

**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
2150 Webster Street, P. O. Box 12688, Oakland, CA 94604-2688

**NOTICE OF MEETING AND AGENDA**  
**BOND OVERSIGHT COMMITTEE**

Friday, January 16, 2026  
9:30 a.m. – 2:15 p.m.

**COMMITTEE MEMBERS:** Chairperson Cindy Simon Rosenthal, Vice Chairperson Sonja C. Stewart, Janey Wang, Suzanne Loosen

A meeting of the Bond Oversight Committee will be held on Friday, January 16, 2026, at 9:30 a.m. in the BART Board Room, 2150 Webster Street, 1<sup>st</sup> Floor, Oakland, California 94612.

**This will be an in-person meeting in the BART Board Room, 2150 Webster Street, 1<sup>st</sup> Floor, Oakland, California 94612 with an option for public participation via teleconference.**

**Presentation materials will be available via Legistar at <https://bart.legistar.com>**

You may attend the meeting in person at the BART Board Room or via Zoom by calling 1 (833) 548-0282 and entering access code 810 045 98767; logging in to Zoom.com and entering access code 810 045 98767; or typing the following Zoom link into your web browser: (<https://us06web.zoom.us/j/81004598767>).

**If you wish to make a public comment:**

1. Submit written comments via email to [measurerrcommittee@bart.gov](mailto:measurerrcommittee@bart.gov), using “public comment” as the subject line. Your comment will be read into the record and will become a permanent part of the file. Please submit your comments as far in advance as possible. Emailed comments must be received before 9:00 a.m. of the day of the meeting in order to be included in the record.
2. Appear in person and request to make a public comment.
3. Call 1 (833) 548-0282, enter access code 810 045 98767, dial \*9 to raise your hand when you wish to speak, and dial \*6 to unmute when you are requested to speak; log in to Zoom.com, enter access code 810 045 98767, and use the raise hand feature; or join the Committee Meeting via the Zoom link (<https://us06web.zoom.us/j/81004598767>) and use the raise hand feature.

**Public comment is limited to three (3) minutes per person.** If public comment is by phone, your phone will be muted until you are called upon.

BART provides services/accommodations upon request to persons with disabilities and individuals who are limited English proficient who wish to address Committee 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.

## **AGENDA**

1. **Call to Order** (5 minutes)
2. **General Public Comment** (2-minute limit per speaker)
3. **Administrative Items:** (5 minutes)
  - 3.A. Approval of September 19, 2025, Meeting Minutes (For Discussion/Action)
4. **Annual Report Committee Debrief October 23, 2025 Board Presentation** (10 minutes) (For Discussion)
5. **2026 Annual Report Draft Schedule and Theme Presentation**
  - 5.A. **Draft 2026 Annual Report Schedule** (10 Minutes) (For Discussion)
  - 5.B. **2026 Annual Report Theme** (10 Minutes) (For Discussion)
  - 5.C. **2026 Annual Report Outline** (10 Minutes) (For Discussion)
6. **Review Amendments to Bond Oversight Committee Standing Rules** (10 minutes) (For Discussion)
  - 6.A. Attachment: Bond Oversight Committee Standing Rules Track Changes
7. **10-Minute Break**
8. **Measure RR BART Safety, Reliability and Traffic Relief Program Presentation (55 minutes) (For Information)**
  - 8.A. Annual View (10 minutes) (For Discussion)
    - 8.A.1 Committee Q&A (10 minutes)
  - 8.B. Financial Overview Update (10 minutes) (For Discussion)
    - 8.B.1 Committee Q&A (5 minutes)
  - 8.C. Small Business Outreach (5 minutes) (For Discussion)
    - 8.C.1 Committee Q&A (5 minutes)
  - 8.D. Appendix: Financial Outlook, Program Status & Milestones
    - 8.D.1 Committee Q&A (10 minutes)
9. **Future Agenda Items & Questions** (5 minutes) (For Discussion)
10. **Committee Member Announcements** (5 minutes) (For Discussion)
11. **General Public Comment** (2-minute limit per speaker)
12. **15 – Minute Break**
13. **AB 1234 Ethics Training for Chair Rosenthal, Vice Chair Stewart, Members Loosen and Wang** (2 hours) (For Discussion)

**14. Adjournment**

**San Francisco Bay Area Rapid Transit District**

**Measure RR Program**

**BART Bond Oversight Committee**

**Friday, September 19, 2025**

**9:30 AM – 12:00 PM**

**Draft Minutes**

Agenda Item	Meeting Notes
1. Call to Order	9:30am Chair Rosenthal calls meeting to order
2. General Public Comment	No written public comment was received. No virtual public comment was received. No in-person public comment was received.
3. Administrative Items a. Approval of June 20, 2025, Meeting Minutes b. AB 1234 Ethics Training Schedule	Chair Rosenthal also welcomed a new BART staff member, Erin Spragan, Assistant General Manager for Finance, and invited Rachel Russell to introduce her. Russell highlighted Ms. Spragan's extensive public-sector financial background, including leadership roles with the City of Oakland and the Transbay Joint Powers Authority. Spragan briefly addressed the committee, expressing enthusiasm for her role.  Staff conducts roll call. All members present.  The Committee moved to approve the June 20, 2025 meeting minutes.  Vice Chairperson Sonja Stewart requested clarification regarding term limits, noting the April resolution did not reflect the current amendment increasing terms to four two-year terms.  Russell clarified the correction pertains to the standing rules and will be brought forward as a draft at the next meeting.  Motion to approve June 20, 2025 Minutes Rosenthal. Second Wang. Roll Call Vote. Motion Passes. 4 Yes.  Chair McGill nominated Vice Chair Rosenthal to serve as Chair of the Bond Oversight Committee for the period of July 1, 2025, to June 30, 2027.  Russell informed the Committee that AB 1234 ethics training must be completed again. Since the online option is no longer available, the

		training will be held in person with BART Legal Counsel. Members expressed preference for holding the session immediately following the January 16, 2026 meeting.
4. 2025 Annual Report Presentation	<ul style="list-style-type: none"> <li>a. Staff and Subcommittee Presentation of the Annual Report</li> <li>b. Committee Q&amp;A</li> <li>c. Recommendations, if any, for Next Year's Annual Report</li> <li>d. Vote on Adopting 2025 Measure RR Annual Report</li> <li>e. Appoint Member to Present to BART Board</li> </ul>	<p>Rachel Russell, Measure RR Program Manager, presented the draft 2025 Annual Report, outlining its theme, "Delivering Results in Uncertain Times," and highlighting several key features. The report reflects the Committee's mid-course review of the Measure RR program, places expanded emphasis on leveraging external funding, and presents improved active and completed project lists along with updated program spending and progress data. It also includes project highlight stories such as the Ashby Bicycle Access Improvements and downtown San Francisco traction power upgrades, introduces a new acronyms appendix for clarity, and features an In Memoriam section honoring colleagues Vinit and Lynn.</p> <p>Committee Member Wang appreciated the clarity of charts and visuals, noting their value to the public.</p> <p>Committee Member Loosen emphasized the Committee's role in ensuring the report is readable and accessible and also noted significant schedule delays prevented full subcommittee participation this year and thanked Chair Rosenthal for reviewing the majority of articles.</p> <p>Chair Rosenthal emphasized the usefulness of a unifying theme and recommended reducing internal project naming conventions in favor of public-friendly descriptions.</p> <p>Assistant General Manager (AGM) Sylvia Lamb noted the importance of maintaining project traceability for public accountability and suggested including both narrative descriptions and technical identifiers.</p> <p>Committee Member Loosen recommended establishing a clear schedule presented at the January meeting. She suggested drafting unchanged or recurring articles earlier in the</p>

	<p>year and using shared Word documents for collaborative editing.</p> <p>Chair Rosenthal proposed that after each quarterly presentation, the Committee identify content deserving emphasis in the Annual Report.</p> <p>Committee Members Wang and Stewart requested a transparent, predictable timeline so members can plan adequate review time.</p> <p>The Committee agreed that the Annual Report should appear as a recurring agenda item for brief updates at each meeting.</p> <p>Motion to approve 2025 Measure RR Annual Report Stewart. Second Wang. Roll Call Vote. Motion Passes. 4 Yes.</p> <p>Chair Rosenthal volunteered to present the Annual Report to the BART Board on October 23, 2025. Vice Chair Stewart will attend.</p> <p>Motion to appoint presenter for 2025 Measure RR Annual Report at the BART Board Meeting Loosen. Second Wang. Roll Call Vote. Motion Passes. 4 Yes.</p>
5. Issuance and Sale of BART General Obligation and Revenue Bonds Update	<p>Rachel Russell introduced Chief Financial Officer Joseph Beach and Assistant General Manager (AGM) for Finance Erin Spragan, who presented an update on the District's recent general obligation and revenue bond issuance and refinancing activities.</p> <p>Mr. Beach provided an overview of BART's debt-issuance framework, explaining that Measure AA and Measure RR bonds are secured by property taxes, while separate sales tax revenue bonds are supported by dedicated sales tax proceeds. He noted that BART consistently labels its bonds as green bonds under internationally recognized standards and strategically times and structures bond issuances to minimize interest costs. Mr. Beach also emphasized the District's active use of refinancing, or "refunding," to reduce long-term</p>

debt service and lessen the burden on taxpayers.

Mr. Beach further explained that BART's green bonds undergo third-party review under the Climate Bond Standard, ensuring compliance with international green-finance principles. While the green bond designation does not materially change bond pricing, it enhances transparency, reinforces BART's commitment to sustainability, and provides independent validation that bond proceeds are used for environmentally beneficial projects.

Ms. Spragan presented the results of the August 2025 bond sale, which totaled approximately \$1 billion across new issuances and refunding. The sale included \$700 million in new Measure RR bonds issued at a true interest cost of 3.92 % and attracted strong investor demand, with orders exceeding available bonds by approximately 2.5 times. She also reported on the refunding of Measure AA bonds, which achieved a true interest cost of 2.61 %, and the refunding of sales tax revenue bonds, which generated lifetime savings of 7.76 % without extending bond maturities.

Ms. Spragan attributed the success of the sale to BART's strong credit ratings, careful market timing, and robust investor demand, particularly from California retail buyers.

Committee members asked questions regarding recent credit rating outlooks, including negative outlooks issued by some rating agencies.

Ms. Spragan explained that rating pressures are occurring across the public transit sector due to post-pandemic revenue challenges and broader economic uncertainty. She emphasized that BART continues to maintain a high credit rating due to strong and stable assessed-value growth across San Francisco, Alameda, and Contra Costa counties, and noted that the District expects its rating to remain stable while continuing to work toward future improvement.

	<p>Mr. Beach also discussed local investor participation, noting that district residents and California buyers are given priority during the retail order period. Approximately 7 percent of retail bond orders were placed by district residents, while more than 90 percent of retail participation came from California buyers, reflecting strong local and regional interest in BART's bond offerings.</p> <p>During the discussion, committee members sought clarification on the refinancing process, which staff explained using a homeowner-mortgage analogy to illustrate how refinancing reduces interest costs over time. Members also asked why San Mateo County does not contribute sales-tax revenue to BART, and staff clarified that this is due to BART's original formation boundaries, which include only San Francisco, Alameda, and Contra Costa counties. Finally, members discussed how bond performance, refinancing savings, and financial strategies could be more clearly communicated to the public in future Annual Reports to enhance transparency and understanding.</p>
<p>6. 10-Minute Break</p> <p>7. Measure RR BART Safety, Reliability and Traffic Relief Program Presentation</p> <ul style="list-style-type: none"> <li>a. Measure RR Overall Progress</li> <li>b. Measure RR Program Updates</li> </ul>	<p>10-Minute Break</p>
	<p>Rachel Russell, Program Manager of the Measure RR Program provided an overview of the Bond Oversight Committee's responsibilities and introduced Chief Infrastructure Delivery Officer Joy Sharma, who presented the quarterly Measure RR Program update. As of June 2025, the program has expended approximately \$2.06 billion, with leveraged funds reflected in earned value calculations, and has completed about 66 % of total work. Key accomplishments during the quarter included completion of aerial structures catwalks, transformer upgrades at the San Francisco Transition Structure, continued progress on downtown San Francisco canopies with full completion anticipated in early 2026, and ongoing escalator replacements targeted for completion by 2029.</p> <p>Russell reviewed the program's financial status, noting that five funding tranches have been</p>

issued since 2017. Quarterly cash flow has generally ranged from \$56 million to \$80 million, and total expenditures are forecasted to reach approximately \$2.9 billion by August 2028. Staff continues to monitor cash flow across all eight Measure RR programs.

The Committee reviewed program schedules and noted that three programs are forecasted to complete later than their original baselines but remain within bond resolution deadlines. Staff will present a refined schedule following an ongoing program-wide review. An Earned Value Management (EVM) update was also provided, including separate roll-ups for RR-only funding and mixed-fund performance. Staff indicated that reporting will increasingly focus on overall project performance, with a deeper discussion planned for the January meeting.

Staff presented cost and schedule performance metrics for each of the eight Measure RR programs and identified projects outside the target range, citing external agency approvals, supply-chain constraints, and reassignment of field forces for emergency repairs as contributing factors. Committee members asked about the relationship between funds expended and earned value, the management of funding gaps, scope re-evaluation, and future mixed-fund reporting. Staff responded that funding gaps are tracked through risk registers, go/no-go decisions occur prior to construction contract awards, and project scope is aligned with available funding to avoid under-resourced project starts.

Joseph Towner, Manager of Program Planning Support, Office of Civil Rights (OCR) reported that small business participation in Measure RR remains steady at 26%, with an additional \$9 million in RR contracts awarded to small businesses since the last quarterly update. He noted 29 new small business contract awards and \$4 million in additional payments, keeping the small business payment share steady at 29% and reflecting continued positive trends in

	subcontracting and payments. Towner also highlighted robust outreach efforts, including partnerships with regional agencies and BART-hosted events across the Bay Area. To date, 18 events have engaged over 1,700 participants, and he emphasized the success of the Second Annual Small Business Summit, which focused on informal contracting opportunities and provided direct connections between small businesses and BART departments.
8. Future Agenda Items & Questions	Russell also announced efforts to fill three vacant seats - Civil Engineer, Electrical Engineer and CPA.
9. Committee Member Announcements	Russell acknowledged and congratulated Chair Rosenthal and Vice Chair Stewart on the successful facilitation of their first meeting as Chair and Vice Chair.
10. General Public Comment	No virtual public comment was received. No in-person public comment was received.
11. Adjournment	Meeting Adjourned at 12:06 PM.

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## Measure RR Annual Report 2026

### Bond Oversight Committee (BOC) – Annual Report Development Schedule

#### Reporting Timeframe: April 2025 – March 2026

The proposed schedule includes roles, and key milestones for the development, review, and approval of the 2026 Measure RR Annual Report.

Month	Responsible Party	Activities	Status
Oct 2025	BOC Annual Report Subcommittee	<ul style="list-style-type: none"> <li>• Adopt 2026 Annual Report development schedule</li> <li>• Approve 2026 Annual Report theme</li> </ul>	Completed
	BART Board	<ul style="list-style-type: none"> <li>• Approve the 2025 Annual Report</li> </ul>	Completed
	BART Staff	<ul style="list-style-type: none"> <li>• Prepare materials for Board approval of 2025 Annual Report</li> <li>• Develop 2026 Annual Report schedule</li> <li>• Create sample theme list</li> <li>• Develop preliminary feature story list</li> </ul>	Completed
Nov 2025	BOC Annual Report Subcommittee	<ul style="list-style-type: none"> <li>• Approve final list of feature stories</li> </ul>	Completed
	BART Staff	<ul style="list-style-type: none"> <li>• Develop draft report outline</li> <li>• Begin drafting feature stories</li> <li>• Circulate report sections not requiring updates for Subcommittee review</li> <li>• Begin Management Decision Document (MDD) for Graphic Designer</li> </ul>	Completed
Dec 2025	BOC Annual Report Subcommittee	<ul style="list-style-type: none"> <li>• Review draft report outline</li> <li>• Review report sections that do not require updates</li> </ul>	Completed
	BART Staff	<ul style="list-style-type: none"> <li>• Complete draft feature stories</li> <li>• Identify photos and visuals for the report</li> </ul>	Completed
Jan 2026	BOC Annual Report Subcommittee	<ul style="list-style-type: none"> <li>• First Draft Review (Jan 16): review theme, schedule, draft outline, and feature stories</li> </ul>	In Progress
	Bond Oversight Committee	<ul style="list-style-type: none"> <li>• Presentation of the 2026 Annual Report Theme, Schedule and Draft Outline (Jan 16)</li> </ul>	In Progress
	BART Staff	<ul style="list-style-type: none"> <li>• Draft of Welcome Letter and Program Pages</li> <li>• Continue photo identification</li> <li>• Draft the About Measure RR, Story of Measure RR, Measure RR Spending</li> </ul>	Not Started

Measure RR Annual Report Schedule - 2026

		Breakdown, green bonds, only part of the solution, measuring cost effectiveness, small business, sustainability, Informing the public about large projects	
<b>Feb 2026</b>	BOC Annual Report Subcommittee	<ul style="list-style-type: none"> <li>First Draft Review of Welcome letter, green bonds, small business, sustainability, only part of the solution, measuring cost effectiveness, Informing the Public About Large Projects</li> </ul>	Not Started
	BART Staff	<ul style="list-style-type: none"> <li>Input EVM data from PC Team (Dec 2025)</li> <li>Finalize photos</li> <li>Continue drafting Program Pages</li> </ul>	Not Started
<b>Mar 2026</b>	BOC Annual Report Subcommittee	<ul style="list-style-type: none"> <li>Review draft Program Pages</li> </ul>	Not Started
	BART Staff	<ul style="list-style-type: none"> <li>Coordinate internal review cycle</li> </ul>	Not Started
	Graphic Designer	<ul style="list-style-type: none"> <li>First layout of Annual Report (Mar 16–20)</li> </ul>	Not Started
<b>Apr 2026</b>	BOC Annual Report Subcommittee	<ul style="list-style-type: none"> <li>Second Draft Review (complete report in layout)</li> </ul>	Not Started
	Bond Oversight Committee	<ul style="list-style-type: none"> <li>Approve draft report text (Apr 17)</li> </ul>	Not Started
<b>May 2026</b>	BOC Annual Report Subcommittee	<ul style="list-style-type: none"> <li>Second Draft Review incorporating committee feedback</li> </ul>	Not Started
	BART Staff	<ul style="list-style-type: none"> <li>Input updated EVM data (Mar 2026)</li> </ul>	Not Started
<b>Jun 2026</b>	BOC Annual Report Subcommittee	<ul style="list-style-type: none"> <li>Third Draft Review</li> <li>Provide final feedback and suggested edits</li> </ul>	Not Started
	Bond Oversight Committee	<ul style="list-style-type: none"> <li>Approve draft Annual Report (Jun 19)</li> <li>Appoint presenter for Board meeting</li> <li>Committee Feedback and suggested edits</li> </ul>	Not Started
	Graphic Designer	<ul style="list-style-type: none"> <li>Final layout (Jun 1–5)</li> <li>Final updates prior to BOC mailout (Jun 9)</li> </ul>	Not Started
	BART Staff	<ul style="list-style-type: none"> <li>BOC Mailout (Jun 9)</li> </ul>	Not Started
<b>Jul 2026</b>	Graphic Designer	<ul style="list-style-type: none"> <li>Final draft updates (Jul 6–10)</li> </ul>	Not Started
	BART Board	<ul style="list-style-type: none"> <li>Annual Report presentation and Board approval of the 2026 Annual Report (July 23)</li> </ul>	Not Started

## 2026 Measure RR Annual Report Outline

**Theme: Serving Our Riders Through Improved Reliability and Accountability**

**Reporting Timeframe: April 2025 – March 2026**

1. Committee Chair Welcome Letter
2. Table of Contents

### **RR Big Picture of Measure RR - I**

3. Executive Summary
4. About the Bond Oversight Committee
5. The Story of Measure RR
6. The Life Span of Measure RR
7. Major Projects Progress Report
  - a. Active Projects
  - b. Completed Projects
8. Feature Stories
  - a. SR2B Funded El-Cerrito Access Improvement Project (Access Improvements)
  - b. Hayward Yard Fire Services Project (Fire Life Safety)
  - c. Frog Replacement Project (Renew Track)

#### Alternative Stories

- d. A-Line Fencing (Mile post 11.2-11.7, ANA Substation) project (Renew Power)
- e. Montgomery Traction Power Substation (Renew Power)
- f. North Berkeley Access Improvement Project (Access Improvements)

### **Major Project Categories - II**

9. Renew Track
10. Renew Power
11. Tunnels and Structures
12. Mechanical Infrastructure
13. Renew Stations

## 2026 Measure RR Annual Report Outline

14. Train Control
15. Relieve Crowding, Increase Redundancy, and Reduce Congestion
16. Access Improvements

### **Finances of Measure RR - III**

17. Yearly Program Expenditures Overview
18. Measuring Cost Effectiveness
19. Funding Measure RR with Green Bonds
20. RR Program Expenditures Overview
21. Measure RR Spending Breakdown
22. Only Part of the Solution

### **Meeting Measure RR's Other Goals - IV**

23. Informing the Public About Large Projects
24. Small Business Outreach
25. Accessibility and Measure RR
26. Sustainability and Measure RR

### **Additional Resources - V**

27. Committee Activities, Suggestions and Expenditures
28. Helpful Links
29. Past Accomplishments 2016-2025
30. Appendix
  - a. Appendix 1: List of capital grants awarded to BART through 2025 through the use of Measure RR matching funds
  - b. Appendix 2: Active Measure RR Projects
  - c. Appendix 3: RR Projects Completed from Inception through 3/31/26
  - d. Appendix 4: Office of Inspector General Reports final reports related to Measure RR
  - e. Appendix 5: Financial Audit
  - f. Appendix 6: Acronyms
31. Keep up with Measure RR



## **San Francisco Bay Area Rapid Transit District (BART) Safety, Reliability and Traffic Relief Program**

### **Bond Oversight Committee**

#### **Standing Rules**

##### **Standing Rules**

1. Members appointed to the BART Safety, Reliability and Traffic Relief Program Bond Oversight Committee (“Committee”) shall be appointed for a two-year Term without compensation. Members are eligible for four, two-year Terms. The BART Board shall appoint the members of the Committee and assign a commencement date. All Terms shall terminate on the second anniversary date of such commencement date. The BART Board may appoint an alternate to each Committee member. If the Committee member is unable to complete his, her, or their Term, the appointed alternate shall fill the vacancy and complete the Term.
2. Each Term shall be two-years.
3. The inaugural Term began July 1, 2017 and ended on June 30, 2019.
4. Meetings shall be held quarterly, and the Committee may elect to change the frequency as long as there are at least four meetings each Term.
5. The meetings will be held at BART headquarters.
6. At the beginning of each Term, the Committee will elect a Chair and Vice Chair. Both shall serve for no more than four Terms.
  - a. The Chair will function as the spokesperson for the Committee.
  - b. Should the Chair resign or be removed, the Vice Chair will immediately become the Chair and the Committee shall elect a new Vice Chair at its next regularly scheduled meeting.
7. Staff will organize and assemble materials for review including construction schedules, scope of work, budget and information about the issuance of bonds. Technical staff will be present at each meeting to guide Committee members through the documents and answer questions.
8. Members must diligently attend meetings. Staff shall maintain meeting attendance records. If a member fails to attend at least fifty percent (50%) of meetings during a

calendar year, staff shall prepare and submit to the BART Board of Directors a report detailing the attendance of the member and recommend appropriate action.

9. The seat will remain open until filled.
10. The Committee is subject to all provisions of the Ralph M. Brown Act, California Government Code Section 54950 et seq. (as amended), which mandates open meetings for local legislative bodies. The public will be invited to attend all committee meetings.
11. Staff will prepare minutes of each meeting.
12. The Committee will publish a public report once per year.
13. Once appointed, Committee members are required to comply with disclosure and conflict of interest requirements of the Political Reform Act of 1974, California Government Code Section 81000 et seq. (as amended), and must complete and file all necessary disclosure documents, including an annual conflict of interest statement. Committee members shall avoid impropriety and the appearance of impropriety, and shall not use their appointed position to further their own financial gain or for any other purpose not directly related to the governmental function they have been appointed to perform. Specifically, Committee membership shall be restricted to individuals without financial interest in any Measure RR program. Committee members are defined as "public officials" (California Government Code Section 82048), and no public official shall make, participate in making, or in any way attempt to use his or her official position to influence a governmental decision in which he or she knows, or has reason to know, he or she has a financial interest. Having a financial interest in a decision is defined by California Government Code Section 87103.
14. Neither the member of the Bond Oversight Committee nor the firm by which they are employed or have an ownership interest in will be eligible to bid on BART Safety, Reliability and Traffic Relief Program work.
15. Once appointed, Committee members are defined as "officers" and hence are governed by California Government Code Section 3201 et seq. (as amended), relating to political activities. Specifically, political activities, such as soliciting or receiving funds or contributions for a candidate or ballot measure during Committee meetings are prohibited.
16. Following orientation, Committee members shall be responsible for having a working knowledge of the establishing ordinance, by-laws, federal or state mandates or any other governing regulations that define and set forth the intent and purpose of their appointment and shall only represent and act on matters related thereto.
17. The BART Board shall retain the authority to rescind any Committee appointment(s), as deemed necessary.
18. The District shall maintain a public information list of members and designated alternates appointed to the Bond Oversight Committee. The list shall include the name of the appointee, the date the Term expires, and affiliation and/or nominating organization. The list shall be updated annually.

19. Committee meeting announcements will be posted alongside BART Board meeting notices outside of the BART Board Room Facility.
20. A Bond Oversight Committee section will be included within the BART website. Information about the Bond Oversight Committee and the Committee's Reports shall be posted in this section.

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**San Francisco Bay Area Rapid Transit District (BART) Safety,  
Reliability and Traffic Relief Program**

**Bond Oversight Committee**

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13. Once appointed, Committee members are required to comply with disclosure and conflict of interest requirements of the Political Reform Act of 1974, California Government Code Section 81000 et seq. (as amended), and must complete and file all necessary disclosure documents, including an annual conflict of interest statement. Committee members shall avoid impropriety and the appearance of impropriety, and shall not use their appointed position to further their own financial gain or for any other purpose not directly related to the governmental function they have been appointed to perform. Specifically, Committee membership shall be restricted to individuals without financial interest in any Measure RR program. Committee members are defined as "public officials" (California Government Code Section 82048), and no public official shall make, participate in making, or in any way attempt to use his or her official position to influence a governmental decision in which he or she knows, or has reason to know, he or she has a financial interest. Having a financial interest in a decision is defined by California Government Code Section 87103.
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## ► 8. Measure RR BART Safety, Reliability and Traffic Relief Program Appendix

Bond Oversight Committee | January 16, 2026



# Bond Oversight Committee Duties & Responsibilities

- Provide diligent, independent and public oversight over the expenditure of funds from the sale of District general obligation bonds.
- Assess how bond proceeds are invested to ensure that all spending is authorized by the ballot measure.
- Assess whether projects funded by bond proceeds are completed in a timely, cost-effective and quality manner consistent with the best interest of BART riders and District residents.
- Publish an annual report that includes a detailed account of the Committee's activities including its expenditures.

# Bond Oversight Committee Framework

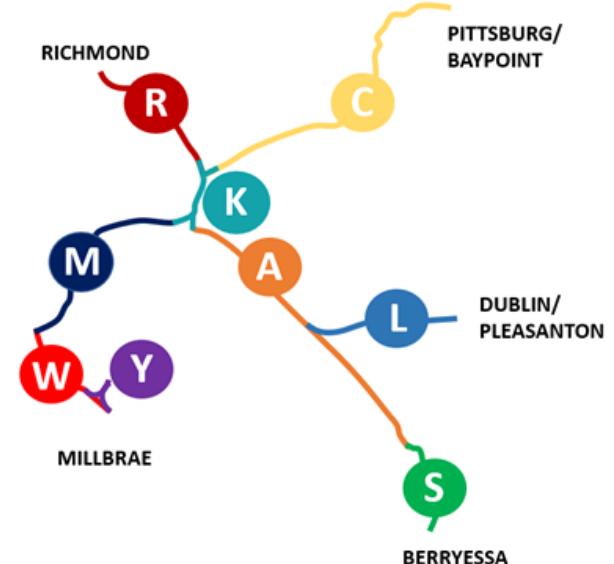
JANUARY	APRIL	JUNE	SEPTEMBER
<b>The Annual View</b>	<b>Closing the Loop Meeting</b>	<b>Annual Year End Review</b>	<b>Deep Dive</b>
<b>The Annual-view of:</b> <ul style="list-style-type: none"><li><b>Funding, bond, forecasting, context, mixed-funding, etc.</b></li><li><b>Procurement</b></li><li><b>Small Business Outreach</b></li><li><b>Public Outreach Update</b></li></ul>	<ul style="list-style-type: none"><li>Review of Measure RR Audits in the past year</li><li>Project Controls Framework</li><li>Bond Funded Program Watchlist Items Review</li></ul>	<ul style="list-style-type: none"><li>Annual Report Review</li><li>Measure RR Project Successes for this Year</li><li>Preview of Next Year's Projects by Program</li><li>Subcommittee summaries, discussion, member election</li></ul>	<b>In-depth view of 8 Programs:</b> <ul style="list-style-type: none"><li>Financial Outlook, Budget and Schedule Update</li><li>Program Update<ul style="list-style-type: none"><li>Office of Civil Rights</li><li>Project Status and Milestones</li></ul></li></ul>

# Executive Summary

- Through September 2025, \$2.08B of the Measure RR funds have been invested to complete 67% of the work.

- Successes

- Completion of Construction for the following:
  - Montgomery Street (MMS) Substation
  - Nineteenth Avenue (ANA) Traction Power Substation
- Commissioning of Hayward Yard Fire Services
- Completion of Designs for the following:
  - East Bay Street Grates
  - MW-12 Slope Stabilization Project



# Projects in Planning	# Projects in Design	# Projects in Bid/Award	# Projects in Construction	# Projects Completed	<b>TOTAL # Projects</b>
10	25	11 (-1)	55 (+1)	68	<b>169</b>

+ (Projects added in the phase)

- (Projects no longer in the phase)

# 8.A Annual View



FUNDS AT WORK

# Calendar Year 2025 Successes

**169 Projects Total**  
**4 Projects Completed Construction**



## Renew Power

- Civic Center, Montgomery Substations
- SFTS Transformer/Bus Upgrade



## Renew Stations

- 6 Canopies Installed
- 7 Escalators Installed



## Repair Tunnels & Structures

- Renew Catwalks at Aerial Structures (Ph. 3B)



## Station Access

- Ashby Bicycle Access Improvement



# Calendar Year 2025 Successes

## Montgomery St. Station Traction Power Substation



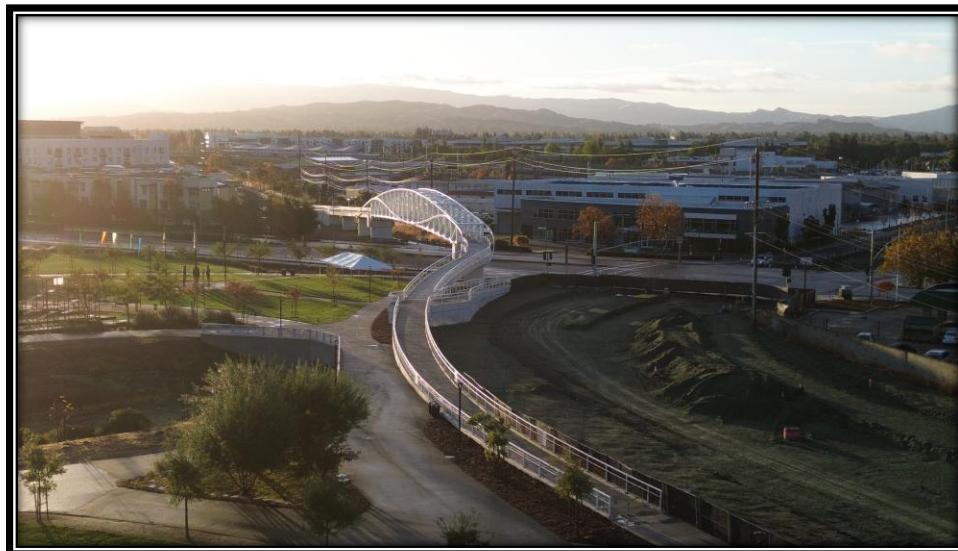
### Project Highlights

<b>Purpose</b>	Increase Reliability, Redundancy, and Capacity
<b>Duration, Design through Construction</b>	7.5 Years (For 2 Substations)
<b>Cost</b>	\$ 61.9M (Contract amount for 2 Substations)
<b>Work Performed by</b>	Design – WSP Construction – Joint Venture between C3M, Clark and Cupertino Construction Management – Ghirardelli
<b>Notable Activity</b>	Successful completion of Train Start Test to simulate real world load on the Montgomery St. Station Substation

# Calendar Year 2025 Successes

## Safe Routes to BART (SR2B)

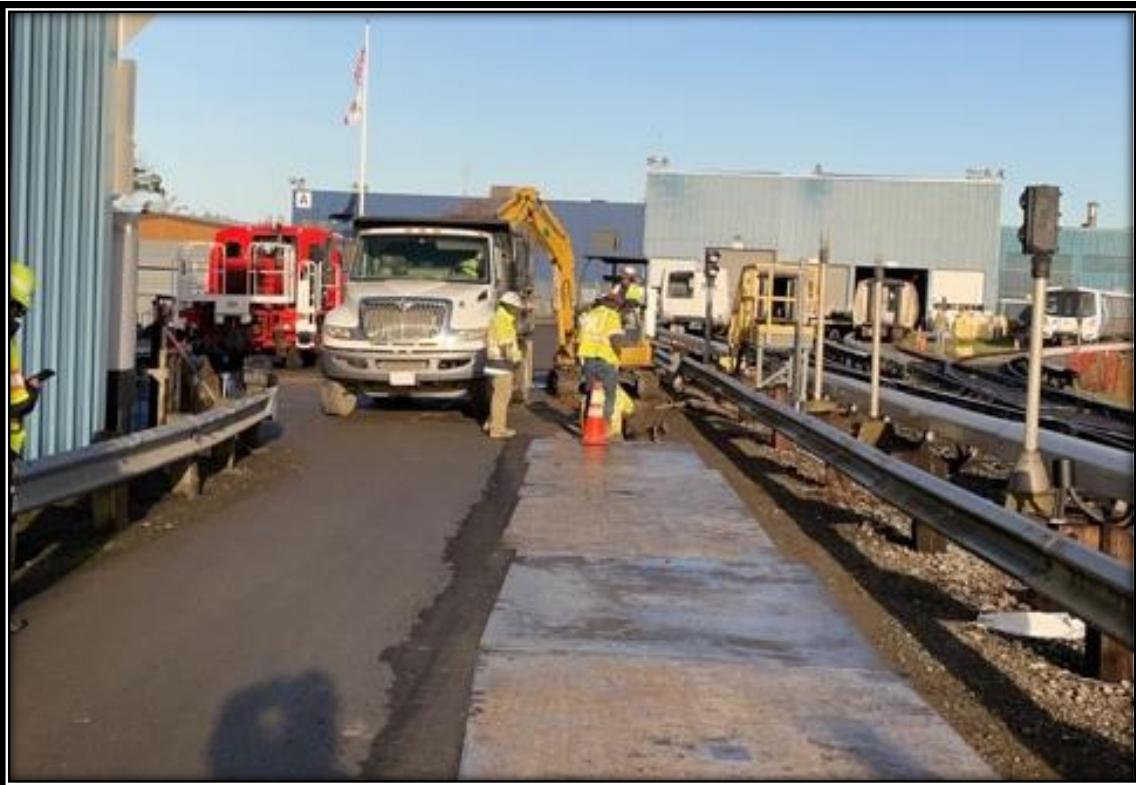
### Project Highlights



<b>Purpose</b>	Competitive grant program supporting improved pedestrian and bicycle access to BART stations
<b>Duration, Design through Construction</b>	8 years
<b>Cost</b>	\$ 4.3M
<b>Work Performed by</b>	Multiple jurisdictions in Alameda, Contra Costa and San Francisco Counties
<b>Notable Activity</b>	Finishing construction of Complete Streets Improvement Project adjacent to El Cerrito Del Norte Station

# Calendar Year 2025 Successes

## Hayward Fire Yard Services



### Project Highlights

<b>Purpose</b>	Upgrade the fire protection systems to comply with current fire code requirements and BART Facility Standards (BFS)
<b>Duration, Design through Construction</b>	5 Years
<b>Cost</b>	\$ 10.5M
<b>Work Performed by</b>	Con-Quest Contractors
<b>Notable Activity</b>	Modernize fire protection and water systems by replacing severely aged and corroded infrastructure



## 8.A.1 Q&A



# 8.B Financial Overview Update



# Measure RR Cashflow (\$ Millions): Long-Term Outlook

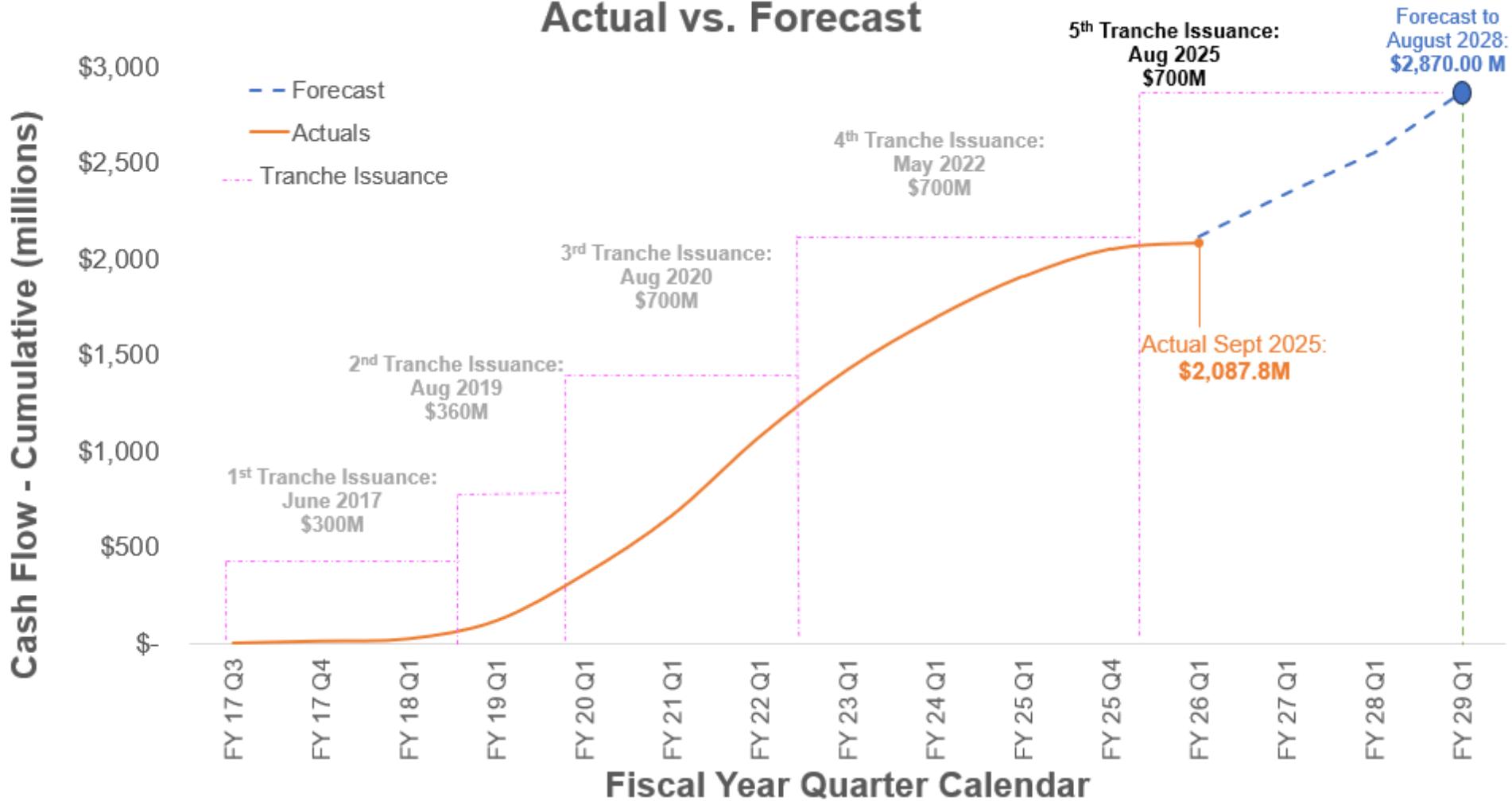
Program	Expended (thru June 2025)	Expended (thru Sept. 2025)	Period Cashflow (July 2025 – Sept. 2025)	% Expended out of Total Bond Investment	Long Term Expenditure
Renew Track	\$459.3	\$465.1	\$5.8	74%	\$625
Renew Power Infrastructure	\$802.2	\$814.4	\$12.2	66%	\$1,225
Repair Tunnels & Structures	\$289.3	\$292.3	\$3.0	53%	\$549
Renew Mechanical	\$95.6	\$97.2	\$1.6	62%	\$156
Replace Train Control/Increase Capacity	\$67.2	\$68.8	\$1.6	17%	\$400
Renew Stations	\$119.5	\$124.1	\$4.6	59%	\$210
Expand Safe Access to Stations	\$56.6	\$58.6	\$2.0	43%	\$135
Design/Engineer to Relieve Crowding*	\$167.2	\$167.3	\$0.1	84%	\$200
<b>Total</b>	<b>\$2,056.9</b>	<b>\$2,087.8</b>	<b>\$30.9</b>	<b>60%</b>	<b>\$3,500</b>

\*Full Title: Design and Engineer Future Projects to Relieve Crowding, Increase System Redundancy, and Reduce Traffic Congestion

# Management of Revenue and Spending

## BART Measure RR Program Spending

### Actual vs. Forecast



## 8.B.1 Q&A



FUNDS AT WORK

# 8.C Small Business Outreach



# RR Program Update – Small Business Outreach

Program	Total RR Commitment	Total RR SB Commitment	SB Commitment %	# of SB Contracts	Total RR Payments on RR Contracts	RR Payments to SBs	SB Payment %
Renew Track	\$169.4 M	\$40.8 M	24%	202	\$153.2 M	\$37.5 M	24%
Renew Power	\$473.3 M <b>(+\$3M)</b>	\$143.8 M <b>(+\$2M)</b>	30%	506 <b>(+12)</b>	\$376.1 M	\$151.5 M	40%
Repair Tunnels & Structures	\$165.9 M	\$39.5 M	24%	241	\$139.3 M	\$23.7 M	17%
Renew Mechanical	\$41.2 M	\$15.1 M	37%	108	\$32.2 M	\$12.7 M	39%
Replace Train Control/Increase Capacity	\$65.2 M	\$14.0 M	21%	231	\$43.6 M <b>(+\$2M)</b>	\$5.9 M	14%
Renew Stations	\$165.6 M	\$32.3 M	20%	164	\$109.0 M	\$17.8 M	16%
Expand Safe Access to Stations	\$24.8 M	\$7.6 M	30%	196	\$23.9 M	\$7.3 M	31%
Design/Engineer to Relieve Crowding	\$146.8 M	\$36.4 M	25%	246	\$133.3 M	\$36.5 M	27%
<b>Total</b>	<b>\$1,252.2 M <b>(+\$4M)</b></b>	<b>\$329.4 M <b>(+\$2M)</b></b>	<b>26%</b>	<b>1893 <b>(+19)</b></b>	<b>\$1,010.7 M <b>(+\$5M)</b></b>	<b>\$292.9 M <b>(+\$2M)</b></b>	<b>29%</b>

Notes: All amounts are based on RR fund percent only. Amounts are updated to September 30, 2025. Includes formal contracts only; does not include informal purchases or work performed by BART's own forces. SB totals include DBEs, MSBEs, SBs, and LSBs. Sources: RR commitments are based on RR Requisitions report, Procurement Sealed Bids Report and PeopleSoft Work Plans application. RR% for each project is based on Financial Analysts' report, RR Funds / Total Project Budget. Payments based on PeopleSoft and B2GNow.



# RR Program Update - Small Business Outreach



*BART PD staff hosting a table at an OCR outreach event*

## Recently Completed Events

Date	Event	Location
Sept. 30, 2025	Business Outreach Committee "How to Do Business with Public Agencies"	Zoom
Oct. 22, 2025	High Speed Rail Annual "Small Business Diversity and Resources Fair"	Burlingame, CA
Nov. 3, 2025	ACTC "Meet the Primes" Business Networking	Oakland, CA
Dec. 10, 2025	BART "Learn About BART's Small Business Entity Certification"	Zoom

## Upcoming Events

Date	Event	Location
Jan. 28, 2026	BART "How to do Business with BART"	Zoom

# 8.C.1 Q&A



## 8.D. Appendix: Financial Outlook, Program Status & Milestones



# Work Progress Since Last Meeting



# Examples of Active RR Projects (July - Sept 2025)

\* Updated Projects



BART Safety Reliability and Traffic Relief Program (Measure RR)  
January 2026



# Individual Program Milestones



FUNDS AT WORK

# Renew Track STATUS & MILESTONES

## STATUS – Renew Track

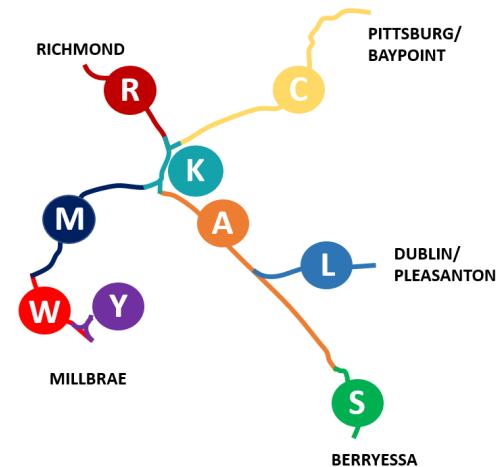
# Projects in Planning	# Projects in Design	# Projects in Bid/Award	# Projects in Construction	# Projects Completed	<b>TOTAL # Projects</b>
1	0	1	9	11	<b>22</b>

EXPENDED Thru 09/2025: **\$465.1**

TOTAL PROGRAM VALUE: **\$625**

PERIOD CASHFLOW: **\$5.8**

*All dollar values are in millions*



## MILESTONES

<b>Completed</b> (July 2025 – Sep 2025)	<b>Q2</b> (Oct 2025 – Dec 2025)	<b>Q3</b> (Jan 2026 – March 2026)	<b>Q4</b> (Apr 2026 – June 2026)
	<ul style="list-style-type: none"> <li>Completion of Construction for Frog Replacement (Systemwide)</li> </ul>	<ul style="list-style-type: none"> <li>Completion of Construction of 60 miles of Rail Relay</li> </ul>	<ul style="list-style-type: none"> <li><i>Advertise to Bid Direct Fixation Fasteners Material Procurement Contract</i></li> <li><i>Completion of Construction for A77 Interlocking</i></li> </ul>

## Watchlist:

- None

*Italic: Newly added and modified milestones from previous report.*

# Renew Power STATUS & MILESTONES

EXPENDED Thru 09/2025: \$814.4

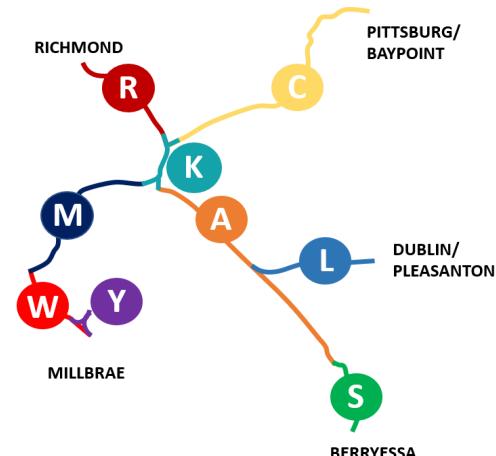
TOTAL PROGRAM VALUE: \$1,225

PERIOD CASHFLOW: \$12.2

*All dollar values are in millions*

## STATUS – Renew Power Infrastructure

# Projects in Planning	# Projects in Design	# Projects in Bid/Award	# Projects in Construction	# Projects Completed	<b>TOTAL # Projects</b>
1	6	2	19	7	<b>35</b>



## MILESTONES

Completed (July 2025 – Sep 2025)	Q2 (Oct 2025 – Dec 2025)	Q3 (Jan 2026 – March 2026)	Q4 (Apr 2026 – June 2026)
<ul style="list-style-type: none"> <li>Completed Construction of Montgomery Street (MMS) Substation</li> <li>Completed Construction for Nineteenth Avenue (ANA) Traction Power Substation</li> </ul>	<ul style="list-style-type: none"> <li>Issue for Bid for TCCCP East Bay: Transbay Corridor Core Capacity East Bay Substation</li> <li>Commissioning of SFTS Transformer/Bus Upgrade</li> </ul>	<ul style="list-style-type: none"> <li>Advertise for TCCCP East Bay: Transbay Corridor Core Capacity East Bay Substation</li> <li>Issue for Bid MET G Generator Replacement Project</li> <li><i>Completion of Construction for Oakland Transition Structure (KTE) Traction Power Substation Replacement</i></li> </ul>	<ul style="list-style-type: none"> <li><i>Notice of Award for TCCCP East Bay: Transbay Corridor Core Capacity East Bay Substation</i></li> </ul>

### Watchlist:

- Substation Construction
- K-Line and C-Line Project Reschedule (34.5 kV Cable & Fiber Replacement Project)

*Italic: Newly added and modified milestones from previous report.*



# Tunnels & Structures

## STATUS & MILESTONES

### STATUS – Repair Tunnels & Structures

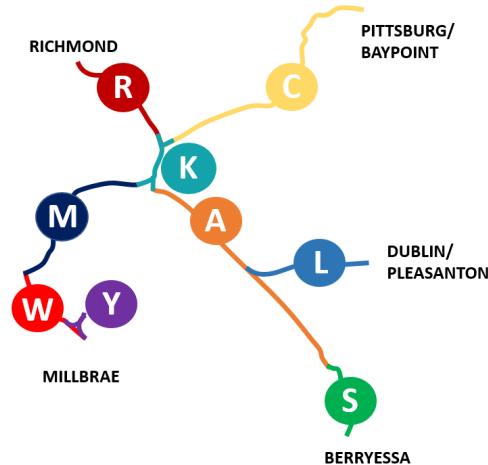
# Projects in Planning	# Projects in Design	# Projects in Bid/Award	# Projects in Construction	# Projects Completed	<b>TOTAL # Projects</b>
0	2	5	7	13	<b>27</b>

EXPENDED Thru 09/2025: **\$292.3**

TOTAL PROGRAM VALUE: **\$549**

PERIOD CASHFLOW: **\$3.0**

*All dollar values are in millions*



### MILESTONES

<b>Completed</b> (July 2025 – Sep 2025)	<b>Q2</b> (Oct 2025 – Dec 2025)	<b>Q3</b> (Jan 2026 – March 2026)	<b>Q4</b> (Apr 2026 – June 2026)
<ul style="list-style-type: none"> <li>Completed Design for East Bay Street Grates</li> <li>Completed Design for MW-12 Slope Stabilization Project</li> </ul>	<ul style="list-style-type: none"> <li>Completion of Design for Water Intrusion at Train Control Rooms (Package 3 with 7 locations)</li> <li>Begin Construction for Systemwide Slope Stabilization</li> <li><i>Issue for Bid MW-12 Slope Stabilization</i></li> </ul>	<ul style="list-style-type: none"> <li><i>Advertise for Bid MW-12 Slope Stabilization</i></li> <li>Completion of Construction for Water Intrusion at Train Control Rooms (Package 2 with 4 locations)</li> </ul>	<ul style="list-style-type: none"> <li><i>Issue for Bid East Bay Street Grates</i></li> <li><i>Award for MW-12 Slope Stabilization</i></li> </ul>

### Watchlist:

- None

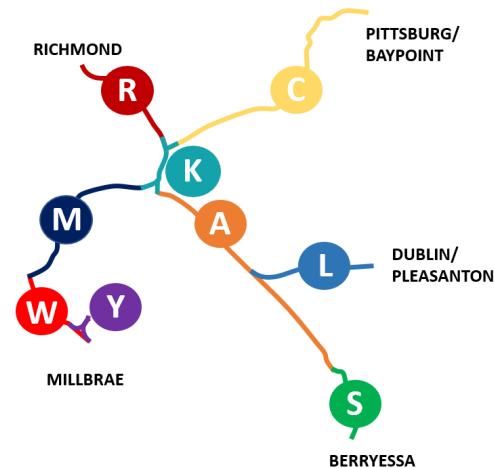
*Italic: Newly added and modified milestones from previous report.*

# Renew Mechanical STATUS & MILESTONES

## STATUS – Renew Mechanical

# Projects in Planning	# Projects in Design	# Projects in Bid/Award	# Projects in Construction	# Projects Completed	<b>TOTAL # Projects</b>
0	4	2	4	15	<b>25</b>

EXPENDED Thru 09/2025: **\$97.2**  
 TOTAL PROGRAM VALUE: **\$156**  
 PERIOD CASHFLOW: **\$1.6**  
*All dollar values are in millions*



## MILESTONES

<b>Completed</b> (July 2025 – Sep 2025)	<b>Q2</b> (Oct 2025 – Dec 2025)	<b>Q3</b> (Jan 2026 – March 2026)	<b>Q4</b> (Apr 2026 – June 2026)
<ul style="list-style-type: none"> <li>Commissioning of Hayward Yard Fire Services</li> </ul>		<ul style="list-style-type: none"> <li>Completion of Construction for Replacement of Sprinkler Heads at San Francisco Stations</li> <li><i>Installation of Transbay Tube Dampers at Oakland Transition Structure</i></li> </ul>	

## Watchlist:

- None

*Italic: Newly added and modified milestones from previous report.*

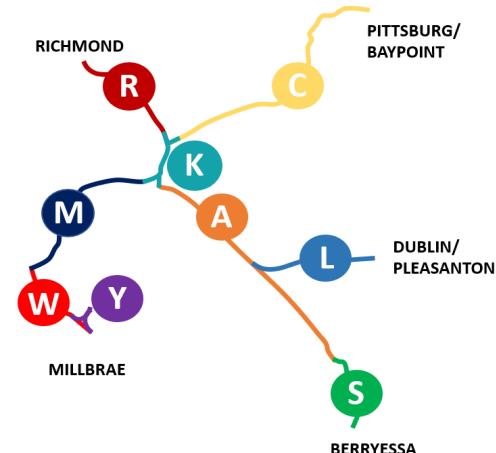


# Replace Train Control STATUS & MILESTONES

EXPENDED Thru 09/2025: **\$68.8**  
TOTAL PROGRAM VALUE: **\$400**  
PERIOD CASHFLOW: **\$1.6**  
*All dollar values are in millions*

## STATUS – Replace Train Control / Increase Capacity

# Projects in Planning	# Projects in Design	# Projects in Bid/Award	# Projects in Construction	# Projects Completed	<b>TOTAL # Projects</b>
0	0	0	5	1	<b>6</b>



MILESTONES			
Completed (July 2025 – Sep 2025)	Q2 (Oct 2025 – Dec 2025)	Q3 (Jan 2026 – March 2026)	Q4 (Apr 2026 – June 2026)
<ul style="list-style-type: none"> <li>Completed CBTC Wayside Equipment Testing at Lake Merritt Administration Phase 1</li> <li>Started Self-Performed A-Line CBTC Wayside Installation</li> </ul>	<ul style="list-style-type: none"> <li><i>Start CBTC Wayside Equipment Testing at Phase 2 (W-Line)</i></li> </ul>	<ul style="list-style-type: none"> <li><i>Commence Student Classes for the Data Communication System (DCS) Equipment Maintenance and Rail Operation Control Personnel</i></li> <li><i>Start of Construction for Phase 3 (M-Line) Train Control Room</i></li> <li><i>Completion of Manufacturing of Phase 3 (M-Line) Train Control Room Equipment</i></li> </ul>	<ul style="list-style-type: none"> <li><i>Completion of CBTC Wayside Equipment Installation at San Francisco Airport Station</i></li> <li><i>Completion of CBTC Wayside Equipment Installation at San Bruno Station</i></li> <li><i>Begin Construction at South San Francisco and Balboa Park Stations</i></li> <li><i>Completion of Vehicle Interface Control Documents</i></li> </ul>

### Watchlist:

- None

*Italic: Newly added and modified milestones from previous report.*

# Renew Stations STATUS & MILESTONES

## STATUS – Renew Stations

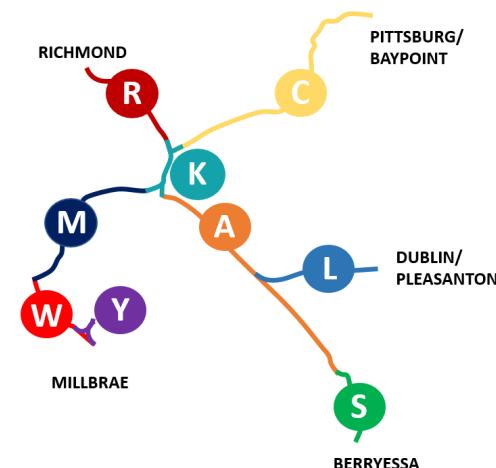
# Projects in Planning	# Projects in Design	# Projects in Bid/Award	# Projects in Construction	# Projects Completed	<b>TOTAL # Projects</b>
2	2	0	2	5	<b>11</b>

EXPENDED Thru 09/2025: \$124.1

TOTAL PROGRAM VALUE: \$210

PERIOD CASH FLOW: \$4.6

*All dollar values are in millions*



## MILESTONES

<b>Completed</b> (July 2025 – Sep 2025)	<b>Q2</b> (Oct 2025 – Dec 2025)	<b>Q3</b> (Jan 2026 – March 2026)	<b>Q4</b> (Apr 2026 – June 2026)
<ul style="list-style-type: none"> <li>Completed Construction for S5 and S7 Street Escalators and P2 Platform Escalator at Montgomery Street Station, and P3 Platform Escalator at Civic Center Station</li> <li>Completed Construction for Canopy 20 at Civic Center Station</li> </ul>	<ul style="list-style-type: none"> <li>Completion of Construction for Canopy 4 at Embarcadero Station and Canopy 8 at Montgomery Station</li> </ul>	<ul style="list-style-type: none"> <li><i>Completion of Construction of P4 Platform Escalator at Embarcadero, S6 Street Escalator at Powell St., and S3 and S6 Street Escalator at Civic Center Station</i></li> </ul>	<ul style="list-style-type: none"> <li><i>Completion of Construction of S6 Street Escalator at Embarcadero, S8 Street Escalator at Montgomery St., and S8 Street Escalator at Powell St.</i></li> </ul>

## Watchlist:

- None

*Italic: Newly added and modified milestones from previous report.*

# Station Access STATUS & MILESTONES

EXPENDED Thru 09/2025: \$58.6

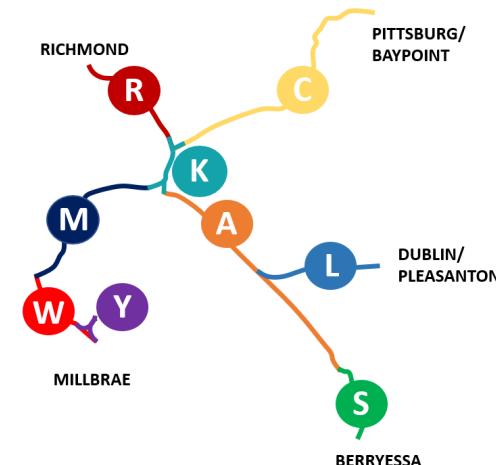
TOTAL PROGRAM VALUE: \$135

PERIOD CASHFLOW: \$2.0

*All dollar values are in millions*

## STATUS – Expand Safe Access to Stations

# Projects in Planning	# Projects in Design	# Projects in Bid/Award	# Projects in Construction	# Projects Completed	<b>TOTAL # Projects</b>
3	9	1	8	14	<b>35</b>



## MILESTONES

Completed (July 2025 – Sep 2025)	Q2 (Oct 2025 – Dec 2025)	Q3 (Jan 2026 – March 2026)	Q4 (Apr 2026 – June 2026)
<ul style="list-style-type: none"> <li>Completed 100% Redesign for PA System Improvements</li> <li>Completed 100% Design for Wayfinding Improvements Phase 4.1 at North Berkeley, Rockridge, and Fruitvale Stations</li> </ul>	<ul style="list-style-type: none"> <li>Completion of Construction of SRB-funded El Cerrito Del Norte Street Improvements</li> <li>Completion of 100% Design for MacArthur Station Access Improvement Project</li> </ul>	<ul style="list-style-type: none"> <li>Issue for Bid Pittsburg/Bay Point Shared Mobility Improvement Project</li> <li>Issue for Bid Wayfinding Improvements Phase 4.1 at North Berkeley, Rockridge, and Fruitvale Stations</li> <li><i>Issue for Bid Dublin/Pleasanton Station Access Improvements</i></li> <li><i>Issue for Bid PA System Improvement Project</i></li> </ul>	<ul style="list-style-type: none"> <li><i>Completion of Construction of North Berkeley Station Access Improvement Project</i></li> <li><i>Advertise to Bid PA System Improvement Project</i></li> </ul>

## Watchlist:

- None

*Italic: Newly added and modified milestones from previous report.*

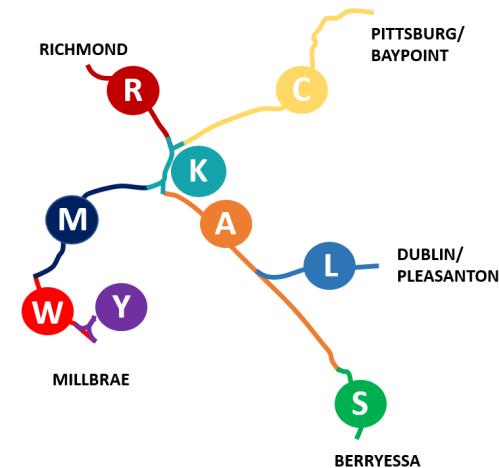
# Relieve Crowding\* STATUS & MILESTONES

\*Full Title: Design and Engineer Future Projects to Relieve Crowding, Increase System Redundancy, and Reduce Traffic Congestion

## STATUS – Design / Engineer to Relieve Crowding\*

# Projects in Planning	# Projects in Design	# Projects in Bid/Award	# Projects in Construction	# Projects Completed	<b>TOTAL # Projects</b>
3	2	0	1	2	<b>8</b>

EXPENDED Thru 09/2025: **\$167.3**  
TOTAL PROGRAM VALUE: **\$200**  
PERIOD CASHFLOW: **\$0.1**  
*All dollar values are in millions*



## MILESTONES

<b>Completed</b> (July 2025 – Sep 2025)	<b>Q2</b> (Oct 2025 – Dec 2025)	<b>Q3</b> (Jan 2026 – March 2026)	<b>Q4</b> (Apr 2026 – June 2026)
<ul style="list-style-type: none"> <li>FTA Conditional Acceptance of East Storage Yard (ESY) Optimization Plan</li> </ul>	<ul style="list-style-type: none"> <li>Begin Optimized Design for East Storage Yard</li> </ul>	<ul style="list-style-type: none"> <li><i>Completion of Design for Embarcadero Platform Elevator Project</i></li> </ul>	<ul style="list-style-type: none"> <li><i>Issue for Bid for Embarcadero Platform Elevator Project</i></li> </ul>

## Watchlist:

- Hayward Maintenance Complex Phase 2 (HMC2) Optimization Plan

*Italic: Newly added and modified milestones from previous report.*



# Budget and Schedule Status

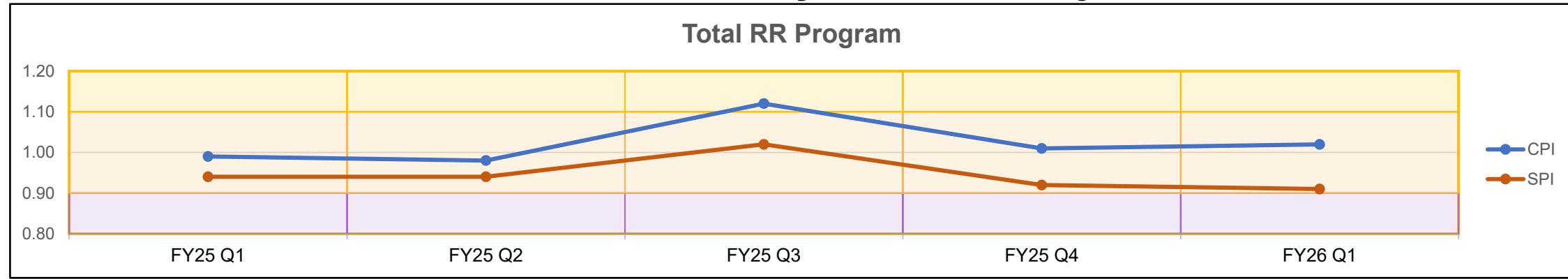


# Earned Value Rollup by Program As of Sept. 2025

## RR Only Funded Projects

Goal: CPI and SPI between 0.9 and 1.1

RR Only Funded Projects



RR Program	Total RR Budget	Physical % Complete	Planned Value (RR Only)	Earned Value (RR Only)	Accrued to Date (RR Only)	CPI	SPI
Renew Track	\$ 625	78%	\$505.3	\$486.8	\$465.1	0.98	0.90
Renew Power	\$ 1,225	72%	\$882.7	\$877.2	\$816.9	0.99	0.91
Repair Tunnels and Structures	\$ 549	74%	\$374.6	\$408.9	\$292.3	1.09	0.92
Renew Mechanical	\$ 156	69%	\$131.8	\$107.1	\$97.2	1.02	0.77
Replace Train Control/Increase Capacity	\$ 400	23%	\$102.2	\$92.0	\$66.3	0.91	0.90
Renew Stations	\$ 210	71%	\$146.7	\$149.6	\$124.1	1.04	0.99
Expand Safe Access to Stations	\$ 135	54%	\$85.9	\$72.5	\$58.6	1.02	0.93
Design/Engineer to Relieve Crowding*	\$ 200	81%	\$172.5	\$162.9	\$167.3	1.06	0.84
<b>Total</b>	<b>\$ 3,500</b>	<b>67%</b>	<b>\$2,401.8</b>	<b>\$2,357.0</b>	<b>\$2,087.8</b>	<b>1.02</b>	<b>0.91</b>

Note: The CPI and SPI Values are based on the Overall Project Progress

CPI – Cost Performance Index

SPI – Schedule Performance Index

\*Full Title: Design and Engineer Future Projects to Relieve Crowding, Increase System Redundancy, and Reduce Traffic Congestion



# Earned Value Rollup by Program As of Sept. 2025

Goal: CPI and SPI between 0.9 and 1.1

## Mixed Funded Projects

RR Program	Total Budget	Physical % Complete	Planned Value	Earned Value	Accrued to Date	CPI	SPI
Renew Track	\$667	73%	\$540.3	\$487.6	\$499.2	0.98	0.90
Renew Power	\$1,466	68%	\$1,097.6	\$997.4	\$1004.8	0.99	0.91
Repair Tunnels and Structures	\$1,174	69%	\$871.9	\$806.3	\$739.6	1.09	0.92
Renew Mechanical	\$164	64%	\$136.2	\$105.4	\$103.1	1.02	0.77
Replace Train Control/Increase Capacity	\$2,346	23%	\$598.0	\$539.9	\$591.7	0.91	0.90
Renew Stations	\$403	75%	\$306.3	\$303.2	\$292.4	1.04	0.99
Expand Safe Access to Stations	\$409	69%	\$300.3	\$280.3	\$275.4	1.02	0.93
Design/Engineer to Relieve Crowding*	\$741	38%	\$332.4	\$278.7	\$264.0	1.06	0.84
<b>Total</b>	<b>\$7,370</b>	<b>52%</b>	<b>\$4,183.0</b>	<b>\$3,798.8</b>	<b>\$3,770.2</b>	<b>1.02</b>	<b>0.91</b>

CPI – Cost Performance Index

SPI – Schedule Performance Index

\*Full Title: Design and Engineer Future Projects to Relieve Crowding, Increase System Redundancy, and Reduce Traffic Congestion

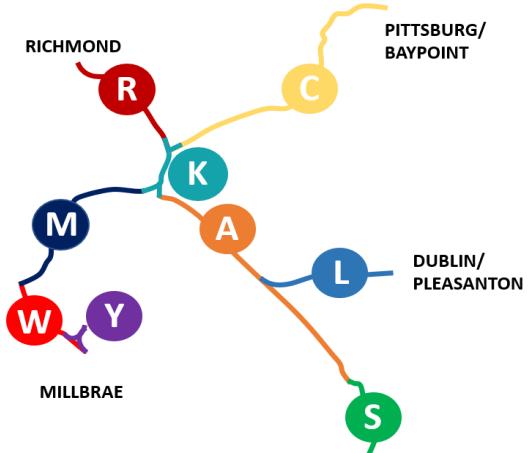


# Track Program Detail

Project	Count
Number of Projects (>25% Spent)	20
CPI <0.9 or >1.1	1
SPI <0.9 or >1.1	1
Number of Risk Register Updates Performed in Previous Period	8
Number of Project(s) with Quality Reviews Performed in Previous Period	5

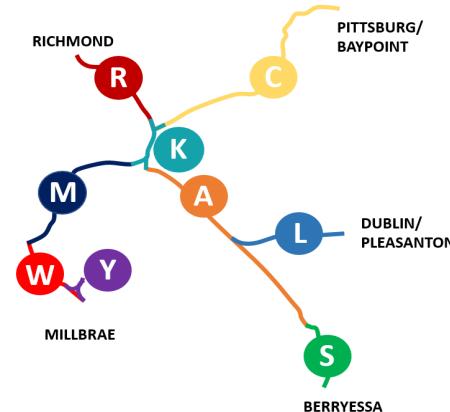
Project	Physical % Complete	CPI	SPI	Comments
K-Line Interlocking K23, K25, C15	39%	1.01	0.46	Project is behind schedule due to canceled Weekend Shutdown Schedule, evaluating different Delivery methods

Note: The Richmond Yard Track Rehabilitation Project is undergoing re-prioritization.



# Power Program Detail

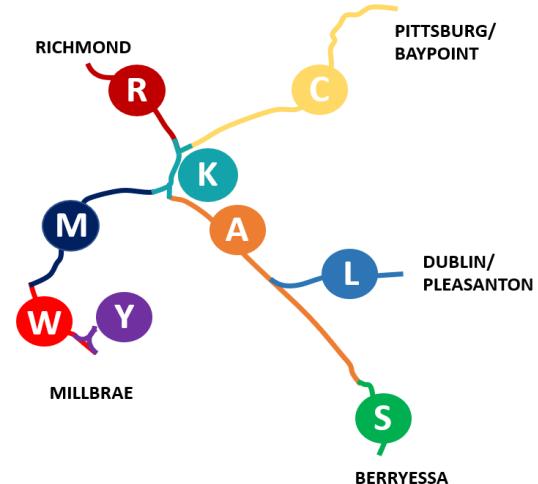
Project	Count
Number of Projects (>25% Spent)	29
CPI <0.9 or >1.1	2
SPI <0.9 or >1.1	6
Number of Risk Register Updates Performed in Previous Period	16
Number of Project(s) with Quality Reviews Performed in Previous Period	6



Project	Physical % Complete	CPI	SPI	Comments
C-Line 34.5kV AC Cable Replacement	27%	0.95	0.70	Carrying over the cost and schedule impact from the previous emergency repair work on the R-Line Cable project
K-Line 34.5kV AC Cable Replacement	50%	1.03	0.59	Impacted by availability of resources
PG&E Power feed to MXP Gap Breaker	27%	0.92	0.27	Impacted by coordination with external agencies
SFTS Transformer/Bus Upgrade	90%	0.88	0.90	Previously impacted by coordination with external agencies for transformer design, testing and installation
Battery Room Replacement for Train Control Rooms	94%	0.80	0.94	Impacted by limited access
Systemwide MPR & Rectifier Renovation	62%	1.00	0.76	Impacted by availability of resources
Procurement of Spare Transformers	37%	1.03	0.37	Project scope is being re-evaluated, hence procurement is delayed
Replacement of CWC Traction Power Substation	38%	1.03	0.74	Perform additional design work due to substation equipment unavailability

# Tunnels & Structures Program Detail

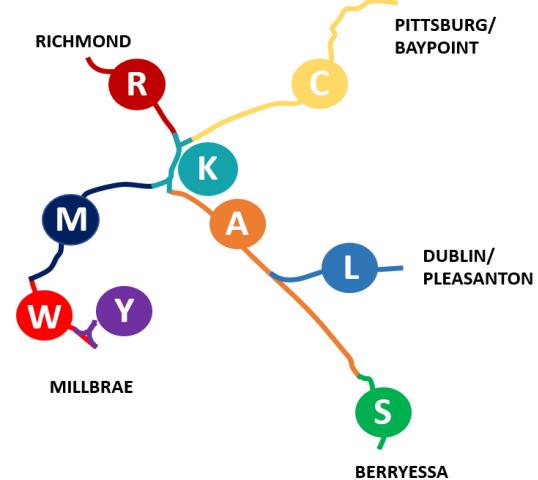
Project	Count
Number of Projects (>25% Spent)	26
CPI <0.9 or >1.1	2
SPI <0.9 or >1.1	3
Number of Risk Register Updates Performed in Previous Period	8
Number of Project(s) with Quality Reviews Performed in Previous Period	3



Project	Physical % Complete	CPI	SPI	Comments
Slope Stabilization (AC, CCC, SFC)	75%	0.99	0.75	Delay carried over from extended environmental clearance
Substation Roofs	57%	0.82	0.57	Additional safety requirements & training impacted the cost and schedule
Wayside Signage Inspection and Inventory	57%	0.67	0.57	Delay due to availability of resources and challenging locations

# Mechanical Program Detail

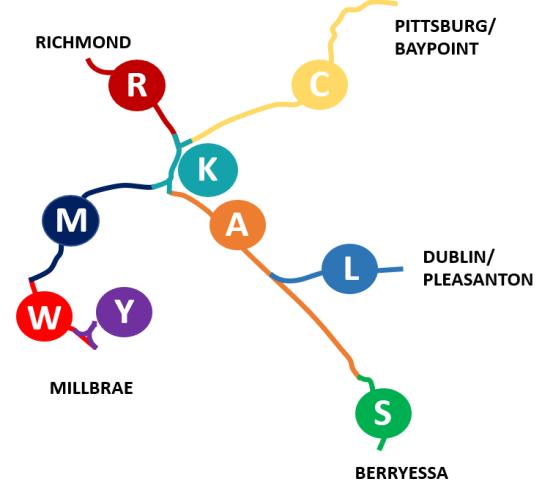
Project	Count
Number of Projects (>25% Spent)	23
CPI <0.9 or >1.1	2
SPI <0.9 or >1.1	2
Number of Risk Register Updates Performed in Previous Period	5
Number of Project(s) with Quality Reviews Performed in Previous Period	3



Project	Physical % Complete	CPI	SPI	Comments
Replace Sewage Pumps	52%	0.90	0.68	Construction at the remaining 3 stations delayed due to availability of resources and estimated to start in FY26 Q3
Transbay Tube Dampers Overhaul	88%	1.15	0.88	Procurement effort is optimized, and schedule is impacted by availability of resources

# Renew Stations Program Detail

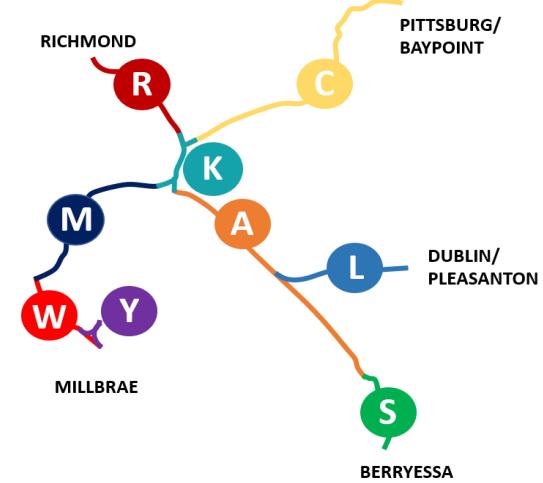
Project	Count
Number of Projects (>25% Spent)	10
CPI <0.9 or >1.1	0
SPI <0.9 or >1.1	0
Number of Risk Register Updates Performed in Previous Period	1
Number of Project(s) with Quality Reviews Performed in Previous Period	2



Project	Physical % Complete	CPI	SPI	Comments
There are no projects with CPI and SPI outside the range of 0.9 and 1.1				

# Station Access Program Detail

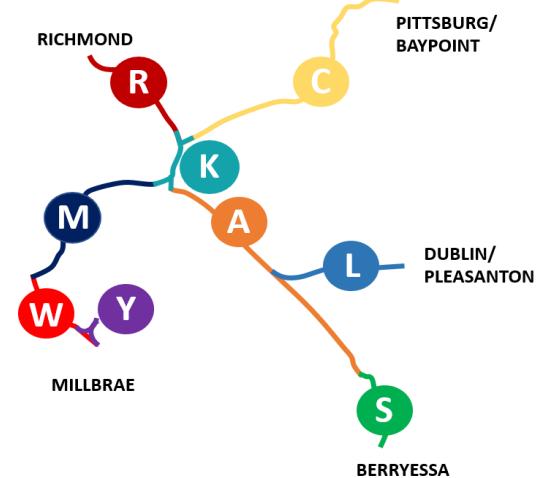
Project	Count
Number of Projects (>25% Spent)	28
CPI <0.9 or >1.1	1
SPI <0.9 or >1.1	1
Number of Risk Register Updates Performed in Previous Period	6
Number of Project(s) with Quality Reviews Performed in Previous Period	1



Project	Physical % Complete	CPI	SPI	Comments
Pittsburg Bay Point Mobility Improvement	33%	1.22	0.99	Design cost was lower than planned
Bicycle Stair Channels Phase 1	65%	1.00	0.77	Access conflicts with other projects causing schedule delays

# Relieve Crowding\* Program Detail

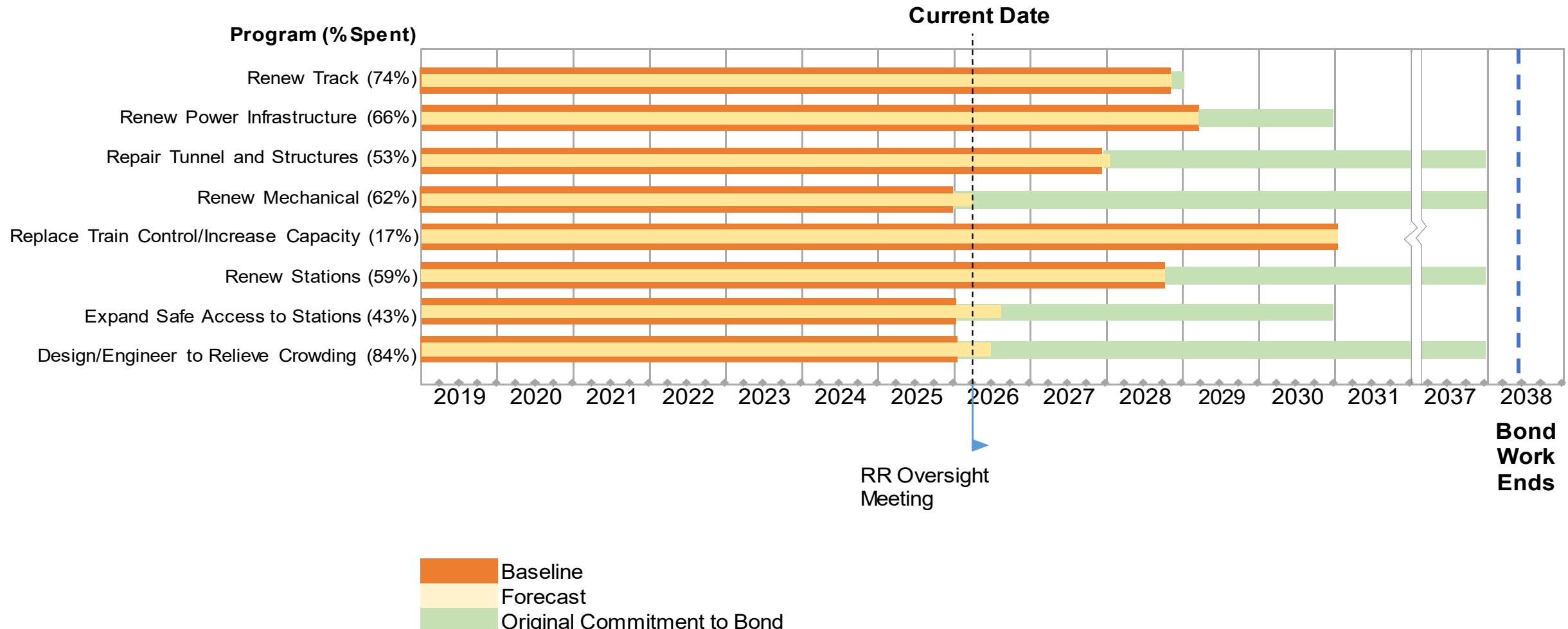
Project	Count
Number of Projects (>25% Spent)	7
CPI <0.9 or >1.1	1
SPI <0.9 or >1.1	2
Number of Risk Register Updates Performed in Previous Period	1
Number of Project(s) with Quality Reviews Performed in Previous Period	0



Project	Physical % Complete	CPI	SPI	Comments
HMC East Storage Yard	27%	0.81	0.75	Project undergoing design optimization evaluation to reduce construction cost
Embarcadero Platform Elevator	86%	1.00	0.86	Design behind schedule due to elevator machine room fire sprinkler design change

\*Full Title: Design and Engineer Future Projects to Relieve Crowding, Increase System Redundancy, and Reduce Traffic Congestion

# Program Level Schedule Update



Note: This slide will be updated for the April 2026 Presentation.



## 8.D.1. Committee Q&A



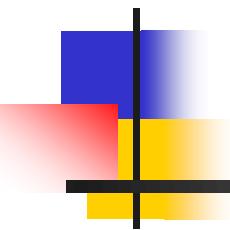
# Thank you!



# Acronyms

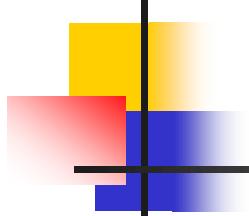
<b>ADA</b>	Americans with Disabilities Act
<b>BFS</b>	BART Facility Standards
<b>CBTC</b>	Communication Based Train Control
<b>CPI</b>	Cost Performance Index
<b>DBE</b>	Disadvantaged Business Enterprise
<b>EAC</b>	Estimate At Completion
<b>ETC</b>	Estimate to Complete
<b>EVM</b>	Earn Value Management
<b>HMC</b>	Hayward Maintenance Complex
<b>LSB</b>	Local Small Business
<b>MPR</b>	Multi-Function Protection Relay
<b>MSBE</b>	Micro Small Business Entity
<b>OCIO</b>	Office of the Chief Information Officer
<b>OID</b>	Office of Infrastructure Delivery
<b>PA</b>	Public Announcement
<b>SB</b>	Small Business
<b>SPI</b>	Schedule Performance Index
<b>TCMP</b>	Train Control Modernization Program





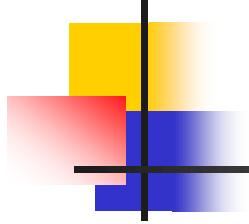
# **ETHICS AND PUBLIC SERVICE**

AB 1234 Training – January 2026 by the Office of the General Counsel



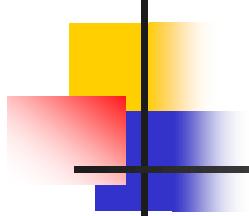
# SESSION OBJECTIVES

1. To familiarize you with laws that govern your service *and* when to ask questions
2. To encourage you to *think beyond legal restrictions* and provide tools for doing so
3. Help you comply with AB 1234 requirements
  - A. Training
  - B. Expense Reimbursement



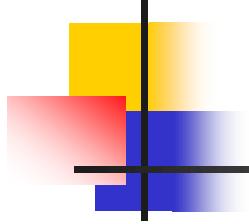
# **PUBLIC SERVICE ETHICS IS DIFFERENT**

- Laws play a bigger role
- Perception as important as reality
- Gut is not a reliable guide
  - Not logical
  - Not intuitive



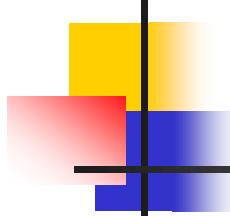
# ETHICS V. ETHICS LAW

- Law = Minimum standards
  - What we *must* do
- Ethics is what we *ought* to do
  - Above and beyond law's minimum requirements
- Just because its legal doesn't mean it is ethical (or public will perceive it to be so)



# PERSONAL AND ORGANIZATIONAL ETHICS

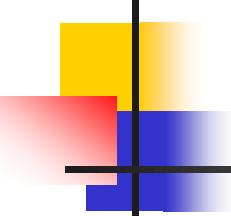
- Every organization has a culture, ethically
  - Code of Conduct
- Every person has an ethical compass
  - Role models?
    - Parents
    - Public officials



# LEADERSHIP AND ETHICS

Where do we look for examples of ethics?

- Corporate America?
- Federal Government?
- State Government?
- Local Government?

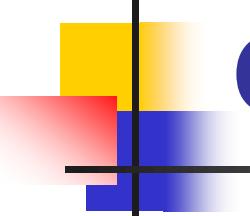


# LEADERSHIP AND ETHICS

- Organizational Ethics – Where to begin...
- Who is driving the bus?
  - The Community
  - Board
  - General Manager
  - Board Appointees
  - Personal Pride

# THE ETHICS EXPLOSION - CALIFORNIA

- **Democracy as Tyranny – Majority Rule – Aristotle**
- **Constitutional Democracy - Democracy by the Rules**
  - Right to Vote: White, Male, Property Owner
- 1800's
  - Common Carrier Prohibition – ethics laws aimed at powerful railroad barons
  - Birth of Contract Prohibition
- 1940's – 1970's
  - Expansion of Contract Prohibition (Govt. Code 1090)
  - Brown Act
  - Public Contract Rules
  - Public Records Act



# THE ETHICS EXPLOSION - CALIFORNIA

- 1970's – 2000
  - Political Reform Act -- Proposition 9 -- 1974
  - Bias, Due Process
  - Public Contract Code -- Consolidated - 1981
  - Common Law Conflicts
  - Revolving Door restrictions -- State Officials
- 2000 - Present
  - AB 1234
  - Revolving Door -- Expanded to Local Officials
  - New Gift Rules

# FOUR GROUPS OF ETHICS LAWS CORE TOPICS – FPPC REG. 18371

1. Personal financial gain
2. Personal advantages and perks
3. Governmental transparency
4. Fair processes



**Key Ethics Law Principles For Public Servants**

*Note that the following are not statements of law, but rather principles the law is designed to achieve. The goal in providing this list is to identify the kinds of issues addressed by public service ethics laws. If an issue arises for you under these principles, consult your agency counsel.*

**PERSONAL FINANCIAL GAIN**  
Public officials:

- Must disqualify themselves from participating in decisions that may affect (positively or negatively) their financial interests or the revenue or expenses of their agency or interests.
- Cannot have an interest in a contract made by their agency.
- Cannot request, receive or agree to receive anything of value or other advantages in exchange for a decision.
- Cannot influence agency decisions relating to potential prospective employers.
- May not acquire interests in property within redevelopment areas over which they have decision-making influence.

**PERSONAL ADVANTAGES & PERKS**  
Public officials:

- Must disclose all gifts received of \$50 or more and may not receive gifts aggregating to over \$360 (2006) from a single source in a given year.
- Cannot receive compensation from third parties for speaking, writing an article or attending a conference.

**GOVERNMENT TRANSPARENCY**  
Public officials:

- Must disclose their financial interests.
- Must conduct the public's business in open and publicized meetings, except in the limited circumstances when the law allows closed sessions.
- Must allow public inspection of documents and records generated by public agencies, except when non-disclosure is specifically authorized by law.
- Must disclose information about significant (\$5000 or more) fundraising activities for legislative, governmental or charitable purposes.

**FAIR PROCESSES**  
Public officials:

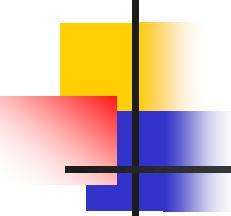
- Have a responsibility to assure fair and competitive agency decision-making processes.
- Cannot participate in decisions that will benefit their immediate family (spouse/domestic partner or dependent children).
- Cannot participate in quasi-judicial proceedings in which they have a strong bias with respect to the parties or facts.
- Cannot simultaneously hold certain public offices or engage in other outside activities that would subject them to a conflict of interest.
- Cannot participate in entitlement proceedings – such as land use permits – involving campaign contributors (does not apply to elected bodies).
- Cannot solicit campaign contributions of more than \$250 from permit applicants while application is pending and for three months after a decision (does not apply to elected bodies).
- Cannot represent individuals before their agency for one year after leaving agency service.
- Must conduct public hearings in accordance with due process principles.

**INSTITUTE FOR LOCAL GOVERNMENT**

# GROUP 1: PERSONAL FINANCIAL GAIN ISSUES

- **Principle:** Public servants should not benefit financially from their positions

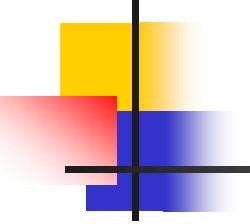




# EXAMPLES OF LAWS

- Bribery and related crimes
  - Dollars? Favors? Dinner?
- Financial interest disqualification requirements
- Revolving door restrictions

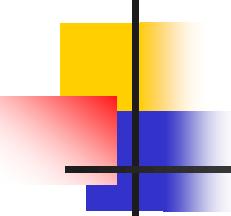




# BRIBERY

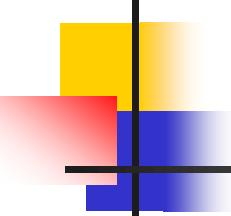
- Rule: Public officials may not solicit, receive or agree to receive a benefit in exchange for their official actions
- Penalties: Loss of office, prison time, fines, restitution, attorneys fees and public embarrassment





# CASE STUDY: STRIPPERGATE

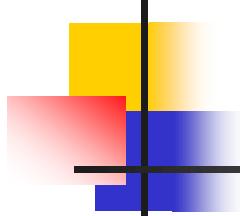
- Council members charged under federal law with tying campaign contributions to the city's consideration of a "no touch" rule
- Strip club owners were cooperating/wearing wires during conversations
- Jury convicted; council members resigned
- Officials were financially ruined and emotionally devastated



# BRIBERY – FEDERAL LAW

- Section 666 – U.S. Code
  - Theft or Bribery Concerning Programs Receiving Federal Funds
  - \$5000 Threshold
  - The illegal act does not need to be related to the federal funds received by the agency

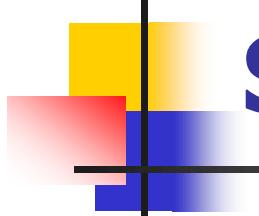
18 U.S.C. § 666



# BRIBERY – FEDERAL LAW

- Honest Services – Frauds & Swindles
  - Defrauding the public of its right to a public servant's honest services, including its right to his/her conscientious, loyal, faithful, disinterested, unbiased service, to be performed free of deceit, undue influence, concealment, bribery, fraud and corruption.

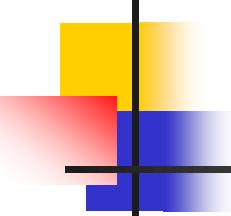
18 U.S.C. §§ 1341, 1346



# **BRIBERY: HONEST SERVICES MAIL FRAUD**

Cases: How do they get started?

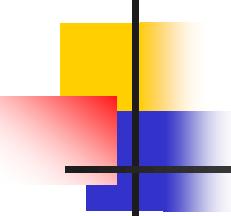
- Your SEI
- Disgruntled staffer or opponent
- FPPC Tip Line
- Disgruntled Donor/Contributor
- Scorned Spouse



# **BRIBERY: HONEST SERVICES MAIL FRAUD**

## **Summary of Behaviors Which Make You a Target**

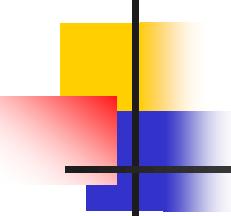
- Trading votes or political prerogatives for \$\$
- Avoid “on-the-side” consulting businesses
- Avoid conflicts with family businesses
  - Jobs
  - Contracts
- Do not use public money/assets for private gain
- Avoid self-dealing – no matter how slight



# SIMILAR CRIMES

- Receiving rewards for appointing someone to public office
- Embezzlement—converting public funds or property to your own

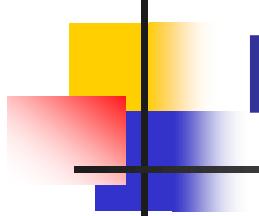




# THE POLITICAL REFORM ACT

## **The Fundamental Provisions**

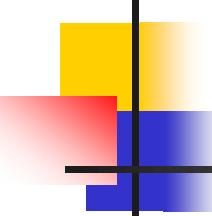
No public official shall make, participate in making, or in any way attempt to use his or her official position to influence a governmental decision if he or she knows or has reason to know that he or she has a financial interest in the decision. Cal. Gov't Code § 87100. A public official has a financial interest in a decision if it is reasonably foreseeable that the decision will have a foreseeable and material financial effect on the official or one or more of his or her economic interests. Cal. Gov't Code § 87103; 2 Cal. Code of Regs. § 18700(a).



# PERSONAL FINANCIAL GAIN

## The Political Reform Act

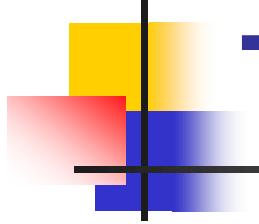
- FPPC, Form 700
- Oral and Written Advice
- Disclose/Disqualification
- Economic Interests



# THE POLITICAL REFORM ACT

## Analysis: Four Step Test

1. Is the financial effect “reasonably foreseeable”?
2. Is it “material”?
3. Is the effect on the official the same as on the public generally?
4. When is the official “making, participating in the making, or using his or her position to influence” the governmental decision from which the financial effects results? (Quid Pro Quo)

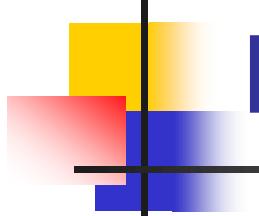


# THE POLITICAL REFORM ACT

Exceptions?

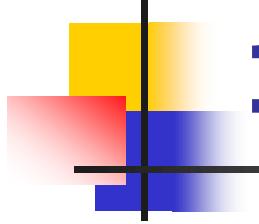
Public Generally

Legally Required Participation



# **ECONOMIC INTERESTS – FORM 700 - Financial Discl.**

- 1. Business Entities**
- 2. Real Property**
- 3. Sources of Income**
- 4. Sources of Gifts**
- 5. Personal Finances**



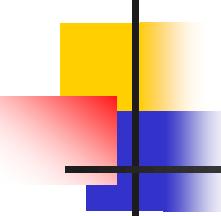
# 1. BUSINESS ENTITIES

- Direct or Indirect Investment of \$2000
- Are you a director, officer, partner, trustee, employee or do you hold a management position
- Parent/subsidiary
- Defined: Any organization operated for profit

## 2. REAL PROPERTY INTEREST

- \$2000 or more
- Direct or indirect
- Partner's/child's property
- Tenancy interest  
(except month to month)
- 500 foot rule





# Revised 500 foot rule (2019)

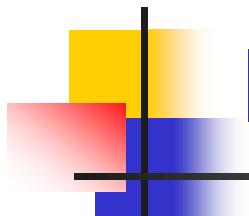
Regarding property holdings (other than leasehold interests), you have a conflict if the matter involves:

**Property 500 feet or less** from the public official's property UNLESS there is clear and convincing evidence that the decision will not have any measurable impact on the official's property.

**Property between 500 feet to 1000 feet** from the official's property AND action would change the parcel's

- a. Development potential
- b. Income producing potential
- c. Highest and best use
- d. Character by substantially altering
  - i. traffic levels
  - ii. intensity of use
  - iii. parking
  - iv. view
  - v. privacy
  - vi. noise levels
  - vii. air quality
- e. Market Value

**Property more than 1000 feet** from the official's property is presumed not to be material, but this presumption can be rebutted with clear and convincing evidence.



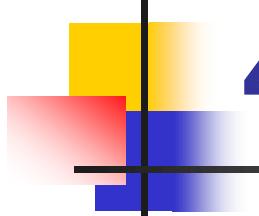
# What about decisions affecting leasehold real property interests?

- When a public official's leasehold property interests are involved, there will be a conflict of interest if:
  - The Decision will:
    - Change termination dates
    - Increase/decrease potential rental value
    - Change the actual or legally allowable use
    - Impact the use and enjoyment of the property
  - Exceptions:
    - Solely infrastructure repairs, replacement and maintenance
    - Adoption/amendment of general plan

### 3. SOURCES OF INCOME

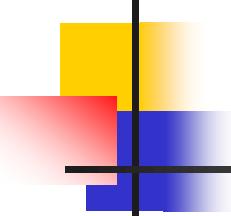
- \$500 or more – can be:
- Your own income
- Promised income
- Partner's/child's income
- Loans/guarantors





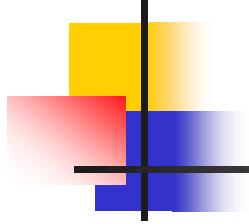
## 4. SOURCES OF GIFTS

- Form 700 → Disclose \$50 or more
  - Aggregate by Source – calendar year
- \$630 or more – aggregate 12 months prior to decision
- \$630 annual (2026) gift limit; exceptions
- Amazingly detailed regulations



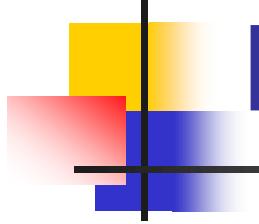
# Registered Lobbyist Gift Limit

- **\$10 Lobbyist Gift Limit:** Elected state officials, including members of the legislature, and legislative employees may not accept a gift or gifts totaling more than \$10 in a calendar month from any individual who is registered as a lobbyist under state law. The \$10 limit also applies to gifts received by officials and employees of state agencies if their agency is listed on the registration statement of the lobbyist's employer or firm.



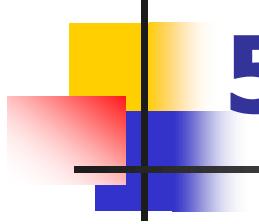
# Loan Limitations

- Public officials who are required to file Statements of Economic Interests (Form 700s) may not receive any personal loan aggregating more than \$250 from an official, employee, or consultant of, or from anyone who contracts with, their governmental agencies.



# More on Loan Limitations

- In addition, elected officials may not receive any personal loan aggregating more than \$500 from a single lender unless certain terms of the loan are specified in writing. Under certain circumstances, a personal loan that is not being repaid or is being repaid below certain amounts may become a gift to the official who received it.

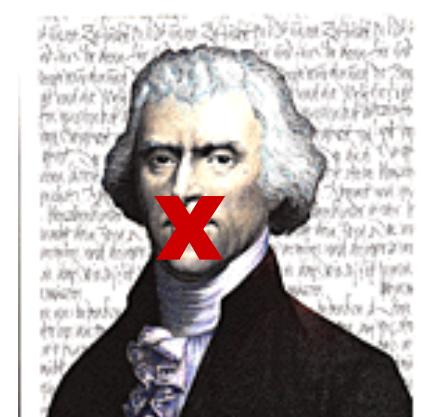


## 5. PERSONAL FINANCES RULE

- You have a financial interest if you can reasonably foresee a financial effect of \$500 or more
- 12 months prior to/after the decision

# IF YOU ARE DISQUALIFIED FOR A FINANCIAL CONFLICT

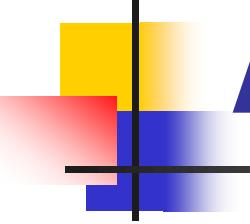
- Don't discuss or influence (staff or colleagues)
- Identify nature of conflict at meeting
- Leave room (unless the matter is on consent)
- Limited exceptions
  - Owned property
  - Owned/controlled business



# DISQUALIFICATION BASED ON FINANCIAL INTERESTS

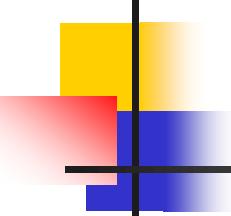
- Rule: You may not participate in a decision if “your” economic interests are affected by a decision
- Effect can be positive or negative





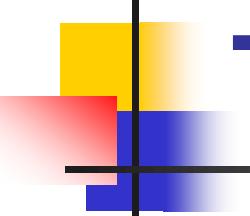
# DISQUALIFICATION VERSUS ABSTENTION

- Abstention => voluntary
- Disqualification => Legally required
  - Does not imply wrongdoing
  - Unless you don't disqualify yourself when required



# PENALTIES

- Invalidate decision
- Misdemeanor (could result in loss of office)
- Fines (\$5,000 to \$10,000 per violation)
- Attorneys fees (yours and others)
- Embarrassment (personal/political)

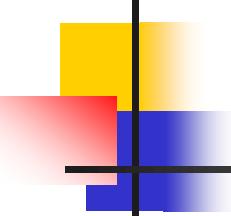


# CASE STUDY: THE TRAVEL STORE

- Elected official in travel business
  - Twice failed to disclose on SEI
- Voted on consent calendar
- Included approval of payments to her travel agency (\$28,481 total)
- Possible fine under PRA: \$76,000 (ultimate fine: \$29,000); possible felony under Gov't. Code 1097

# FUTURE EMPLOYMENT ISSUES

- Revolving door prohibition
  - Electeds, managers
  - Cannot represent people for pay for a year after leaving their agency
  - City of Mountain View - Effective July 1, 2006 but not at BART (Self-dealing prohibition still applies)
- No participation in decisions involving future employers
  - Cut it off – in writing, email

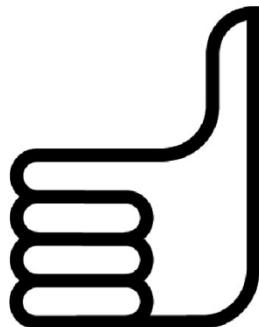


# MASS (BULK) MAILING

Simplified: Prohibits the govt. from mailing (at public expense) 200 or more same or similar pieces of mail which feature an elected official(s).

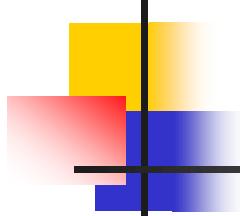
- Newsletters
- Letters

Penalties: 2X or 3X the cost of the mailing is possible



## BEST PRACTICES

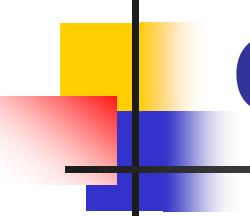
- Avoid temptation to look at public service as an opportunity for financial gain
- Look at every decision and ask yourself whether it involves some kind of financial interest for you



# **WARNING! SPECIAL RULES FOR CONTRACTS**

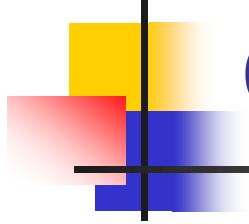
- Government Code Section 1090
- Disqualification may not be enough
  - Direct or indirect interest
  - Limited exceptions
- May have to refund money paid
- Felony: \$1,000 fine, imprisonment, and loss of office





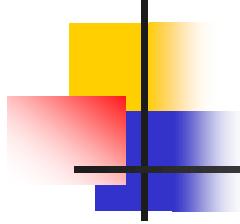
# CONTRACTS – GOVERNMENT CODE 1090

- *Thomson v. Call*
- *People v. Honig*
- *People v. Chacon*
- **Statutory Provision**
- Government Code section 1090 states in pertinent part: "Members of the Legislature, state, county, district, judicial district, and city officers or employees shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are members."



## GROUP 2: PERKS

- “Perk” or Perquisite – French
  - “Casual income or profits accruing to the lord of a feudal manor”
  - “A privilege, gain or profit incidental to an employment in addition to regular salary or wages”



## GROUP 2: PERKS

- **Principles: No Unauthorized Perks**
  - Democratic equality
  - Public servants should not receive **unauthorized** special benefits by virtue of their positions



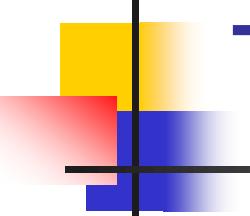
# Don't use government resources to cover up your affairs !

- Alabama governor Bentley quits amid sex scandal.
- Converted campaign contributions to personal use – to cover up his affair with a staffer.
- Failed to file report re campaign funds.



But we don't need to leave California  
for examples of bad behavior !

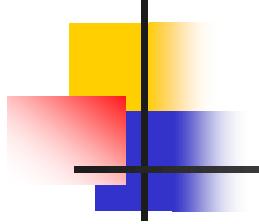




# This happens regularly

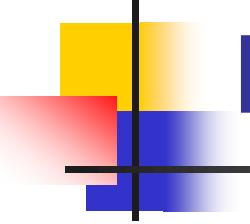
- Court docs: Rep. Hunter used campaign money in affairs
- Newsroom
- US attorneys are alleging Rep. Duncan Hunter (R-CA) used campaign funds to pursue extra-marital relationships with five different women — including lobbyists and congressional staffers. CNN's Tom Foreman reports on the new allegations that come as Hunter's wife, Margaret, agreed to cooperate with investigators.

# TWO KINDS OF PERK RULES



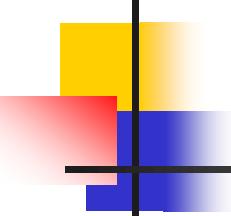
1. Perks that others offer you
2. Perks that you give yourself/use-of-public-resources issues





# NOT ALL GIFTS HAVE BOWS

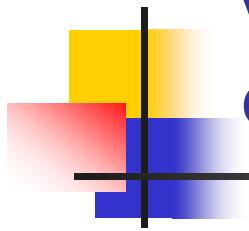
- Meals, food and drink (including receptions)
- Entertainment (concerts & sporting events)
- Certain kinds of travel and lodging
- BART Employee Gift Policy – Management Policy



# NOT ALL GIFTS HAVE BOWS

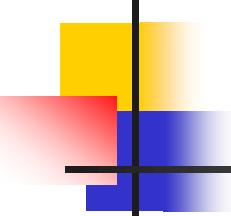
## ■ Gifts

- From anywhere--inside or outside the jurisdiction
- \$50 or more -- disclose on annual statement
- \$590 --- \$590 for the 2023.
- Disclosure
  - Aggregate from one source
  - Based on **calendar** year
- Disqualification - \$590 or more. (Rose to \$590 effective January 1, 2023 to December 31, 2024.) Accepting less is OK
  - – but disqualification from participating in the decision making process may result because **you go back 12 months preceding the decision – not “calendar” months!**



## **Observation: Power makes you look ten years younger, twenty pounds lighter and everyone laughs at your jokes**

“When you become an elected official, you will attract new “best friends” in a number you wish you had in high school.”



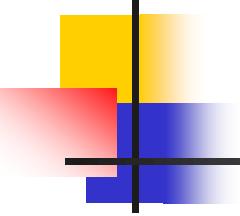
# EXCEPTIONS TO THE DEFINITION OF “GIFT”

1. Informational material
2. Returned unused (within 30 days)
3. Relatives - close family
4. Campaign contributions
5. Plaques or awards (less than \$250)
6. Home hospitality
7. Exchange of gifts – birthdays, holidays, where similar in value
8. Devise or inheritance
9. Free admission where you give a speech; travel within California and lodging as necessary for the speech

## GIFTS

# GUIDES TO GIFT REGULATIONS

## §18940

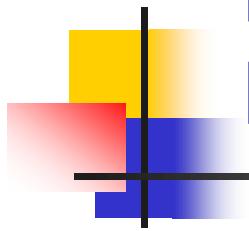


- a. Limits on Gifts -- Government Code §89503
- b. Gift Limit Amount -- §18940.2
- c. Definition of "Gift" -- Government Code §82028(a)
  - 1. Receipt, Promise and Acceptance of Gifts -- §18941
  - 2. Payments for Food -- §18941.1
- d. Exclusion and Exceptions
  - 1. Exceptions to "Gift" and Exceptions to Gift Limits -- §18942
  - 2. Definition of "Informational Material" -- §18942.1
- e. Return, Donation or Reimbursement of a Gift -- §18943
- f. Recipient of the Gift
  - 1. Valuation of Gifts to an Official and His or Her Family -- §18944
  - 2. Passes or Tickets Given to an Agency -- §18944.1
  - 3. Gifts to an Agency -- §18944.2

# GUIDES TO GIFT REGULATIONS

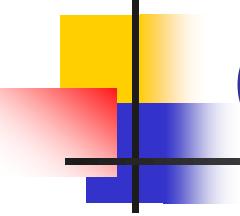
## (Continued)

- g. Sources of Gifts -- Government Code §18945
  - 1. Cumulation of Gifts; "Single" source -- §18945.1
  - 2. Intermediary of a Gift -- §18945.4
  - 3. Gift from Multiple Donors -- §18945.4
- h. Reporting and Valuation of Gifts: General Rule -- §18946
  - 1. Passes and Tickets -- §18946.1
  - 2. Testimonial Dinners and Events -- §18946.2
  - 3. Wedding Gifts -- §18946.3
  - 4. Tickets to Nonprofit and Political Fundraisers -- §18946.4
  - 5. Prizes and Awards from Bona Fide Competitions -- §18946.5
- i. Travel -- §18950 through §18950.4



# **GESTURE OF TICKET FROM NON- PROFIT/POLITICAL FUNDRAISERS NOT COUNTED AS “GIFT” IF:**

1. Single Ticket;
2. If held by the organization;
3. One ticket directly from the organization
4. Official must use the ticket personally
5. Counts toward gift limit
6. How does it count? → Face value minus donation portion

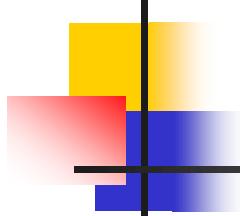


## GIFTS

# GIFTS TO THE PUBLIC AGENCY (VERSUS THE PUBLIC OFFICIAL)

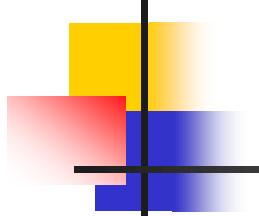
### FOUR CRITERIA:

1. Agency must receive and control payment.
2. Payment must be used for official agency business.
3. Agency must determine the specific official who will use the payment.
  - Donor may specify purpose -- not person.
  - Not for elected or 87200 officials (i.e. folks filing Form 700s)
4. Agency must memorialize receipt of the payment; disclose on internet and in writing.



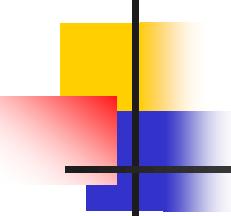
## PERKS - OTHER OFFERS

- No free transportation from transportation carriers
- No honoraria (fees) for speaking or writing
  - Any payment made for speech given, article written or attendance at any public or private conference, convention, meeting, meal, social event, etc.



# USE OF PUBLIC RESOURCES ISSUES

- Personal use of public resources (including staff time and agency equipment) prohibited
- Personal errands
- Political use of public resources also prohibited



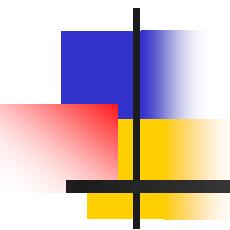
# EXAMPLE: EXPENSE REIMBURSEMENT

- Familiarize yourself with your agency's policies/limits
  - What kinds of expenses
  - What rates for food, lodging and transportation
  - The importance of documentation
- Note: Spouse/partner expenses not reimbursable

# CONSEQUENCES OF VIOLATIONS

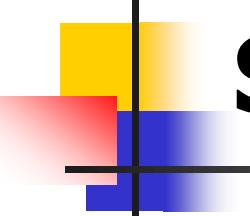
- Civil penalties: \$1,000/day fine + 3X value of resource used
- Criminal penalties: 2-4 year prison term + disqualification from office
- Can also have income tax implications





# WHAT IS THE BART RULE ON GIFTS?

NO GIFTS!



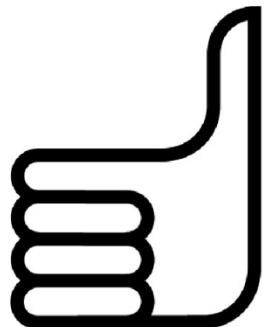
# CASE STUDY: SACRAMENTO SUBURBAN WATER DISTRICT

- Staff and directors misusing public resources
- Investigative report by *Sacramento Bee*
  - Use of agency credit card for personal purposes
  - Misreporting of income
  - Double-dipping on expense reimbursements
- Legislative response: AB 1234

# POLITICAL USE OF PUBLIC RESOURCES

- By individuals or agency itself (support of ballot measures)
- Mass mailing restrictions
  - Goal: restrict incumbents' advantages
- Gifts of public funds





## BEST PRACTICE

- Avoid perks *and* the temptation to rationalize about them
  - Legally risky
  - Public relations headache
  - Byron's Rule: No Gifts!!

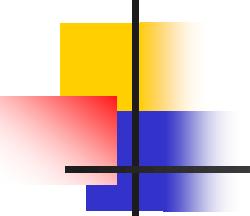


# GROUP 3: TRANSPARENCY LAWS

## Principles:

- It's the public's business
- Public trusts a process it can see





# TRANSPARENCY RULES

- Conduct business in open and publicized meetings
- Allow public to participate in meetings
- Allow public inspection of records

**INSTITUTE for LOCAL GOVERNMENT**  
*Celebrating 50 years of service to local officials*  
[www.ilsg.org](http://www.ilsg.org)

## The ABCs of Open Government Laws

The underlying philosophy of the open government laws is that public agency processes should be as transparent as possible. Such transparency is vital in promoting public trust in government. Conducting government openly and transparently is an opportunity to include the public in decision-making processes and demonstrate that the agency has nothing to hide.

This concept of governmental transparency is so important to the public that some 83 percent of voters supported adding it to California's constitution.

**CALIFORNIA'S TRANSPARENCY LAWS REQUIRE PUBLIC OFFICIALS TO:**

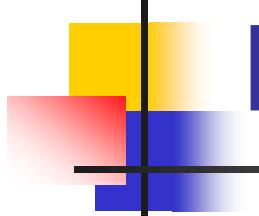
**A.** Conduct the public's business in open and publicized meetings, except for the limited circumstances under which the law allows closed sessions.

**B.** Allow the public to participate in meetings.

**C.** Allow public inspection of documents and records generated by public agencies, except when non-disclosure is specifically authorized by law.

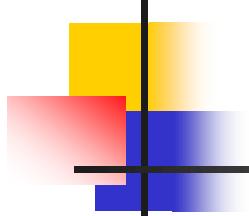
This pamphlet summarizes these three requirements for local officials in broad terms. For information about how these requirements apply in any given situation or more information about this area of the law in general, local officials are encouraged to consult with their agency attorneys.

The law also requires certain local officials to be transparent about their personal financial interests and relationships. For more information about these requirements, please see the Institute's booklet entitled "Key Ethics Law Principles for Local Officials" and "A Local Officials Reference on Ethics Laws." Both are available at [www.ilsg.org/trust](http://www.ilsg.org/trust).



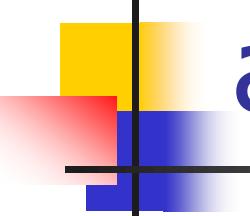
# For a Regular Meeting of a Legislative body

- An agenda adequately describing the business items that will be addressed in the meeting must be posted in a public place for a full 72 hours prior to the meeting time.



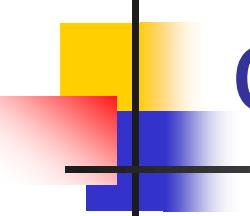
# For a Special Meeting of a Legislative body

- An agenda adequately describing the business items that will be addressed in the meeting must be posted in a public place for a full 24 hours prior to the meeting time.



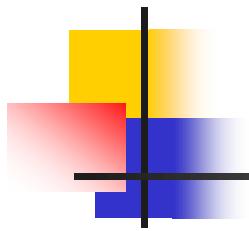
# For an Emergency Meeting of a Legislative Body

- An agenda adequately describing the business items that will be addressed in the meeting must be posted in a public place for one hour prior to the meeting time with telephonic notice going to media outlets that have requested notice of such meetings.



# For a dire emergency meeting of a Legislative Body

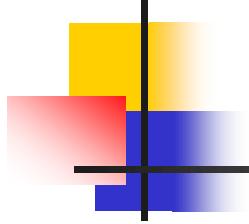
- Since September 11<sup>th</sup>, dire emergency meetings have been added to the statutory scheme of the Brown Act. Mass destruction or terrorist activity posing immediate peril is the justification for such meetings. Notice to the public is made at the time the presiding officer notifies the legislative body members.



# CONDUCTING BUSINESS AT OPEN MEETINGS

- A majority may not consult outside an agency-convened meeting
- Key concept: what constitutes a meeting
  - Example: Serial communications (beware of emails and other social media communications)
- Exceptions for certain kinds of events
  - As long as a majority does not consult among themselves (conferences, purely social events, being in the audience of another's meeting, etc.)

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# CONSEQUENCES OF VIOLATIONS

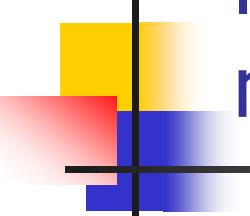
- Nullification of decision
- Criminal sanctions for intentional violations (up to 6 months in jail/\$1000 fine)
- Intense adverse media attention

# The Transition from AB 361

## Rules

AB 2449 does not repeal the previously-enacted alternative teleconferencing rules that were passed under AB 361 and under which many governments are currently running their meetings.

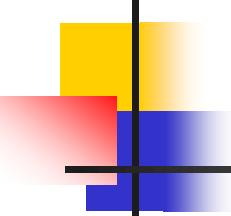
- Instead, the new rules under AB 2449 are in addition to those enacted under AB 361.
- Because the AB 361 rules can only be used during a declared State of Emergency, however, they will become inapplicable on February 28, 2023, when the current State of Emergency ends.
- Between January 1, 2023 and February 28, 2023, the AB 361 rules will only apply IF the local legislative bodies continue to adopt resolutions allowing for teleconferencing under AB 361's set of rules.
- Beginning February 28, 2023, local legislative bodies may only use teleconferencing under either the new AB 2449 rules or the pre-pandemic teleconferencing rules, which remain in the Brown Act.



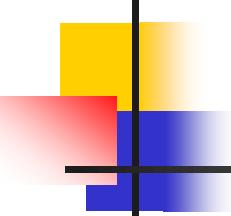
# AB 2449 (2022) provides agencies with long-term permissions to hold remote meetings.

- AB 2449 reiterates the standard Brown Act teleconference rules, recodifies the rules set out in AB 361 for times of declared emergencies, and also provides for relaxed (in comparison to pre-pandemic times) teleconferencing rules when a member of the legislative body needs to attend remotely for an emergency, or other reasons supported by "just cause."
- (AB 2449 amends Sections 54953 and 54954.2 of the Govt. Code.)

# Newly Added Teleconference Rules – 1/1/2023

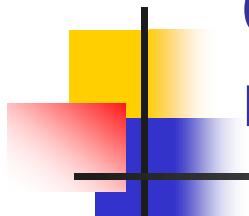


- Under the new teleconference rules, a legislative body may hold a “hybrid” (partial teleconference, partial in-person) meeting without having to comply with certain procedural requirements (post agendas at all teleconference locations, identify all teleconference locations in the agenda, make all teleconference locations open to the public) in the following circumstances:
  - One or more members of the legislative body (but less than a quorum) have “just cause” for not attending the meeting in person (childcare or family caregiving need, contagious illness, physical or mental disability need, or travel while on public business); or
  - One or more members of the legislative body (but less than a quorum) experience an emergency circumstance (a physical or family emergency that prevents in-person attendance).



## AB 2449 places restrictions on the number of times any one member may attend remotely in a year as well as imposing other limitations.

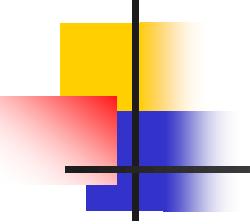
- With “just cause”, a member participating remotely under AB 2449 may participate remotely under the “just cause” provision only during two meetings per calendar year.
- In “emergency circumstances,” defined as a physical or family emergency that prevents the member from attending in person, the member can participate remotely by requesting approval to do so from the legislative body. The legislative body may take action on the request as soon as possible, including at the beginning of the meeting, even if there was not sufficient time to place the request formally on the agenda.



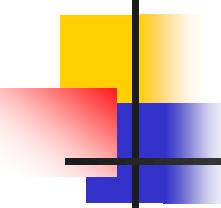
# Under either the “Just Cause” or “Emergency Circumstances” provisions, disclosures are necessary and must be stated.

- Under either circumstance, the member in question must give a general description of the circumstances relating to their need to appear remotely, but need not disclose any medical diagnosis, disability or other confidential medical information.

# What is “Just Cause”?

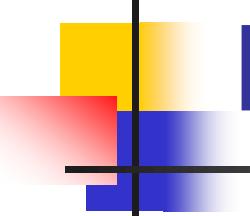


- A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires the member to participate remotely.
- A contagious illness that prevents a member from attending in person
- A need related to a physical or mental disability as defined under the California Fair Employment and Housing Act that is not otherwise accommodated as required under the Brown Act.
- Travel while on official local government business.



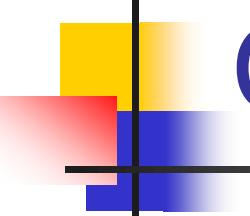
# SB 707 has expanded the scope of just cause remote attendance

- SB 707 expands the circumstances under which a committee member may use just cause remote attendance to include any of the following:
- A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner
- A contagious illness that prevents the member from attending in person
- A need related to a physical or mental condition that does not qualify for disability accommodation
- Travel while on official business of the District or another state or local agency
- A physical or family medical emergency that prevents the member from attending in person (previously a basis for "emergency circumstances" remote participation) SB 707 eliminated "emergency circumstances" as a separate type of remote participation and folded this circumstance into "just cause" remote participation
- (NEW) An immunocompromised child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires the member to participate remotely
- (NEW) Military service obligations that result in a member being unable to attend in person because they are serving under official written orders for active duty, drill, annual training, or any other duty required as a member of the California National Guard or a United States Military Reserve organization that requires the member to be at least 50 miles outside the District's boundaries
- .



# Requirements for Remote Participation for “Just Cause”:

- The Board member must notify the Board at the earliest opportunity possible, including at the start of a regular meeting , of their need to participate remotely for just cause including a general description of the circumstances relating to their need to appear remotely.
- A Board member participating remotely for just cause must publicly disclose at the meeting before any action is taken, whether any other individual 18 years of age or older are present in the room at the remote location with the Board member, and the general nature of the Board member’s relationship with any such individuals. (Query: Is this based upon a concern about third parties pulling strings ?)
- A Board member participating remotely for just cause must participate in the meeting via **BOTH** audio and video media.
- A Board member may participate remotely for just cause for no more than two meetings per calendar year.

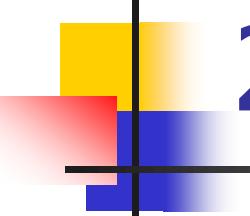


# What are “Emergency Circumstances”

- The actual definition of “Emergency circumstances” is actually quite narrow. It is defined as a physical or family medical emergency that prevents the Board member from attending in person.
- There is substantial overlap with the grounds for Just Cause remote participation.
- Additional grounds for remote meetings that would be permitted under this criteria are circumstances that pose a physical emergency such as storms, fires, floods, earthquakes or other “physical” causes making attending in person problematic.

# Requirements for Remote Participation under “Emergency Circumstances”:

- The Board member must make a request of the Board to participate remotely due to emergency circumstances as soon as possible, and must include a general description of the circumstances relating to the need to appear remotely. The general description need not exceed twenty words and shall not require the Board member to disclose a medical diagnosis or disability, or any confidential medical information.
- The Board must approve the request by a majority vote. A separate request must be made, and a separate vote must be taken, for each meeting at which a Board member participates remotely due to emergency circumstances.
- If the Board member’s request does not allow sufficient time to place the item on the meeting agenda for Board action on the request, the Board may discuss and take action on the request at the beginning of the meeting after publicly identifying the item.
- A Board member participating remotely for emergency circumstances must publicly disclose at the meeting before any action is taken, whether any other individuals 18 years of age or older are present in the room at the remote location with the Board member, and the general nature of the Board member’s relationship with any such individuals.
- A Board member participating remotely for emergency circumstances must participate in the meeting via BOTH audio and video media.

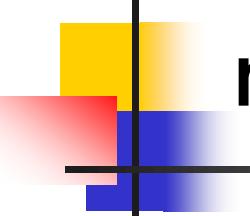


# Additional Restrictions on AB 2449 teleconferencing.

- In addition, AB 2449 provides that a member cannot participate solely by teleconference under the new AB 2449 framework for more than 3 consecutive months or more than 20 percent of the agency's regular meetings (i.e. no more than two meetings if the agency meets fewer than 10 times per year).
- NOTE: Beyond two "just cause" remote participation requests, all the other remote participation requests under this limitation would need to be based upon the "emergency circumstances" justification.

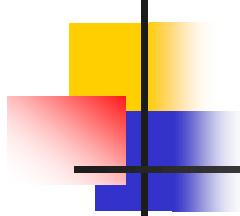
# New SB 707 authorizes fully remote meetings for some advisory bodies

- SB 707 authorizes fully remote meetings by subsidiary legislative bodies, such as advisory committees appointed by the Board, subject to certain requirements and exceptions.
- Note that *elected officials* serving as committee members in their official capacities are not permitted to rely upon the following rules for remote attendance at committee meetings, but may still use traditional teleconferencing or just cause remote attendance at such meetings.



# Who is eligible for fully remote meetings ?

- A subsidiary body is eligible to hold fully remote meetings if the body satisfies all of the following conditions:
- The body is created by formal action of the Board;
- The body serves exclusively in an advisory capacity;
- The body is not authorized to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements, grants, or allocations of funds; and
- The body does not have primary subject matter jurisdiction, as defined by charter, ordinance, resolution, or other formal action of the Board, that focuses on elections, budgets, police oversight, privacy, removing from, or restricting access to, materials available in public libraries, or taxes or related spending proposals.

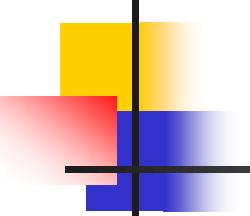


# Who is not eligible ?

- The following BART advisory committees are *not* eligible for fully remote meetings based on the committee's primary subject matter jurisdiction:
- Audit Committee (budget and general financial matters)
- Measure RR Bond Oversight Committee (taxes and related spending proposals)
- BART Police Civilian Review Board (police oversight)
- Transit Security Advisory Committee (police oversight)

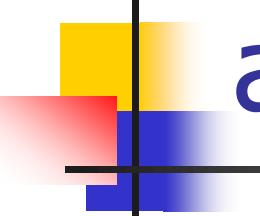
# General Rule for BART Advisory Committees

- All other BART advisory committees appointed by the Board satisfy the requirements for fully remote meetings. Note that individual members of the non-eligible committees may still be able to participate remotely under provisions permitting remote attendance as a disability accommodation, remote attendance for just cause, and traditional teleconferencing.



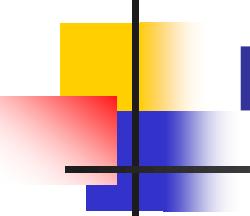
# Necessary Findings for BART Committees to hold fully remote meetings

- In order for eligible BART committees to hold fully remote meetings, the BART Board must first make the following findings by majority vote, and must thereafter adopt the findings every six months:
- The Board has considered the circumstances of the subsidiary body;
- Remote meetings of the subsidiary body would enhance public access to meetings of the subsidiary body, and the public has been made aware of the type of remote participation, including audio-visual or telephonic, that will be made available at a regularly scheduled meeting and has been provided the opportunity to comment at an in-person meeting of the legislative body authorizing the subsidiary body to meet entirely remotely; and
- Remote meetings of the subsidiary body would promote the attraction, retention, and diversity of subsidiary body members.



# More about fully remote advisory body meetings

- If the Board adopts the above findings, advisory committees may hold fully remote meetings subject to the following requirements:
- The District must designate one physical meeting location within District boundaries where committee members participating in person are present and where members of the public may physically attend the meeting.
- At least one District staff person must be present at the physical meeting location.
- The meeting agenda must be posted at the physical meeting location.
- Committee members participating remotely must visibly appear on camera during the open session portion of the meeting, unless the committee member has a physical or mental condition that is not a disability that results in a need to participate off camera.
- A committee member's appearance on camera may cease only when their appearance would be technologically infeasible, including when the member experiences a lack of reliable broadband or internet connectivity that would be remedied by joining without video. If this happens, the member must announce the reason for their nonappearance prior to turning off their camera.

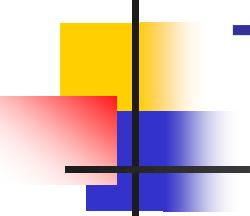


# Additional restrictions worth mentioning.

- A quorum of the body must still meet in-person (but still possibly in multiple posted locations within the jurisdiction with traditional teleconferencing but all in one site if any member utilizes AB 2449 relaxed remote access).
- The body must meet following AB 2449 “relaxed” remote access rules:
  - Provide either a two-way audio and visual system or a two-way phone service in addition to live webcasting;
  - Identify a call-in or internet-based access option on the agenda, in addition to the in-person meeting location;
  - Ensure that if a disruption to the online meeting occurs, the body takes no further action on agendized items until public access is restored; and
  - Avoid requiring public comments to be submitted in advance, and provide a real-time option for the public to address the body at the meeting.

# Does SB 707 make changes to this?

- Note that SB 707 leaves unchanged the just cause requirement that at least a quorum of committee members participate in person from a singular physical location clearly identified on the agenda that is open to the public and within the BART District. Members are also still required to announce at the start of the meeting their need to participate remotely for just cause, including a general description of the circumstances relating to the need to participate remotely.
- SB 707 adds a requirement that the minutes of any meeting at which a member participates remotely for just cause identify the specific provision of the Brown Act that the member relied upon to participate remotely, i.e., for a caregiving need, for a contagious illness, etc.



# Special Note re Teleconferencing

- In 2024, the Attorney General provided two opinions interpreting Brown Act provisions. Although Attorney General opinions do not have the same force as published court decisions, they still are considered as authoritative on the issues they address. Agencies may—and should—rely on them for guidance.
- In one of the two opinions, issued in July, the Attorney General considered the interplay of the Brown Act and the federal Americans with Disabilities (“ADA”). Specifically, his opinion considered whether the ADA allows remote meeting participation to serve as a reasonable accommodation for a member of a Brown Act body with a qualifying disability.
- The Attorney General answered “yes” to this question. (Cal. Att. Gen. Op. 23-1002, Jul. 24, 2024.) Years ago the Attorney General had concluded the contrary. But because of the post-Covid changes to the Brown Act expanding on the right of members to participate remotely, the Attorney General concluded the prior reasoning no longer applied.
- The new opinion noted, however, that disabled members accommodated through remote participation are required to comply with two conditions the Legislature placed on remote participation. Specifically, these members must be connected in real time through both audio and visual means, and they must disclose the identities of any adults present with them at the remote location.

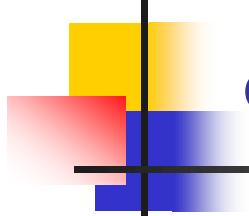
# **Remote Attendance for Members**

## **with Disabilities**

- SB 707 adds provisions expressly permitting a committee member with a disability to attend committee meetings remotely as a reasonable accommodation pursuant to any applicable law.
- A member participating remotely as a disability accommodation must participate using both audio and camera, except that a member may participate solely with audio if their disability results in a need to participate off camera.
- The member must disclose at the beginning of the meeting whether any other individual age 18 years or older are present in the room with them, and the general nature of the member's relationship with the individual.
- Remote participation as a disability accommodation must be treated as in-person attendance at the physical meeting location for all purposes, including establishing a quorum.

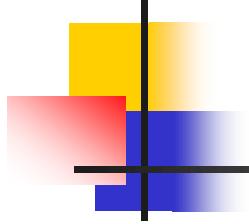
# Expiration of AB 2449 authorization

- The new statutory authorization expires by its own terms on January 1, 2026. At that point, absent further legislative, the Brown Act's teleconferencing provisions will revert to essentially the same language as before the pandemic.
- Note that SB 707 extends the provisions of AB 2449's just cause remote teleconferencing with certain revisions added regarding fully remote teleconferencing for appropriate advisory bodies.



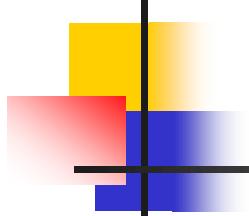
# Some governments enact additional transparency rules

- BART not only requires compliance with the Brown Act for its formal advisory bodies (advisory to the Board), but it also requires that bodies that are not subject to the Brown Act (i.e. those not formed by the District) be subject to meeting notification requirements and accessibility requirements.



# BART's Brown Act Lite Rules

- The trigger for these “Brown Act Lite” noticing and accessibility requirements is the attendance of one or more members of the Board at these non-Brown Act public meetings.
- The BAC is an example of one of these types of “Brown Act Lite” bodies.



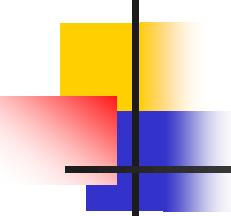
# PUBLIC RECORDS

- Agendas and meeting materials
- Other writings prepared, owned, used or retained by agency (including electronic)
- New: Public emails on private devices have recently been ruled public records!
- Penalties: Adverse media attention + costs and attorneys fees if litigated

# FINANCIAL INTEREST DISCLOSURE

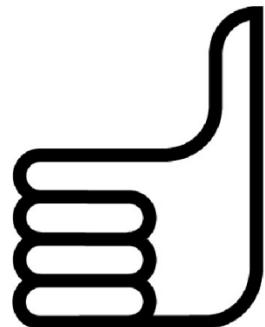
- Transparency includes obligation for high level public servants to disclose financial interests
  - Assuming office
  - Annually while in office
  - Upon leaving office





# CHARITABLE FUNDRAISING

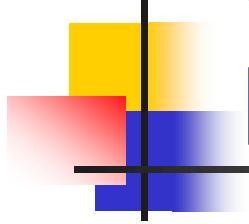
- Rule applies to elected officials who are successful in getting someone to contribute \$5,000 or more to a cause during a calendar year.
- Must disclose \$5,000 or more from single source within 30 days.
- Causes include charitable, legislative or governmental purpose



## BEST PRACTICES

- Assume all information is public or will become public
- Don't discuss agency business with fellow decision-makers outside meetings

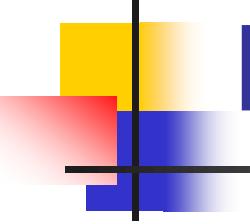




# GROUP 4: FAIR PROCESS LAWS

- **Principle:** As a decision-maker, the public expects you to be impartial and avoid favoritism

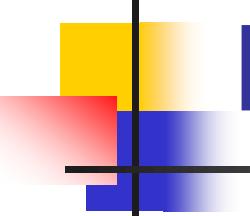




# FAIR PROCESS LAWS

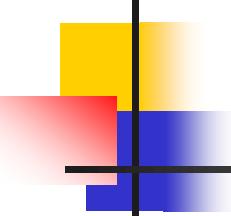
- Due process requirements and rules against bias
  - *Nasha LLC v. City of Los Angeles*
  - *Clark v. Hermosa Beach*
- Incompatible office prohibitions
- Trading Votes: Illegal!





# Nasha LLC v. City of LA

- The essential issue presented was whether the Planning Commission's decision should be set aside due to an unacceptable probability of actual bias on the part of one of the decisionmakers.
- While this matter was pending before the Planning Commission, one of its members authored an article attacking the project under consideration. Accordingly, Nasha's claim of bias was well founded. The judgment in favor of the City was reversed with directions.



# Clark v. Hermosa Beach

- The City exhibited bias in connection with its unsuccessful effort to impose a construction moratorium. In February 1992, the Council had attempted, but failed, to enact a moratorium on the construction of buildings higher than 30 feet. The measure fell one vote short of the four votes needed. (See Gov. Code, § 65858.) Consequently, the City's 35-foot height restriction remained in effect in R-3 zones. Yet, shortly after the moratorium failed, the Council and the planning commission denied permits on three projects (including the Clarks') involving 35-foot structures. This sequence of events indicated that the City was attempting to do — by a majority vote on a project-by-project basis — what the law required a four-fifths vote of the Council to accomplish.<sup>21</sup> At a minimum, this evidence established that the Council was not impartial to the Clarks' project.

# FAIR PROCESS LAWS

continued

- Competitive bidding requirements
  - State law defines
  - Also local requirements
  - Principles:
    - Everyone has a right to compete for agency's business
    - That competition produces the best price for taxpayers
- Example:
  - Council member steered contracts to sister's firm and apparently received kickbacks

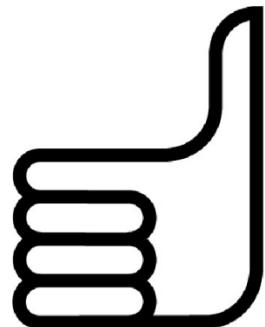


# FAIR PROCESS LAWS

continued

- Disqualification requirements if decision involves family members
  - The Law and Ethics
- Campaign contribution restrictions (appointed bodies)
- Soliciting campaign contributions from employees

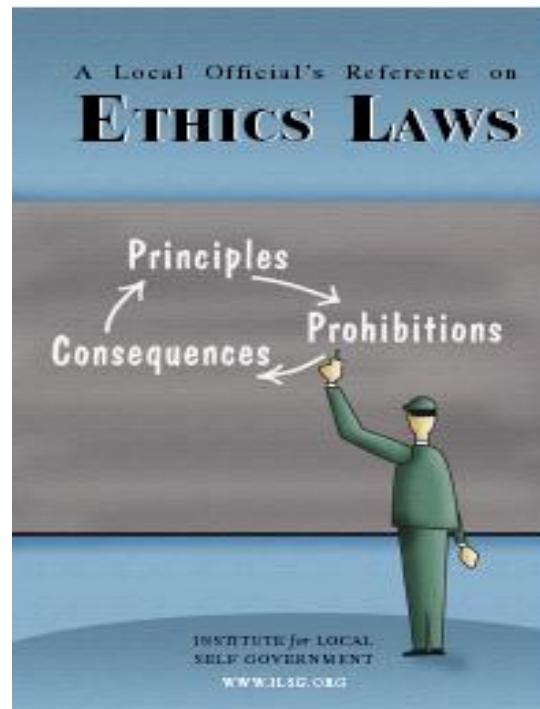




## BEST PRACTICES

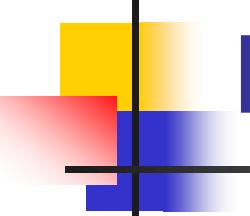
- Think fairness and merit-based decision-making in your decisions
- Keep politics separate from relationships with agency staff

# RESOURCES FOR FURTHER READING



# **BEYOND THE LAW: PUBLIC SERVICE ETHICS PRINCIPLES**





# ETHICS = VALUES

- Six universal ethical values:
  - Trustworthiness - Honesty
  - Loyalty
  - Responsibility
    - Community interest
  - Respect
  - Fairness
  - Compassion

*Source: Institute for Global Ethics*

# APPLYING VALUES TO PUBLIC SERVICE

## Trustworthiness:

- I am truthful with my fellow officials, the public and others.

**PUBLIC SERVICE VALUES**

*When we talk about the values that ought to guide one's public service, what kinds of values do we mean? The following provides some ideas on values that can inform one's public service and suggest examples of what those values mean in practice.*

**Trustworthiness**

- I remember that my role is first and foremost to serve the community.
- I am truthful with my fellow elected officials, the public and others.
- I avoid any actions that would cause the public to question whether my decisions are based on personal interests instead of the public's interests.
- I do not consider my or other special considerations because of my public position.
- I do not knowingly use false or inaccurate information to support my position.
- I do not use my public position for personal gain.
- I carefully consider any promises I make (including campaign promises), and then keep them.

**Fairness**

- I make decisions based on the merits of the issues.
- I honor the law's and the public's expectation that agency policies will be applied consistently.
- I support the public's right to know and promote meaningful public involvement.
- I support merit-based processes for the award of public employment and public contracts.
- I am impartial and do not favor those who either have helped me or are in a position to do so.
- I promote equality and treat all people equally.
- I excuse myself from decisions when my or my family's financial interests may be affected by my agency's actions.
- I credit others' contributions in moving our community's interests forward.
- I make decisions that are fair, but am sensitive to the need for compromise, "thinking outside the box," and improving existing paradigms.

**Responsibility**

- I work to improve the quality of life in the community and promote the best interests of the public.
- I promote the efficient use of agency resources.
- I do not use agency resources for personal or political benefit.
- I represent the official positions of the agency to the best of my ability when authorized to do so.
- I explicitly state that my personal opinions do not reflect the agency's position and do not allow the inference that they do.
- I take responsibility for my own actions, even when it is uncomfortable to do so.

**Respect**

- I do not use information that I acquire in my public capacity for personal advantage.
- I do not promise that which I have reason to believe is unrealistic.
- I disclose suspected instances of impropriety to the appropriate authorities, but I never make false charges or charges for political advantage.
- I do not disclose confidential information without proper legal authorization.
- I am proactive and innovative when setting goals and considering policies.
- I consider the broader regional and statewide implications of the agency's decisions and issues.
- I promote intelligent innovation to move forward the agency's policies and services.

**Compassion**

- I realize that some people are intimidated by the public process and try to make their interactions as stress-free as possible.
- I care about my agency's care and commitment to its community members.
- I am attuned to, and care about, the needs and concerns of the public, officials, and staff.
- I recognize my responsibility to society's less fortunate.
- I consider appropriate exceptions to policies when there are unintended consequences or undue burdens.

**Loyalty**

- I safeguard confidential information.
- I avoid employment, contracts and other financial, political and personal interests that can conflict with my public duties.
- I prioritize competing issues based on the agency's interests and burdens to the public interest, not to myself, my family, friends or business associates.
- I do not oppose final decisions once they have been made by the decision makers, except through internal lines of communication.
- I put loyalty to the public's interests above personal and political loyalties.

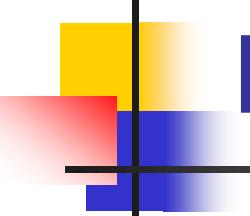
**The Importance of Public Perception**

The interesting – and somewhat unique – aspect of public service ethics is that it is not exclusively an introspective process. A public official can be absolutely confident that he or she is able to put personal interests or relationships aside, but the public may still question whether indeed that is so.

Public perception, therefore, matters a great deal in one's analysis of what the "right thing to do" is in public service. This is because, as public service officials are stewards of the public's trust in the public's governing institutions. In short, public service ethics is not only about doing the right thing, but also about the public's confidence that indeed the right thing has been done. But not doing the right thing just because the public's perception may be negative can have its own pitfalls. To step, or at times tiptoe, along the trail toward good government, here is a simple (but not necessarily easy) process:

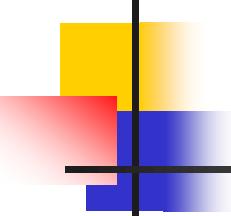
- First Step:** Figure out what "the right thing" to do is.
- Second Step:** Figure out what the public's perception of "the right thing to do" would be.
- Third Step:** When needed, balance the first two steps and follow the path which best supports public service values.

# ANALYZING ETHICAL DILEMMAS



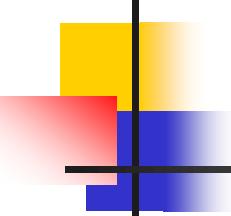
Two kinds of dilemmas:

- Two competing “right values”
- Doing the right thing costs more than one wants to pay



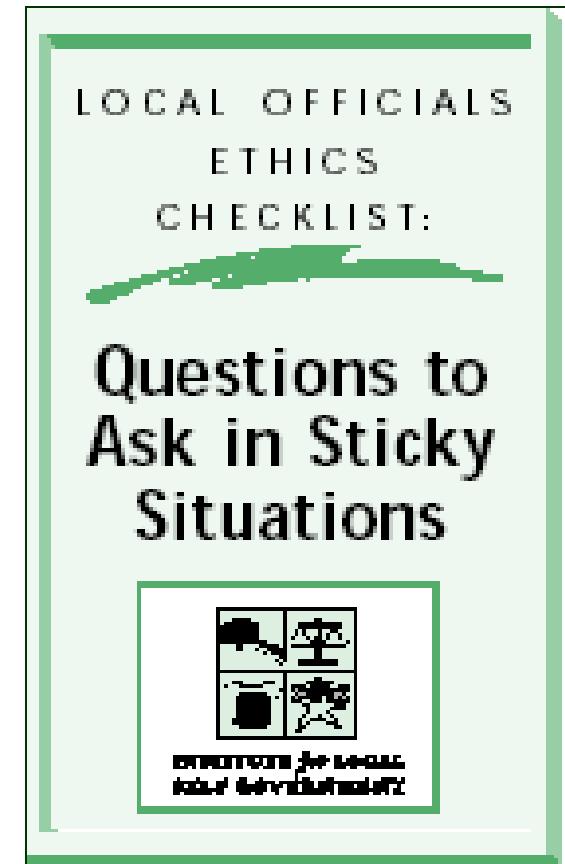
# EXAMPLE

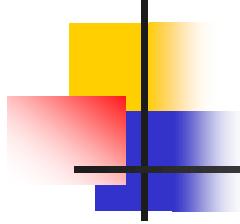
- Campaign contributor wants you to do commercial/zoning on their property
- Residential zoning may be in the best interests of the community
- Right versus right dilemma (loyalty versus responsibility)
  - Doing the right thing (acting on responsibility) then becomes a personal cost dilemma



# QUESTIONS TO ASK

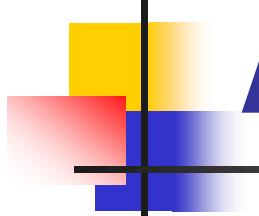
- What would inspire public confidence?
- Ask: Why am I choosing this alternative?
- What would you want to read about on the front page?
- How do you want to be remembered?





# KEY LESSONS

- The law sets minimum standards for ethical behavior
  - Violations of ethics laws carry stiff penalties
  - When in doubt, ask and ask early
- It's your choice how high you want to set your sights above the minimum requirements of the law



# AB 1234 COMPLIANCE

- Sign in
- Proof of participation certificate
- Provide to clerk of agency as public record
- Consider going beyond the minimum in terms of education



**QUESTIONS?**



Outlook

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## FW: For Review: January 16, 2026 BOC - Agenda and Revised Standing Rules

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**From** Rachel Russell <RRussel@bart.gov>  
**Date** Sat 12/20/2025 9:51 AM  
**To** Manimegala Muthu <manimegala.muthu@bart.gov>

FYI for DSO submission of agenda

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**From:** Byron Toma <BToma@bart.gov>  
**Sent:** Friday, December 19, 2025 6:02 PM  
**To:** Rachel Russell <RRussel@bart.gov>  
**Subject:** RE: For Review: January 16, 2026 BOC - Agenda and Revised Standing Rules

Hi Rachel:

I see. They look fine to me. - Byron

---

**From:** Rachel Russell <[RRussel@bart.gov](mailto:RRussel@bart.gov)>  
**Sent:** Wednesday, December 17, 2025 9:03 AM  
**To:** Byron Toma <[BToma@bart.gov](mailto:BToma@bart.gov)>; Raymond Pascual <[RPascua@bart.gov](mailto:RPascua@bart.gov)>; Legal Assignment <[legalassignment@bart.gov](mailto:legalassignment@bart.gov)>  
**Cc:** Manimegala Muthu <[manimegala.muthu@bart.gov](mailto:manimegala.muthu@bart.gov)>  
**Subject:** RE: For Review: January 16, 2026 BOC - Agenda and Revised Standing Rules

Hi Byron and Raymond,

Thanks for reviewing the agenda and standing rules.

There are two agendas, one is an internal agenda with detailed timing for each item and the other is the external or public agenda, which include approximate times.

Hope that clarifies.

Rachel

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**From:** Byron Toma <[BToma@bart.gov](mailto:BToma@bart.gov)>  
**Sent:** Thursday, December 4, 2025 10:11 PM  
**To:** Rachel Russell <[RRussel@bart.gov](mailto:RRussel@bart.gov)>; Raymond Pascual <[RPascua@bart.gov](mailto:RPascua@bart.gov)>; Legal Assignment <[legalassignment@bart.gov](mailto:legalassignment@bart.gov)>  
**Cc:** Manimegala Muthu <[manimegala.muthu@bart.gov](mailto:manimegala.muthu@bart.gov)>  
**Subject:** RE: For Review: January 16, 2026 BOC - Agenda and Revised Standing Rules

Hi Rachel:

The language of the rule change looks fine. The agendas are fine, but why do you have two of them? One is larger than the other, and I am not sure if the longer one supersedes the shorter one. - Byron

---

**From:** Rachel Russell <[RRussel@bart.gov](mailto:RRussel@bart.gov)>  
**Sent:** Wednesday, December 3, 2025 11:14 AM  
**To:** Raymond Pascual <[RPascua@bart.gov](mailto:RPascua@bart.gov)>; Byron Toma <[BToma@bart.gov](mailto:BToma@bart.gov)>; Legal Assignment <[legalassignment@bart.gov](mailto:legalassignment@bart.gov)>  
**Cc:** Manimegala Muthu <[manimegala.muthu@bart.gov](mailto:manimegala.muthu@bart.gov)>  
**Subject:** For Review: January 16, 2026 BOC - Agenda and Revised Standing Rules

Hi Byron and Raymond,

Please find attached the agenda for the upcoming January 16<sup>th</sup> Bond Oversight Committee meeting (internal and external versions) and updated Standing Rules document with tracked changes for the Measure RR Bond Oversight Committee.

For the Standing Rules, the following edits were made:

- The term period has been revised from three two-year terms to four two-year terms, in alignment with the current Bond Resolution.

We plan to include this as an information item on the January BOC Meeting agenda and vote on adopting the revised standing rules in April.

Kindly review the updates and let us know if you have any questions or concerns.

Thank you!

Rachel

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