

## 6. SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

---

### AGENCY OVERVIEW

In 1969, Santa Clara County had three private bus companies, all of which were in serious financial trouble: Peninsula Transit, San Jose City Lines, and Peerless Stages. The California Legislature passed the Santa Clara County Transit District Act in 1969. However, the Act did not supply funding for the new district, and county voters were reluctant to tax themselves to fund a public bus system. The formation of the Santa Clara County Transit District (SCCTD) was rejected in 1969 and 1970, before it was finally approved by county voters on June 6, 1972. SCCTD took over the operations of the three bus companies on January 1, 1973. On January 1, 1995, the SCCTD merged with the County Congestion Management Agency to become the Santa Clara Valley Transportation Authority (SCVTA or VTA). A service review for VTA was last conducted in 2007.

The principal act that governs SCVTA is the Santa Clara Valley Transportation Authority Act.<sup>73</sup> The principal act empowers SCVTA to 1) provide transit service for the transportation of passengers and their incidental baggage by any means,<sup>74</sup> 2) provide facilities, including streets and highways, for the movement of vehicles, bicycles, and pedestrians,<sup>75</sup> and 3) operate charter bus service with limitations.<sup>76</sup> The principal act also defines the powers and duties of SCVTA regarding its infrastructure and cooperation with other local governments.<sup>77</sup>

There are fifty-five transit districts in California.<sup>78</sup> The Santa Clara Valley Transportation Authority is the only district of its type in Santa Clara County.

---

### Boundaries

---

The boundary of SCVTA is countywide and encompasses 1,304 square miles.

---

<sup>73</sup> California Public Utilities Code §10000-100619.

<sup>74</sup> California Public Utilities Code §100160.

<sup>75</sup> California Public Utilities Code §100160.1.

<sup>76</sup> California Public Utilities Code §100160.5.

<sup>77</sup> California Public Utilities Code §100160.2, 100161-100165.

<sup>78</sup> California State Controller *Special Districts Annual Report Fiscal Year 2009 – 2010*

---

## Sphere of Influence

---

During the most recent SOI update in 2007, LAFCO reaffirmed the District's existing coterminous SOI.

---

## Type and Extent of Services

---

### Services Provided

SCVTA provides bus and light rail services, regional commuter and inter-city rail service, ADA paratransit service, congestion management, specific highway improvements and other transportation projects, and countywide transportation planning and funding.

VTa initially provided exclusively countywide bus service, but later developed a light rail system that initiated service in 1987. The District further expanded in 1995 having been designated as the region's Congestion Management Agency, with responsibility for reducing congestion and improving air quality in the County. As the Congestion Management Agency for Santa Clara County the District periodically updates the Countywide Long Range Transportation Plan. VTA is responsible for planning, project development, highway development, fund programming, congestion management, and joint development functions.

SCVTA is also responsible for the engineering design and implementation of construction projects that are part of the District's rail, facilities, and highway transportation improvement programs. This includes managing the preparation of construction plans and specifications, administering construction contracts, and coordinating project hand over and acceptance.

In addition, SCVTA manages the engineering, design, and construction of the Bay Area Rapid Transit (BART) project in Santa Clara County, which includes conducting planning for the project, acting as a liaison between design and construction activities and the local communities, pursuing funding, community outreach and stakeholder involvement, and administering the right-of-way and environmental activities for project implementation.

### Service Area

VTa operates an extensive network of transit infrastructure throughout Santa Clara County covering the 346 square mile service area with approximately 1,236 miles of bus routes and 42 miles of light rail system.

SCVTA serves the major core City of San Jose (where the District is based and headquartered), with service to all other cities in the County. Only Campbell, Milpitas, Mountain View, San Jose, Santa Clara and Sunnyvale are served by light rail. Local bus route services are also provided in the urbanized unincorporated areas of the County.

SCVTA provides some services outside of its bounds to enhance connectivity to other areas. Express bus service is provided from areas within Santa Clara County to the nearby City of Fremont (Alameda County) where customers can transfer to or from the BART system. The District partners with Highway 17 Express to provide service from San Jose to the City of Santa Cruz in Santa Cruz County, and collaborates with Dumbarton Express to provide trans-bay service between Union City (Alameda County) and Stanford University, and with Monterey Salina Transit for service between Monterey and San Jose.

### Service to Other Agencies

SCVTA provides services to other entities through Jointly Funded Cooperatives. The San Jose International Airport receives flyer bus service from VTA, acting in collaboration with the City of San Jose. Similarly, SCVTA in partnership with San Jose State University, provides the San Jose downtown area shuttle to city residents and visitors.

In addition, VTA contracts with various employers in the County to operate a complimentary shuttle for their employees from several light rail stations to various employment centers. SCVTA provides an IBM light rail shuttle which connects various IBM facilities with the Santa Teresa light rail as well as the Blossom Hill Caltrain stations. SCVTA has a contract with Outreach, a nonprofit agency, to provide required paratransit services—a door-to-door service available to disabled people who meet the requirements of the 1990 Americans with Disabilities Act.

### Contracts for Services

The District contracts with the Santa Clara County Sheriff for law enforcement services.

### Collaboration

SCVTA collaborates with other public agencies in Santa Clara County for the delivery of regional transportation services, including the Congestion Management Program and the development of the *Valley Transportation Plan 2035*.

VTA has been designated as the County's Congestion Management Agency, with responsibility for developing and updating the Congestion Management Program, and monitoring its progress over time. There are 17 member agencies in the County: VTA, 15 cities within Santa Clara County and the County of Santa Clara. The purpose of the Congestion Management Program is to develop a comprehensive transportation improvement program among local jurisdictions that will reduce traffic congestion and improve land use decision-making and air quality.

The District has also developed the *Valley Transportation Plan 2035*, which is a long-term vision for transportation in the County as a whole. The *Valley Transportation Plan 2035* identifies capital projects with anticipated funds, and lays out a framework for the development and maintenance of the County's transportation system over the next 25 years.








SCVTA partners with a number of transit agencies in the region:

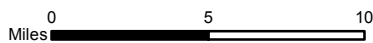
- ❖ The Altamont Commuter Express service, administered and funded under a cooperative agreement between SCVTA, the Alameda County Congestion Management Agency, and the San Joaquin Regional Rail Commission, is a rail service that provides three peak hour round trips each weekday. The rail line includes stops located in Stockton, Lathrop, Tracy, Livermore, Pleasanton, Fremont, Great America, and San Jose Diridon Station.
- ❖ Caltrain service, administered and funded under a cooperative agreement of the Peninsula Corridor Joint Powers Board, which is composed of VTA, the San Mateo County Transit District, and the City and County of San Francisco, operates 86 trains, including 22 Baby Bullet Express trains, which run between San Jose Diridon Station and San Francisco each weekday.
- ❖ The Capitol Corridor Intercity Rail Service, which SCVTA administers through a JPA with 16 other agencies, operates 33 weekday trains between Oakland and Sacramento, with 14 continuing to San Jose.
- ❖ The Dumbarton Express, administered and funded under an agreement between VTA, Alameda County Transit, the Bay Area Rapid Transit District, Union City Transit, and SamTrans, operates a trans-bay route running between the Union City Bart Station and Stanford Research Park in Palo Alto.
- ❖ The Highway 17 Express, administered and funded under a cooperative agreement between VTA, the Santa Cruz Metropolitan Transit District (Santa Cruz Metro), the Capitol Corridor JPA and Caltrans, operates between Santa Cruz and downtown San Jose as an inter-county bus service.
- ❖ The San Jose-Monterey Express, administered and funded under a cooperative agreement between the Monterey/Salinas Transit, the Capitol Corridor Joint Powers Authority and SCVTA, operates the route that runs a morning, midday and late afternoon round trip daily between Monterey and San Jose with additional stops in Edgewater, Prunedale, Gilroy and Morgan Hill.

#### Overlapping and Neighboring Service Providers

Services are not duplicated as VTA partners with multiple transit service providers, whose services are not identical but complementary to the ones provided by the District.

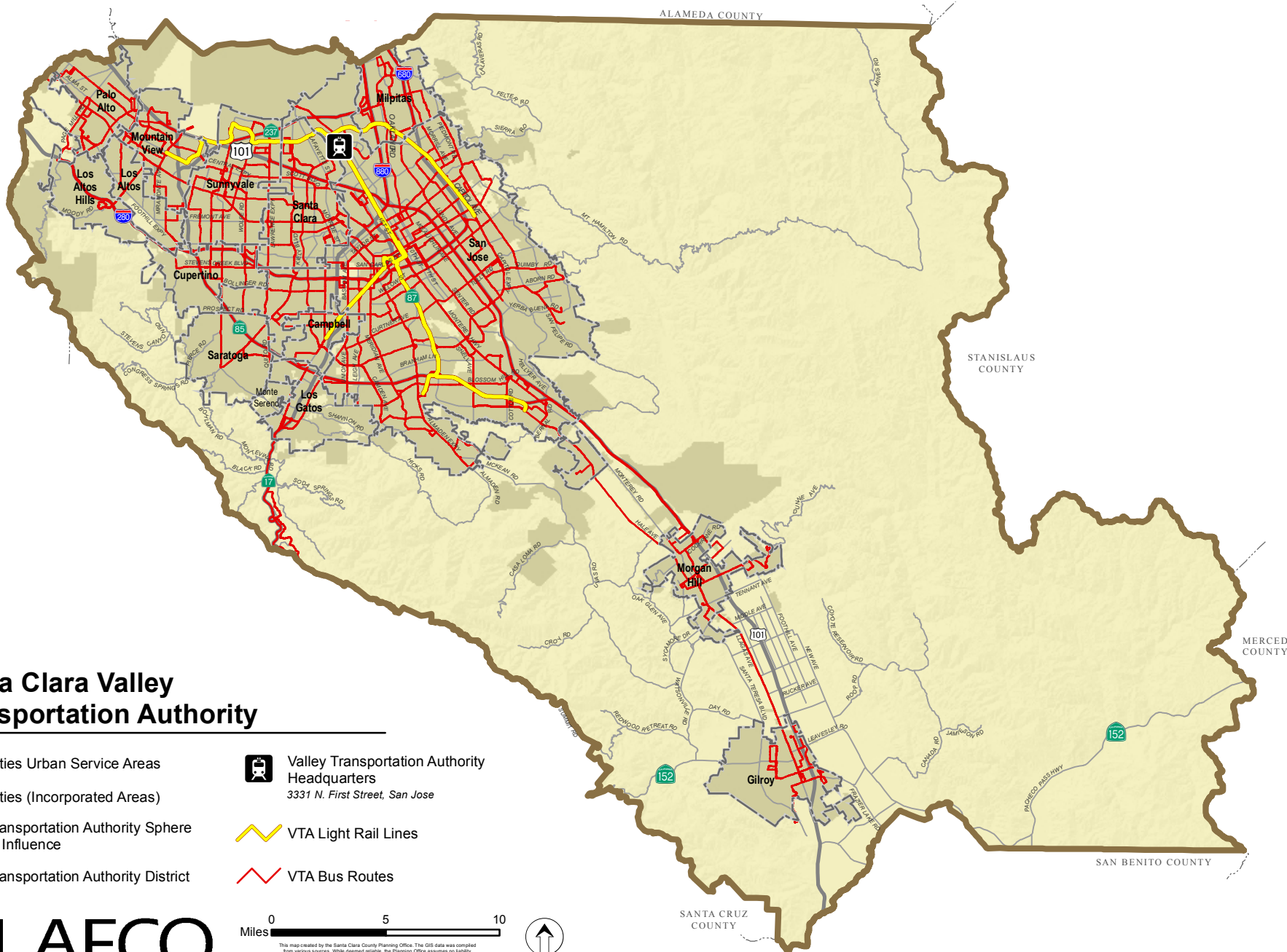
# Santa Clara Valley Transportation Authority

-  Cities Urban Service Areas
-  Cities (Incorporated Areas)
-  Transportation Authority Sphere of Influence
-  Transportation Authority District
-  Valley Transportation Authority Headquarters  
3331 N. First Street, San Jose
-  VTA Light Rail Lines
-  VTA Bus Routes



This map created by the Santa Clara County Planning Office. The GIS data was compiled from various sources. While deemed reliable, the Planning Office assumes no liability.

February 2013





## ACCOUNTABILITY AND GOVERNANCE

SCVTA is governed by an eighteen-member Board of Directors with 12 voting and six alternate members. Directors include two members of the County Board of Supervisors, five City Council members from the City of San Jose, and five City Council members selected from among the remaining incorporated cities in the County. Each member serves a two-year term. The members of the Board can be reappointed by their respective jurisdiction depending on the Board's rotation schedule. There is no limit to how many terms a director may serve. The current member names, positions, and term expiration dates are shown in Figure 6-2.

**Figure 6-2: SCVTA Governing Body**

Santa Clara Valley Transportation Authority					
District Contact Information					
Contact:	Patrick Griffin, Manager of Public Affairs and Customer Information				
Address:	3331 N. First Street, San Jose, CA 95134-1906				
Telephone:	408-321-7506				
Email:	patrick.griffin@vta.org				
Website:	http://www.vta.org/index.html				
Board of Directors					
Member Name	Position	Began Serving	Term Expires	Manner of Selection	Length of Term
Joe Pirzynski	Chairperson, Group 3	2001	December 2014	Appointed	2 years
Ash Kalra	Vice Chairperson, Group 1	2009	December 2016	Appointed	2 years
Xavier Campos	Group 1	2011	December 2014	Appointed	2 years
Rose Herrera	Group 1	2009	December 2016	Appointed	2 years
Sam Liccardo	Group 1	2007	December 2014	Appointed	2 years
Donald Rocha	Group 1	2013	January 2015	Appointed	2 years
Johnny Khamis	Alternate, Group 1	2013	January 2015	Appointed	2 years
Margaret Abe-Koga	Group 2	2007	January 2015	Appointed	2 years
Gall A. Price	Alternate, Group 2	2010	December 2014	Appointed	2 years
Evan Low	Alternate, Group 3	2007	December 2014	Appointed	2 years
Perry Woodward	Group 4	2007	November 2012	Appointed	2 years
Larry Carr	Alternate, Group 4	2006	November 2014	Appointed	2 years
Jose Esteves	Group 5	1997	November 2014	Appointed	2 years
Jamie Matthews	Group 5	2005	November 2014	Appointed	2 years
David Whittum	Alternate, Group 5	2008	December 2015	Appointed	2 years
Ken Yeager	Group 6	2001	June 2014	Appointed	2 years
George Shirakawa	Alternate, Group 6	2000	November 2016	Appointed	2 years
Dave Cortese	Group 6	2001	November 2016	Appointed	2 years
Meetings					
Date/Time:	1 <sup>st</sup> Thursday of each month at 5:30pm.				
Location:	Santa Clara Board of Supervisors’ Chambers 70 West Hedding St., San Jose.				
Agenda Distribution:	Posted online and at VTA’s River Oaks and Downtown Customer Service Center.				
Minutes Distribution:	Posted online and at VTA’s River Oaks and Downtown Customer Service Center.				

The Board of Directors meets on the first Thursday of each month at 5:30 in the afternoon at the Santa Clara County Board of Supervisors' Chambers located at 70 West Hedding Street in San Jose. Directors receive a \$100 stipend per day, not to exceed \$500 per month, for attending board meetings, standing committee meetings, or ad-hoc meetings. The District conducts expense reimbursements according to its administrative code. Government Code §53235 requires that if a district provides compensation or reimbursement of expenses to its board members, the board members must receive two hours of training in ethics at least once every two years and the district must establish a written policy on reimbursements. All members of the Board of Directors have completed their biennial ethics training.

The Board of Directors' meeting agendas and minutes are posted VTA's River Oaks and Downtown Customer Service Center locations, and on the VTA website. Agendas are posted 72 hours prior to every Board meeting. The District conducts constituent outreach in addition to legally required agenda posting via its website. SCVTA's website contains information on the District's services, bus and train fares, transit schedule, Board of Directors, Board of Directors' meeting agendas and minutes, meeting schedule, audio recordings of the prior meetings, financial information, and short- and long-range planning documents.

The Board of Directors has developed and adopted administrative code that provides a framework and direction for district governance.

Government Code §87203 requires persons who hold office to disclose their investments, interests in real property and incomes by filing appropriate forms with the Fair Political Practices Commission each year. SCVTA directors filed the required Form 700 Statement of Economic Interest forms in 2012.

## MANAGEMENT AND STAFFING

As shown in Figure 6-3, SCVTA has a total of 2,092 full-time staff. The District's general manager, who reports to the Board of Directors, is responsible for the day-to-day operations of the District.

**Figure 6-3: Staffing Levels by Organizational Unit, FY 13**

Organizational Unit	FY 12 Budgeted FTE
Office of the General Manager	13
Office of the General Counsel	10
Administrative Services	110
Congestion Management	61
Engineering and Construction	100
External Affairs	59
Fiscal Resources	99
Operations	1,608
Silicon Valley Rapid Transit Program	7
<b>TOTAL</b>	<b>2,092</b>

Source: FY 2013 Biennial Budget

SCVTA has retained a certified public accountant to audit the District's Comprehensive Annual Financial Report and prepare the annual financial transaction reports, which are required by the State Controller under Government Code Section §53891.

SCVTA has adopted a mission statement, goals, objectives, and performance measures. Other documents that the District uses to guide efforts and services include the annually adopted budget. The District has adopted a budget for FY 13, which is available on its website.

Government Code §53901 states that within 60 days after the beginning of the fiscal year each local agency must submit its budget to the county auditor. These budgets are to be filed and made available on request by the public at the county auditor's office. The County has reported that in recent years, it has not been the practice for special districts to file their budgets with the County. However, SCVTA has appropriately submitted its budget for the most recent fiscal year.

Special districts must submit a report to the State Controller of all financial transactions of the district during the preceding fiscal year within 90 days after the close of each fiscal year, in the form required by the State Controller, pursuant to Government Code §53891. If filed in electronic format, the report must be submitted within 110 days after the end of the fiscal year. The District has complied with this requirement.

All special districts are required to submit annual audits to the County within 12 months of the completion of the fiscal year, unless the Board of Supervisors has approved a biennial or five-year schedule.<sup>79</sup> In the case of SCVTA, the District must submit audits annually. SCVTA submitted its audit to the County for FY 12 in November 2012.

## **POPULATION AND PROJECTED GROWTH**

---

### **Land Uses**

---

The District encompasses the entire County. The County of Santa Clara contains a wide range of land uses, including all types of urban uses to large areas of hillside, open space, and agricultural uses. Numerous unincorporated pocket areas exist that are developed with urban uses. Development within the cities ranges from fully developed urban areas to expansive hillside, open space, and agricultural lands.

---

### **Current Population**

---

Based on 2010 Census data, the District's population as of 2010 was 1,781,642.

---

<sup>79</sup> Government Code §26909.



*Disadvantaged Unincorporated Communities*

LAFCO is required to evaluate disadvantaged unincorporated communities as part of this service review, including the location and characteristics of any such communities. A disadvantaged unincorporated community is defined as any area with 12 or more registered voters, or as determined by commission policy, where the median household income is less than 80 percent of the statewide annual median.<sup>80</sup>

The California Department of Water Resources (DWR) has developed a mapping tool to assist in determining which communities meet the disadvantaged communities median household income definition. DWR is not bound by the same law as LAFCO to define communities with a minimum threshold of 12 or more registered voters. However, the DWR data can be used for the purposes of this report as an indicator of any larger communities that may meet the income definition of disadvantaged. Based on mapping information from DWR, there are no disadvantaged unincorporated communities within or adjacent to SCVTA.<sup>81</sup>

---

## Projected Growth

---

Moderate population growth is anticipated within the District's bounds based on the Association of Bay Area Government's (ABAG) projections for Santa Clara County. ABAG projects that the County will experience 36 percent growth over the 25-year period from 2010 to 2035, or 1.5 percent average annual growth.<sup>82</sup> By 2035, the population of SCVTA is expected to reach 2,431,400.

## FINANCING

---

### Financial Adequacy

---

VTa reported that the current level of financing was adequate to deliver services. As shown in Figure 6-4, in each of the past five fiscal years revenues exceeded expenditures. The District's expenses slightly went up over time, generally due to the increase in its subsidy to Caltrain and increased capital expenditures on behalf of/in contribution to other agencies. Revenues, on the other hand, experienced a decline in FYs 09 and 10, then went

---

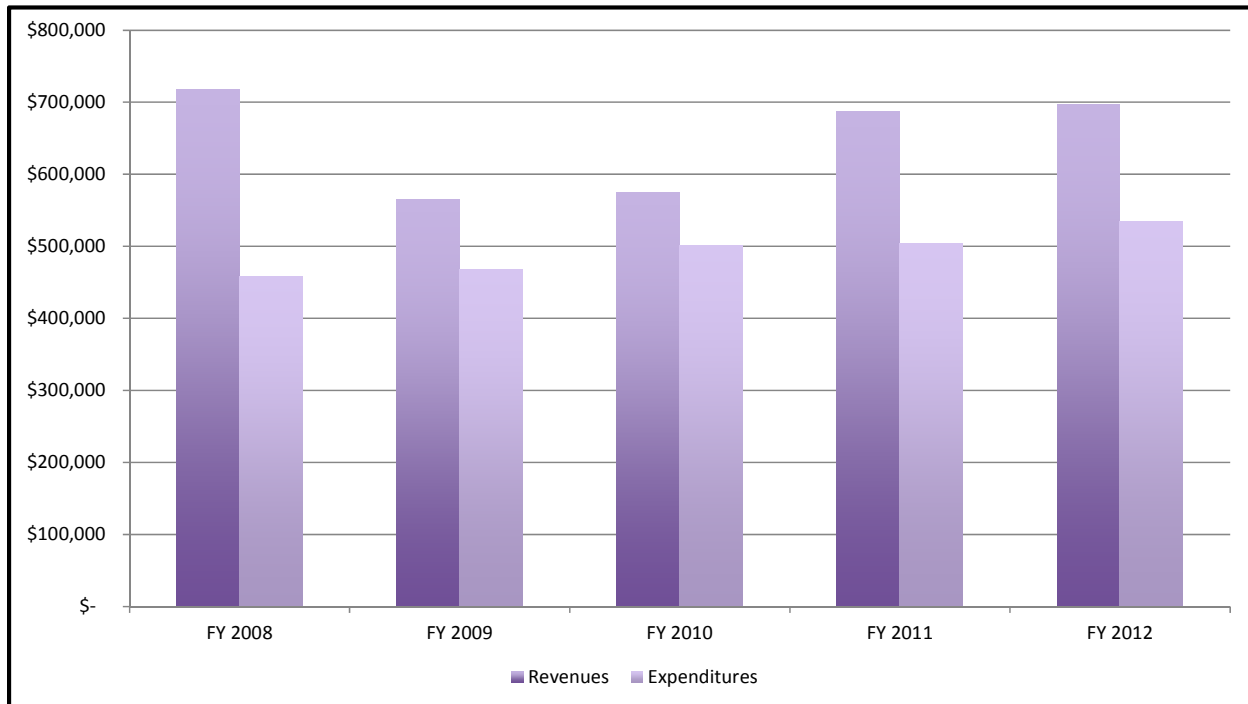
<sup>80</sup> Government Code §56033.5.

<sup>81</sup> DWR maps and GIS files are derived from the US Census Bureau's American Community Survey (ACS) and are compiled for the five-year period 2006-2010.

<sup>82</sup> ABAG, Projections 2009, 2009.

back up over the next two years. The reduction in revenue was mostly due to less grant revenue and decreased sales tax<sup>83</sup> income during the economic recession.

**Figure 6-4: SCVTA Revenues and Expenditures, FYs 08-12 (In thousands)**



Source: Comprehensive Annual Financial Reports for FY 2008 through FY 2012 (includes business-type activities and governmental activities)

## Revenue Sources

In FY 12, the District received \$696 million in revenue as depicted in Figure 6-5. The VTA's revenue in its financial statements is separated into program revenue (46 percent), which includes charges for services, operating grants and capital grants, and general revenue (54 percent) that consists of sales tax revenue, investment income, a federal subsidy for Build America Bonds, and other income. The most significant sources of revenue were grants and sales tax income.

<sup>83</sup> In November 2000, the voters in Santa Clara County approved Measure A, a 30-year countywide ½-cent sales tax devoted to specified public transit capital improvement projects and operations.

**Figure 6-5: SCVTA Revenues ,FY 12<sup>84</sup>**

Type of Revenue	Amount of Revenue	% of Total
Charges for Service	\$42,573,000	6.1%
Operating Grants	\$142,529,000	20.5%
Capital Grants	\$137,114,000	19.7%
Sales Tax Revenue	\$332,847,000	47.8%
Investment Income	\$19,320,000	2.8%
Federal Subsidy for Build America Bonds	\$9,399,000	1.4%
Other Income	\$12,411,000	1.8%
<b>TOTAL</b>	<b>\$696,193,000</b>	<b>100.0%</b>

Source: Comprehensive Annual Financial Report, FY 12, p. 2-8.

### Rates

Charges for services, derived from bus fare box receipts, light rail ticket sales, the sale of monthly passes (including Eco Pass and tokens) and advertisement income, were \$40.1 million in FY 12, \$56 thousand or 0.1 percent higher compared to FY 11. The slight increase in revenue from charges was due to the implementation of the Express Lane in FY 12 and was partially offset by lower shuttle revenues collected in FY 12. In March 2012, VTA partnered with Caltrans to convert carpool lanes at the SR 237/I 880 interchange in Milpitas to express lanes, and VTA started collecting toll revenues from solo drivers who wished to use the express lanes. As of June 30, 2012, toll revenues collected from the express lanes amounted to approximately \$218 thousand.

Figure 6-6 shows the current fare structure for both, buses and light rail. The SCVTA's fare policy requires that a fare analysis be conducted on a biennial basis. The latest fare increase took place in October 2009.

**Figure 6-6: SCVTA Fares, 2009- 2013**

Fare Category	Fare
<b>Adult (18-64):</b>	
Single Ride	\$2.00
Day Pass	\$6.00
8-Hour Light Rail Pass	\$4.00
Community Bus Single Ride	\$1.25
Monthly Pass	\$70.00
Annual Pass Subscription	\$770.00
Express Single Ride	\$4.00
Express Day Pass	\$12.00
Express Monthly Pass	\$140.00
<b>Youth (5-17):</b>	
Single Ride	\$1.75
Day Pass	\$5.00

<sup>84</sup> Program revenue and general revenue sources include business-type activities and governmental activities.

Fare Category	Fare
8-Hour Light Rail Pass	\$3.50
Community Bus Single Ride	\$0.75
Monthly Pass	\$45.00
Annual Pass Subscription	\$495.00
<b>Senior / Disabled / Medicare:</b>	
Single Ride	\$1.00
Day Pass	\$2.50
8-Hour Light Rail Pass	\$2.00
Community Bus Single Ride	\$0.50
Monthly Pass	\$25.00
Annual Pass Subscription	\$275.00

Source: VTA Fares on VTA Website

## Expenditures

In FY 12, the District's total expenditures amounted to \$371.4 million, as depicted in Figure 6-7. A majority was spent on operations, support and the Congestion Management (CMP) Program (69.5 percent). Other significant expenses were the Caltrain subsidy and capital expenditures on behalf of Caltrain, and contributions to other agencies (17 percent).

**Figure 6-7: SCVTA Expenditures FY 2012<sup>85</sup>**

Type of Expenditure	Amount	% of Total
Operations, support services, and CMP Program	\$371,415,000	69.5%
Caltrain subsidy and capital expenditures on behalf of it, and contributions to other agencies	\$90,290,000	16.9%
Altamont Commuter Express subsidy	\$2,707,000	0.5%
Interest Expense	\$31,307,000	5.9%
Other Non-Operating expenses	\$8,059,000	1.5%
Claims and change in future claim estimates	\$11,419,000	2.1%
Contribution to agencies	\$37,000	0.0%
Capital outlay on behalf of other agencies	\$19,052,000	3.6%
<b>TOTAL</b>	<b>\$534,286,000</b>	<b>100.0%</b>

Source: FY 2012 Comprehensive Annual Financial Report, p. 2-8.

<sup>85</sup> Expenditures include business-type activities and governmental activities.

### Capital Outlays

The District has a formal ten-year capital improvement program for FY 10 through FY 19, included in the Short Range Transit Plan. The VTA's capital improvement plan is divided into two programs—core program and Measure A program. The core program focuses on VTA's current transit network and ensures adequate investment and enhancements in its existing infrastructure. The core program also contains the Light Rail System Enhancements area which includes various light rail enhancement projects that are not part of the Measure A program. The Measure A program includes projects financed by the 30-year countywide ½-cent sales tax passed by Santa Clara County voters in November 2006. The District planned to spend \$1,909,648,000 on capital improvements in FYs 12 and 13.

---

### Reserves

---

SCVTA adopted a policy establishing an operating reserve goal of 15 percent of the subsequent year's final operating budget in the Transit Enterprise Fund. Operating reserve at the end of FY 12 met the target and amounted to \$56,268,000, which was 15 percent of the 2013 operating budget. The reserve funds are maintained to meet emergency needs that cannot be funded from any other source. The purpose of this reserve is to ensure that sufficient funds are always available in the event of either unanticipated revenue shortfalls or unavoidable expenditure needs.

In 2011, SCVTA also set up a reserve fund for Other Post-Employment Benefit (OPEB) Liability Reduction and Sales Tax Stabilization. The OPEB Liability Reduction Reserve is designed to enhance the District's fiduciary governance practices and to reduce the levels of unfunded OPEB obligations. As of June 30, 2012, VTA had allocated \$20.6 million to the OPEB liability reduction reserve.

In addition, VTA established a Transit Sales Tax Stabilization Fund to mitigate the impact of sales tax receipt volatility on service levels and the District's Transit Fund operating budget. Sales tax based revenues for VTA's Transit Fund include the 1976 half-cent local sales tax, a quarter-cent state sales tax (from Transportation Development Act or TDA), and the 2000 Measure A Sales Tax-Operating Assistance, which is derived from 18.5 percent of Measure A half-cent sales tax revenues. The VTA Transit Sales Tax Stabilization Fund is distinguished from the 15 percent operating reserve in that the operating reserve is designed to ensure that sufficient funds are available in the event of either unavoidable expenditure needs or unanticipated revenue shortfalls from sources other than sales tax based revenues. As of June 30, 2012, the VTA Transit Sales Tax Stabilization Fund had a reserve balance of \$35 million.

## Debt

SCVTA issues long-term debt to accelerate the delivery of projects, spread cost over the useful life of an asset, smooth out annual cash flow, optimize overall financial resources, finance unfunded actuarial liabilities, and refund existing debt.

As shown in Figure 6-8, at the end of FY 12, VTA had \$1.2 billion in outstanding bonds. In FY 12, VTA issued \$47.5 million in Sales Tax Revenues Bonds to refund the 1998 Series A and 2000 Series A Junior Lien bonds in October 2011. The total debt payment made for FY 12 was approximately \$74.4 million, which included the amount due in FY 12 and the refunded debts. Interest rates on all outstanding fixed-rate obligations range from three percent to five percent. Interest on the variable rate debt is reset weekly based upon market conditions.

**Figure 6-8: SCVTA Long-Term Debt**

Liability	Amount
<b>Secured by VTA's 1976 1/2 cent Sales Tax</b>	
2007 Series A Refunding	\$19,541,000
2008 Series A-C Refunding	\$147,959,000
2011 Series A Refunding	\$51,899,000
<b>Secured by VTA's 2000 Measure A 1/2 cent Sales Tax</b>	
2007 Series A Measure A Refunding	\$122,289,000
2008 Series A-D Measure A Refunding	\$240,524,000
2010 Series A-B Measure A	\$666,292,000
<b>Total long-term debt</b>	<b>\$1,248,504,000</b>
Less current portion of long-term debt	(\$13,025)
<b>Long-term debt, excluding current portion</b>	<b>\$1,235,479</b>

Source: Comprehensive Annual Financial Report, FY 12

## INFRASTRUCTURE AND FACILITIES

VTA operates 71 bus routes that cover approximately 1,236 miles. Of these 71 bus routes, 53 are local routes and 18 are express (long-distance commute-oriented lines) and limited (long routes operating through major corridors, generally on arterials and expressways) routes. The District has approximately 3,777 bus stops, 800 shelters, and 10 park and ride lots along these routes. SCVTA owns and operates a fleet of 426 buses.

SCVTA operates three light rail transit lines that cover 42 miles, connecting Mountain View, Sunnyvale, Santa Clara, San Jose, Milpitas, and Campbell. There are a total of 62 light rail stations and 21 park and ride lots for light rail passengers. SCVTA owns and operates a fleet of 99 light rail vehicles.



SCVTA also operates and maintains four restored trolleys. The cars run on light rail tracks, serving a 4.1-mile route through downtown San Jose during the holiday season.

SCVTA owns and operates a number of facilities, including the River Oaks campus, three bus service yards, and a light rail service yard.

The River Oaks campus at 3331 North First Street in San Jose accommodates the administrative functions of the District. The 17.5-acre property contains a 215,000-square foot office building. River Oaks was purchased in 1991 and opened for business in 1992.

One of the VTA'S bus service yards, located at 3990 Zanker Road in San Jose, occupies 123.2 acres, and includes 116,252 square feet of office space and shops. The Cerone Bus Service Yard serves as the primary base for operations, fueling, servicing, detailing, running repairs, and preventive maintenance for up to 180 buses. The operations and maintenance facility provides centralized major maintenance for the entire bus fleet, which includes paint and body repair, fare box repair, and engine overhaul to name a few.

The Don Pedro Chaboya Bus Service Yard located at 2240 South Seventh Street in San Jose occupies 32.8 acres and includes 57,400 square feet of office space and shops. The Don Pedro Chaboya Bus Service Yard has the capacity to maintain up to 210 buses. The yard includes a maintenance shop, fueling facility, two bus washers, transit operations, bus operator training, and a training and maintenance building.

The North Bus Service Yard located at 2240 La Avenida Street in Mountain View, occupies 16.9 acres and includes 24,229 square feet of office space and shops. The North Bus Service Yard serves as the base for operations, fueling, servicing, detailing, running repair, and preventive maintenance for up to 150 buses.

The light rail vehicles are stored and maintained the Guadalupe Light Rail Service Yard located at 101 West Younger Street in San Jose. Located on 17.5 acres, the yard includes 144,891 square feet of office space and shops. The Guadalupe Light Rail Service Yard performs all operations and maintenance functions associated with light rail vehicles, including major vehicle overhaul, historic trolley maintenance, and light rail operator and maintenance training. The service yard houses the Way, Power and Signal department which is responsible for preventive maintenance and repair of wayside facilities including substations and overhead contract systems, light rail signals, tracks, stations, and park and ride lots. The yard also contains VTA's Operations and Control Center. The Center is responsible for communications with all SCVTA's revenue vehicles.

---

## Infrastructure Needs

---

The FY12-FY13 biennial budget adopted by SCVTA created 32 new capital projects and augmented 24 existing projects, which fall into one of the categories—bus and light rail vehicle replacement and overhaul, operating facilities upgrades, improvements, and rehabilitation, light rail way, power and signal improvements and replacements, transit passenger facility upgrades, information systems and technology, Measure A programs, and

highway improvements. The projects planned for FYs 12 and 13 amounted to \$1,909,648,000.

As previously mentioned in the Financing Section of this report, the District has planned projects through 2019. As part of the core capital program, VTA has prioritized a number of rehabilitation and replacement projects to keep the bus and light rail system in a state of good repair. Clean fuel, safety and security, and passenger facility improvements will also contribute to improving the overall level of transit service in Santa Clara County. The Measure A program includes 14 planned projects:

- ❖ Extend BART from Fremont through Milpitas to Downtown San Jose and the Santa Clara Caltrain Station;
- ❖ Provide Connections from San Jose International Airport to BART, Caltrain and the VTA Light Rail;
- ❖ Extend Light Rail from Downtown San Jose to the East Valley;
- ❖ Purchase Low Floor Light Rail Vehicles;
- ❖ Improve Caltrain: Double Track to Gilroy and Electrify from Tamien to San Francisco;
- ❖ Increase Caltrain Service;
- ❖ Construct a New Palo Alto Intermodal Transit Center;
- ❖ Improve Bus Service in Major Bus Corridors;
- ❖ Upgrade Altamont Commuter Express (ACE);
- ❖ Improve Highway 17 Express Bus Service;
- ❖ Connect Caltrain with Dumbarton Rail Corridor;
- ❖ Purchase Zero Emission Buses and Construct Service Facilities;
- ❖ Develop New Light Rail Corridors; and
- ❖ Fund Operating and Maintenance Costs for Increased Bus, Rail and Paratransit Service.

---

## Shared Facilities

---

SCVTA shares its infrastructure and facilities with the San Mateo County Transit District, SamTrans, Santa Cruz Metropolitan Transit District, and Monterey/Salinas Transit, to name a few.

Other opportunities to share facilities with other public agencies were not identified given the specialized nature of the services delivered by SCVTA and the security requirements.

## DEMAND FOR SERVICES

SCVTA offers bus service seven days per week, from approximately 5:00 a.m. to 1:00 a.m. The total bus ridership in FY 12 was 32 million passengers. The light rail transit service is offered seven days a week, from 5:00 a.m. to 1:00 a.m. Light rail ridership in FY 2012 was 10 million passengers.

SCVTA has established a minimum standard of 15 boardings per hour for its bus service. The 2013 Annual Transit Plan prepared by the District reports that an average of 27.4 boardings per hour for core bus routes, 24.1 boardings for local weekday bus routes, and 15.5 boardings for community bus routes occurred in 2011. All of the bus routes met the performance standards.

SCVTA also established a minimum standard of 77.8 boardings per hour for light rail service for weekdays, 66.8 boardings per hour for Saturdays, and 44 boardings per hour for Sundays. The 2012 Annual Transit Plan states that in 2011 two out of three light rail lines exceeded the standard for weekdays, one out of three lines exceeded the standard for Saturdays, and two out of three lines exceeded the standard for Sundays.

As shown in Figure 6-9, the total bus and light rail ridership peaked in 2009 and went back down in 2010 and 2011. Overall, however, from FY 07 to FY 11, the ridership increased by 1.4 percent.

**Figure 6-9: Bus and Light Rail Ridership (in 1,000's), FYs 07-11**

Type of Transit Service	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Bus Ridership	30,810	33,104	34,509	31,983	31,395
Light Rail Ridership	10,010	10,451	10,754	9,750	10,015
<b>Total Ridership</b>	<b>40,820</b>	<b>43,555</b>	<b>45,263</b>	<b>41,733</b>	<b>41,410</b>

Source: Biennial Budgets for Valley Transit Authority (FY 2007 through FY 2011)

Figure 6-10 indicates that there has been a decline in service miles (miles driven) and service hours for both, buses and light rail. However, the FY 13 budget indicates that the District plans to increase funding to provide for new bus routes, increase the number of bus trips on various express routes, and to deploy 20 new express buses. The District also budgeted additional funding for service level increases for light rail, including a new weekday schedule, with one additional train to run with 15-minute intervals.

**Figure 6-10: Bus and Light Rail Service Levels (in 1,000's) for Fiscal Years 2008-2011**

Service Level	FY 2008	FY 2009	FY 2010	FY 2011
Bus Service Miles	18,711	18,443	17,685	16,944
Light Rail Train Service Miles	2,224	2,256	2,182	2,190
<b>Total Service Miles:</b>	<b>20,935</b>	<b>20,991</b>	<b>19,867</b>	<b>19,134</b>
Bus Service Hours	1,384	1,375	1,319	1,266
Light Rail Train Service Hours	144	143	141	142
<b>Total Service Hours:</b>	<b>1,528</b>	<b>1,518</b>	<b>1,460</b>	<b>1,408</b>

Source: Biennial Budgets for VTA (FY 2008-2009 through FY 2012-2013)

## GOVERNANCE STRUCTURE OPTIONS

No governance structure options were identified for the Valley Transportation Authority. According to the Santa Clara Valley Transportation Authority Act, the District must include all incorporated and unincorporated territory within Santa Clara County.<sup>86</sup>

---

<sup>86</sup> California Public Utilities Code §100031.

## **SANTA CLARA VALLEY TRANSPORTATION AUTHORITY SERVICE REVIEW DETERMINATIONS**

---

### **Growth and Population Projections**

---

- ❖ As of 2010, Santa Clara Valley Transportation Authority (SCVTA) had approximately 1,781,642 residents, based on 2010 Census data.
- ❖ Association of Bay Area Governments (ABAG) projects that the area will experience 1.5 percent average annual growth through 2035. By 2035, the population of SCVTA is expected to reach 2,431,400.

---

### **Location and Characteristics of any Disadvantaged Unincorporated Communities Within or Contiguous to the Sphere of Influence**

---

- ❖ There are no disadvantaged unincorporated communities within or adjacent to the District's service area based upon mapping information provided by the State of California Department of Water Resources.

---

### **Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies**

---

- ❖ The District's facilities appear to have sufficient capacity, based on the current absence of infrastructure needs, lack of deferred maintenance, and the bus and light rail fleet being within reasonable replacement guidelines. In FY 11, the Federal Transit Administration (FTA) Triennial Review found that the District met all the FTA bus and light rail fleet maintenance requirements.
- ❖ SCVTA plans for its capital improvements through the ten-year capital improvement program, which is divided into the core program, including a number of rehabilitation and replacement projects to keep the bus and light rail system in a state of good repair, and the Measure A program that includes 14 projects financed by the countywide ½-cent sales tax.
- ❖ VTA has established a minimum standard of 15 boardings per hour for its bus service. In 2011, all of the bus routes met the performance standards.
- ❖ SCVTA established a minimum standard for the number of boardings in an hour for the light rail lines for the various days of the week. In 2011, two out of three light rail lines exceeded the standard for weekdays, one out of three lines exceeded the

standard for Saturdays, and two out of three lines exceeded the standard for Sundays.

- ❖ From FY 07 to FY 11, the District's ridership for both, bus and light rail, increased by 1.4 percent.
- ❖ The FY 13 budget provided for service level increases for buses and light rail. The District funded the deployment of 20 additional busses for express service.

---

## Financial Ability of Agency to Provide Services

---

- ❖ SCVTA reported that its financing levels were adequate to deliver services. No challenges to financing were identified.
- ❖ In each of the past five fiscal years the District's revenues exceeded expenditures.
- ❖ The most significant sources of revenue were grants and sales tax income. Charges for services amounted to six percent of the total revenue in FY 11-12.
- ❖ SCVTA has three financial reserve funds. At the end of FY 12, the operating reserve, established for emergencies, contained an adopted goal of 15 percent of the subsequent year's final operating budget. The Other Post-Employment Benefit (OPEB) Liability Reduction Reserve designed to enhance the District's fiduciary governance at the end of the same fiscal year included \$20.6 million. The Transit Sales Stabilization Fund intended to cover unanticipated revenue shortfalls had \$35 million of sales tax based revenue at the end of FY 12.
- ❖ The District's long-term debt is represented by \$1.2 billion in outstanding bonds. SCVTA issues long-term debt to accelerate the delivery of projects, spread cost over the useful life of an asset, smooth out annual cash flow, optimize overall financial resources, finance unfunded actuarial liabilities, and refund existing debt.
- ❖ SCVTA has adopted a formal, written ten-year capital improvement program budget. The District planned to spend \$1,909,648,000 on capital improvements in FY12 and FY13.
- ❖ The FY 11 Federal Transit Administration (FTA) Triennial Review of the District found no deficiencies in regard to the FTA financial requirements as it pertains to the District's ability to match and manage FTA grant funds, cover cost increases and operating deficits, financially maintain and operate FTA funded facilities and equipment, and conduct and respond to applicable audits.



---

## Status and Opportunities for Shared Facilities

---

- ❖ SCVTA shares its infrastructure and facilities with the San Mateo County Transit District, SamTrans, Santa Cruz Metropolitan Transit District, and Monterey/Salinas Transit, to name a few.
- ❖ VTA collaborates with other public agencies in Santa Clara County in the delivery of regional transportation services, including the Congestion Management Program and the development of the Valley Transportation Plan 2035.
- ❖ SCVTA has developed the Valley Transportation Plan 2035, which is a long-term vision for transportation in the County as a whole.
- ❖ Other opportunities to share facilities with other public agencies were not identified given the specialized nature of the services delivered by SCVTA and security constraints.

---

## Accountability for Community Services, Including Governmental Structure and Operational Efficiencies

---

- ❖ SCVTA demonstrated accountability and transparency in its various aspects of operations. The governing body updates constituents, broadcasts its meetings, solicits constituent input, discloses its finances, and posts public documents on its website. The District's website appropriately provides information on VTA services, bus and light rail routes, schedules and fares, and rider tips. SCVTA keeps its financial reporting and budgets up-to-date and readily available to the public. The District fully cooperated with LAFCO requests for information.
- ❖ All members of the Board of Directors have filed the Statement of Economic Interest forms in 2012 and completed biennial ethics training. The District conducts expense reimbursements according to its adopted administrative code.
- ❖ No government structure options were identified for SCVTA.

# SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

## SPHERE OF INFLUENCE UPDATE

---

### Existing Sphere of Influence Boundary

---

The District's current SOI is countywide and coterminous with SCVTA's boundaries.

---

### Recommended Sphere of Influence Boundary

---

As the existing SOI for the District is coterminous with the County's boundaries, no further outward expansion is possible. Reduction in the sphere of influence is also not recommended, as the District is the primary provider of these services throughout the County. Services are not duplicated as VTA partners with multiple transit service providers, whose services are not identical but complementary to the ones provided by the District. As there are no areas within the District's boundaries and SOI where the District's services are not provided and according to the SCVTA principal act the District must include all incorporated and unincorporated territory within the County, it is recommended that the Commission retain SCVTA's coterminous SOI.

---

### Proposed Sphere of Influence Determinations

---

#### *The nature, location, extent, functions, and classes of services provided*

- ❖ SCVTA provides bus and light rail services, regional commuter and inter-city rail service, paratransit service, congestion management, specific highway improvements and other transportation projects, and countywide transportation planning and funding throughout Santa Clara County.

#### *Present and planned land uses in the area, including agricultural and open-space lands*

- ❖ The countywide District contains a wide range of land uses, including all types of urban uses to large areas of hillside, open space, and agricultural uses. While the unincorporated areas are generally not developed, there are numerous unincorporated pocket areas developed with urban uses. Development within the cities ranges from fully developed urban areas to expansive hillside, open space, and agricultural lands.
- ❖ While there are agricultural and open-space lands within SCVTA, no impacts on agricultural resources, open space or Williamson Act contracts will occur as no service changes are proposed.

#### *Present and probable need for public facilities and services in the area*

- ❖ Given that SCVTA is the only public agency that provides transportation services countywide, that other agencies' transit services in Santa Clara are limited and not

identical to the ones provided by VTA, and that the demand for its services in the form of bus and light rail ridership has increased overtime, there is a present and anticipated continued need for the District's services.

- ❖ As the County is expected to experience a moderate population growth rate of 1.5 percent annually through 2035, the demand for transportation services is likely to increase.

*Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide*

- ❖ Given that SCVTA has been meeting or exceeding both bus and light rail minimum boarding standards established by the District, it appears that VTA has sufficient capacity to continue to serve existing and anticipated demand.
- ❖ The District's facilities appear to have sufficient capacity, based on the current absence of infrastructure needs, lack of deferred maintenance, and the bus and light rail fleet being within reasonable replacement guidelines. In FY 11, the Federal Transit Administration (FTA) Triennial Review found that the District met all the FTA bus and light rail fleet maintenance requirements.
- ❖ In its FY 13 budget the District increased funding to accommodate an increase in the level of service for both, buses and light rail, which indicates the District's capacity to expand service levels as necessary.
- ❖ Based on SCVTA'S ability to accommodate demand and meet its established boarding goals and Federal Transportation Administration fleet maintenance guidelines, and the positive customer reviews posted on the VTA website, the District's services appear to be adequate.

*Existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency*

- ❖ SCVTA serves the residents of Santa Clara County by providing countywide transportation services. All county residents and visitors benefit from services provided by SCVTA. Residents and visitors of neighboring counties, such as Alameda and San Francisco, benefit from services provided by VTA through its partnerships with other agencies.