

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

AGENDAS FOR BOARD AND COMMITTEE MEETINGS

September 27, 2007

9:00 a.m.

A regular meeting of the Board of Directors and regular meetings of the Standing Committees will be held on Thursday, September 27, 2007, commencing at 9:00 a.m. All meetings will be held in the BART Board Room, Kaiser Center 20th Street Mall – Third Floor, 344 – 20th Street, Oakland, California.

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

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

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

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

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

Kenneth A. Duron
District Secretary

Regular Meeting of the
BOARD OF DIRECTORS

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

1. **CALL TO ORDER**

- A. Roll Call.
- B. Pledge of Allegiance.
- C. Introduction of Special Guests.

2. **CONSENT CALENDAR**

- A. Approval of Minutes of the Meeting of September 13, 2007.* Board requested to authorize.

- B. Audit of Directors' Use of District Property.* For information.

RECESS TO STANDING COMMITTEES

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

ALL COMMITTEES ARE ADVISORY ONLY

ADMINISTRATION COMMITTEE

Immediately following the Board Meeting recess

Director Franklin, Chairperson

- A-1. Fiscal Year 2008 Short Range Transit Plan (SRTP) and Capital Improvement Program (CIP).* Board requested to authorize.

- A-2. General Discussion and Public Comment.

ENGINEERING AND OPERATIONS COMMITTEE

Immediately following the Administration Committee Meeting

Director Fang, Chairperson

- B-1. Sole Source Procurement with Inter Clean Equipment for DynaBrite, an Alkaline Washing/Brightening Chemical.* Board requested to authorize. (TWO-THIRDS VOTE REQUIRED.)

- B-2. Strategic Maintenance Program Progress Report.* For information.

- B-3. General Discussion and Public Comment.

PLANNING, PUBLIC AFFAIRS, ACCESS, AND LEGISLATION COMMITTEE

Immediately following the Engineering and Operations Committee Meeting

Director Radulovich, Chairperson

- C-1. Capital Program Funding – Ongoing Efforts and Opportunities.* For information.

- C-2. General Discussion and Public Comment.

RECONVENE BOARD MEETING

3. CONSENT CALENDAR ADDENDA

Board requested to authorize as recommended from committee meetings above.

4. REPORTS OF STANDING COMMITTEES

A. ADMINISTRATION COMMITTEE

- A-1. Fiscal Year 2008 Short Range Transit Plan (SRTP) and Capital Improvement Program (CIP).* Board requested to authorize.

B. ENGINEERING AND OPERATIONS COMMITTEE

- B-1. Sole Source Procurement with Inter Clean Equipment for DynaBrite, an Alkaline Washing/Brightening Chemical.* Board requested to authorize. (TWO-THIRDS VOTE REQUIRED.)

- B-2. Strategic Maintenance Program Progress Report.* For information.

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

- C-1. Capital Program Funding – Ongoing Efforts and Opportunities.* For information.

5. GENERAL MANAGER'S REPORT

NO REPORT.

6. BOARD MATTERS

- A. Report of the District Security Advocacy Ad Hoc Committee. For information.
- B. Roll Call for Introductions.
- C. Proposed Revisions to Board Rules 3-1.5 (a) and 3-3.5 (e).* (Director Fang's request). Board requested to adopt.

7. GENERAL DISCUSSION AND PUBLIC COMMENT

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

A. PUBLIC EMPLOYEE APPOINTMENT:

Title: General Counsel
Gov't. Code Section: 54957(b)(1)

B. CONFERENCE WITH LABOR NEGOTIATORS – PUBLIC
EMPLOYEE PERFORMANCE EVALUATION:

Agency Negotiators: Directors Franklin, Murray, and Sweet
Titles: Controller/Treasurer, District Secretary
Gov't. Code Sections: 54957 and 54957.6

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

Inter-Office Communication

To: Board of Directors

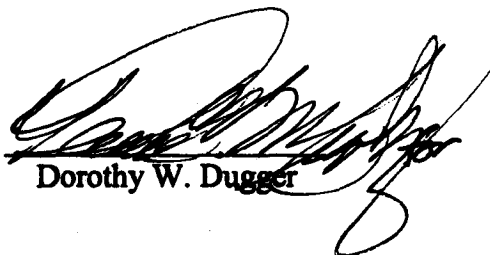
Date: September 14, 2007

From: General Manager

Subject: Audit of Directors' Use of District Property

Attached is the Internal Audit Department's audit report—*Audit of Directors' Use of District Property*. The audit will appear on the September 27, 2007, Board Consent Calendar.

If you have any questions regarding the audit, please contact Darlene Cummins at (510) 464-7514.



Dorothy W. Dugger

cc w/attachment: Board Appointed Officers

***Audit of Directors' Use of District Property
for Fiscal Year 2007***

BACKGROUND

The Internal Audit Department has audited the District's compliance with the requirements of the San Francisco Bay Area Rapid Transit District's *Rules of the Board of Directors* Board Rule 5-3.5, Use of District Property Other than Automobiles. The Rules require that the Internal Audit Department shall complete an annual audit for the previous fiscal year for compliance with the requirements of Board Rule 5-3.5, and shall submit the audit report, including a list of property issued to each Director, to the next Administration Committee following September 15 for review and forwarding to the full Board.

Board Rule 5-3.5 requires that:

- Directors may have use and possession of specifically identified District property that is comparable in cost and function to equipment available to District employees;
- The property will be returned when a Director leaves office;
- Directors request the property through the District Secretary's Office;
- The District Secretary request quarterly that the Directors review their cellular phone and calling card charges;
- Directors reimburse within 30 days of the quarterly request the costs that are not for District business; and
- The District Secretary report to the Board President or Vice President if the quarterly requests are not responded to or reimbursements not made within 30 days.

The purpose of our audit was to determine whether the District complied with the requirements of Board Rule 5-3.5 for the fiscal year ended June 30, 2007. To accomplish our purpose, we reviewed the requirements of the Board Rule, reviewed the report for the audit of compliance with the Board Rule prepared for the previous year, examined records maintained by the District Secretary, notified Directors of the property recorded in the District's records as issued to each Director, and conducted discussions with the staff of the District Secretary's Office.

We performed the audit in accordance with generally accepted government auditing standards and included such tests as we considered necessary in the

***Audit of Directors' Use of District Property
for Fiscal Year 2007***

**BACKGROUND
(Cont'd)**

circumstances. We used the *Rules of the Board of Directors* Board Rule 5-3.5 as criteria for the audit.

We provided Kenneth A. Duron, District Secretary, with a draft copy of our audit report on September 11, 2007. We discussed the draft audit report with him on September 12, 2007, and he had no additional comments.

**SUMMARY OF
AUDIT RESULTS**

We found that in fiscal year 2007 the District complied in all material respects with the requirements of Board Rule 5-3.5. A list of property issued to each Director as recorded in the District's records is shown in Exhibit A.



Darlene Cummins, Department Manager
Internal Audit Department

***Audit of Directors' Use of District Property
for Fiscal Year 2007***

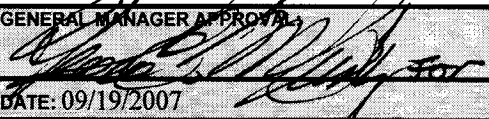
Exhibit A

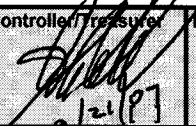
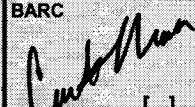
**Schedule of District Property in Directors' Custody
As of June 30, 2007**

DIRECTOR	PROPERTY DESCRIPTION
Gail Murray 1st District	Blackberry Wireless Handheld
Joel Keller 2nd District	LCD Monitor Motorola Cellular Telephone
Bob Franklin 3rd District	Motorola Cellular Telephone
Carole Ward Allen 4th District	Dell Computer Viewsonic Monitor HP Printer/Fax/Scanner/Copier Blackberry Wireless Handheld
Zoyd Luce 5th District	Motorola Cellular Telephone IBM Pentium Computer Viewsonic Monitor HP Printer/Fax/Scanner/Copier
Thomas M. Blalock 6th District	Motorola Cellular Telephone HP Fax Machine
Lynette Sweet 7th District	Blackberry Wireless Handheld IBM Laptop Computer Dell Laptop Computer
James Fang 8th District	HP Multi-function Fax Machine Apple Notebook Computer Apple Notebook Rechargeable Battery Apple Notebook Case
Tom Radulovich 9th District	Apple Laptop Computer HP Printer Motorola Cellular Telephone



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 	GENERAL MANAGER ACTION REQ'D:
DATE: 09/19/2007	BOARD INITIATED ITEM: No

Originator/Prepared by: Scott D Miller Dept: PH Signature/Date: 9/21/07	General Counsel MB 9/21/07	Controller/Treasurer  9/21/07	District Secretary []	BARC  []
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Status: Approved	Date Created: 09/19/2007
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NARRATIVE:
TITLE:

Final FY08 Short Range Transit Plan (SRTP) and Capital Improvement Program (CIP)

NARRATIVE:

Purpose: To adopt the District's FY08 Short Range Transit Plan (SRTP) covering the period FY08 through FY17 and Capital Improvement Program (CIP) covering the period FY08 through FY32.

Discussion: The SRTP and CIP provide an analysis of operating and capital funding needs, priorities, and funding strategies, required by the Metropolitan Transportation Commission (MTC) as a condition to programming of grants. These high-level planning documents are based on MTC's grant funding availability forecasts and revenue growth assumptions.

On August 23, 2007, the Board received copies of the draft FY08 SRTP/CIP, and copies of the document were released for MTC and public review. On September 13, 2007, the Board heard a staff presentation and public comment. The current motion is for the Board to adopt the final document.

Short Range Transit Plan

The SRTP is a management and financial planning tool providing a ten-year perspective based on the current year operating program. The document provides information on current and forecast rail ridership and financial performance. The SRTP demonstrates BART's financial capacity to provide planned future service levels and fund a portion of the District's capital program.

Capital Improvement Program

The CIP is a management and financial planning tool for BART's 25-year capital program, and lays out the District's approach to capital needs and funding strategy. The themes encompassed by the CIP include continued focus on the vital renovation and replacement of existing physical infrastructure; seismic retrofit; investments in service and capacity enhancements; and system expansion.

Changes from Draft to Final FY08 SRTP/CIP

Changes from the August 2007 draft are as follows:

- The Draft SRTP/CIP noted that the FY08 state budget had not yet been adopted. BART's FY08 budget assumed an additional \$1.2 Million in State Transit Assistance (STA) funds would be

available to cover the planned improvements in evening and Sunday service frequency. Subsequently, the state budget was adopted and included an additional \$6 million in STA funds for BART. The FY08 budget will be revised shortly to reflect that increase.

- Figure 18, BART's Operating Financial History, now includes the final FY07 operating financial results, which includes an allocation to study alternative energy applications at BART.
- Section 4.3 now includes information of how BART could handle the projected small operating deficits in future years.
- No substantive changes were made to the CIP relative to the draft document.

Public Comment Received

The draft FY08 SRTP/CIP was posted on the BART website, which is accessed by several hundred people each month, and 25 copies were mailed to government agencies and libraries for public review and comment. Copies were delivered to interested BART staff, the public, and the Accessibility Task Force. One comment was received by email asking the District to consider automatic increases in parking fees, similar to the CPI-based fare increase program. One person spoke at the September 13 Board meeting.

Fiscal Impact: The SRTP and CIP are required supporting documentation for BART's grant applications. As such, these documents are prerequisites to the MTC's authorization of non-District funds. This year's document satisfies this requirement.

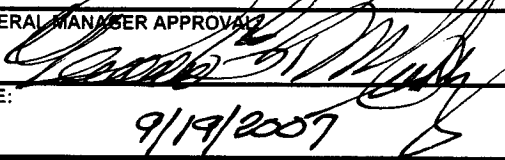
Alternatives: Not adopting the Final FY08 SRTP/CIP places future grant approvals in jeopardy.

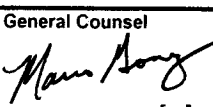

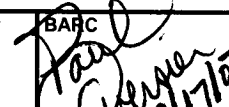
Recommendation: Adopt the Final FY08 SRTP/CIP for transmittal to the MTC and the FTA as required.

Motion: That the District's Final FY08 Short Range Transit Plan and Capital Improvement Program document be adopted and transmitted to the MTC and the FTA as required.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: 	GENERAL MANAGER ACTION REQ'D: Approve and Forward to E & O Committee
DATE: 9/19/2007	BOARD INITIATED ITEM: No

Originator/Prepared by: Paul M Plecnik Dept: Mechanical Engineering Division Ext. 6814 Signature/Date:	General Counsel  []	Controller/Treasurer  []	District Secretary []	BARC  9/17/07
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NARRATIVE:

Permission to Negotiate with a Single Source Vendor for Procurement of an Alkaline Washing/Brightening Chemical, DynaBrite (Two-Thirds Vote Required)

PURPOSE:

To obtain a Board finding that Inter Clean Equipment (ICE) of Ypsilanti, Michigan is a single source of procurement for an Alkaline Washing/Brightening Chemical for the Revenue Vehicles and that procurement of this material is for the sole purpose of duplicating or replacing material in use at the District; and for the Board to authorize the General Manager to negotiate and enter into a three-year sole source contract with ICE for the procurement of up to 30,000 gallons of DynaBrite, its Alkaline Washing/ Brightening Chemical, in accordance with Public Contract Code Section 20227. This procurement will consist of a one-year base contract purchase of up to 10,000 gallons with the option to purchase up to 10,000 gallons per year for the following two fiscal years.

DISCUSSION:

The car wash facilities in Richmond, Daly City and Hayward each require approximately 3000 gallons of Alkaline Washing/Brightening Chemical per year to maintain the level of cleanliness through frequent train car wash iterations. The cleaning process for aluminum bodied train cars is to use an alkaline chemical to remove organic film and metal oxide deposits from the roof and sides of a train car. When each car wash facility was built, the car wash equipment manufacturer, ICE worked with Cleaning Systems Incorporated, (CSI), the chemical supplier, to develop a cleaner that works with the specific car washer equipment to meet BART specifications. ICE was required to provide a one-year supply of chemicals for each facility. Within the first two years, the District had attempted to qualify five different chemicals but only the DynaBrite chemical was qualified and its Material Safety Data Sheet (MSDS) approved through the System Safety department. Since March 2005, the District has consistently purchased DynaBrite from

EDD: Permission to Negotiate with a Single Source Vendor for Procurement of an Alkaline

ICE. The District had two interim purchases of DynaBrite before September 2006 and two purchases via Invitation for Bid in October 2005 and October 2006.

In the effort to promote competition and reduce the cost of the chemical, the Maintenance & Engineering department has been continuously working with other chemical suppliers to develop alternative products. One vendor submitted an alkaline brightening chemical cleaner for field testing at Hayward Yard in November 2006, but it failed after approximately one month of testing. The vendor is re-formulating the chemical for another field test to be initiated in late 2007. In the event that, during the term of its sole source contract with ICE and prior to exercise of one or both of the option years, an alkaline brightening chemical cleaner from another vendor is found to be acceptable by District staff, the District will not exercise its remaining option(s), and will proceed instead to solicit competitive bids for this product.

DynaBrite was formulated specifically for the brushed aluminum bodied cars. It has undergone extensive field test verification of its cleaning effectiveness at the Hayward car wash facility. The result of this testing is conclusive and demonstrated significant improvement in the overall cleanliness of train cars. DynaBrite is a proprietary formulation sold exclusively to ICE and cannot be procured by the District going directly to CSI.

FISCAL IMPACT:

The estimated total price of DynaBrite is \$420,000 over a three-year period: One-year base contract with the option for two additional years. Funding for the FY08 portion of this contract amounting to \$140,000 is included in the operating budget for the Maintenance and Engineering Department, Cost Center 641, Power and Mechanical Maintenance Division. Future option year funding will be included in the annual budgets for the next two fiscal years.

ALTERNATIVES:

Presently there is no other vendor that has demonstrated a chemical cleaner to be a viable alternative to the ICE DynaBrite product. Failure to grant this request will cause the District to lose the ability to purchase the only qualified car wash chemical cleaner available on the market and compromise train car exterior cleanliness and appearance.

EDD: Permission to Negotiate with a Single Source Vendor for Procurement of an Alkaline

RECOMMENDATION:

On the basis of analysis by Staff and certification by the Controller-Treasurer that FY 08 funds are available amounting to \$140,000 for this purpose, it is recommended that the Board adopt the motion below. The Office of the General Counsel will approve the contract as to form.

MOTION:

The Board finds pursuant to Public Contract Code section 20227 by two-thirds vote of all members of the Board that Inter Clean Equipment (ICE) is the only source for the Alkaline Washing/Brightener Chemical, DynaBrite, for the Revenue Vehicles and that the purchase is for the sole purpose of duplicating or replacing equipment or material in use by the District. The General Manager is authorized to enter into direct negotiations with ICE and to execute a one-year contract in a base amount not to exceed \$140,000 including applicable sale tax and delivery with the option to purchase two additional years of DynaBrite for a total price not exceed \$420,000 including applicable sales tax and delivery.

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

Inter-Office Communication

TO: Board of Directors

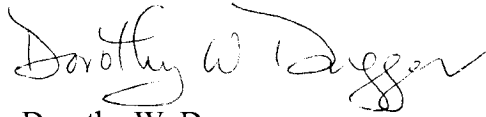
DATE: September 21, 2007

FROM: General Manager

**SUBJECT: PPAAL Committee – September 27, 2007
Capital Program Funding – Ongoing Efforts and Opportunities
Agenda Item 4-C-1**

As you will recall, in 2006 staff presented to the Board a series of capital program updates with a concluding report on capital funding status. Since that time, there have been a number of significant developments in the capital arena, including the passage of the State Infrastructure Bond and development of a greater level of precision in identification of our capital needs.

In addition to updating the Board on current status and efforts, this item advances an array of potential funding mechanisms and strategies to generate the revenue necessary to meet our capital shortfall. It is my hope that these concepts will initiate Board dialogue and feedback to guide staff as we investigate the viability of each of these options in meeting our considerable capital shortfall.



Dorothy W. Dugger

cc: Board Appointed Officers
Executive Staff

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEMORANDUM

TO: Board of Directors
FROM: District Secretary
SUBJECT: Proposed Revisions to Board Rules

DATE: September 14, 2007

Directors Blalock, Fang, Franklin, and Keller have requested that the following revisions to the Board Rules proposed by Director Fang be considered by the Board of Directors. The proposed revisions will be presented at a future Board Meeting.

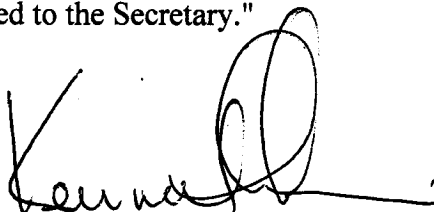
Proposed Board Rule 3-1.5(a).

"The President shall call special meetings of the Board, when in the opinion of the President the business of the District requires it, or at the request of three Directors. ~~In the absence of both the President and the Vice President such~~ Such requests shall be directed to the Secretary.

Proposed Board Rule 3-3.5(e).

"Matters coming to the Board of Directors for information or action shall normally be first referred to the appropriate committee for a report or recommendation. However, at the request of three Directors, any matter will be placed directly on the agenda of an upcoming regular board meeting regardless of whether it has been assigned to a specific committee, provided applicable meeting notice and agenda requirements are met. ~~In the absence of both the President and the Vice President such~~ Such requests shall be directed to the Secretary."

Thank you.



Kenneth A. Duron

cc: Board Appointed Officers

Item No. 6-C.

ADOPTION OF REVISIONS TO BOARD RULES

MOTION:

That the Board of Directors adopt the proposed revisions to Board Rules 3-1.5(a) and 3-3.5 (e) (attached).