

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
300 Lakeside Drive, P. O. Box 12688, Oakland, CA 94604-2688

AGENDAS FOR BOARD AND COMMITTEE MEETINGS

June 14, 2007

9:00 a.m.

A regular meeting of the Board of Directors and regular meetings of the Standing Committees will be held on Thursday, June 14, 2007, commencing at 9:00 a.m. All meetings will be held in the BART Board Room, Kaiser Center 20th Street Mall – Third Floor, 344 – 20th Street, Oakland, California.

Members of the public may address the Board of Directors and Standing Committees regarding any matter on these agendas. Please complete a “Request to Address the Board” form (available at the entrance to the Board Room) and hand it to the Secretary before the item is considered by the Board. If you wish to discuss a matter that is not on the agenda during a regular meeting, you may do so under General Discussion and Public Comment.

Any action requiring more than a majority vote for passage will be so noted.

Items placed under “consent calendar” and “consent calendar addenda” are considered routine and will be received, enacted, approved, or adopted by one motion unless a request for removal for discussion or explanation is received from a Director or from a member of the audience.

Please refrain from wearing scented products (perfume, cologne, after-shave, etc.) to these meetings, as there may be people in attendance susceptible to environmental illnesses.

BART provides service/accommodations upon request to persons with disabilities who wish to address BART Board matters. A request must be made within one and five days in advance of Board/Committee meetings, depending on the service requested. Please contact the Office of the District Secretary at (510) 464-6083 for information.

Kenneth A. Duron
District Secretary

Regular Meeting of the
BOARD OF DIRECTORS

The purpose of the Board Meeting is to consider and take such action as the Board may desire in connection with:

1. CALL TO ORDER

- A. Roll Call.
- B. Pledge of Allegiance.
- C. Introduction of Special Guests.
- D. Public Hearing on Proposed West Bay Airport/Long-Term Parking Program Fees.*

2. CONSENT CALENDAR

- A. Approval of Minutes of the Meeting of May 24, 2007.* Board requested to authorize.
- B. Fiscal Year 2008 Budget: Proposition 4 Appropriations Limit.* Board requested to adopt.
- C. Authority to Execute Agreement No. 6M2009 with Bay Area Transit Specialists and Agreement No. 6M2010 with Merriwether & Williams Insurance Services for Insurance Brokerage Services.* Board requested to authorize.
- D. Authorization of Associate General Counsel to Exercise the Powers of the Office of the General Counsel.* Board requested to authorize.
- E. Authority to Retain Bond Counsel in Connection with Issuance of General Obligation (GO) Bonds, 2007.* Board requested to authorize.
- F. Procurement of Replacement Service Vehicles.* Board requested to authorize.
- G. Extension of Time to Agreement No. 7G8310, General Engineering Services, with Science Applications International Corporation.* Board requested to authorize.

RECESS TO STANDING COMMITTEES

Immediately following the Standing Committee Meetings, the Board Meeting will reconvene, at which time the Board may take action on any of the following committee agenda items.

ALL COMMITTEES ARE ADVISORY ONLY

ADMINISTRATION COMMITTEE

Immediately following the Board Meeting recess

Director Franklin, Chairperson

- A-1. Fiscal Year 2008 Budget.* Board requested to adopt.
- A-2. Authority to Execute Agreement No. 6M4052 with Wollborg/Michelson Personnel Services, Inc., for Temporary Help Services.* Board requested to authorize.
- A-3. General Obligation Bonds 2007 Series B.* Board requested to authorize.
 - a. Selection of Underwriters.
 - b. Selection of Financial Advisor.
- A-4. General Discussion and Public Comment.

ENGINEERING AND OPERATIONS COMMITTEE

Immediately following the Administration Committee Meeting
Director Fang, Chairperson

B-1. Report of Earthquake Safety Program Citizens' Oversight Committee.*
For information.

B-2. General Discussion and Public Comment.

PLANNING, PUBLIC AFFAIRS, ACCESS, AND LEGISLATION COMMITTEE

Director Radulovich, Chairperson

NO REPORT.

RECONVENE BOARD MEETING

3. CONSENT CALENDAR ADDENDA

Board requested to authorize as recommended from committee meetings above.

4. REPORTS OF STANDING COMMITTEES

A. ADMINISTRATION COMMITTEE

A-1. Fiscal Year 2008 Budget.* Board requested to adopt.

A-2. Authority to Execute Agreement No. 6M4052 with Wollborg/Michelson Personnel Services, Inc., for Temporary Help Services.* Board requested to authorize.

A-3. General Obligation Bonds 2007 Series B.* Board requested to authorize.
a. Selection of Underwriters.
b. Selection of Financial Advisor.

B. ENGINEERING AND OPERATIONS COMMITTEE

B-1. Report of Earthquake Safety Program Citizens' Oversight Committee.*
For information.

C. PLANNING, PUBLIC AFFAIRS, ACCESS, AND LEGISLATION COMMITTEE

NO REPORT.

5. GENERAL MANAGER'S REPORT

A. Review of the Draft Agenda for the Capitol Corridor Joint Powers Board Meeting of June 20, 2007.* For information.

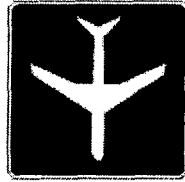
6. BOARD MATTERS

- A. Employee Recruitment and Relocation for the Position of General Counsel. Board requested to authorize.
- B. Report of the District Security Advocacy Ad Hoc Committee. For information.
- C. Report of the District Organizational Review Ad Hoc Committee. For information.
- D. Roll Call for Introductions.

7. GENERAL DISCUSSION AND PUBLIC COMMENT

8. CLOSED SESSION (Room 303, Board Conference Room)

- A. PUBLIC EMPLOYEE APPOINTMENT:
 - Titles: General Manager
General Counsel
 - Gov't. Code Section: 54957(b)(1)
- B. CONFERENCE WITH LABOR NEGOTIATORS – PUBLIC EMPLOYEE PERFORMANCE EVALUATION:
 - Agency Negotiators: Directors Franklin, Murray, and Sweet
 - Titles: General Counsel
Controller/Treasurer
District Secretary
 - Gov't. Code Sections: 54957 and 54957.6



**PROPOSED
WEST BAY
AIRPORT/LONG TERM
PARKING PROGRAM**



West Bay Airport/Long Term Parking Program

- **Purpose**

- Promote use of BART to Area airports
- Respond to customer needs
- Extend a BART parking program option to West Bay Stations
- Support SFO Extension operations

West Bay Airport/Long Term Parking Program

- **Program Operation**

- A limited number of permits are allocated for each station
- Permits are purchased using BART web site
- An Internet based reservation system manages availability of permits
- Purchaser prints out permit and displays it on vehicle
- Permits are honored in reserved parking areas
- BART Police enforce program
- Initial cost of permit is \$6.00/day. Permit cost can be increased or decreased within a range of \$4.00 to \$12.00/day based on market demand.

West Bay Airport/Long Term Parking Program

Program Principles

- **Priority in station parking provided to daily commuters**
- **West Bay Airport /Long Term Permit Allocation**

<u>Parking Usage</u>	<u>Permits Allocated</u>
95 – 100%	5
85 – 95%	30
75 – 85%	100
Below 75%	100+

West Bay Airport/Long Term Parking Program

Daily Permit Allocation

Station	Total Parking Spaces	Average Weekday % Occupied	Airport/LT Permit Allocation
Daly City	2047	95%	5
Colma	1406	73%	100
South San Francisco	1371	84%	100
San Bruno	1072	78%	100
Millbrae	2981	61%	200
Total			505


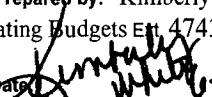
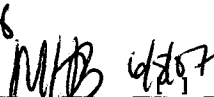
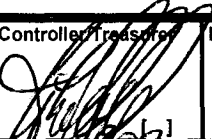
West Bay Airport/Long Term Parking Program

Projected Revenues

Average Usage	Projected Annual Gross Revenues (\$6/day fee)
30% (152 spaces per day)	\$332,000
40% (202 spaces per day)	\$442,000
70% (354 spaces per day)	\$774,000



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D:		
DATE: 06/07/07		BOARD INITIATED ITEM: No		
Originator/Prepared by: Kimberly White Dept. Operating Budgets Ent. 4743	General Counsel	Controller/Treasurer	District Secretary	BARC
Signature/Date:  6-5-07	 6/7/07	 6/7/07	[]	[]

NARRATIVE:

FY08 Proposition 4 Appropriations Limit

Purpose: To approve the District's fiscal year 2008 appropriations limit, which is required by state law as a result of the Gann Initiative (Proposition 4, passed by the voters in 1979).

Discussion: The Gann Initiative (Proposition 4) provides for limitations on appropriations by state and local government entities. Government Code Section 7910 requires local jurisdictions to annually adopt an appropriations limit by resolution and establishes a 45-day statute of limitations for commencement of any judicial action to challenge the appropriations limit.

Section 7910 requires the Board of Directors to establish by resolution BART's annual appropriations limit "at a regularly scheduled meeting or noticed special meeting." Further, it requires that fifteen days prior to such meeting, documentation used in the determination of the appropriations limit shall be made available to the public. On May 29, 2007, the documentation was made available to the public.

Documentation of the FY08 appropriations limit calculation is summarized in Attachment 1. The attached documentation of the FY08 appropriations limit is consistent with the Uniform Guidelines for Implementation of the Gann Initiative prepared by the League of California Cities and the information furnished by the State Department of Finance.

Attachment 2 is the calculation for the margin as it relates to the Proposition 4 limit. The margin is the difference between the appropriations limit and the expenditures subject to the limit. Based on the calculations, the District will be below the limit of \$438,274,195.

Fiscal Impact: There is no fiscal impact. The FY08 appropriations limit is \$438,274,195, while Operating and Capital expenditures subject to the limit are \$347,778,543. Therefore, the District is below the limit with a margin of \$90,495,652.

Alternatives: None

Recommendation: Approval of the following motion.

Motion: That the Board adopt the attached resolution which sets the District's FY08 appropriations limit at \$438,274,195.

Attachment 1:
Fiscal Year 2008 Appropriations Limit: Calculation

Based on the provisions in Article XIII B of the California Constitution as approved by the voters in November 1979, the appropriations limit for each succeeding year through 1987 is determined by the District's 1979 appropriations base times a cumulative composite factor. The base year was later revised to 1987. The cumulative composite factor consists of the product of:

- a) The lesser of the relative year change in the all urban consumer price index (SF/Oakland/SJ CPI-U) or the California per capita personal income, and
- b) At the District's discretion, the relative year-to-year change in District wide population, or the population for the District's county that has the highest assessed valuation. Election of the higher of the two growth factors results in a higher appropriations limit.

The District's appropriations limit for fiscal year 2008 is calculated on the basis of the SF/Oakland/SJ CPI-U and the total District population gains. Steps in the calculations are as follows:

Relevant data, percent change:

CPI-U SF/Oakland/SJ, 3.1869% (applies this year per "a." above)

Population Change, Total District, 1.0932% (applies this year per "b." above)

District Population

	<u>As of 1/1/06</u>	<u>As of 1/1/07</u>	<u>% Change</u>
Alameda	1,509,981	1,526,148	1.0707%
Contra Costa	1,030,732	1,042,341	1.1263%
San Francisco	800,099	808,844	1.0930%
Total	3,340,812	3,377,333	1.0932%

2) FY08 Cumulative Adjustment Factor:

(CPIU SF/SF/Oak) x (Population Factor) = Current Adjustment Factor

(Current Adjustment Factor) x (Prior Year Adjustment) = Cumulative Adjustment Factor

$$(1 + 3.1869\%) \times (1 + 1.0932\%) = 1.0431$$

$$1.0431 \times 2.3140 = 2.4138$$

3) FY08 Appropriations Limit:

(FY 87 Appropriations Base) x (FY 08 Cumulative Adjustment Factor)

$$181,568,000 \times 2.4138 = 438,274,195$$

ATTACHMENT 2 **FY08 PROPOSITION 4 APPROPRIATIONS LIMIT**

Whole Dollars, revised 6/6/2007

LIMIT		NOTES & COMMENTS
CPI-U Per Capita Personal Income District Population Growth Annual Adjustment Factor Cumulative Adjustment Factor Appropriations Limit	3.1869% 4.4200% 1.0932% 1.0431 2.4138 \$438,274,195	CPI-U for SF/OAK 2/07 vs 2/06 State DOF data, John Malson (916-323-4086) Districtwide growth applies > The county with the highest (Alameda) AV in the District [1+(CPI-U)]*[1+(District population growth)] (Current year factor)*(prior year cumulative factor) (FY 87 base appropriations) x (cumulative factor)
APPROPRIATIONS		
Operating Budget Allocation to SFO Improvement Allowance Other Capital Allocations: Parking Equipment Miscellaneous ACCESS Subtotal Capital Allocation To Operating Capital Expense: Funded Unfunded Subtotal Less Funded Pass Through Less Unfunded Pass Through Subtotal Net Capital Expense Debt Service: Sales Tax Revenue Bonds Sales Tax Anticipation Notes Loan from MTC GO (seismic) & SSD Bonds Subtotal	\$531,355,623 \$17,501,349 \$0 \$130,000 \$9,915,401 \$625,000 \$10,670,401 \$419,621,423 \$0 \$419,621,423 (\$71,455,811) \$0 (\$71,455,811) \$348,165,612	Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Proposed capital budget Per FY08 Proposed capital budget Per FY08 Proposed capital budget Per FY08 Proposed capital budget Per FY08 Proposed capital budget Per FY08 Proposed capital budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Proposed capital budget Per FY08 Proposed capital budget Per FY08 Proposed capital budget Per retirement schedule
Total Appropriations	\$997,858,340	
EXCLUSIONS		
Capital Allocation To Operating ADA Mandated Service Expense Net Operating Revenue: Net Passenger Revenue Other Operating Revenue Subtotal Federal Operating Funds (SMP/Rail Car) Federal Capital Funds: Funded Unfunded Subtotal Debt Service (GO (seismic) & SSD Bonds) GO Bond Capital Funds BART Capital Funds Total Exclusions	\$926,825 \$11,100,000 \$297,185,000 \$29,908,568 \$327,093,568 \$27,824,942 \$61,436,134 \$61,436,134 \$61,436,134 \$23,493,085 \$135,589,574 \$62,615,669 \$650,079,797	Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Preliminary operating budget Per FY08 Proposed capital budget Per FY08 Proposed capital budget Per FY08 Proposed capital budget Per retirement schedule Per FY08 Proposed capital budget Per FY08 Proposed capital budget Per FY08 Proposed capital budget
MARGIN		
Appropriations Limit Expenditures Subject to Limit Margin	\$438,274,195 \$347,778,543 \$90,495,652	Per above Appropriations less exclusions, per above Appropriations less expenditures subject to limit
RESIDENT POPULATION		Population is less exclusions for military and other non-residents
Alameda Population Percent Change Contra Costa Population Percent Change San Francisco Population Percent Change District Total Population Percent Change	1,526,148 1.0707% 1,042,341 1.1263% 808,844 1.0930% 3,377,333 1.0932%	Data received from the Department of Finance 5/1/2007 Data received from the Department of Finance 5/1/2007 Data received from the Department of Finance 5/1/2007 Sum of population for three counties Percent increase, 1/1/07 over 1/1/06
REVISED PRIOR YEAR POPULATION	As of 1/1/06	
Alameda Population Contra Costa Population San Francisco Population District Total Population	1,509,981 1,030,732 800,099 3,340,812	Data received from the Department of Finance 5/1/2007 Data received from the Department of Finance 5/1/2007 Data received from the Department of Finance 5/1/2007 Sum of three counties

**BEFORE THE BOARD OF DIRECTORS OF THE SAN FRANCISCO
BAY AREA RAPID TRANSIT DISTRICT**

In the Matter of the Establishment
Of the Fiscal Year 2008
Appropriations Limit _____ /

Resolution No. _____

WHEREAS, Article XIII B of the California Constitution limits the District's appropriations for Fiscal Year 1981, and subsequent years; and

WHEREAS, Government Code Section 7910 requires the District to establish, by resolution, its appropriations limit pursuant to Article XIII B; and

WHEREAS, documentation used in the determination of the Fiscal Year 2008 appropriations limit has been available to the public for at least fifteen days prior to the date of this resolution;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Francisco Bay Area Rapid Transit District that the District's appropriations limit for Fiscal Year 2008 shall be \$438,274,195.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>DM Bridgeman</i>		GENERAL MANAGER ACTION REQ'D:		
DATE: <i>6/7/07</i>		BOARD INITIATED ITEM: No		
Originator/Prepared by: James Bridgeman Dept: Insurance Ext. 6940 Signature/Date: <i>J. Bridgeman 6/6/07</i>	General Counsel <i>MAB 6/1/07</i>	Controller/Treasurer <i>[Signature]</i>	District Secretary <i>[]</i>	BARC <i>[]</i>

NARRATIVE:

AWARD OF AGREEMENTS NO. 6M2009 AND 6M2010 FOR INSURANCE BROKERAGE SERVICES

PURPOSE: To authorize the General Manager to enter into two Agreements for Insurance Brokerage Services. The first Agreement No. 6M2009 will be with Bay Area Transit Specialists in an amount not to exceed \$298,000. The second Agreement No. 6M2010 will be with Merriwether & Williams Insurance Services ("Merriwether & Williams") in an amount not to exceed \$336,462. Both Agreements will cover a three-year term with the option to extend the Agreements for two additional one-year periods. The amounts shown for these agreements are for the full five-year term.

DISCUSSION: The Insurance Department uses an insurance broker to place insurance on behalf of the District and to provide risk management consulting services. These services are currently provided by Merriwether & Williams under Agreement No. 6G2287 and by Bay Area Transit Specialists under Agreement No. 6G2289. A Source Selection Plan based on the Best Value methodology was developed for these Agreements. Under this approach, the District reserved the right to award to other than the lowest cost proposal based upon a determination that certain technical advantages available from a proposal will equate to added value to the District. The District also included the option to make awards to more than one proposer in the provisions of the Request for Proposals ("RFP") for these proposed Agreements.

On March 27, 2007, the RFP was mailed to thirty-three (33) potential proposers. The RFP was advertised on March 29, 2007 in local publications. A pre-proposal conference was held on April 4th, 2007 with five (5) firms attending. Proposals were received from three (3) firms: Merriwether & Williams Insurance Services, Bay Area Transit Specialists, and Alliant Insurance Services, Inc. on April 24, 2007.

EDD: AWARD OF AGREEMENTS NO. 6M2009 AND 6M2010 FOR INSURANCE BROK

The following proposals were received for the full Scope of Work:

<u>Proposer</u>	<u>Location</u>	<u>Total Proposal</u>	<u>Costs for Selected Work Items</u>
Bay Area Transit Specialists	Redwood City, CA	\$599,500	\$298,000
Merriwether & Williams .	San Francisco, CA	\$604,001	\$336,462
Alliant Insurance Services	San Francisco, CA	\$758,284	N/A

Proposals were reviewed by a five-person Source Selection Committee that was chaired by Contract Administration. The Committee evaluated the Qualifications/Technical Proposals prior to the opening of the Price Proposals. The Office of Civil Rights also reviewed the written proposals.

The technical proposals and oral interviews of Bay Area Transit Specialists were ranked highest by the Selection Committee in certain categories of the Scope of Work. The technical proposals and oral interviews of Merriwether & Williams were ranked highest in the other portions of the Scope of Work.

The proposals submitted by both recommended firms have been determined to be responsive to the solicitation and the prices offered are fair and reasonable. A review of each firm's financial and business data indicates that each is a responsible firm.

Staff recommends awards to both Bay Area Transit Specialists and Merriwether & Williams. For the purpose of the price proposals, the scope of work was divided into five parts. The proposers provided a breakdown of their price proposals among these parts of the scope of work. Bay Area Transit Specialists ranked highest in Liability and Excess Workers Compensation Marketing and Actuarial Services for a five year total of \$298,000. Merriwether & Williams ranked highest in Contract Administration & Risk Management Advice; Property, Energy Systems, Crime & Miscellaneous Insurance Marketing; and Claims Service Auditing for a five year total of \$336,462. Each proposal offers the best value to the District in the portions of the Scope of Work to be awarded to each.

The Committee determined that the District can expect to recoup the difference between the combined price of the proposed award and the apparent total Scope of Work low price proposal due to Merriwether & Williams' experienced, highly qualified staff. Specifically, Merriwether & Williams' proposal offers significantly greater capabilities and innovative approaches to reducing certain risk management costs. Each of these areas was deemed to provide a significant value to the District. The combination of the strongest parts of each proposal was determined to be the most advantageous to the District.

These Agreements will be reviewed and approved as to form by the Office of the General Counsel.

FISCAL IMPACT: The maximum compensation for these three-year agreements with two (2) one-year options shall not exceed \$298,000 for Bay Area Transit Specialists and \$336,462 for Merriwether & Williams. These Agreements will be funded by the Insurance Department

EDD: AWARD OF AGREEMENTS NO. 6M2009 AND 6M2010 FOR INSURANCE BROK

Operating Budgets for FY 2008 through FY 2012.

ALTERNATIVES: One alternative is to award one Agreement to Bay Area Transit Specialists. The other alternative is to not award these Agreements and re-bid these services. The current Agreement expires June 30, 2007. Failure to appoint an insurance brokerage firm may result in the District's inability to procure insurance. The Insurance Department does not have the resources to provide these services.

RECOMMENDATION: Adopt the following motion.

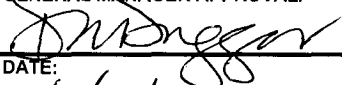
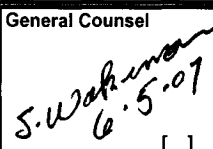

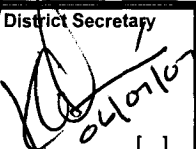
MOTION: The General Manager is authorized to enter into Agreement No. 6M2009 with Bay Area Transit Specialists to provide Insurance Brokerage Services for a period of three years with two (2) one-year options at the District's discretion for a total compensation not to exceed \$298,000.

The General Manager is authorized to enter into Agreement No. 6M2010 with Merriwether & Williams to provide Insurance Brokerage Services for a period of three years with two (2) one-year options at the District's discretion for a total compensation not to exceed \$336,462.

Both awards will be pursuant to notification issued by the General Manager and subject to compliance with the District's protest procedures.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D: Approve and Forward to the Board of Directors		
DATE: 6/7/07		BOARD INITIATED ITEM: No		
Originator/Prepared by: Matthew Burrows Dept: Office of the General Counsel Ext. 6037 Signature/Date:	General Counsel  S. W. W. 6.5.07 []	Controller/Treasurer  6/5/07 []	District Secretary  6/4/07 []	BARC []

NARRATIVE:

REVISION TO SUCCESSION RESOLUTION TO REFLECT NEW ASSOCIATE GENERAL COUNSEL

PURPOSE: To update the Board's existing succession plan for vacancies in District offices to reflect the change in the Associate General Counsel incumbent.

DISCUSSION: Board Resolution 4902, adopted November 20, 2003 represents the succession plan for the District in the event any officer of the District is absent or disabled. That Resolution lists the names and positions of those who shall act for the absent officer and needs to be updated to remove John R. Vickland as Associate General Counsel due to his recent retirement and to revise the succession plan to indicate Matthew Burrows as Mr. Vickland's replacement.

As such, Resolution No. 4902 should be repealed and a new Resolution adopted to ensure the orderly conduct of District business, especially in light of the upcoming departures of the General Manager and General Counsel

FISCAL IMPACT: None.

ALTERNATIVES: Delay revision of the existing Resolution. This would result in an incomplete succession plan for the General Counsel's upcoming retirement.

RECOMMENDATION: Adoption of the attached Resolution.

MOTION: That the Board of Directors adopts the attached Resolution.

**BEFORE THE BOARD OF DIRECTORS OF THE
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**

**In the Matter of Designating an
Alternate for the General Manager
And Authorizing Certain District
Officers to Use Facsimile Signatures
On District Warrant-Checks _____ /**

Resolution No. _____

WHEREAS, Public Utilities Section 28810 provides in part:

**“The officers of the district shall consist of the members of the board of directors; a president and vice president of the board, each of whom shall be a member of the board; a secretary, a general manager, a general counsel, a treasurer, a controller, and such other or subordinate officers, assistants and deputies as the board may deem necessary and provide for by ordinance or resolution.”
and,**

WHEREAS, Public Utilities Code Section 28817 provides:

**“The treasurer shall be the custodian of the funds of the district and shall make payments only upon warrants duly and regularly signed by the general manager. He shall keep an account of all receipts and disbursements. With the approval of the board, the treasurer and general manager may designate alternates to act for them.”
and,**

WHEREAS, it is necessary to the orderly conduct of the business of the District that the powers of the General Manager be exercised during the absence or disability of the holder; and

WHEREAS, the Board of Directors of the San Francisco Bay Area Rapid Transit District desires to authorize the use of facsimile signatures for signing warrant-checks of the District;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Francisco Bay Area Rapid Transit District hereby confirms that only the following are officers of the District:

**Members of the Board of Directors
President of the Board
Vice President of the Board
Secretary
General Manager
General Counsel**

**Controller-Treasurer
Assistant District Secretary
Deputy Assistant District Secretary
Associate General Counsel
Deputy General Manager
Assistant General Manager – Operations
Assistant Controller
Assistant Treasurer, and**

BE IT FURTHER RESOLVED that the Board hereby authorizes Dorothy W. Dugger (Deputy General Manager) to exercise the powers of the Office of General Manager in the absence or disability of the General Manager. In the case of the absence or disability of the General Manager and the Deputy General Manager, Paul Oversier (Assistant General Manager – Operations) is authorized to exercise the power of the Office of the General Manager. In the absence or disability of the General Manager, Deputy General Manager and Assistant General Manager, Operations, Sherwood Wakeman (General Counsel) is authorized to exercise the powers of the Office of the General Manager; and

BE IT FURTHER RESOLVED that the Board hereby authorizes the named holders of the positions set forth below to exercise the powers of the office listed opposite such position in the absence or disability of the holder of such office;

<u>INCUMBENT</u>	<u>POSITION</u>	<u>OFFICE</u>
Patricia K. Williams	Assistant District Secretary	Secretary
Jacqueline R. Edwards	Deputy Assistant District Secretary	Secretary (in the absence of Patricia K. Williams)
Matthew Burrows	Associate General Counsel	General Counsel
Roberta L. Collier	Assistant Treasurer	Treasurer
Edgardo J. Pangilinan	Assistant Controller	Controller

and

BE IT FURTHER RESOLVED that the Board hereby authorizes the use of facsimile signatures by Thomas E. Margro (General Manager) or Dorothy W. Dugger (Deputy General Manager or Paul Oversier (Assistant General Manager – Operations) and Scott L. Schroeder (Controller-Treasurer) or Roberta L. Collier (Assistant Treasurer), or Edgardo J. Pangilinan (Assistant Controller), all of whose verified signatures have been or will be filed with the Secretary of State, on warrant-checks used for making payments out of the funds of the District; and


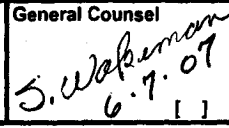
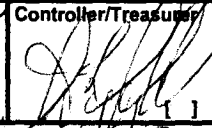
BE IT FURTHER RESOLVED that Resolution No. 4902 is hereby repealed; and

BE IT FURTHER RESOLVED that the District Secretary is directed to transmit a copy of this resolution to the Secretary of State.

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EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D: Approve and Forward to the Board		
DATE: 6/7/07		BOARD INITIATED ITEM: No		
Originator/Prepared by: John Purcell Dept: Office of the General Counsel Ext. 6015 Signature/Date:	General Counsel  6.7.07 []	Controller/Treasurer  6/7/07 []	District Secretary []	BARC []

NARRATIVE:

Authority to Retain Bond Counsel in Connection with Issuance of District's General Obligation (GO) Bonds 2007 Series B

PURPOSE:

To authorize the General Counsel to enter into an agreement with the Joint Venture of Orrick, Herrington & Sutcliffe L.L.P. and Lofton & Jennings, as co-bond counsel in connection with the issuance of approximately \$400 million of the District's General Obligation Bonds 2007 Series B (the "Bonds").

DISCUSSION:

In 2007, the District intends to issue the second tranche, estimated at \$400 million of the voter-approved \$980 million General Obligation Bonds for seismic activity. The first tranche, in the amount of \$100 million was issued in 2005. Proceeds of this issuance will be used for seismic strengthening of the various portions of the District's infrastructure.

Request for Proposals (RFP) were sent to six bond and disclosure counsel firms on April 12, 2007, and notice of the RFP was posted on the District's website on April 16, 2007. The RFP requested proposals to provide advice and assistance as bond and disclosure counsel for the Bonds. The RFP indicated that the District reserved the right to retain one law firm to act as bond and disclosure counsel, or two separate law firms, one as bond counsel and the other as disclosure counsel. The RFP indicated that the services of bond counsel are required for the issuance of the bonds, whereas the services of disclosure counsel are required for a one-year term. The RFP called for a fixed priced lump sum proposal in an amount not-to-exceed \$175,000 for bond counsel services, and a firm fixed hourly rate proposal for disclosure counsel services, with a \$75,000 cap for the one-year term. The RFP further indicated that selection of counsel would be made using the best value method, which allows for trade offs in the evaluation of technical factors and the fee schedules of the proposers.

On May 1, 2007, five proposals were received, two of which were joint proposals. The written proposals were evaluated by a Selection Committee comprised of the General Counsel, Controller/Treasurer and an attorney of the Office of the General Counsel. Evaluation criteria included proposers' experience in providing professional services for general obligation bonds and public financings, and in providing services to transit agencies, qualifications of the proposed project personnel, and proposed fee schedules. After evaluation, the five proposers were invited to participate in oral interviews. Criteria for oral interviews included qualifications

EDD: [General Obligation (GO) Bonds, Series 2007 - continued]

and experience of proposed project personnel, and proposer's general understanding of BART's financial objectives.

After evaluation of the oral interviews in conjunction with the written scores, and a review of the fee schedules, the Selection Committee decided to award two separate agreements. The Selection Committee recommended that an award for disclosure counsel services be made to the law firms of Squire Sanders & Dempsey L.L.P. and Alexis S. M. Chiu, Esq., who submitted a joint proposal. This recommended award was issued on June 1, 2007 pursuant to a Management Decision Document (MDD) approved by the Deputy General Manager. With regard to bond counsel, after evaluation of the oral interviews in conjunction with the written scores, and taking into consideration the proposers' fee schedules, it is recommended that the Joint Venture of Orrick Herrington & Sutcliffe and Lofton & Jennings be designated as co-bond counsel to assist the District with the issuance of the bonds. In addition to being the bond counsel rated the highest by the Selection Committee, these firms submitted the lowest price proposal for bond counsel services.

FISCAL IMPACT:

Bond counsel fees are for a fixed price lump sum of \$99,000, plus a not-to-exceed amount of \$4,000 for expenses. All fees and expenses shall be paid out of the proceeds of the Bonds and therefore, no direct costs will be paid by the District. If no bonds are issued, no fees or expenses will be incurred by the District.

ALTERNATIVES:

If bond counsel is not retained at this time, the District will have to forego issuance of the Bonds until such time as bond counsel is retained.

RECOMMENDATION:

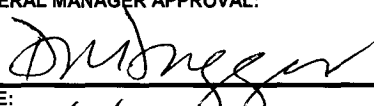
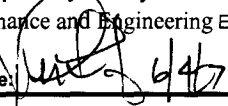
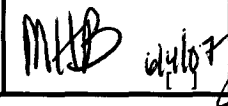
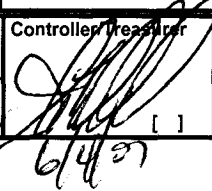

On the basis of analysis and evaluation by staff, it is recommended that the Board adopt the following motion.

MOTION:

The General Counsel is authorized to execute an Agreement with the Joint Venture of Orrick Herrington & Sutcliffe L.L.P. and Lofton & Jennings to provide bond counsel services for the District in connection with the issuance of approximately \$400 million of the District's General Obligation Bonds 2007 Series B, for the fixed-price lump sum of \$99,000 plus disbursements in an amount not to exceed \$4,000, subject to notification by the General Counsel and compliance with the District's protest procedures.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D: Obtain Board Approval to Purchase Replacement Service Vehicles	
DATE: 6/7/07		BOARD INITIATED ITEM: No	
Originator/Prepared by: Larry Fisher Dept: Maintenance and Engineering Ext. 6442 Signature/Date:  6/4/07	General Counsel:  6/4/07	Controller/Treasurer:  6/4/07	District Secretary:  6/4/07

NARRATIVE:

Procurement of Replacement Service Vehicles

PURPOSE

To authorize the General Manager to purchase replacement non-revenue service vehicles consisting of 10 police sedans, 10 Ford Escape Hybrids, and 12 medium duty maintenance trucks through the State's cooperative bid process.

DISCUSSION

The requested vehicles will directly replace an equal number of like vehicles throughout the District which have exceeded their serviceable life expectancy, and will be retired. The new vehicles will be used by a variety of Departments for routine and emergency maintenance and other District business as required throughout the Bay Area.

California Government Code Section 54205 allows districts, such as BART, to request the California Department of General Services to make procurement of materials, equipment, and/or supplies on its behalf in accordance with Section 10298 of the Public Contract Code. Section 10298 also permits the Director of the California Department of General Services to consolidate the needs of its agencies for goods, information technology, and services and establish contracts, master agreements, multiple award schedules, cooperative agreements, and other types of agreements that leverage the State of California's buying power. In addition, the Department of General Services may make its services available, upon the same terms and conditions, to any district empowered to expend public funds for the acquisition of goods, information technology, and/or services. Districts may then enter into agreements, without further competitive bidding, with suppliers awarded contracts, master agreements, multiple award schedules, and cooperative agreements by the Department of General Services. These vehicles are now available from a variety of dealerships throughout Northern California determined by the State's procurement office to be the low bidder for their respective vehicles. It is recommended that orders be placed as early in the process as possible to ensure availability. Dealerships qualified by the State include those typically solicited by the District through its own procurement process.

Historically, the District has achieved significant cost savings by procuring automotive vehicles through the State of California. The Manager of the Vehicle Maintenance Shop has confirmed

EDD: Procurement of Replacement Service Vehicles

that the cost of vehicles procured through the State is lower than what the District is likely to attain through its own contracting procedures. Additionally, cost savings are also achieved from a significant reduction in District labor hours required to process the State bid, as compared to individual in-house bid procedures.

Fiscal Impact:

Funding for the \$700,000 for purchase of replacement non-revenue service vehicles is included in the total project budget for the FMS# 79BJ, Replacement of Non-Revenue Vehicles. The Office of the Controller/Treasurer certifies that funds are currently available to meet this obligation.

FY00-10 Capital Improvement Allocations

50W

\$700,000

As of 04/29/07, \$8,166,152 is available for commitment from this fund source for this project, 79BJ and \$7,107,377 has been committed by BART to date. There is a pending commitment of \$74,109 in BART's financial management system. This action will commit an additional \$700,000, leaving an uncommitted balance of \$284,666. These funds were generated through prior years' allocations from operating sources to capital.

There is no fiscal impact on available unprogrammed District Reserves.

ALTERNATIVE

Non-revenue vehicles are essential to the safe and reliable operation of the District. Although these vehicles could be purchased through the District's Procurement Office, the cost would be greater, and the time required for procurement would be significantly increased. To not approve this purchase will increase the mileage and use of vehicles already due for replacement significantly beyond the limits established by District policy. Use of vehicles beyond the recommended retirement criteria increases maintenance expenditures and vehicle unscheduled down time.

RECOMMENDATION

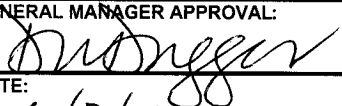
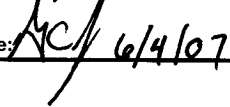
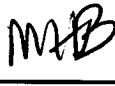
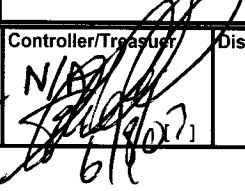
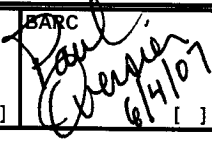
It is recommended that the Board adopt the following motion.

MOTION

The General Manager is authorized, pursuant to Government Code Section 54205 and Public Contract Code Section 10298, to purchase replacement non-revenue service vehicles consisting of 10 police sedans, 10 Ford Escape Hybrids, and 12 medium duty maintenance trucks through the State's bid process in the amount of \$700,000.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D: Approve and Forward to E&O Committee		
DATE: 6/7/07		BOARD INITIATED ITEM: No		
Originator/Prepared by: Gary Jensen Dept: System Safety Ext. 7659 Signature/Date:  6/4/07	General Counsel  6/4/07	Controller/Treasurer  6/8/07	District Secretary []	BART  6/4/07

NARRATIVE:

Time Extension to Professional Services Agreement 7G8310 for General Environmental Services

Purpose: To authorize the General Manager or his designee to extend the term of the Professional Services Agreement with Science Applications International Corporation (SAIC) for General Environmental Services (GES) to support the District's Environmental Compliance Programs, including NEPA/CEQA compliance for BART Earthquake Safety Program projects.

Discussion: In June 2002, BART entered into agreement with SAIC in an amount not to exceed \$3,000,000 over a five-year period to provide General Environmental Services. During this period, SAIC prepared the Draft and Final Environmental Assessment (Final EA) for the Berkeley Hills Tunnel to the Montgomery Station, which includes retrofit of the San Francisco Transbay Tube. The Final EA was approved by the Federal Highway Administration in February 2006 with a Finding of No Significant Impact (FONSI).

Several changes to the project have occurred since the publication of the Final EA including modifications to the project alternatives for the Transbay Tube and Transition Structure. In addition, the green sturgeon (*Acipenser medirostris*), a species known to occur in San Francisco Bay waters, was listed as federally threatened under the Endangered Species Act (ESA) shortly after publication of the Final EA. As a result of the listing, BART needs to provide additional documentation to permitting agencies to assess potential project impacts to this species.

To address project impacts to the sturgeon, as well as provide a record of documentation on project changes that have occurred, including potential impacts and mitigation, BART is midway in preparation of a supplement to the Final EA.

SAIC's Agreement expires in mid-June 2007. Not all of the funds authorized by the Board in 2002 for this agreement have been spent and sufficient funds are available to complete this environmental documentation. In order to avoid project delays and maintain the continuity of the environmental documentation that is in progress, an extension of SAIC's Agreement for an additional 5 months is sought.

Fiscal Impact: No direct fiscal impact.

EDD: Agreement 7G8310 Time Extension

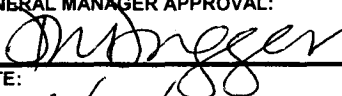

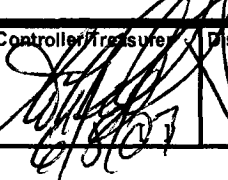
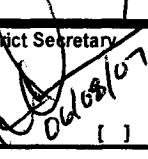
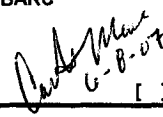
Alternatives: Not extend the existing agreement. This could expose the District to a delay obtaining project permits and project start.

Recommendation: It is recommended that the Board adopt the following motion.

Motion: The General Manager or his designee is authorized to extend the existing Professional Services Agreement with Science Applications International Corporation (SAIC) for General Environmental Services (No. 7G8310) for a period of 5 months through November 15, 2007.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 		GENERAL MANAGER ACTION REQ'D:		
DATE: 06/07/07		BOARD INITIATED ITEM: No		
Originator/Prepared by: Robert Umbreit Dept: Operating Budgets & Analysis Ext. 464-6273 Signature/Date: PH 6/8/07		General Counsel  6/8/07	Controller/Treasurer  6/8/07	District Secretary  06/08/07
		BARC  6-8-07		

NARRATIVE:

ANNUAL BUDGET RESOLUTION FOR FISCAL YEAR 2008

PURPOSE

Adopt the Annual Budget Resolution for Fiscal Year 2008.

DISCUSSION

With ridership and fare revenue growth the primary factor, Fiscal Year 2008 (FY08) preliminary budget projections show revenues exceeding expenses, allowing BART an opportunity to reinvest funds for cleaner trains, employee development, and other target areas. As reviewed with the Board of Directors on May 10, 2007, the FY08 budget includes \$8.9 million (M) in new budget initiatives, as well as service enhancements on the SFO Extension.

After the May 10 preliminary budget presentation, the State released revised State Transit Assistance (STA) estimates forecasting increased operating revenues to BART. As a result, the plan to improve service on weekday and Saturday evenings and all day Sunday by decreasing the time between trains from 20 to 15 minutes, which was not recommended for funding in the preliminary budget, now appeared to be fundable. However, within the past week, the STA projection has been revised again, and is now lower than anticipated in May.

Given the lower funding projection, and the continued uncertainty of sales and property tax revenues, staff is not recommending, at this time, moving forward with the 15 minute service plan. However, if at the end of FY07, the combined result for sales and property tax revenues and the year-end closeout is encouraging, and transit industry efforts to reduce the state budget diversion of transit funds result in additional funding for the District, staff hopes to bring back for the Board's consideration a revised FY08 budget that includes the new service plan.

Minor Changes From Preliminary Operating Budget

The budget has been updated to include the following items:

- \$576,369 in additional STA funding
- \$143,942 increase to the Federal 5307 Preventive Maintenance grant that funds the Strategic Maintenance Program (SMP) expense
- \$20,000 for increased District membership costs in the West Contra Costa Transportation Advisory Committee (WCCTAC), a regional transportation planning subcommittee in Contra Costa County

EDD: ANNUAL BUDGET RESOLUTION FOR FISCAL YEAR 2008 (cont.)

New Initiatives

The Preliminary Budget included \$8.9M of new budget initiatives and 39.5 net new operating positions. As reviewed at the May 10 Board of Directors meeting, the initiatives include:

- Programs to enhance train cleaning
- Improve station and facility lighting maintenance
- Employee development and training, as well as improvements in a number of other areas

Of the initiatives, \$1.3M are one-time in nature and are funded with an allocation from projected favorable FY07 operating results, and the balance of the initiatives have ongoing costs. Although \$8.9M is a relatively small amount (about 1.5%) in relationship to the total budget, the budget initiatives are carefully designed to address a number of important areas that have felt the impacts of consecutive years of cutbacks.

Total operating sources in the proposed operating budget are \$604.5M, an increase of \$26.9M over the FY07 Adopted Budget. This increase is due primarily to passenger revenue, which is up \$25.6M from FY07. About \$17.6M of the total increase is driven by better than budgeted ridership in FY07 and projected growth in FY08 and about \$8.0M comes from the January 1, 2008 CPI-based fare increase of 5.4%. As previously discussed, sales tax has slowed significantly in FY07, with an increase of only \$0.7M projected for FY08.

Operating uses are \$626.2M, an increase of \$48.7M over FY07. The most significant factors are:

- \$8.8M for the retiree medical "ramp-up" plan funding
- A \$2.7M increase for current retiree medical premiums
- \$22.1M for a Other Post Employment Benefits (OPEB) liability expense entry as required by the Governmental Accounting Standards Board (GASB)
- \$8.9M of FY08 budget initiatives

The operating budget (see Attachment 1) includes \$604.5M in operating sources and \$626.2M in operating uses, but is balanced in terms of cash flow. Included in operating uses is recognition of an OPEB unfunded liability of \$22.1M, which is a non-cash accounting entry to recognize as expense the difference between BART's "ramp-up" funding plan for retiree medical and the full actuarially calculated annual required contribution. The District's funding plan is designed to fully fund the retiree medical benefit by gradually ramping up to the full contribution over the next six years. The difference between the actual cash funding and the calculated full contribution will be recorded as expenses, in compliance with GASB guidelines.

The MTC rail car fund swap is a funding exchange program between MTC and BART that does not affect the net operating result. MTC programs federal funds to ready-to-go BART projects and BART deposits an equal amount of local funds into a Reserve Account designated for BART's future car replacement program.

Another funding arrangement affects capital allocations, and was described in the May 10 Board presentation materials. BART is to receive a total of \$24.0M from MTC for SFO extension operations over two years, with \$6.5M in FY07 and \$17.5M in FY08. The MTC funding comes

EDD: ANNUAL BUDGET RESOLUTION FOR FISCAL YEAR 2008 (cont.)

to BART as capital funds, that will be used to make local match contributions for federal grants. These funds will replace BART's planned capital allocation for the same purpose, which is then put into a reserve to apply against net operating costs for the extension.

FY08 Capital Budget

The capital budget proposes FY08 expenditures of \$419.6M and funds 325 positions. The capital budget is primarily funded through capital grants, however District-allocated funds are also needed for a portion of the required local match and for expenditures which do not qualify for grants, including station renovation and the replacement of police and maintenance vehicles and equipment. The largest program area for capital expenditure next year will be earthquake safety. System renovation comprises a program of essential reinvestment, primarily in the areas of train control, traction power, rail replacement and trackway renovation, station and maintenance facilities improvements, and other critical projects. Work will also continue on security upgrades, system accessibility improvements and the eBART, Oakland Airport Connector, and Warm Springs extension programs, as well as the West Dublin/Pleasanton Station project.

The only change from the Preliminary Budget is a reduction of three vacant capital positions in the Transportation Department. The Preliminary Budget anticipated that these positions might be required for capital project support, but final analysis verified that they are not necessary. There is no reduction in the dollar value of the \$419.6M capital budget, as the labor funds displaced are utilized in other elements of the capital program.

FY08 Budget Resolution

Staff recommends approval of the attached resolution to adopt the Fiscal Year 2008 Annual Budget. As in previous years, the FY08 budget resolution includes authorization to submit annual applications for Transportation Development Act (TDA), State Transit Assistance (STA) and bridge toll funds that are included in the FY08 capital budget as appropriate. The resolution also allows the General Manager or his designee to execute the agreement with the City and County of San Francisco to provide annual transfer payments to the San Francisco Municipal Transportation Agency (Muni) for FY08. These annual transfer payments for feeder services are made in accordance with the agreement with MTC and are based on the prior year's sales tax percentage increase or decrease. It is also noted that the FY08 budget resolution has been revised to incorporate provisions referring to the improved SFO extension service plan and certain District's system-wide operating policies, as presented to the Board on May 10, 2007.

Exhibit A (attached) of the Budget resolution summarizes operating and capital budget totals.

FISCAL IMPACT

The proposed Annual Operating Budget has a small surplus of \$0.3M, with sources of \$604.5M and uses of \$626.2M, including the \$22.1M non-cash entry to recognize the unfunded Other Post Employment Benefits liability.

ALTERNATIVES

Adoption of the Budget resolution by June 30th is required to authorize expenditures in FY08.

EDD: ANNUAL BUDGET RESOLUTION FOR FISCAL YEAR 2008 (cont.)

RECOMMENDATION

Staff recommends that the Board adopt the motion set forth below.

MOTION

Adoption of the attached resolution.

Attachments:

Attachment 1 - Operating Budget Sources and Uses Detail

Attachment 2 - Capital Budget Program Summary

Fiscal Year 2008 Budget Resolution

Exhibit A - Annual Budget

Exhibit B - Character and Base Salaries

ATTACHMENT 1

Fiscal Year 2008 District Operating Budget Sources and Uses Detail

SOURCES	FY08 PRELIMINARY	Changes	FY08 ADOPTED
Rail Passenger Revenue	\$ 296,600,000	\$ -	\$ 296,600,000
ADA Passenger Revenue	585,000	-	585,000
Parking Revenue	9,389,813	-	9,389,813
Other Operating Revenue	20,518,755	-	20,518,755
Sub-Total Operating Revenue	327,093,568	-	327,093,568
Sales Tax Proceeds	203,404,746	-	203,404,746
Property Tax Proceeds	29,256,000	-	29,256,000
STA & TDA Assistance	1,996,531	576,369	2,572,900
Measure B	1,992,969	-	1,992,969
Federal 5307 Preventive Maintenance	5,000,000	143,942	5,143,942
Federal 5307 Grant - Rail Car MTC Fund Swap	22,681,000	-	22,681,000
Millbrae Use, Operating & Maint. Agreement	700,000	-	700,000
Allocation from SFO Reserve Account ¹	10,355,119	-	10,355,119
Allocation from Operating Reserves ²	1,252,500	-	1,252,500
Sub-Total Financial Assistance & Allocations	276,638,865	720,311	277,359,176
TOTAL SOURCES	603,732,433	720,311	604,452,744
USES			
Labor	355,847,415	-	355,847,415
OPEB Unfunded Liability ³	22,072,574	-	22,072,574
ADA Paratransit	11,100,000	-	11,100,000
Purchased Transportation	2,728,367	-	2,728,367
Power	34,636,000	-	34,636,000
Other Non-Labor	82,120,444	169,823	82,290,267
Extraordinary Expense - Rail Car Fund Swap	22,681,000	-	22,681,000
Sub-Total Operating Expense	531,185,800	169,823	531,355,623
Debt Service	60,262,270	-	60,262,270
MTC Loan Debt Service	6,410,000	-	6,410,000
Allocation - To SFO Reserves ⁴	-	17,501,349	17,501,349
Allocation - Capital Rehabilitation ⁴	27,416,750	(17,501,349)	9,915,401
Allocation - Access Programs	625,000	-	625,000
Allocation - Parking Capital Equipment	130,000	-	130,000
Allocation to Operating Reserves	-	-	-
Sub-Total Allocations	94,844,020	-	94,844,020
TOTAL USES	626,029,820	169,823	626,199,643
OPEB Unfunded Liability	(22,072,574)	-	(22,072,574)
NET RESULT	\$ (224,813)	\$ 550,488	\$ 325,675
Operating Ratio	64.3%		64.3%
Rail Farebox Recovery Ratio	60.0%		59.9%
Farebox Recovery Ratio	58.4%		58.4%

¹Funding for FY08 SFO Extension operations from reserve account

²Allocation from projected FY07 favorable result to fund portion of one-time FY08 initiatives and produce a balanced budget

³OPEB: Other Post Employment Benefits

⁴SFO funding from MTC replaces BART allocations for federal grant matching funds, the same amount is then put into reserve to be used for SFO extension operating subsidy as needed.

ATTACHMENT 2

FY08 Capital Budget

Headcount and Planned Expenditures

Program Summary

Program Category	Capital Headcount*	Planned Expenditures
System Reinvestment		
Rolling Stock	0	\$5,400,000
Mainline	54	\$29,456,042
Stations	10	\$8,631,936
Controls & Communications	41	\$44,162,252
Facilities	5	\$2,547,949
Work Equipment	1	\$2,701,819
Subtotals	111	\$92,899,998
 Safety & Security	 15	 \$33,159,820
 Earthquake Safety	 35	 \$167,808,629
 Service & Capacity Enhancement	 39	 \$42,092,510
 System Expansion	 45	 \$79,510,359
 Capitol Corridor**	 16	 \$2,230,107
 Reimbursable***	 16	 \$1,920,000
 Cost Allocation Plan	 48	 CAP costs are included in the line items above.
TOTALS	325	419,621,423

* Total authorized permanent positions ("high water").

** All expenses for the Capitol Corridor service to be reimbursed as allocated to the Capitol Corridor Joint Powers Board in the Annual State Budget Act.

*** Positions fully reimbursed by Muni, Caltrans, and businesses for BART staff expenses incurred in performing services for the those agencies and businesses.

**BEFORE THE BOARD OF DIRECTORS OF THE
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**

**In the matter of approving
The Annual Budget for the
San Francisco Bay Area Rapid
Transit District and authorizing
Expenditures for the Fiscal Year
July 1, 2007, to June 30, 2008**

Resolution No.

WHEREAS, the Board of Directors of the San Francisco Bay Area Rapid Transit District published notices in newspapers of general circulation in the County of San Francisco on April 20, 2007, the County of Alameda on April 21, 2007, and the County of Contra Costa on April 21, 2007, of its intention to adopt an Annual Budget for the Fiscal Year July 1, 2007, to June 30, 2008; **and**

WHEREAS, the Board of Directors of the San Francisco Bay Area Rapid Transit District desires to adopt an Annual Budget for the Fiscal Year July 1, 2007, to June 30, 2008; **and**

WHEREAS, the Board of Directors of the San Francisco Bay Area Rapid Transit District is required by Public Utilities Code Section 28767 to determine and create, by resolution, such number and character of positions as are necessary to properly carry out the functions of the District; **and**

WHEREAS, the Transportation Development Act (TDA), Public Utilities Code §99200, et seq., provides for the disbursement of funds from the Local Transportation Fund of the Counties of Alameda and Contra Costa for use by eligible claimants for the purpose of operating assistance; **and**

WHEREAS, the State Transit Assistance (STA) fund makes funds available pursuant to Public Utilities Code Section 99313.6 for allocation to eligible applicants to support approved transit projects; **and**

WHEREAS, as attested to by opinions of the Office of the General Counsel, the San Francisco Bay Area Rapid Transit District is an eligible applicant for Net Toll Revenues and MTC Rail Extension Reserve bridge toll revenues pursuant to Section 30892 of the Streets and Highways Code; and is an eligible claimant for TDA and STA funds pursuant to Public Utilities Code Section 99260; **and**

WHEREAS, the agreement between the San Francisco Bay Area Rapid Transit District and San Mateo County Transit District, dated April 27, 2007, states that the San Francisco Bay Area Rapid Transit District will provide service on the SFO extension in a manner consistent with BART's system-wide operating policies; **and**

WHEREAS, the system-wide operating plan for Fiscal Year 2008 was presented to the Board of Directors on May 10, 2007, in a presentation entitled FY08 Preliminary Operating Budget – Sources and Uses Service Plan;

NOW, THEREFORE, BE IT RESOLVED that the attached Annual Budget (marked Exhibit A and incorporated herein as though set forth at length) is hereby adopted, **and**

BE IT FURTHER RESOLVED that, subject to the following resolved clauses, said Annual Budget includes appropriations of monies expected to be available in the General Fund, Capital Funds including Construction Funds and existing and anticipated Federal, State and local grants, for expenditures in the amounts and for the purposes set forth in said budget; **and**

BE IT FURTHER RESOLVED that the General Manager is authorized to enter into services agreements (including professional, technical, maintenance and repair agreements) and lease or license agreements for District use of real property, facilities, equipment and software provided that:

- (1) The General Manager shall first determine that the work or services concerned, in the amounts authorized in a service agreement, cannot satisfactorily be performed by the officers or employees of the District;
- (2) Except agreements that are let by public bidding, service, lease, and license agreements, and amendments thereto, between \$25,000 and \$100,000, shall be reported bi-monthly to the Board of Directors;
- (3) Prior authorization by the Board of Directors is required when:
 - a. The agreement, and amendments thereto, total in the aggregate \$100,000 or more in the fiscal year; or
 - b. Amendments total in the aggregate \$100,000 or more in any subsequent fiscal year;
- (4) The General Counsel is authorized to enter into services agreements in amounts up to \$100,000 with special counsel not previously designated by the Board without prior notice to the Board where the General Counsel determines that such immediate action is necessary to protect the legal interests of the District. Any such agreement shall be reported by the General Counsel to the Board within the calendar month thereafter.
- (5) The General Manager's authority to take immediate remedial measures, as defined in Section 20224 of the California Public Contract Code, and as authorized in Resolution No. 4834 shall remain unchanged; **and**

BE IT FURTHER RESOLVED that the General Manager is authorized to exchange District goods and services for goods and services from others of approximately equal or greater value; **and**

BE IT FURTHER RESOLVED that all disbursements resulting from the exercise of authority granted the General Manager pursuant to this resolution shall be reported to the Board of Directors in the District's quarterly financial report; **and**

BE IT FURTHER RESOLVED that Resolution No. 4988, adopted June 8, 2006, is repealed effective August 31, 2007, except as it applies to unexpended capital appropriations, **and**

BE IT FURTHER RESOLVED that the General Manager or his designee is authorized to execute and file a Bridge Toll Application, a TDA Application and an STA Application along with necessary supporting documents, with the Metropolitan Transportation Commission for allocation of bridge toll revenues, TDA and STA funds in FY08; **and**

BE IT FURTHER RESOLVED that the San Francisco Bay Area Rapid Transit District's system-wide operating policies shall be generally as set forth in the May 10, 2007, presentation entitled FY08 Preliminary Operating Budget – Sources and Uses Service Plan, subject to such adjustments that staff determines necessary to operate the service in the public's interest; **and**

BE IT FURTHER RESOLVED that the General Manager or his designee is authorized to execute an agreement with the City and County of San Francisco (CITY) to provide a transfer payment in FY08, such transfer payment being paid by the District to CITY in order to facilitate the coordination of transit service and furnish an incentive to CITY for providing enhanced transfer services between MUNI and BART stations; **and**

BE IT FURTHER RESOLVED that the General Manager is authorized to make expenditures and incur liabilities against said funds within the limits set forth in said budget and the provisions of this Resolution, and to act on behalf of the District in connection with contracts arising thereunder, by following the procedures provided by law, and by Board of Directors' Resolutions and Board Rules, except that no contractual obligation shall be assumed by the District in excess of its ability to pay, and provided further that all expenditures shall be in conformance with statutory and other restrictions placed on the use of said funds; **and**

BE IT FURTHER RESOLVED that the General Manager is authorized to exceed Board Appointed Department/Executive Office budgets by more than ten percent (10%) ten (10) days after written notice of this intended action has been mailed to the Board of Directors, provided that the Total Net Operating Expense line item set forth in "Exhibit A" is not exceeded and such action is consistent with Board Rule 5-1.4 and provided further that the General Manager will prepare and send to the Board, a summary of Department budgets within approximately 30 days after the adoption of this budget; **and**

BE IT FURTHER RESOLVED that the General Manager is authorized to exceed the foregoing ten percent limitation for emergency expenditures which are made in accordance with Resolution No. 4834 and Public Contract Code Section 20224; **and**

BE IT FURTHER RESOLVED that the General Manager is authorized to act on behalf of the District, and to make expenditures and incur liabilities against all funds of the District as provided for in contracts which have been authorized by the Board of Directors of the District and that the Board's authorizations of such contracts also include the necessary appropriations for such

contracts and change orders authorized by Rules approved by the Board, subject, however, to compliance with such specific appropriation resolutions as may be adopted by the Board from time to time; **and**

BE IT FURTHER RESOLVED that effective July 1, 2007:

- (1) The total number of permanent full and permanent part-time positions ("high water") as of June 30, 2008, budgeted for the District shall be 3,313.5 (a part-time position is counted as 0.5 positions). Additional permanent positions are authorized, as required, not to exceed 50 positions, of which not more than 25 positions may be charged to operating expense provided the budgeted Total Net Operating Expense is not thereby exceeded;
- (2) The character and salary ranges of such positions, including officers appointed by the Board pursuant to Public Utilities Code Section 28811 shall be as set forth in the agreements entered into with Service Employees' International Union, Local 1021, Amalgamated Transit Union, Local 1555, American Federation of State and County Municipal Employees, Local 3993, the BART Police Officers Association and the BART Police Managers Association as to the employees represented thereby, and with other Bargaining Units for employees that may later be represented thereby, and for all other employees as set forth in the attached "Exhibit B", incorporated herein as though set forth at length. The employment benefits for non-represented employees shall be administered by the General Manager in accordance with Board Rule 4-1.2.
- (3) The General Manager is authorized to make future adjustments to the Professional/Management Salary Ranges ("Exhibit B") in accordance with applicable provisions of the AFSCME Agreement and the Compensation Manual, which reflect the District policy and practice to evaluate such ranges on an annual basis and to establish the mid-points of the pay ranges for positions so that they approximate the 75th percentile of the average of salaries paid for similar jobs in the labor market and to promptly advise the Board of any and all such range adjustments. The General Manager is directed to initiate the annual review by October of each year.
- (4) The District Secretary shall insure that an amendment to Exhibit B be prepared to reflect any adjustment to the hourly wage rates or professional/management pay bands as provided above or any adjustment to the Board appointed officers' salaries as a result of merit adjustments or scheduled increases provided in such officers' employment agreements that take effect during the fiscal year. The District Secretary shall attach any such amendment to Exhibit B as an addendum to this resolution.
- (5) The General Manager is authorized to pay employees on the merit plan that portion of their merit increase which exceeds the top of the salary range, but with no increase to the employee's "base wage" above the top of the salary range.
- (6) Except for Paragraph 1, and to the extent it is modified by Resolution No. 4748, Resolution No. 4487 remains in full force and effect.

#

EXHIBIT A
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
ANNUAL BUDGET - FISCAL YEAR 2008

<u>FUND SOURCES</u>	TOTAL
FUND SOURCES FOR NET OPERATING EXPENSE BUDGET, DEBT SERVICE AND CAPITAL ALLOCATIONS	
Operating Revenue	327,093,568
Property Tax	29,256,000
1/2 ¢ Sales Tax	203,404,746
Measure B Paratransit Assistance	1,992,969
Allocation from SFO Reserve	10,355,119
Caltrain - Millbrae Station Joint Use	700,000
5307/08 Preventive Maintenance Grants - SMP & Rail Car Fund Swap	27,824,942
STA/TDA	2,572,900
Allocations from Reserves	1,252,500
Total Operating Sources	\$ 604,452,744
FUND SOURCE FOR CAPITAL BUDGET	
Capital Funds - Cash Flow FY08	\$ 419,621,423
TOTAL ESTIMATED FUND SOURCES	\$ 1,024,074,167

<u>FUND USES</u>	
FUND USES FOR NET OPERATING EXPENSE BUDGET, DEBT SERVICE AND CAPITAL ALLOCATIONS	
Net Labor Expense ⁽¹⁾	\$ 377,919,989
Non-Labor Expense	130,754,634
Extraordinary Expense - Rail Car Fund Swap	22,681,000
Total Net Operating Expense	<u>\$ 531,355,623</u>
Revenue Bond Debt Service	60,262,270
MTC Loan Debt Service	6,410,000
Allocations to Capital - Rehabilitation	9,915,401
Allocations to SFO Reserve	17,501,349
Allocations - Access & Other	755,000
Total Operating Uses	\$ 626,199,643
Other Post Employment Benefits Unfunded Liability	\$ (22,072,574)
FUND USES FOR CAPITAL BUDGET	
Capital Funds - Cash Flow FY08	\$ 419,621,423
TOTAL ESTIMATED FUND USES	\$ 1,023,748,492
NET FINANCIAL RESULT (DEFICIT)	\$ 325,675

⁽¹⁾ Total Authorized Permanent Positions ("high water") as of 6/30/08 = 3,336.5

EXHIBIT B
CHARACTER AND BASE SALARIES, PAY BANDS,
HOURLY WAGE RATES OF MANAGEMENT AND
NON-REPRESENTED CLASSIFICATIONS

CHARACTER OF POSITION/PAYROLL CLASSIFICATION TITLE		HOURLY WAGE RANGE				
CLERICAL	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
ADMINISTRATIVE TECHNICIAN	\$24.0838	\$25.1552	\$26.1483	\$27.1670	\$28.2124	\$28.6136
ADMINISTRATIVE SECRETARY	23.1782	24.2084	25.1625	26.1422	27.1474	27.5298
SENIOR SECRETARY	21.5701	22.3745	23.2036	24.2084	25.1881	25.5702
SENIOR CLERK	22.9699	23.9900	24.9355	25.9061	26.9014	27.2837
INTERMEDIATE CLERK	20.5312	21.3767	22.1733	22.9961	23.9900	24.3722
P/T SURVEY TAKER (SINGLE RATE)	27.6857					

NOTE: The clerical rates will be effective July 1, 2007.

PROFESSIONAL/MANAGEMENT PAY BANDS

PAY BAND	MINIMUM	MIDPOINT	MAXIMUM
14	\$132,198	\$168,553	\$204,910
13	114,200	145,605	177,012
12	103,584	132,069	160,556
11	98,650	125,779	152,910
10	93,952	119,789	145,627
9	89,478	114,085	138,693
8	85,217	108,652	132,088
7	77,294	98,550	119,807
6	73,614	93,858	114,103
5	66,770	85,132	103,495
4	63,591	81,078	98,567
3	60,562	77,217	93,873
2	57,678	73,540	89,403
1	52,315	66,702	81,090

NOTE: The professional/management pay bands were effective January 1, 2007.

BOARD APPOINTED OFFICERS CURRENT BASE ANNUAL SALARY

DISTRICT SECRETARY	\$132,438.27
CONTROLLER-TREASURER	\$175,857.47
GENERAL COUNSEL	\$204,522.82
GENERAL MANAGER	\$288,867.92

NOTE: The Board Appointed Officers' base salaries were effective January 1, 2007.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Donner</i>		GENERAL MANAGER ACTION REQ'D: Approve for Board Action		
DATE: 06/07/07		BOARD INITIATED ITEM: No		
Originator/Prepared by: Elaine M. Kurtz Dept: Human Resources Ext. 7591	General Counsel <i>mtb 6/7/07</i>	Controller/Treasurer <i>[Signature] 6/7/07</i>	District Secretary []	BARC []
Signature/Date:				

NARRATIVE:

TEMPORARY HELP SERVICES AGREEMENT NO. 6M4052

PURPOSE:

To obtain Board authorization for the General Manager to execute an agreement with Wollborg/Michelson Personnel Services, Inc. to provide temporary help services for the District. The agreement will have an initial term of four years, with two one-year options at a maximum compensation not to exceed \$18,061,292.

DISCUSSION:

The District has utilized the services of a temporary help agency to facilitate temporary staffing needs since 1986. The current temporary help services agreement, No. 6G6700, was awarded to Professional Staffing Resources, formerly known as Key Resources, in December 2003 and was approved for three years with two separate option years. Upon the expiration of the initial contract term, the District entered into the first option year in December, 2006. Staff is soliciting a new proposal at this time in consideration of notification requirements in the SEIU contract.

Following the requisite union notice process, Request for Proposals (RFP) No. 6M4052 to provide Temporary Help Services was issued on February 7, 2007, to approximately 133 prospective proposers. The RFP was advertised in six (6) local newspapers on February 2, 2007. A pre-proposal meeting was held on February 21, 2007 with nineteen (19) firms attending. Eight (8) proposals were received by the District on March 20, 2007.

The proposals were reviewed by a Source Selection Committee, which was chaired by Contract Administration and included representatives from Human Resources, Operations Liaisons, and the Office of Civil Rights. The Source Selection Committee conducted a technical evaluation of the proposals for compliance with the eleven (11) minimum technical requirements set forth in the RFP. Upon completion of the review process, proposals from five (5) vendors were found not to have met the technical requirements and were not considered further for award. The three (3) proposals which were determined to have met all of the District's minimum requirements were Professional Staffing Resources, Wollborg/Michelson Personnel Services, Inc., and Westaff (USA), Inc. The price proposals from the three (3) that submitted technically

EDD: Temporary Help Services Agreement No. 6M4052

acceptable proposals were then opened and evaluated.

Wollborg/Michelson Personnel Services, Inc., of San Francisco, California, was identified as the proposer submitting the lowest-priced, technically acceptable price proposal with an average of 26.29% mark-up over the usual BART hourly rate. The Source Selection Committee has determined this price to be fair and reasonable. A further review of Wollborg/Michelson Personnel Services, Inc.'s financial and business data indicate that they are a responsible firm. Based on the above determination, the Source Selection Committee recommends that an award be made to Wollborg/Michelson Personnel Services, Inc., to provide temporary help services to the District. The agreement will be approved as to form by the Office of the General Counsel.

FISCAL IMPACT:

The maximum compensation for this four (4) year agreement, with two one-year options, shall not exceed \$18,061,292. The cost for this agreement is included in the proposed budget for FY08 and will be included in future year budgets. Of the total compensation, \$18,061,292, sixty-three percent (63%) will be used for capitally funded projects and thirty-seven percent (37%) will be used for operating budget temporary help, half of which is safety monitor work in support of maintaining various projects.

ALTERNATIVES:

Discontinue the use of agency temporary help services or make a determination to reissue the Request For Proposal.

RECOMMENDATION:

Adoption of the following motion.

MOTION:

That the General Manager or his designee is authorized to execute Agreement No. 6M4052 with Wollborg/Michelson Professional Services, Inc. for temporary help services for a term of four (4) years, with two separate additional option years in an amount not to exceed \$18,061,292, pursuant to notification issued by the General Manager and subject to compliance with the District's protest procedures and FTA's requirements related to protests.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>[Signature]</i>		GENERAL MANAGER ACTION REQ'D:		
DATE: 6/7/07		BOARD INITIATED ITEM: No		
Originator/Prepared by: Matisse Roach Dept: For Scott Schroeder Ext. 6070	General Counsel <i>[Signature]</i> 6.7.07 []	Controller/Treasurer <i>[Signature]</i> 6/7/07 []	District Secretary []	BARC []
Signature/Date:				

NARRATIVE:

TO AUTHORIZE THE SELECTION OF SENIOR MANAGER AND CO-MANAGERS AND FINANCIAL ADVISOR FOR THE NEGOTIATED SALE OF THE DISTRICT'S \$400 MILLION GENERAL OBLIGATION BONDS 2007 SERIES B.

PURPOSE:

To authorize the Controller-Treasurer to enter into an agreement with the team of UBS Securities, LLC, Morgan Stanley & Co., Inc., Backstrom, McCarley Berry & Co., LLC, Jackson Securities, LLC, Siebert Brandford Shank & Co., LLC to provide the District with underwriting services and Public Financial Management, Inc. to provide Financial Advisory Services for the issuance of the General Obligation Bonds 2007 Series B. Documents for the General Obligation Bonds 2007 Series B will be brought to a future board meeting to seek authority to issue.

DISCUSSION:

In 2007, the District intends to issue the second tranche, estimated at \$400,000,000 of the voter approved \$980 million General Obligation Bonds. Proceeds of this issuance will be used for seismic strengthening of the various portions of the District's infrastructure.

In order to be prepared to issue the District's bonds at the most advantageous time for BART, requests for proposals (RFP) were sent to 29 firms, advertised in The Bond Buyer, San Francisco Chronicle, Oakland Tribune, Contra Costa Times and posted on the District's website for the proposed transaction. The RFPs requested the services of a senior manager and co-managers to develop a structure and provide for the sale of General Obligation Bonds 2007 Series B. Interest was expressed by 23 of the 29 firms in the form of five separate teams. The remaining firms proposed individually. Under the best value methodology, written proposals were evaluated by the Controller-Treasurer and the Assistant Treasurer. Evaluation criteria included qualifications of the proposed personnel, experience and financial capabilities of the firm, recommended structure and fees. As a result of this evaluation, five teams were invited to participate in oral interviews. Criteria for oral interviews included the proposed credit enhancement/security structure, market and sales distribution, fees, cost of issuance and overall understanding and responsiveness.

After review of the evaluations of the oral interviews in conjunction with the written scores, the team of UBS Securities, LLC, Morgan Stanley & Co., LLC, Backstrom, McCarley, Berry & Co., LLC, Jackson Securities, LLC and Siebert Brandford Shank & Co., LLC was ranked at the top, and proposed the lowest fee of \$2.206/bond including expenses. It is recommended that the team of UBS

EDD: (GENERAL OBLIGATION BONDS - CONTINUED)

Securities, LLC acting as senior manager, Morgan Stanley & Co., LLC, Backstrom, McCarley, Berry & Co., LLC, Jackson Securities, LLC and Siebert Brandford Shank & Co., LLC (the "Underwriters") be designated to assist the District with the sale of bonds.

Proposals for the Financial Advisor were sent out to 27 firms. Six firms responded. Written proposals were evaluated by the Controller-Treasurer and the Assistant Treasurer. Using the best value methodology, a short list of three firms was selected for oral interviews and scored. The firm of Public Financial Management, Inc. was selected. Though not the lowest price proposed, they agreed to match the lowest fee proposed of \$50,000.00. It is recommended that Public Financial Management, Inc. (the "Financial Advisor") be selected to assist the District in the financial structuring of the Bonds.

FISCAL IMPACT:

The cost of issuance for the General Obligation Bonds 2007 Series B for underwriting, legal counsel, financial advisors, rating agencies, trustee services and other auxiliary fees is estimated to be no more than \$3.0 million. All fees shall be paid out of proceeds and therefore, no direct costs will be paid by the District. If no bonds are issued, no expense will be incurred. Interest and principal debt service on the General Obligation Bonds will be paid through assessed ad valorem taxes on all property in the three BART district counties. No General Obligation Bond debt service will be borne by district revenues.

ALTERNATIVES:

The District may elect not to issue the General Obligation Bonds 2007 Series B at this time, which would cause delays in the Earthquake Safety Program or the District could choose to issue bonds on a competitive sale basis.

RECOMMENDATION:

To authorize the Controller-Treasurer to enter into agreements with the Underwriters and Financial Advisor for the General Obligation Bonds 2007 Series B. The Office of the General Council shall approve the agreements as to form.

MOTION:

The Controller-Treasurer is authorized to

- a. enter into an agreement with the Joint Venture of UBS Securities, LLC, acting as senior manager, and Morgan Stanley & Co., LLC, Backstrom, McCarley, Berry & Co., LLC, Jackson Securities, LLC and Siebert Brandford Shank & Co., LLC acting as co-managers, as underwriters for the issuance of the General Obligation Bonds 2007 Series B, and
- b. enter into an agreement with Public Financial Management, Inc., as Financial Advisor relating to the General Obligation Bonds 2007 Series B,

pursuant to notification by the Controller-Treasurer and subject to the District's protest procedures. The cost of issuance for the General Obligation Bonds 2007 Series B shall not exceed \$3.0 million.

**BART Earthquake Safety Program
Citizen's Oversight Committee**

Report to the BART Board of Directors

**Report No. 1
June 14, 2007**

I. Introduction

Establishment of the Citizen's Oversight Committee

The BART Earthquake Safety Program Citizen's Oversight Committee was created as required following the passage of Measure AA November 2, 2004. The measure, which authorized the BART District to issue bonds for \$980 million dollars to make earthquake safety improvements to BART facilities in Contra Costa, San Francisco and Alameda counties, stipulated that BART establish a Citizens' Oversight Committee (COC) to verify that bond revenues are spent as promised.

The measure called for a five-member panel to be created from interested individuals who must reside within the three-county BART District. Each member must have specific expertise and fulfill one of the following:

- ☐ One member shall have expertise in seismic retrofitting
- ☐ One member shall have expertise in auditing
- ☐ One member shall have expertise in engineering
- ☐ One member shall have expertise in public financing or project management
- ☐ One member shall represent the community at large

II. Duties and Responsibilities of the Committee

The members of the COC have three key duties to fulfill, as set forth in BART Board Resolution 4920, passed by the BART Board in June 2004. They are to:

- ☐ Review scheduling and budgeting of projects to be funded by the bond measure.
- ☐ Confirm that work is completed and bond funds are expended in accordance with the bond measure.
- ☐ Inform the public concerning the expenditure of bond revenues.

III. Selection of the COC

On February 9, 2006, the BART Board of Directors selected five members and five alternates to serve as the first Citizen's Oversight Committee. The length of service for this panel will be two years – from February 9, 2006 to February 9, 2008.

2006-2008 Membership

- ☐ Bob Barksdale, Public Financing/Project Management Seat
- ☐ Colin Paul, Engineering Seat
- ☐ Raymond Jee, Auditing Seat
- ☐ Mei Kuen Liu, Seismic Seat
- ☐ Guy Miller, Community At Large Seat

IV. COC Meetings Report

April 27, 2006 Orientation Meeting

An orientation meeting was held on April 27, 2006 for COC Members and Alternates. Members were provided with an overview of the function of the Citizens' Oversight Committee and a review of its responsibilities and duties.

A three ring binder of reference materials was prepared for each Committee member that included copies of the following:

- General Obligation Bond language
- Resolution 4920
- Committee By-Laws
- Brown Act
- Conflict of Interest Code
- Earthquake Safety Program Scope
- BART contacts information

The COC Members were given a sample Financial Status report, showing each project within the program and staff reviewed the documents with the Committee and discussed the future presentation of financial material.

The Committee selected Bob Barksdale to serve as its Chair for year one of their two-year term.

The Committee was pleased with the materials presented and set the next meeting for June 2006.

Minutes of the meeting were prepared and sent to the members for review and concurrence.

June 8, 2006 Second Meeting

The second COC meeting was held on June 8, 2006. Members were provided the following reports:

- Update on the Earthquake Safety Program's engineering and design progress
- Financial Report on Bond Fund spending to date
- Contracting Status Report showing the active contracts for the program

COC members asked for data on the Financial Report to clarify contingency and escalation. The Committee requested information about project audits, and requested a

presentation at the next meeting to provide an overview of that function. The Committee also requested information on how the project bids will be publicized.

The Committee was pleased with the presentation of materials and the response to questions. The next meeting was scheduled for February 2007

February 15, 2007 Third Meeting

The third COC meeting was held on February 15, 2007. Members were provided with the following reports;

- Update on the Earthquake Safety Program's progress
- Financial Report on Bond Fund spending to date
- Contracting Status Report showing active contracts for the program

The modifications to the report requested at the April 27th meeting were incorporated. The BART Controller Treasurer attended the February 15th meeting to provide an overview of the auditing process. The COC members asked for a copy of the Forecast and Complete report, to review the audit plan for the Earthquake Safety Program, and to have a member of the Internal Audit Department attend the next meeting to provide an overview of the department's function.

Committee members expressed their appreciation that the requested changes to their Financial Reports were made and their satisfaction that the information conveyed what they had requested.

The presentation made by the BART Controller Treasurer gave the members insight into the audit process at BART. They requested that Internal Audit provide a similar presentation at their next meeting.

The next meeting was scheduled for September 2007.

V. Public Access to the COC

The Earthquake Safety Program has established a number of systems for the public to contact them with questions. These include:

- a dedicated COC telephone information line
- an email address
- COC section of the BART website

The telephone and email are checked daily by project staff. Any inquiries that are received via phone or email are sent on to the COC Chair and the appropriate COC seat holder to provide a response. Project staff provides the Chair with additional information or assistance as required.

VI. Summary Committee Report

The consensus of the members of the Citizens' Oversight Committee and Alternates is that the information provided by staff has been clear and informative. The members report they have a very good understanding of the Earthquake Safety Program and its elements. They have reviewed the schedule and budget for projects funded by the bond measure and confirm that the work is being completed and bond funds are being expended in accordance with the bond measure. Members are satisfied that the project has planned for contingency and cost escalation in its budgeting and that the project has demonstrated cost consciousness, such as the Value Engineering that has taken place.

The COC members understand that the project staff is properly organized to complete the project and that they have identified the critical issues that will result in satisfactorily completing the project.



CAPITOL CORRIDOR JOINT POWERS AUTHORITY MEETING OF THE CAPITOL CORRIDOR JOINT POWERS BOARD

Wednesday June 20, 2007
10:30 a.m.
San José City Hall
City Council Chambers
200 East Santa Clara St., San José, CA 95113
(see attached map)

DRAFT AGENDA

- I. Call to Order
- II. Roll Call and Pledge of Allegiance
- III. Report of the Chair
- IV. Minutes of March 21, 2007 Meeting *Action*
- V. Consent Calendar *Action*
 - 1. Bahia-Benicia Crossover Project- 2006 STIP Augmentation
 - 2. Emeryville Phase 2 Track and Station Improvement Project- 2006 STIP Augmentation
 - 3. Oakland-San Jose Track Project Funding Plan: Revised Budget #2
- VI. Action and Discussion Items (Executive Director)
 - 1. Award of CCJPA Automated Ticketing/Validation Project *Action*
 - 2. Wireless Network Program Request for Proposals *Info*
 - 3. Governor's Proposed FY 2007-08 Budget/Legislative Matters *Action*
 - 4. Results of December 2006 On-Board Surveys *Discussion*
 - 5. Managing Director's Report (Status of Service Performance) *Info*
 - 6. Work Completed
 - a. Quik Trak Ticket Vending Machine Project: Phase 1 Installation *Info*
 - b. Marketing Activities (March – May 2007) *Info*
 - 7. Work in Progress
 - a. Purchase/Delivery of Security Cameras for Capitol Corridor Trains *Info*
 - b. Development of Capitol Corridor Project List for 2008 STIP *Info*
 - c. Upcoming Marketing Activities *Info*
- VII. Board Member Reports
- VIII. Public Comment
- IX. Adjournment. Next Meeting Date: 10:00 a.m., September 19, 2007 at City Council Chambers, Suisun City Hall, 701 Civic Center Blvd., City of Suisun City, CA

Notes:

Members of the public may address the Board regarding any item on this agenda. Please complete a "Request to Address the Board" form (available at the entrance of the Boardroom) and hand it to the Secretary before the item is considered by the Board. If you wish to discuss a matter that is not on the agenda during a regular meeting, you may do so under Public Comment. Speakers are limited to three (3) minutes for any item or matter. The CCJPA Board reserves the right to take action on any agenda item.

Consent calendar items are considered routine and will be enacted, approved or adopted by one motion unless a request for discussion or explanation is received from a CCJPA Board Director or from a member of the audience.

The CCJPA Board provides services/accommodations upon request to persons with disabilities who wish to address Board matters. A request must be made within one and five days in advance of a Board meeting, depending on the service requested. Call (510) 464-6085 for information.

MAP DIRECTIONS TO SAN JOSE CITY HALL

