	<b>24,129</b>	<b>-</b>	<b>-</b>	<b>(12,672)</b>	<b>11,457</b>
FY04 NRV Fleet Procurement Prgm	885	-	-	(33)	851
FY05 NRV Procurement	414	-	-	(28)	386
<b>Non-Revenue Vehicles</b>	<b>1,299</b>	<b>-</b>	<b>-</b>	<b>(61)</b>	<b>1,237</b>
Rail Rehabilitation Project	3,593	-	-	(2,000)	1,593
T-Signal Retrofit Project- FY03	1,515	-	-	(773)	742
FY04 Maintenance Equip Replacement	169	-	-	-	169
FY05 Translink	2,259	-	-	(2,259)	-
FY05 Chaboya Fuel Island Vacuum System	195	-	-	-	195
FY05 Cerone Fuel Island, Sec./Fire Improv	614	-	-	(491)	123
Fy05 Fac. & Equip. Emerg. Repair Allowance	149	-	-	-	149
FY05 Maint. Equip. Replacement Program	128	-	-	-	128
Fy05 LRV Overhaul Equipment	200	-	-	-	200
Emergency PA System at River Oaks	11	-	-	-	11
System Wide LRT Signage Procurement	160	-	-	-	160
Chaboya Vault Room Equip. Replacement	46	-	-	-	46
<b>Operating Equipment</b>	<b>9,039</b>	<b>-</b>	<b>-</b>	<b>(5,523)</b>	<b>3,516</b>

**VTA FY2006 & FY2007 ADOPTED BUDGET**

<b>In \$000's</b>	<b>Existing Capital Program</b>	<b>Adopted Capital Program (Total)</b>	<b>Adopted Capital Program (VTA Share)</b>	<b>Revised Estimated Total Reimbursement</b>	<b>Revised Total Net VTA Share</b>
Operator Facilities	905	-	-	-	905
VTA Signage Program	3,189	-	-	-	3,189
Card Readers at Operating Divisions	647	-	-	-	647
Guadalupe Vehicle Wash Modifications	794	-	-	-	794
LRT Drainage Improvements at Bayshore/Manila	1,114	-	-	-	1,114
HazMat Removal / Fac, Design & Con FY02	132	-	-	-	132
Chaboya Maintnance BayPit Modificat- FY03	622	-	-	-	622
Zeb Facility Improvements	4,399	-	-	(4,399)	-
FY05 Roofing Management Program	1,176	-	-	-	1,176
FY05 Pavement Management Program	234	-	-	-	234
FY05 Painting Management Program	424	-	-	-	424
Fy05 HVAC Scheduled Replacement Program	349	-	-	-	349
Cerone Vault Room- Wall Relocation	90	-	-	-	90
<b>Operating Facilities</b>	<b>14,075</b>	<b>-</b>	<b>-</b>	<b>(4,399)</b>	<b>9,676</b>
San Carlos Remediation (New)	55	-	-	-	55
<b>Other</b>	<b>55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55</b>
San Jose Transit Mall	184	-	-	-	184
Elevator Floor Replacement	316	-	-	-	316
Palo Alto Depot Renovation	1,993	-	-	(1,461)	532
I-880 Smart Park	3,148	-	-	(2,353)	795
Guadalupe Corr. Platform Retrofit - Phase 2	15,396	-	-	-	15,396
VTA Pilot Bicycle Parking Programcreate	100	-	-	(100)	-
FY05 Bus Stop Improvement Program	250	-	-	-	250
FY05 Tamien Safety Improvements	153	-	-	(122)	31
FY05 Downtown Platform Retrofit	16,000	-	-	(5,552)	10,448
Francis St. Transit Center	223	-	-	(223)	-
Palo Alto Intermodel Transit Center	309	-	-	(309)	-
Tamien Station Parking Structure	400	-	-	-	400
<b>Passenger Facilities</b>	<b>38,472</b>	<b>-</b>	<b>-</b>	<b>(10,120)</b>	<b>28,352</b>



**VTA FY2006 & FY2007 ADOPTED BUDGET**

<b>In \$000's</b>	<b>Existing Capital Program</b>	<b>Adopted Capital Program (Total)</b>	<b>Adopted Capital Program (VTA Share)</b>	<b>Revised Estimated Total Reimbursement</b>	<b>Revised Total Net VTA Share</b>
Tasman West	333,394	-	-	(316,758)	16,636
LR Facility Expansion	31,278	-	-	(15,481)	15,797
Construction Claims Support	5,725	-	-	-	5,725
Downtown/East Valley Conceptual Design	9,741	-	-	(9,741)	-
FY01 Guadalupe Corridor Right-Of-Way Disposition Proj.	654	-	-	-	654
FY04 Measure B Rail Projects Overhead	7,128	-	-	-	7,128
Capitol Expressway Light Rail Project	16,000	-	-	(16,000)	-
Dumbarton Rail Corridor	1,000	-	-	(1,000)	-
Capitalize Int. & Other Cost - 2000 Measure A	15,394	-	-	(15,394)	-
SVRTP - Programwide	206,899	-	-	(206,899)	-
SVRTP - Line Segment	22,317	-	-	(22,317)	-
SVRTP - Tunnel Segment	36,019	-	-	(36,019)	-
SVRTP - Facilities	12,934	-	-	(12,934)	-
SVRTP - Systems	16,561	-	-	(16,561)	-
SVRTP - BART Elements	18,940	-	-	(18,940)	-
SVRTP - Stations	20,586	-	-	(20,586)	-
Caltrain Service Upgrades	10,000	-	-	(10,000)	-
<b>Rail Facility Expansion</b>	<b>764,570</b>	<b>-</b>	<b>-</b>	<b>(718,630)</b>	<b>45,940</b>
Articulated Coaches 40	21,220	-	-	(15,701)	5,519
Cameras on Transit Vans	3,343	-	-	-	3,343
Clean Diesel Engine	3,020	-	-	(1,820)	1,200
ZEB	14,051	-	-	(14,051)	-
Emissions Retrofit of Bus Diesel Engines	5,378	-	-	(2,099)	3,279
FY01 70 Low Floor LR Vehicles (replace P0369)	203,163	-	-	(198,347)	4,816
Procurement of 5 Community Buses	1,000	-	-	-	1,000
<b>Revenue Vehicles &amp; Equip</b>	<b>\$ 251,175</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (232,018)</b>	<b>\$ 19,157</b>
<b>Total Carryover Projects</b>	<b>\$ 1,190,061</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,013,730)</b>	<b>\$ 176,330</b>
<b>Total Capital Projects</b>	<b>\$ 1,190,061</b>	<b>\$ 56,059</b>	<b>\$ 17,756</b>	<b>\$ (1,052,033)</b>	<b>\$ 194,086</b>

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**Section IV**  
**CAPITAL BUDGET**

**1996 Measure B Transportation Improvement Program Introduction**  
**and Projects**



## **1996 MEASURE B TRANSPORTATION IMPROVEMENT PROGRAM**

The voters of Santa Clara County approved Measures A and B on November 6, 1996. The advisory Measure A delineated a list of priority transportation projects to be undertaken should funding become available. The validity of 1996 Measure B, which called for a nine-year half-cent general sales tax, was challenged in the courts. The California State Supreme Court refused to hear an appeal, upholding 1996 Measure B and allowing the sales tax to stand.

In February 2000, the VTA Board of Directors approved the execution of the Master Agreement with Santa Clara County Board of Supervisors. The agreement identifies the roles, responsibilities and obligations of County and VTA in the implementation of the 1996 Measure B Transportation Improvement Program (MBTIP). In the agreement, the County Board of Supervisors has committed actual 1996 Measure B sales tax receipts for use in the completion of the 1996 Measure A Projects. The Base Case Implementation Plan, approved by the County Board of Supervisors in June 1999, and updated every June thereafter, identifies the 1996 Measure B Projects, along with preliminary budget estimates. Budget estimates found in this document for 1996 Measure B Projects reflects those recommended for adoption at the June 3, 2005 Joint VTA and County Board of Supervisors workshop. The ultimate project scopes and estimated costs for completion will be revised based on Baseline Scope, Schedule & Costs submitted to both VTA and County Boards at the completion of preliminary design or project study reports.

The 1996 Measure B Transportation Improvement Program projects are grouped into seven programs: Transit Program, Highway Program, Bicycle Program, Pavement Management Program, Fund Transfer Projects, Expressway Signal Synchronization Program, and Level of Service Intersection Improvement Program. VTA is not involved in the administration of the last two programs. The following is a description of the Transit, Highway, Bicycle, Pavement Management Programs and Fund transfer Projects.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

**TRANSIT PROGRAM**

**Vasona Light Rail Project**

The Vasona Project extends light rail 5.2 miles from downtown San Jose to downtown Campbell, utilizing Union Pacific freight rail alignment primarily on single track from Diridon Station to Campbell. In downtown San Jose, it transitions from Diridon Station in a short tunnel to San Fernando Street and Delmas Avenue, and then runs at grade along Delmas to Woz Way where it connects to the existing Guadalupe line. Eight stations will be constructed in the first phase. VTA provided \$16.5 million towards the completion of the project. In January 2001, the VTA Board approved an augmentation to this project in the amount of \$20.5 million to include the Winchester Extension.

*Project Budget: \$314,705,112*

*Funding: \$164,745,631 in 1996 MBTIP funds, \$93,542,596 in Federal/State/ Local funds, and \$56,416,885 from 2001 Series A Sales Tax Revenue Bonds*

*Estimated Completion: Summer 2005*

**Caltrain Service Improvements**

This project will provide a series of station and track improvements for the Caltrain Commuter Rail service within Santa Clara County.

Project	a	b	c = (b-a)	Other Funds Description
	1996 Measure B Funds (\$ x million)	Other Funds (\$ x million)	Total Funds (\$ x million)	
Palo Alto - Transit Center	\$ 3.13	\$ 4.37	\$ 7.50	Federal Grant Funding
Sunnyvale - Parking & Transit Center	8.89	0.00	8.89	
Lawrence - Bus & Parking Improvements	1.41	0.00	1.41	VTA Funds (Swap)
Santa Clara - Bus & Parking Improvements	3.66	1.30	4.96	
San Martin - Parking	0.99	0.00	0.99	
South County Extension Projects	3.75	21.81	25.56	State TCRP Assumed to end after 3/04 Expenditures.
Matching Funds Caltrain Capital Program	4.04	0.00	4.04	
<b>Totals:</b>	<b>\$ 25.86</b>	<b>\$ 27.49</b>	<b>\$ 53.35</b>	

*Project Budget: \$53,347,055*

*Funding: \$25,861,683 in 1996 MBTIP funds and \$27,485,372 in Federal/State TCRP/Local funds*

*Estimated Completion: Summer 2005*

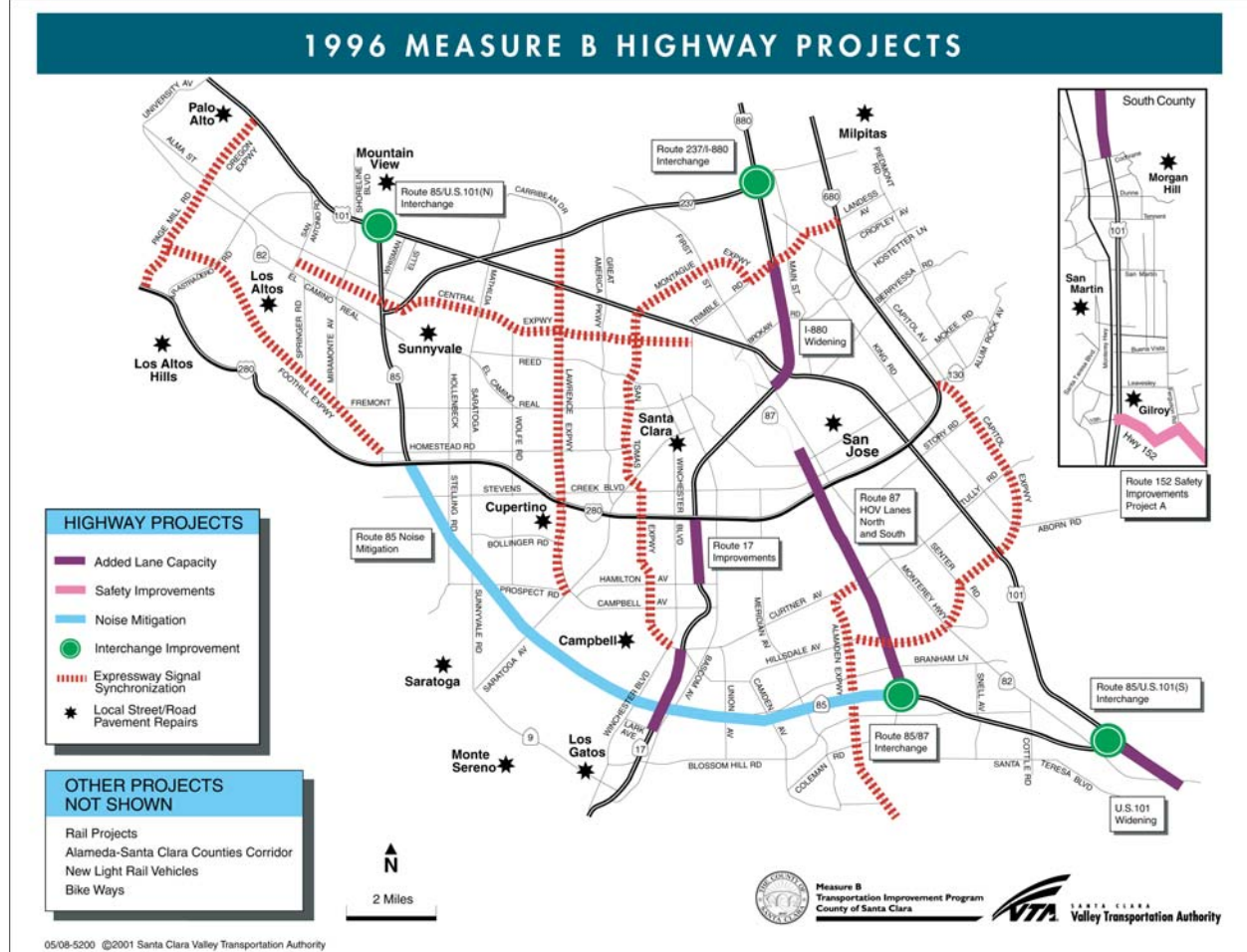
**Community Orientated Design Enhancement (CODE) Program - Rail**

The Board of Supervisors pledged as a goal to incorporate up to 2% of the construction costs of 1996 Measure B Transportation Improvement Program rail projects for aesthetic enhancements of the projects. This is a placeholder for such costs. The appropriate cost will be allocated back to the respective rail projects.

*Project Budget: \$6.8 million in 1996 Measure B Transportation Improvement Program funds*

## HIGHWAY PROGRAM

The Highway Program includes eleven major projects, of which construction is being deferred on part of two of these projects. The total projected cost is \$0.5 billion.



### Route 880 Widening

This project will widen route 880 between Route 101/North First Street and Montague Expressway from a four to a six-lane freeway. Widening would occur within the existing 40-foot median and include a 12-foot lane in each direction with a center barrier. A new eight-lane Coyote Creek/Brokaw Road Interchange Bridge will be constructed. Also included is a southbound auxiliary lane from Route 101 to North First Street and ramp improvements at the southbound Brokaw Road exit ramp.

*Project Budget: \$76.1 million*

*Funding: \$61.1 million in 1996 Measure B Transportation Improvement Program fund, \$13.8million in SHOPP funds, and \$1.2 million in local funds.*

*Completion Date: Highway Construction - April 2004, Landscaping - December 2005*

### Route 85/101 (N) Interchange – Mountain View

This project will improve mainline weaving operations and increase Route 85 and Route 101 interchange capacity while maintaining the existing local interchange access at Old Middlefield Way, North Shoreline Boulevard, and Moffett Boulevard. The project will replace: the Route

## VTA FY2006 & FY2007 ADOPTED BUDGET

85/Route 101 connector; modify interchange ramps at Moffett Boulevard, North Shoreline Boulevard and Old Middlefield Way; construct additional lanes; and, construct high occupancy vehicle (HOV) direct-connector ramps between northbound Route 85 to northbound Route 101 and southbound Route 101 to southbound Route 85.

*Project Budget: \$125.3 million*

*Funding: \$97.7 million in 1996 Measure B Transportation Improvement Program funds, \$25.0 million in State Transportation Improvement Plan (STIP) funds, and \$2.7 million in local funds*

*Completion Date: Spring 2006*

### **Route 87 HOV Lanes (Between Branham Lane and I-280)**

This project will construct a high occupancy vehicle (HOV) lane in each direction in the existing median between Branham Lane and I-280, a distance of approximately 4.5 miles. In addition, the project will include installation of ramp meters, HOV on-ramp bypasses and retaining walls. 1996 Measure B revenues were inadequate to fund construction so VTA has committed State Transportation Improvement Plan (STIP) funding using GARVEE bonds to complete HOV Lane construction. In addition, VTA has provided State Transportation Improvement Plan (STIP)/GARVEE bond funding to include construction of a collector-distributor ramp for southbound Route 87 past Alma Avenue. As part of the project construction, repair of pavement, median barrier, sound wall, and drainage systems damaged by settlement in this segment of the freeway will be funded by the State. Construction administration for the overall contract is being performed by Caltrans.

*Project Budget: \$17.2 million*

*Funding: \$12.6 million in 1996 Measure B Transportation Improvement Program, \$1.5 million in VTA-administered GARVEE funds, \$325,000 in SHOPP funds, \$2.8 million in local funds, and the remainder project funding is under State administration*

*Completion Date: Winter 2006*

### **Route 87 HOV Lanes (Between I-280 and Julian Street)**

This project widens Route 87, from I-280 to 0.2 miles north of Julian Street, from a four to a six-lane freeway. The project includes adding a high occupancy vehicle (HOV) lane in each direction and installing ramp meters at the entrance ramps. Construction of this project is being funded via federal GARVEE bond funding.

*Project Budget: \$46.8 million*

*Funding: \$10.9 in 1996 Measure B Transportation Improvement Program and \$35.8 million in GARVEE funds*

*Completion Date: Early 2007*

### **Route 85/101 (S) Interchange – South San Jose**

This project will construct high occupancy vehicle (HOV) direct connectors from northbound Route 101 to northbound Route 85 and southbound Route 85 to southbound Route 101, and construct the southbound Route 101 to northbound Route 85 branch connector. In addition, the project will include the widening of Route 101 to eight lanes between Bernal Road and Metcalf Road.

*Project Budget: \$68.3 million*

*Funding: \$42.9 million in 1996 Measure B Transportation Improvement Program funds, \$25.0 million in State funds (TCRP), \$242,000 in State funds (EEM), and \$99,000 in local funds*



## VTA FY2006 & FY2007 ADOPTED BUDGET

*Completion Date: Highway Construction - Fall 2004, Landscaping – Winter 2006*

### **Route 17 Improvements**

The scope of this project includes the following recommended projects: modify San Tomas Expressway between Winchester Boulevard and White Oaks Road; auxiliary lane on northbound 17 between Route 85 and Camden Avenue; auxiliary lane on northbound 17 between Camden Avenue and Hamilton Avenue; improve merge of I-280 with southbound Route 17; and Improve Hamilton Ave. off-ramp with added paving and overhead sign.

*Project Budget: \$27.9 million*

*Funding: \$27.9 million in 1996 Measure B Transportation Improvement Program funds*

*Completion Date: Spring 2007*

### **Route 152 Safety Improvements**

Project A (Phase I)      Widen Route 152 from Route 101 to Miller's Slough

Project A (Phase II)    Route 101/152 Interchange improvements

Project B (Phase I)    Widen Route 152 from Miller's Slough through the Llagas  
Creek Bridge and provide traffic signal at Gilroy Foods/WTI  
intersection

Construction of Projects B Phase II is currently deferred due to projected Measure B revenue shortfalls.

*Project Budget: \$21.9 million*

*Funding: \$16.5 million in 1996 Measure B Transportation Improvement Program funds and \$5.5 million in City of Gilroy funds*

*Completion Date: 2002-2006*

### **Route 85 Noise Mitigation**

The scope of this project is to improve freeway noise along a segment of Route 85 by micro-grinding the existing concrete pavement. Construction of this project will begin in Summer 2005.

*Project Budget: \$8,871,000*

*Funding: \$8,871,000 in 1996 Measure B Transportation Improvement Program funds*

*Completion Date: Spring 2006*

### **Consolidated Biological Mitigation Site**

This project was created to construct a consolidated biological mitigation site to alleviate environmental impacts from eight Measure B projects: 101 Widening, Capitol Light Rail, Vasona Light Rail, I-880 Widening, Route 85/101 (Mountain View), Route 85/101 (San Jose), Route 85/87 Interchange, and Route 17 Improvements.

*Project Budget: \$7.3 million*

*Funding: \$7.2 million in 1996 Measure B Transportation Improvement Program funds, \$150,000 in local funds*

*Completion Date: January 2007*

**OTHER LOCAL PROJECTS**

VTA has entered into construction agreements with various cities in the County. The major agreements are:

**City of Campbell Participation in the Vasona Light Rail Project**

The City of Campbell is contributing \$500,000 towards the construction of the Winchester Station. The City is also contributing an additional \$54,324 towards the design cost of Winchester Station so that VTA will incorporate requested design changes related to parking in the Winchester Station Area.

*Project Budget: \$0.5 million*

*Funding: \$0.5 million from the City of Campbell*

*Completion Date: Summer 2005*

**I-880/Coleman Avenue Interchange**

In cooperation with the City of San Jose, VTA is reconstructing the Coleman Avenue Interchange at I-880 in San Jose to improve access to the Mineta San Jose International Airport. Construction of this project is being funded via federal GARVEE bond funding.

*Project Budget: \$82.4 million*

*Funding: \$11.4 million in City of San Jose funds, \$5.0 million in State (TCRP) funds and \$66.0 million in GARVEE funds.*

*Completion Date: Fall 2006*

**River Oaks Bicycle/Pedestrian Bridge**

On behalf of the Cities of San Jose and Santa Clara, VTA will construct a bicycle and pedestrian bridge across the Guadalupe River from the westerly terminus of River Oaks.

*Project Budget: \$3.0 million*

*Funding: \$0.6 million in City of San Jose funds, \$0.6 million in City of Santa Clara funds, \$1.0 million MTC grant, and \$0.8 million in Bicycle Expenditure Program funds.*

*Completion Date: Spring 2006*

**US 101 Operational Improvement Project**

Construct operational and safety improvements on US 101 from the I-280/I-680 Interchange on the north to the Yerba Buena Road Interchange on the south. Includes: constructing one additional lane in the southbound direction; modifying Tully and Capitol Interchanges to partial cloverleaf; replacing Tully Road over crossing; adding an auxiliary lane on southbound US 101 between Tully Road and Capitol Expressway; modifying the off-ramp at southbound US 101 for Yerba Buena Road; and constructing a new on-ramp at northbound US 101 from Yerba Buena.

*Project Budget: \$82.0 million*

*Funding: Developer Funded*

*Completion Date: 2008*

**Southern Gateway Study**

Study multi-modal transportation improvements at the southern gateway to Santa Clara County to identify cost-effective transportation projects. Based on preliminary findings in VTP 2020, the following corridors are considered for study: Route 25 from the San Benito County Line to Gilroy; Highway 101 from Gilroy to the San Benito County Line; Highway 156 from Route 152 to the San Benito County Line; and Highway 152 from Gilroy to the junction with 156.

*Project Budget: \$0.8 million*

*Funding: \$0.8 million in VTA Gateway Studies funds*

*Completion Date: 2005*

**Peninsula Gateway Corridor Study**

Study multi-modal transportation improvements in the US 101 and Dumbarton Bridge approaches as a gateway into Santa Clara and San Mateo Counties. San Mateo is managing this project.

*Project Budget: \$0.5 million*

*Funding: \$250,000 in VTA Gateway Studies funds, \$250,000 from San Mateo CCAG*

*Completion Date: 2005*

**Corridor Studies**

Study two new corridors as defined in VTP 2030: (1) I-880 Corridor between North Firstt Street and I-280; and (2) South County Circulation Study to analyze local and regional circulation improvements to southern portion of Santa Clara County including the communities of Gilroy and Morgan Hill and portions of southern San Jose and unincorporated areas of the County.

*Project Budget: \$1.0 million*

*Funding: \$1.0 million in Local Program Reserve funds.*

*Completion Date: 2006*

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**Section V**  
**APPENDICES**



VTA FY2006 & FY2007 ADOPTED BUDGET

**APPENDIX A**  
**Santa Clara Valley Transportation Authority**  
**Classifications by Division and Pay Ranges**  
**As of 07/01/05**

Job Description	Number of Positions	Base Annual Rate		
		Minimum	Mid or Top Step	Maximum
<b>Office of the General Manager</b>				
General Manager	1	290,000	290,000	290,000
Chief of Staff to the General Manager	1	115,490	133,969	152,447
Board Secretary	1	99,766	115,729	131,691
Government Affairs Manager - State & Federal	1	95,020	110,223	125,426
Government Affairs Manager - State & Regional	1	95,020	110,223	125,426
Document Management Supervisor	1	70,905	82,250	93,595
Engineering Technician II	2	49,606	60,044	N/A
Executive Secretary to General Manager	1	50,412	58,478	66,544
Board Assistant	8	46,409	56,162	N/A
Management Secretary	1	45,733	53,050	60,367
Reprographics Services Specialist II/I	6	36,680	44,285	N/A
Document Control Clerk II/I	11	35,994	43,463	N/A
Office Specialist II/I	1	35,994	43,463	N/A
<b>Total</b>	<b>36</b>			

Job Description	Number of Positions	Base Annual Rate		
		Minimum	Mid or Top Step	Maximum
<b>Office of the General Counsel</b>				
General Counsel	1	171,504	171,504	171,504
Assistant General Counsel	2	121,249	140,649	160,049
Senior Assistant Counsel/Asst/Sr Assoc/Assoc	4	95,020	110,223	125,426
Legal Secretary	1	48,005	55,686	63,366
Administrative Services Assistant	1	37,612	43,630	49,648
<b>Total</b>	<b>9</b>			

**VTA FY2006 & FY2007 ADOPTED BUDGET**

Job Description	Number of Positions	Base Annual Rate		
		Min	Mid or Top Step	Max
<b>Administrative Services</b>				
Chief Administrative Officer	1	133,689	155,079	176,470
Chief Technology Officer	1	121,249	140,649	160,049
Risk Manager	1	95,020	110,223	125,426
Human Resources Manager	2	95,020	110,223	125,426
Technology Manager	2	95,020	110,223	125,426
Information Systems Supervisor	2	78,171	90,678	103,185
Communications Systems Manager	1	78,171	90,678	103,185
Client Relationship Supervisor	3	78,171	90,678	103,185
Communications Systems Analyst	4	71,235	86,355	N/A
Technical Project Manager	3	71,235	86,355	N/A
UNIX Systems Administrator	1	71,235	86,355	N/A
Senior Information Systems Analyst	3	71,235	86,355	N/A
Data Base Administrator	2	71,235	86,355	N/A
Network Analyst	1	71,235	86,355	N/A
Systems Administrator	1	71,235	86,355	N/A
Environmental Health & Safety Specialist	2	65,708	79,571	N/A
Sr Management Analyst	1	67,531	78,336	89,140
Senior Human Resources Analyst	7	67,531	78,336	89,140
Transit Systems Safety Supervisor	1	67,531	78,336	89,140
Environmental Health & Safety Supervisor	1	67,531	78,336	89,140
Claims Supervisor	1	67,531	78,336	89,140
Programmer	3	64,452	78,041	N/A
Programmer Analyst III/II/I	7	61,163	74,044	N/A
Information Systems Analyst II/I/Asst	15	61,163	74,044	N/A
Org Development & Training Specialist/Assoc	1	58,353	67,689	77,026
Human Resources Analyst/Associate	14	58,353	67,689	77,026
Claims Analyst	2	58,353	67,689	77,026
Transit Safety Officer	2	55,563	64,453	73,343
Personnel Services Administrator	1	52,931	61,400	69,869
Associate Claims Analyst	1	50,412	58,478	66,544
Administrative Support Officer	1	48,005	55,686	63,366
Executive Secretary	2	45,733	53,050	60,367
Management Secretary	3	41,481	48,118	54,755
Personnel Services Assistant	7	39,502	45,822	52,142
Administrative Services Assistant	4	37,612	43,630	49,648
Office Specialist II	7	35,994	43,463	N/A
<b>Total<sup>1</sup></b>	<b>111</b>			

<sup>1</sup> Above position count is as of July 1, 2005 and does not reflect any changes in count that may occur subsequent to July 1, 2005.



**VTA FY2006 & FY2007 ADOPTED BUDGET**

Job Description	Number of Positions	Base Annual Rate		
		Min	Mid or Top Step	Max
<b>Construction Division</b>				
Chief Construction Officer	1	154,767	179,530	204,292
Deputy Director, Construction	1	109,979	127,576	145,172
Engineering Group Manager - Line Segment	1	99,766	115,729	131,691
Engineering Group Manager - Transit Facilities	1	99,766	115,729	131,691
Engineering Group Manager - Design Integration	1	99,766	115,729	131,691
Engineering Group Manager - Tunnel	1	99,766	115,729	131,691
Project Controls Manager	1	95,020	110,223	125,426
Design & Construction Manager	1	95,020	110,223	125,426
Transportation Engineering Manager	4	86,179	99,968	113,757
Systems Design Manager	1	86,179	99,968	113,757
Facilities Design Manager	1	86,179	99,968	113,757
Survey and Mapping Manager	1	82,063	95,193	108,323
Principal Transportation Planner	1	82,063	95,193	108,323
Business Relations Manager	1	82,063	95,193	108,323
Senior Transportation Engineer	3	78,246	95,100	N/A
Senior Systems Design Engineer	1	78,246	95,100	N/A
Senior Environmental Engineer	1	78,246	95,100	N/A
Senior Cost Coordinator	1	78,246	95,100	N/A
Senior Architect	1	78,246	95,100	N/A
Manager - Construction Inspection	1	78,171	90,678	103,185
QA & Warranty Manager	1	74,437	86,347	98,256
Utilities Coordination Manager	1	70,905	82,250	93,595
Senior Land Surveyor	1	70,905	82,250	93,595
Principal Construction Inspector	2	70,905	82,250	93,595
Schedule Coordinator	1	66,903	81,292	N/A
Associate Transportation Engineer	3	66,903	81,292	N/A
Associate Systems Design Engineer	2	66,903	81,292	N/A
Associate Mechanical Engineer	2	66,903	81,292	N/A
Associate Electrical Engineer	1	66,903	81,292	N/A
Associate Civil Engineer	2	66,903	81,292	N/A
Associate Architect	3	66,903	81,292	N/A
Sr Management Analyst	1	67,531	78,336	89,140
Project Controls Specialist II/I	3	61,163	74,044	N/A
Utility Coordinator	1	59,176	71,601	N/A
Senior Construction Inspector	10	59,176	71,601	N/A
Associate Land Surveyor	1	61,254	71,055	80,856

**VTA FY2006 & FY2007 ADOPTED BUDGET**

<b>Job Description</b>	<b>Number of Positions</b>	<b>Base Annual Rate</b>		
		<b>Min</b>	<b>Mid or Top Step</b>	<b>Max</b>
<b>Construction Division, Cont.</b>				
Assistant/Jr Civil Engineer	2	57,489	69,908	N/A
Assistant Architect	1	57,489	69,908	N/A
Assistant/Jr Transportation Engineer	9	57,489	69,908	N/A
Engineering Technician III/II/I	5	56,412	68,266	N/A
Management Analyst	2	58,353	67,689	77,025
Construction Inspector	13	54,060	65,388	N/A
Office Support Supervisor	4	48,005	55,686	63,366
Accountant I	1	45,975	55,613	N/A
Engineering Technician I	1	44,079	53,261	N/A
Executive Secretary	2	45,733	53,050	60,367
Accountant Assistant	2	43,257	52,279	N/A
Engineering Aide	5	40,233	48,670	N/A
Secretary	2	40,288	48,670	N/A
Office Specialist II	10	35,994	43,463	N/A
<b>Total<sup>1</sup></b>	<b>119</b>			

<sup>1</sup> Above position count is as of July 1, 2005 and does not reflect any changes in count that may occur subsequent to July 1, 2005.

<b>Job Description</b>	<b>Number of Positions</b>	<b>Base Annual Rate</b>		
		<b>Min</b>	<b>Mid or Top Step</b>	<b>Max</b>
<b>Development Division</b>				
Chief Development Officer	1	133,689	155,079	176,470
Deputy Director, Marketing & Public Affairs	1	109,979	127,576	145,172
Deputy Director, Congestion Mgmt Planning Program	1	99,766	115,729	131,691
Dep Dir Programming & Highway Admin	1	99,766	115,729	131,691
Commercial Development Manager	1	99,766	115,729	131,691
Manager Real Estate & Project Administration	1	95,020	110,223	125,426
Transportation Engineering Manager	1	86,179	99,968	113,756
Transportation Planning Manager	2	86,179	99,968	113,756
Transportation Planning Manager - P&G	1	86,179	99,968	113,756
Communications Manager	1	86,179	99,968	113,756
Principal Transportation Planner	2	82,063	95,193	108,323

**VTA FY2006 & FY2007 ADOPTED BUDGET**

Job Description	Number of Positions	Base Annual Rate		
		Min	Mid or Top Step	Max
<b>Development Division, Cont.</b>				
Principal Transp Planner-Programming & Grants	2	82,063	95,193	108,323
Manager, Market Development	1	82,063	95,193	108,323
Environmental Planning Manager	1	82,063	95,193	108,323
Senior Transportation Engineer	1	78,246	95,100	N/A
Customer Service Manager	1	78,171	90,678	103,185
Senior Environmental Planner	3	72,035	87,565	N/A
Senior Transportation Plnr - Programming & Grants	4	74,437	86,347	98,256
Senior Transportation Planner (U)	1	74,437	86,347	98,256
Senior Transportation Planner	5	74,437	86,347	98,256
Senior Real Estate Agent	3	74,437	86,347	98,256
Transportation Policy & Program Manager	1	70,905	82,250	93,595
Associate Transportation Engineer	1	66,903	81,292	N/A
Associate Real Estate Agent	2	65,069	78,795	N/A
Transportation Planner III	10	64,749	78,430	N/A
Environmental Planner III (AltStaff)	3	64,749	78,430	N/A
Sr Management Analyst	4	67,531	78,336	89,140
Sales Program Manager	1	61,254	71,055	80,856
Creative Services Program Manager	1	61,254	71,055	80,856
Management Analyst	7	58,353	67,689	77,025
Customer Services Supervisor	4	58,353	67,689	77,025
Public Communication Specialist 2	10	55,088	66,667	N/A
Graphic Designer II	4	51,251	62,054	N/A
Senior Information Representative	3	47,570	54,038	N/A
Executive Secretary	5	45,733	53,050	60,367
Information Services Representative	28	34,403	49,150	N/A
Secretary	2	40,288	48,670	N/A
Management Secretary	1	41,481	48,118	54,755
Transportation Planning Aide	1	37,548	45,358	N/A
Office Specialist II	6	35,994	43,463	N/A
<b>Total</b>	<b>129</b>			

**VTA FY2006 & FY2007 ADOPTED BUDGET**

Job Description	Number of Positions	Base Annual Rate		
		Min	Mid or Top Step	Max
<b>Fiscal Resources Division</b>				
Chief Financial Officer	1	147,389	170,971	194,553
Controller	1	109,979	127,576	145,172
Purchasing & Materials Manager	1	95,020	110,223	125,426
Fiscal Resources Manager	3	95,020	110,223	125,426
Revenue Services Manager	1	78,171	90,678	103,185
Investment Program Manager	1	78,171	90,678	103,185
Contracts Manager	1	78,171	90,678	103,185
Manager, Business Analysis & Debt Administration	1	78,171	90,678	103,185
Manager, Budget Administration	1	78,171	90,678	103,185
Financial Accounting Manager	1	78,171	90,678	103,185
Compliance Review Manager	1	78,171	90,678	103,185
Senior Contracts Administrator	1	70,905	82,250	93,595
Senior Construction Contracts Administrator	3	70,905	82,250	93,595
Sr Management Analyst	3	67,531	78,336	89,140
Senior Auditor	1	67,531	78,336	89,140
Senior Accountant	9	67,531	78,336	89,140
Senior Financial Analyst	1	67,531	78,336	89,140
Senior Financial Analyst - NR	1	67,531	78,336	89,140
Purchasing Supervisor	1	67,531	78,336	89,140
Contracts Administrator II/I	5	63,561	76,945	N/A
Construction Contracts Administrator II	6	63,561	76,945	N/A
Contracts Administrator II - AFSCME	1	61,940	75,255	N/A
Management Analyst/Assoc	4	58,353	67,689	77,025
Financial Analyst/Assoc	4	58,353	67,689	77,025
Financial Analyst/Assoc - NR	1	58,353	67,689	77,025
Accountant III	9	58,353	67,689	77,025
Buyer III	3	54,585	66,028	N/A
Accountant II	1	50,794	61,460	N/A
Buyer II	4	49,127	59,473	N/A
Supervising Account Clerk	2	48,005	55,686	63,366
Office Support Supervisor	1	48,005	55,686	63,366
Supervising Vault Room Worker	1	45,733	53,050	60,367
Executive Secretary	2	45,733	53,050	60,367
Accountant Assistant/Account Clerk II	17	43,257	52,279	N/A
Management Secretary	3	41,481	48,118	54,755
Storekeeper	2	39,352	47,551	N/A

**VTA FY2006 & FY2007 ADOPTED BUDGET**

Job Description	Number of Positions	Base Annual Rate		
		Min	Mid or Top Step	Max
<b>Fiscal Resources Division, Cont.</b>				
Buyer Assistant	3	37,548	45,358	N/A
Office Specialist II/I	2	35,994	43,463	N/A
Mail Messenger	4	33,870	40,882	N/A
Vault Room Worker	4	33,688	40,676	N/A
<b>Total<sup>1</sup></b>	<b>112</b>			

<sup>1</sup> Above position count is as of July 1, 2005 and does not reflect any changes in count that may occur subsequent to July 1, 2005.

Job Description	Number of Positions	Base Annual Rate		
		Min	Mid or Top Step	Max
<b>Operations Division</b>				
Chief Operating Officer	1	133,689	155,079	176,470
Deputy Director, Operations	2	109,979	127,576	145,172
Chief of Security	1	95,020	110,223	125,426
Manager, Service & Operations Planning	1	95,020	110,223	125,426
Operations Manager	3	95,020	110,223	125,426
Operations Manager - Engineering	1	95,020	110,223	125,426
Operations Program Manager	1	82,063	95,193	108,323
Senior Mechanical Engineer - Auto Systems	1	78,246	95,100	N/A
Facilities Maintenance Manager	1	78,171	90,678	103,185
Light Rail Equipment Superintendent	1	78,171	90,678	103,185
Light Rail Way, Power & Signal Superintendent	1	78,171	90,678	103,185
Maintenance Superintendent	4	78,171	90,678	103,185
Materials & Warranty Manager	1	78,171	90,678	103,185
Policy & Administrative Manager - Operations	1	78,181	90,678	103,185
Rail Integration & Activation Mgr.	1	78,171	90,678	103,185
Service Planning Manager	1	78,171	90,678	103,185
Transportation Superintendent	4	78,171	90,678	103,185
Accessible Services Program Manager	1	74,437	86,347	98,256
Light Rail Power Supervisor	1	70,618	85,852	N/A
Technical Training Supervisor	1	68,609	83,385	N/A
Facilities Maintenance Coordinator	1	67,284	81,741	N/A
Light Rail Vehicle Maintenance Supv	2	67,284	81,741	N/A
Supervising Maintenance Instructor	1	67,284	81,741	N/A
Transit Maintenance Supervisor	7	67,284	81,741	N/A
Warranty Coordinator	2	67,284	81,741	N/A
Associate Mechanical Engineer - Auto Systems	2	66,903	81,292	N/A

**VTA FY2006 & FY2007 ADOPTED BUDGET**

Job Description	Number of Positions	Base Annual Rate		
		Min	Mid or Top Step	Max
<b>Operations Division, Cont.</b>				
Associate Systems Engineer	1	66,903	81,292	N/A
Overhead Line Worker	10	71,510	81,286	N/A
Substation Maintainer	8	71,510	81,286	N/A
Maintenance Instructor - Bus	2	64,703	78,612	N/A
Assistant Superintendent, Field Operations	2	67,531	78,336	89,140
Assistant Superintendent, Transit Communications	4	67,531	78,336	89,140
Light Rail Signal Supervisor	1	67,531	78,336	89,140
Sr Management Analyst	6	67,531	78,336	89,140
Dispatcher Supervisor	2	62,533	76,008	N/A
Light Rail Technical Trainer	3	62,533	76,008	N/A
Technical Trainer	3	62,533	76,008	N/A
Transit Division Supervisor	8	62,533	76,008	N/A
Transportation Supervisor	30	62,533	76,008	N/A
Vehicle Parts Supervisor	3	62,236	75,620	N/A
Foreperson - LRT	4	66,331	75,358	N/A
Overhaul & Repair Foreperson	2	66,331	75,358	N/A
Paint & Body Foreperson	1	66,331	75,358	N/A
Paint & Body Foreperson - LRT	1	66,331	75,358	N/A
Transit Foreperson	10	66,331	75,358	N/A
Upholstery Foreperson	1	66,331	75,358	N/A
Light Rail Track Maintenance Supervisor	1	61,003	74,159	N/A
Quality Assurance & Warranty Specialist	1	59,473	71,966	N/A
Transit Mechanic Hydrogen	3	63,856	69,888	N/A
Electro - Mechanic	48	60,819	69,098	N/A
Electronic Technician	6	60,819	69,098	N/A
Overhaul & Repair Mechanic	20	60,819	69,098	N/A
Paint & Body Worker	9	60,819	69,098	N/A
Paint & Body Worker - LRT	6	60,819	69,098	N/A
Senior Track Worker	7	60,819	69,098	N/A
Transit Mechanic	117	60,819	69,098	N/A
Upholsterer	6	60,819	69,098	N/A
Light Rail Signal Maintainer	19	56,983	68,928	N/A
Engineering Technician III	2	56,412	68,266	N/A
Management Analyst	9	58,353	67,689	77,025
Passenger Facilities & Wayside Maintenance Supervisor	1	58,353	67,689	77,025
Parts Foreperson	1	59,093	67,184	N/A
Transit Service Development Spec III	1	55,088	66,667	N/A
Dispatcher - Bus	21	43,202	61,693	N/A
Dispatcher - LRT	4	43,202	61,693	N/A
Transit Service Development Spec II/I	8	50,063	60,615	N/A
Engineering Technician II	1	49,606	60,044	N/A

**VTA FY2006 & FY2007 ADOPTED BUDGET**

Job Description	Number of Positions	Base Annual Rate		
		Min	Mid or Top Step	Max
<b>Operations Division, Cont.</b>				
Facilities Maintenance Representative	4	49,606	60,044	N/A
Track Worker	8	52,187	59,342	N/A
Transit Mechanic G	7	52,187	59,342	N/A
Maintenance Scheduler	6	47,300	57,235	N/A
Support Mechanic	5	39,957	57,096	N/A
Transit Radio Dispatcher	12	39,458	56,326	N/A
Administrative Support Officer	3	48,005	55,686	63,366
Office Support Supervisor	6	48,005	55,686	63,366
Fare Inspector	8	38,958	55,640	N/A
Service Mechanic	8	38,459	55,016	N/A
Bus Operator	800	38,022	54,330	N/A
Light Rail Operator	100	38,022	54,330	N/A
Parts Clerk	28	37,898	54,142	N/A
Executive Secretary	2	45,733	53,050	60,367
Service Worker	67	37,066	52,978	N/A
General Maintenance Mechanic	1	43,668	52,758	N/A
Accessible Services Representative	2	42,846	51,776	N/A
Materials Resource Scheduler	3	41,453	50,063	N/A
Secretary	1	40,288	48,670	N/A
Management Secretary	2	41,481	48,118	54,755
Facilities Worker	24	32,885	46,966	N/A
Lead Maintenance Worker - LRT	7	32,864	46,904	N/A
Maintenance Worker - LRT	20	31,283	44,720	N/A
Transit Center Maintenance Worker	5	37,022	44,719	N/A
Account Clerk II	7	36,862	44,490	N/A
Bus Stop Maintenance Worker	10	36,154	43,668	N/A
Facilities Maintenance Assistant	1	36,154	43,668	N/A
Administrative Services Assistant	1	37,612	43,630	49,648
Office Specialist II	24	35,994	43,463	N/A
Utility Worker	2	35,149	42,435	N/A
Automotive Attendant	1	33,368	40,288	N/A
Janitor	8	32,021	38,598	N/A
<b>Total<sup>1,2</sup></b>	<b>1,620</b>			

<sup>1</sup> Not included in count above are 79 Long Term Leave positions and 2 Union Business positions (benefits only).

<sup>2</sup> Above position count is as of July 1, 2005 and does not reflect any changes in count that may occur subsequent to July 1, 2005.

VTA FY2006 & FY2007 ADOPTED BUDGET

**APPENDIX B**  
**Budgeted Positions by Division**

	FY2004 Actual	FY2005		FY 2006 Budget <sup>1</sup>	FY 2007 Budget <sup>1</sup>
		Adopted Budget	Projected Budget		
Labor Costs (in \$000's)	\$ 222,722	\$ 240,183	\$ 229,257	\$ 238,613	\$ 240,507

**POSITIONS BY DIVISION:**

Office of General Manager	36	36	36	36	36
Office of General Counsel	9	9	9	9	9
Operations	1,810	1,757	1,714	1,701 <sup>2</sup>	1,674
Administrative Services	131	121	115	111	110
Construction	129	130	120	119	103
Fiscal Resources	126	124	120	112	105
Development	129	128	129	129	129
<b>Total Positions</b>	<b>2,370</b>	<b>2,305</b>	<b>2,243</b>	<b>2,217</b>	<b>2,166</b>

<sup>1</sup>Position count for FY2006 is as of July 1, 2005 and for FY2007 is as of July 1, 2006. They do not reflect any changes in count that may occur subsequent to those dates.

<sup>2</sup>Included in count above are 79 Long Term Leave positions and 2 Union Business positions (benefits only).



VTA FY2006 & FY2007 ADOPTED BUDGET

**APPENDIX C**  
**Population Data for Santa Clara County by City**

	1980	1990	2000	2001	2002	2003	2004
Campbell	26,843	36,048	38,138	38,350	38,350	38,050	38,200
Cupertino	34,297	40,263	50,602	51,000	52,200	51,900	52,600
Gilroy	21,641	31,487	41,464	42,850	43,850	44,700	46,200
Los Altos	25,769	26,303	27,693	27,900	27,800	27,550	27,500
Los Altos Hills	7,421	7,514	8,025	8,100	8,125	8,300	8,350
Los Gatos	26,906	27,357	28,592	28,900	28,850	28,750	28,750
Milpitas	37,820	50,686	62,698	63,100	63,600	64,700	64,600
Monte Sereno	3,434	3,287	3,483	3,500	3,480	3,480	3,500
Morgan Hill	17,060	23,928	33,586	34,250	34,750	34,750	35,500
Mountain View	58,655	67,460	70,708	71,500	71,500	71,600	71,600
Palo Alto	55,225	55,900	58,598	60,400	60,400	60,100	60,200
San Jose	629,400	782,248	895,131	907,300	916,300	919,600	926,200
Santa Clara	87,700	93,613	102,361	103,600	104,100	105,200	107,200
Saratoga	29,261	28,061	29,849	30,000	30,400	30,300	30,300
Sunnyvale	106,618	117,229	131,844	132,800	132,600	131,800	131,700
Unincorporated	127,021	106,193	99,813	100,900	99,800	98,900	98,900
<b>County Total</b>	<b>1,295,071</b>	<b>1,497,577</b>	<b>1,682,585</b>	<b>1,704,500</b>	<b>1,716,100</b>	<b>1,719,500</b>	<b>1,731,400</b>
<b>%of Increase</b>	<b>21.5%</b>	<b>15.6%</b>	<b>12.4%</b>	<b>1.3%</b>	<b>0.7%</b>	<b>0.2%</b>	<b>0.7%</b>
California	23,668,145	29,760,021	33,873,086	34,431,000	35,049,000	35,612,000	36,144,000
% of California	5.47%	5.03%	4.97%	4.95%	4.90%	4.83%	4.79%

Source: U.S. Census Bureau; California Department of Finance - Demographic Research Unit  
 (<http://www.dof.ca.gov/HTML/DEMOGRAP/HistE-4.htm>) (<http://www.dof.ca.gov/HTML/DEMOGRAP/Histtext.htm>)  
 This report provides population estimates for January 1, 2001 through January 1, 2004.

VTA FY2006 & FY2007 ADOPTED BUDGET

**APPENDIX D**  
**Ten-Year Summary of Santa Clara County Employment Information**  
 (Annual Average)

In 000's	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>Civilian Labor Force</b>										
Employment	816.6	857.0	902.7	919.7	927.1	980.8	952.4	863.8	821.6	817.9
Unemployment	42.4	32.0	28.1	30.7	29.0	19.8	45.5	79.8	73.5	52.4
<b>Total</b>	<b>859.0</b>	<b>889.0</b>	<b>930.8</b>	<b>950.4</b>	<b>956.1</b>	<b>1,000.6</b>	<b>997.9</b>	<b>943.6</b>	<b>895.1</b>	<b>870.3</b>
<b>Unemployment Rate</b>										
County	4.9%	3.6%	3.0%	3.2%	3.0%	2.0%	4.6%	8.5%	8.2%	6.0%
State of California	7.8%	7.2%	6.3%	5.9%	5.2%	4.9%	5.4%	6.7%	6.7%	6.3%
<b>Employment by Industry</b>										
Agriculture	4.5	5.1	5.1	5.2	5.3	5.0	4.6	4.5	4.2	3.9
Construction and Mining	28.7	32.5	36.3	41.1	44.6	47.4	47.8	42.3	38.8	37.5
Educational and Health Services	77.6	78.5	81.4	84.2	85.5	85.2	89.8	91.1	92.7	93.5
Financial Activities	30.4	31.4	32.3	33.8	34.2	34.0	35.2	35.0	34.8	34.9
Government	87.8	87.4	88.5	88.9	91.4	94.5	94.6	98.1	94.8	91.8
Information	24.6	26.0	28.1	29.0	32.5	42.7	41.9	34.2	31.0	30.7
Leisure and Hospitality	61.0	62.2	64.6	66.7	68.6	71.4	72.0	67.4	67.5	67.7
Manufacturing	223.0	237.8	247.2	246.1	234.9	251.7	240.6	201.2	177.0	170.8
Other Services	24.6	25.8	25.5	26.4	26.1	26.7	26.3	25.9	24.7	24.0
Professional and Business Services	147.0	162.8	181.3	196.7	207.1	225.8	210.0	173.1	164.3	160.2
Trade - Retail	75.8	79.9	82.4	83.8	86.6	90.6	88.2	83.6	81.0	80.7
Trade - Wholesale	36.4	39.3	41.9	42.4	42.3	42.2	40.7	35.7	33.5	34.2
Transportation and Public Utilities	14.9	16.2	16.7	16.9	17.3	17.5	16.3	15.0	14.2	13.3
<b>Total</b>	<b>836.3</b>	<b>884.9</b>	<b>931.3</b>	<b>961.2</b>	<b>976.4</b>	<b>1,034.7</b>	<b>1,008.0</b>	<b>907.1</b>	<b>858.5</b>	<b>843.2</b>

Source California Department of Employment Development, as of January 14, 2005  
[http://www.calmis.cahwnet.gov/file/lfhist/sanj\\$Hlf.txt](http://www.calmis.cahwnet.gov/file/lfhist/sanj$Hlf.txt); [http://www.calmis.cahwnet.gov/file/lfhist/cal\\$Hlf.txt](http://www.calmis.cahwnet.gov/file/lfhist/cal$Hlf.txt)

VTA FY2006 & FY2007 ADOPTED BUDGET

**APPENDIX E**  
**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY**  
**VTA/ATU Pension Plan**  
**Fiscal Year 2005-2006 Expenditure Plan**  
(In \$000's)

	FY2004 Actual	FY2005 Expenditure Plan	FY2006 Expenditure Plan
<b>REVENUES</b>			
VTA Employer Contribution	\$ 13,262	\$ 14,554	\$ 14,675
Investment Income	26,936	18,000	19,000
Net Appreciation in fair value of investments	6,562		
Investment Expense	(937)		
<b>Total Revenues</b>	<b>45,823</b>	<b>32,554</b>	<b>33,675</b>
<b>EXPENSES</b>			
<b><i>Operating Expenses</i></b>			
Pension Payments to Retirees	10,905	13,743	15,334
Other Benefits paid to participants	85	-	
Administrative Expenses	-	161	141
<b>Total Operating Expenses</b>	<b>10,990</b>	<b>13,904</b>	<b>15,475</b>
<b>Summary:</b>			
<b>Beginning Fund Balance</b>	<b>\$ 231,538</b>	<b>\$ 266,371</b>	<b>\$ 285,021</b>
<b>Surplus/(Deficit)</b>	<b>\$ 34,833</b>	<b>\$ 18,650</b>	<b>\$ 18,200</b>
<b>Ending Fund Balance</b>	<b>\$ 266,371</b>	<b>\$ 285,021</b>	<b>\$ 303,221</b>

**APPENDIX F**  
**BASIC FARE STRUCTURE FOR BUS, LIGHT RAIL AND PARATRANSIT SERVICES**  
**AS OF JANUARY 1, 2005**

<b>Fare Category</b>	<b>Fare</b>
<b>Adult:</b>	
Single Ride	\$1.75
Day Pass	\$5.25
Day Pass Token (Bag of 5)	\$23.60
Monthly Pass	\$61.25
Prepaid 12 Monthly Passes	\$674.00
<b>Youth (Ages 5 through 17)</b>	
Single Ride	\$1.50
Day Pass	\$4.50
Day Pass Token (Bag of 5)	\$20.25
Monthly Pass	\$49.00
Prepaid 12 Monthly Passes	\$539.00
<b>Senior/Disabled:</b>	
Single Ride	\$0.75
Day Pass	\$2.25
Monthly Pass	\$26.00
Prepaid 12 Monthly Passes	\$286.00
<b>Express (applies to Adult riders only)</b>	
Single Ride	\$3.50
Day Pass	\$10.50
Monthly Pass	\$122.50
Prepaid 12 Monthly Passes	\$1,348.00
<b>Paratransit:</b>	
One-Way Trip (2x Adult base fare)	\$3.50
Companion - One-Way Trip (equal to One-Way Trip)	\$3.50
Personal Care Attendant	No Charge
Open Return Trip (2x One-Way Trip)	\$7.00
No Show Charge (equal to One-Way Trip)	\$3.50
Second Vehicle Service (5x One-Way Trip)	\$17.50
Same-Day Service (4x One-Way Trip)	\$14.00
Same-Day No Show (equal to Same-Day Trip)	\$14.00
Same-Day Trip Companion (2x One-Way Trip)	\$7.00
Door-to-Door Surcharge (1/2x One-Way Trip)	\$1.75
Service Area Surcharge (2x One-Way Trip)	\$7.00

**VTA FY2006 & FY2007 ADOPTED BUDGET**

**ECO PASS PRICING** – These prices are based on the number of employees and the level of VTA service at a given work site. Eco passes are purchased for all full-time, permanent employees at one discounted price per employee. These prices are prorated if an employer joins the program mid-year. The minimum annual contract for Eco Pass is \$1,495.

<b>Employer Location/ Service Level</b>	<b>Number of Employees</b>			
	1 to 99	100 to 2,999	3,000 to 14,999	15,000+
Downtown San Jose	\$120.00	\$90.00	\$60.00	\$30.00
Areas Served by Bus & LRT	\$90.00	\$60.00	\$30.00	\$15.00
Areas Served by Bus Only	\$60.00	\$30.00	\$15.00	\$7.50

ECO Pass with Dumbarton and Highway 17 Express

<b>Employer Location/ Service Level</b>	<b>Number of Employees</b>			
	1 to 99	100 to 2,999	3,000 to 14,999	15,000+
Downtown San Jose	\$138.00	\$105.00	\$72.00	\$37.50
Areas Served by Bus & LRT	\$108.00	\$75.00	\$42.00	\$22.50
Areas Served by Bus Only	\$78.00	\$45.00	\$27.00	\$15.00

**APPENDIX G**  
**Santa Clara Valley Transportation Authority**  
**Fee Schedules**

**SALES OF PLANS, DRAWINGS AND SPECIFICATIONS as of Mar., 1, 2005:**

The cost of plans drawings and specification documents are based on the estimated value of the construction project. The amount charged range from no cost up to \$150.00 per set of plans.

**PERMIT FEES SCHEDULE as of Oct., 1, 2004:** (To protect VTA properties and facilities when construction activities are performed on VTA properties and facilities by outside parties). Below are the minimum fees required for each of the applicable permit.

**CONSTRUCTION ACCESS PERMIT FEES:** Minimum fees charged to obtain permit required for any construction work or activities on VTA property, facilities or improvements.

Application Fee:	Non-refundable	\$435.00
• Administration, Processing and Plan Check		
Inspection Fee For Underground Utility Light Rail Crossing:		\$1,120.00
• Directional Bore Method		
• Bore and Jack Method (Under 12" In Diameter)		
Inspection Fee For Bus and Transit Facility Restorations:		\$995.00
• Removing and restoring any portion of a VTA Portland Cement Concrete (P.C.C.) Bus Pad or a VTA P.C.C. Shelter Pad		

**RESTRICTED ACCESS PERMIT FEES:** Minimum fees charged to obtain permit required for any work or activities within 10 feet of the Light Rail Tracks or System, over or under any light rail catenary system, or which otherwise has the potential of affecting the Light Rail Tracks or Systems.

Application Fee:	Non-refundable	\$540.00
• Administration, Processing, including weekly track allocation meetings, and inspection charge		
Roadway Worker Protection Training Fee		\$25.00
• Per participant based on attending a regularly scheduled class conducted at a VTA facility		
Light Rail Traction Power Down and Power Up Fee		\$370.00
• For Traction Power Down and Power Up if permit activities require VTA to shut down light rail power		

VTA FY2006 & FY2007 ADOPTED BUDGET

Bus Bridging Fees	\$130.00
• For supplemental portal to portal bus service required because permit activities disrupt rail service. Fees per hour, per bus	

**PERMIT RELATED RATES:** Additional services provided by VTA personnel relating to permits are billed according to the following hourly rates.

Administrative Support Officer	\$51.00
Assistant Superintendent	\$86.00
Construction Inspector	\$60.00
Engineering Technician I	\$49.00
Light Rail Power Supervisor	\$91.00
Light Rail Station Maintenance Supervisor	\$62.00
Light Rail Signal Supervisor	\$83.00
Light Rail Track Supervisor	\$75.00
Maintenance Scheduler	\$52.00
Office Specialist II	\$40.00
Office Support Supervisor	\$51.00
Overhead Line Worker	\$87.00
Principal Construction Inspector	\$75.00
Senior Construction Inspector	\$65.00
Senior Real Estate Agent	\$78.00
Senior Transportation Engineer	\$86.00
Substation Maintainer	\$87.00
Technical Trainer	\$83.00
Transportation Supervisor	\$83.00
Non-Revenue Vehicle (Car or Pick Up Truck)	\$10.00

VTA FY2006 & FY2007 ADOPTED BUDGET

**APPENDIX H**

**Santa Clara Valley Transportation Authority  
Congestion Management Program  
Adopted FY2006 and FY2007  
Member Assessments**

<b>Member Agency</b>	<b>FY2006</b>	<b>FY2007</b>
County of Santa Clara	\$ 262,566	\$ 280,946
	48,820	8
Cupertino	75,006	80,258
	36,492	3 ,048
Los Altos	24,084	25,770
ltos Hills	6,420	0
Los Gatos	33,240	35,568
Milpitas	74,386	4
Monte Sereno	1,930	2,066
	24,256	25,954
Mountain View	120,800	129,258
lto	136,698	8
San Jose	757,494	810,520
	200,084	0
Saratoga	20,956	22,424
	240,220	257,036
Subtotal:	\$ 2,063,452	\$ 2,207,908
- Managing Agency Contribution	262,566	6
<b>TOTAL:</b>	<b>\$ 2,326,018</b>	<b>\$ 2,488,854</b>



**Section VI**  
**GLOSSARY**



## GLOSSARY

### **Accrual Accounting**

A method of accounting where revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable.

### **ADA**

Americans with Disabilities Act. Federal civil rights legislation that, among other provisions, gives disabled persons the right to equal access to fixed route transit service or to comparable paratransit service if they are unable to use fixed route transit.

### **Adopted Budget**

The official budget that has been adopted by VTA Board of Directors.

### **Appropriation**

Legal authorization expressed by budget unit, fund, and cost group granted by the Board to make expenditures and to incur obligations for specific purposes. Operating appropriations are time period limited and must be expended or encumbered within the time limits. Capital appropriations have no expiration.

### **Articulated Bus**

A bus usually 55 feet or more in length that bends at a connecting point when the bus turns a corner.

### **BAAQMD**

Bay Area Air Quality Management District. Commonly referred to as the “air district,” this agency regulates industry and employers to keep air pollution in check, and sponsors programs to clean the air in the San Francisco Bay Area.

### **BART**

Bay Area Rapid Transit District

### **Bond**

Long-term debt issued by an agency to help finance new acquisitions of property, facilities, and equipment.

### **Capital Budget**

A portion of the annual budget that appropriates funds for the purchase of capital equipment items or for capital projects. The capital budget includes funds for capital equipment purchases, such as vehicles, construction of new facilities, office equipment, and machinery. They are distinguished from operating items based on their value (greater than \$5,000) and projected useful life (greater than one year).

## VTA FY2006 & FY2007 ADOPTED BUDGET

### **Capital Project**

Expenditure for tangible long-lived assets, such as property and equipment used by VTA in its operations, which is expected to benefit future periods.

### **Commuter Rail**

Local and regional passenger train service between a central city, its suburbs, or another central city. Caltrain is an example of commuter rail service.

### **Cost Group**

VTA uses the following expenditure and cost-reduction cost groups such as labor costs, non-labor costs, Caltrain contribution, ADA, ACE, debt service and revenues. They are the lowest units of budget funding control.

### **Cost Recovery Ratio**

A measure of the proportion of transit operating expenses covered by non-subsidy sources. It is calculated by dividing all of the transit operator's non-subsidy revenues, such as farebox revenue, parking fees, and advertising fees, by the operator's total transit operating expense.

### **Debt Service**

The amount of money required to pay interest and principal on VTA's borrowed funds.

### **Designation (Designated Unreserved Fund Balance):**

Designations reflect a government's self-imposed limitations on the use of otherwise available expendable financial resources in governmental funds.

### **Division**

An organizational entity consisting of cost centers.

### **Enterprise Fund**

A distinct fiscal entity whose resources are dedicated to a specific purpose, and in which all resources and expenditures must balance. Expenditure appropriations may exceed revenues if an asset balance is available from the prior period.

### **Farebox Revenue**

The value of cash, tickets, and pass receipts given by passengers as payment for public transit rides.

### **Fiscal Year**

Period of any 12 consecutive months used as an accounting period. VTA's fiscal year is July 1 through June 30.

### **FTA**

Federal Transit Administration, formerly the Urban Mass Transportation Administration (UMTA). FTA provides capital and operating funds to VTA.

## VTA FY2006 & FY2007 ADOPTED BUDGET

### **Fund**

A fiscal or accounting entity with a self-balancing set of accounts. A fund is established for the purpose of carrying on specific activities in accordance with specific limitations.

### **Grants**

A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

### **MTC**

Metropolitan Transportation Commission. MTC is recognized by the state as the Regional Transportation Planning Agency (RTPA) and by the federal government as the Metropolitan Planning Organization (MPO) for the nine counties in the San Francisco Bay Area. It has 19 commissioners, of which 14 are voting members appointed by local elected officials. In the five most populous counties, including Santa Clara County, two commissioners are appointed – one by the county board of supervisors and one by the cities selection committee in the county. In the four less populous counties, the cities nominate candidates to the board of supervisors, which appoints one. Two other voting members on MTC, to total 16, represent the Association of Bay Area Governments (ABAG) and the San Francisco Bay Conservation and Development Commission (BCDC). In addition, there are three non-voting members on MTC, representing the state's Business, Transportation & Housing Agency, the U.S. Department of Housing and Urban Development, and the U.S. Department of Transportation.

### **Operating Budget**

A plan of expenditures and proposed sources of financing current service. The operating budget does not include capital or reserves.

### **Paratransit**

Comparable transportation service required by the Americans with Disabilities Act (ADA) of 1990 for individuals with disabilities who are unable to use fixed-route transportation systems.

### **Reserves (Reserved Fund Balance)**

Portion of a governmental fund's net assets that is not available for appropriation.

### **S RTP**

Short-Range Transportation Plan. A document that catalogues operating statistics for the transit system and projects future improvements that are scheduled over a ten-year time frame. The document includes capital and operating budgets.

### **STA**

State Transit Assistance. Half of the revenues annually budgeted through the state budget process for the Transportation Planning & Development Account (TP&D) are appropriated to the STA Program. Funds are used for mass transit operations, transit coordination projects, and transportation planning. These funds are apportioned to the regional transportation planning agencies according to a formula based on population and annual transit operator revenues.

**VTA FY2006 & FY2007 ADOPTED BUDGET**

**TDA**

Transportation Development Act. An act passed by the state Legislature in 1972 allowing each county to elect to participate in a quarter-cent state sales tax program for public transportation purposes. TDA sales tax revenues are apportioned by the state, through the regional transportation planning organizations, to each participating county based on the amount collected within that county.