



COUNCIL AGENDA: 04-04-06  
ITEM: 3.10

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Lee Price, City Clerk

**SUBJECT: MAYOR'S PARTICIPATION  
ON BOARDS AND COMMITTEES  
AS A CITY OF SAN JOSE  
REPRESENTATIVE**

**DATE:** March 30, 2006

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## **RECOMMENDATION**

As recommended by the Rules Committee on March 30, 2006, nominate Council Member Madison Nguyen to the VTA Board to be the City of San José representative on the Silicon Valley Rapid Transit Policy Advisory Board (BART-PAB).

## **BACKGROUND**

Mayor Gonzales submitted the attached Memorandum to the Rules Committee on March 29, 2006. The Rules Committee considered jointly the memorandums put forward by Council Member Yeager and the Mayor relative to the Mayor's appointments to boards and committees as the City's representative; and Council Member Cortese's request to place on the agenda a clarification and/or reconsideration of the appointments of the Mayor to Boards and Commissions.

Mayor's Chief of Staff Rebecca Dishotsky summarized the Mayor's Memorandum dated March 28, 2006 and responded to questions. City Attorney Rick Doyle noted that all positions held by the Mayor listed on Attachment C are ex-officio and clarified that none of them are appointed by the City Council. The Committee accepted the Mayor's recommendation to not place on the agenda for the April 4 Council meeting the removal of the Mayor from the Silicon Valley Rapid Transit Policy Advisory Board (BART-PAB), and further, the Mayor's recommendation that Council Member Nguyen be nominated to the Valley Transportation Authority (VTA) Board to be the City of San Jose representative on the BART-PAB.

The Committee further recommended that the nomination of Council Member Nguyen be forwarded to the City Council on April 4, 2006, along with copies of the Mayor's Memorandum and the VTA Bylaws.

HONORABLE MAYOR AND CITY COUNCIL

**Subject: Mayor's Participation on Boards and Committees**

March 30, 2006

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**PUBLIC OUTREACH**

This matter was on the Rules Committee Agenda on March 30th. The meeting was open to the public.

**COORDINATION**

N/A

LEE PRICE, MMC  
City Clerk

Attachment: Rules Committee Report dated March 30, 2006  
VTA Administrative Code/Bylaws



# Memorandum

**TO:** Rules Committee

**FROM:** Ron Gonzales, Mayor

**SUBJECT:** Mayor's Participation on Boards and Committees as a City of San José Representative

**DATE:** March 28, 2006

Approved

Date

3/28/06

## RECOMMENDATION

I recommend:

1. That the Rules Committee not accept the request of Councilmember Yeager to place an item on the agenda for the April 4 Council meeting regarding removal of the Mayor from the Silicon Valley Rapid Transit Policy Advisory Board and the San Jose Sports Authority.
2. That Vice Mayor Cindy Chavez, sitting as Chair of the VTA Board of Directors, nominate Councilmember Madison Nguyen to the VTA Board to be the City of San Jose representative on the BART-PAB.

## DISCUSSION

Although I believe my continued service on the Silicon Valley Rapid Transit Policy Advisory Board (BART-PAB) is in the best interests of the people of San José, I also recognize that the City Council must focus its strongest collective efforts to achieve our community's highest priorities without distractions.

Bringing BART to San Jose is one of these critical priorities. This project is far too important for the people and businesses in our community and our region, and for this reason I will take the high road to ensure that we all concentrate on moving this project forward. Therefore, I recommend that Vice Mayor Chavez, as Chair of the VTA Board of Directors this year, nominate Councilmember Nguyen to the BART-PAB as the City's representative.

I have been leading our regional efforts to bring BART to Silicon Valley for the past 17 years, and my long experience and deep knowledge about the project is both unique and highly valued by stakeholders throughout the Bay region as well as in Sacramento and Washington. I will

**Mayor's Participation on Boards and Committees**  
**March 28, 2006**

continue to work my hardest on behalf of our community with local, state and federal government officials to secure funding and maintain support to keep the project moving forward, as I have vigorously and successfully done throughout my tenure as Mayor for the past seven years.

There are several likely reasons that the City Clerk, the City Attorney, and my office together overlooked my service on the BART-PAB in the inventory of assignments reviewed by Council in January. I was appointed by the VTA Board to this advisory panel in January 2002 to represent the City of San José and to serve as its chair (Attachment B). Since VTA established the panel four years ago, the City Council has not taken any further action regarding the City's representative. The advisory board has been relatively inactive over the past ten months; the last meeting I attended before last week was in June 2005, and it is likely to meet only three more times the remainder of this year.

Councilmember Yeager requested that the Rules Committee add this matter to the agenda for the April 4 City Council meeting. According to Councilmember Yeager's memo, he believes that my service on the BART-PAB on behalf of the people of San José is not consistent with the "intent of the Council that the Mayor not represent the City in an official capacity on local and regional boards and committees..." In addition, he raised the question of my appointment to the San José Sports Authority, an ex officio position, and by implication other ex officio positions for the Mayor's Office.

At the Council meeting on January 10, 2006, the City Council approved my specific recommendations for reassignments to replace me on the following committees (Attachment A). At the time the Council did not act or express its intent to remove the Mayor from any other position, and councilmembers acknowledged that in many cases the appointing authority rested with other organizations, not the City Council.

Although I disagree with Councilmember Yeager's interpretation of the Council's action in January, successfully bringing BART to Silicon Valley is much more important to our residents. This is why I will withdraw voluntarily from membership on the advisory panel.

In the case of the San José Sports Authority, it is one of several boards or similar committees on which the Mayor's Office serves in an ex-officio capacity or is appointed by other organizations. Attachment C contains a list of these ex officio appointments for the Mayor, along with a summary of many other positions serving the people of our community that I've been appointed to by other organizations. Ex officio positions are among the responsibilities that come with the Office of the Mayor, regardless of who is the incumbent, and they are not specifically appointed or confirmed by the City Council. It would not be appropriate for the City Council to interfere with the governance of other organizations by acting on Councilmember Yeager's memo related to the San Jose Sports Authority or other ex officio positions that are included in the responsibilities of the Mayor's Office.



# Memorandum

**TO:** City Council

**FROM:** Mayor Ron Gonzales

**SUBJECT:** Mayor Committee Assignments

**DATE:** January 10, 2006

Approved

Date

1/10/06

## RECOMMENDATION

I recommend that the City Council make the following changes to the roster of committee assignments that it approved on December 13:

1. Coyote Valley Specific Plan Task Force
  - a. Remove the Mayor as Co-chair
  - b. Appoint Councilmember Nancy Pyle as Co-chair
2. VTA Board of Directors
  - a. Remove the Mayor as board member
  - b. Appoint Councilmember Madison Nguyen as board member
3. San Jose/Santa Clara Treatment Plant Advisory Committee
  - a. Remove the Mayor as committee member
  - b. Appoint Councilmember Linda LeZotte as committee member

## BACKGROUND

The City Council approved my recommendations for Council committee assignments at its meeting on December 13, 2005. As part of the Council's discussion of the censure of the Mayor at this meeting, Council asked to reconsider these committee assignments at the January 10, 2006, meeting.

I believe our most important consideration as a City Council is always to determine our course of action that will best serve the people of San Jose and to accomplish the policy goals that are most important to our residents and the future of our community. So that the City Council and our community can be assured that our attention will continue to be on these priorities and not lose our focus on other matters, I recommend that the City Council make the committee reassignments listed above.

Among the most important long-term issues facing San Jose is continuing our collective efforts to extend BART to San Jose and Silicon Valley so that we can meet our growing need for effective regional transit solutions. This will require the City Council to be actively engaged as advocates and leaders both locally and in Sacramento and Washington for many years after I leave office as Mayor. It is prudent to begin our transition to augment our City Council leadership and expertise by enlarging the involvement of councilmembers and strengthening our long-term ability to achieve success.

I am confident that Councilmember Nguyen will quickly learn the issues and challenges related to transportation in our region, and that she will become a strong advocate for regional solutions that benefit our entire community. I look forward to continuing to help her and our San Jose representatives on the VTA board to accomplish this goal that is so important to the people of San Jose.

The Coyote Valley Specific Plan will chart the long-term development for San Jose and the South Bay. Over the nearly four years that I have co-chaired the Specific Plan Task Force, we have developed a creative smart growth framework that will guide the development of jobs, housing, services, and transportation.

The final work on this effort will not be completed for at least another year, and therefore it is desirable that the City Council can have the continuing knowledge and involvement that Councilmember Pyle can provide as co-chair along with Councilmember Williams. In addition, Councilmember Pyle's district is adjacent to Coyote Valley. Again, the value of a long-term transition can benefit the community and strengthen the Council's ability to complete and successfully implement the Coyote Valley Specific Plan.

San Jose residents appropriately expect the Mayor and City Council give their full attention to finding solutions that meet the needs of our community. It is my hope that these changes in assignments will allow us to do exactly that while enhancing our strength, both as a Council and as individual policy makers, to make further progress to reach critically important goals. We cannot afford to lose time and focus on matters that interfere with our progress; these changes will let us achieve an effective transition in my final year as mayor.



Date: January 18, 2002
Committee Meeting Date: N/A
Board Meeting Date: February 7, 2002
ACTION X DISCUSSION INFO

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority Board of Directors
FROM: Chairperson Ron Gonzales
SUBJECT: Appointments to Silicon Valley Rapid Transit Project Policy Advisory Board

APPROVED ACCEPTED ADOPTED DENIED DEFERRED
Santa Clara Valley Transportation Authority Board of Directors

Sandra A. Weymouth, Secretary
BY: [Signature]
DATE: 2-7-02

RECOMMENDATION

I request the Board approve the following persons to serve on the VTA's Silicon Valley Rapid Transit Project Policy Advisory Board:

- 1. Jim Lawson (representing VTA)
2. Cindy Chavez (representing VTA)
3. Ron Gonzales (representing the City of San Jose)
4. Jim Beall (representing Santa Clara County)
5. John McLemore (representing the City of Santa Clara)

BACKGROUND

Silicon Valley Rapid Transit Corridor Policy Advisory Board (the Policy Advisory Board) will oversee the planning, designing and construction of the BART extension to Santa Clara County. The Policy Advisory Board will be composed of ten members. VTA will chair and BART will be the vice-chair of the Policy Advisory Board. For VTA, the Policy Advisory Board will consist of five members as follows: two VTA Board members and a combination of three members representing Santa Clara County and/or the Cities of Santa Clara, Milpitas and San Jose. For BART, the Policy Advisory Board will consist of five members as follows: three BART Board members, one member representing Alameda County and one member representing an Alameda County City. The Policy Advisory Board will cease to exist upon commencement of revenue service on the BART extension to Santa Clara County.

The Santa Clara County nominees for the VTA appointments represent a fair balance of the key agencies involved in the project. The Chair of the Policy Advisory Board will report out to the

full VTA Board after each meeting. The first meeting of this Board will be 10:00 a.m. on February 27 at the Milpitas Community Center.

**Office of the Mayor  
Ex Officio Positions**

The Mayor (or his representative) currently serves on a number of boards related to City matters in an ex officio capacity as well as other community, state, and national organizations. When these positions are ex officio, *the City Council does not specifically appoint the Mayor to serve on these boards and committees.* The other assignments listed here (and which might not be complete) are appointed by the organizations themselves. They are listed to identify the broad extent of the Mayor's participation with a variety of agencies and community organizations on behalf of the City of the San José.

City-Related (ex officio)

- San Jose Sports Authority
- San José Arena Authority
- San José Convention and Visitors Bureau
- Bay Area Economic Forum
- Tech Museum of Innovation – Honorary Member Board of Directors

Community, State and National (appointed by the organizations)

- Downtown College Prep Advisory Board of Trustees
- YWCA Advisory Board
- California Film Commission (appointed by the Governor)
- Role Model Program Chair of Honorary Board of Directors
- United States Conference of Mayors – Co-Chair Urban and Economic Policy Committee
- National League of Cities – Youth, Education and Families Committee
- Bay Area Sports Organizing Committee
- Pacific-10 Local Organizing Committee



# **SANTA CLARA VALLEY TRANSPORTATION AUTHORITY**

## **ADMINISTRATIVE CODE**

**Adopted December 20, 1994  
Effective January 1, 1995 \***

**\*Santa Clara Valley Transportation Authority Administrative Code was repealed in its entirety on 3/6/97 by Ordinance No. 97.1, and readopted with amendments in the form of resolution by Resolution 97.03.5 on 3/6/97.  
\*\*All references to Santa Clara County Transit District and District have been changed to Santa Clara Valley Transportation Authority and VTA, consistent with the name change effective January 1, 2000 (P.U.C. §100002)**

With Amendments through March 2005



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**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY  
ADMINISTRATIVE CODE<sup>1</sup>**

**Chapter 1**

**GENERAL PROVISIONS**

**Article I**

**In General.**

**Sec. 1-1. Title.**

This Code shall be known as the “Santa Clara Valley Transportation Authority Administrative Code.”

**Sec. 1-2. Reference includes amendments.**

Reference to any portion of this Code includes later amendments to that portion or to any part contained in it.

**Sec. 1-3. Applicability of provisions governing construction.**

Unless the provisions or the context of this Code otherwise require, the general provisions, rules of construction and definitions set out in this chapter shall govern the construction of this Code.

**Sec. 1-4. Effect of headings.**

Part, chapter, article and section headings and any explanatory notes contained in this Code do not constitute any part of the law.

**Sec. 1-5. Severability.**

If any section, subsection, sentence, clause or phrase of this Code is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Code. The Board of Directors hereby declares that it would have adopted this Code, and each section, subsection, sentence, clause and phrase it contains, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases may be held invalid.

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<sup>1</sup> [Santa Clara Valley Transportation Authority Administrative Code was repealed in its entirety on 3/6/97 by Ordinance No. 97.1, and readopted with amendments in the form of resolution by Resolution 97.03.5 on 3/6/97.]

**Sec. 1-6. Delegation of powers, duties.**

Whenever a power is granted to or a duty is imposed upon an officer of VTA, the power may be exercised or the duty may be performed by a designee of such officer or by a person otherwise duly authorized pursuant to law, unless this Code expressly provides otherwise.

**Sec. 1-7. Legal citations.**

Unless otherwise indicated, all citations to statutes and regulations shall be to those promulgated by the State of California.

**Secs. 1-8 - 1-20. Reserved.**

**Article II**

**Definitions and Constructions**

**Sec. 1-21. State definitions adopted.**

For the purposes of this Code, all words not defined in this Code shall have the meanings determined by the laws of the State of California and the decisions of the courts of the state.

**Sec. 1-22. “Board of Directors” and “Board” defined.**

As used in this Code, “Board of Directors” and “Board” shall mean the governing board of VTA.

**Sec. 1-23. “Controller-Treasurer” defined.**

As used in this Code, “Controller-Treasurer” shall mean the combined offices of Controller and Treasurer of VTA.

**Sec. 1-24. “County” defined.**

As used in this Code, “County” is the County of Santa Clara.

**Sec. 1-25. “Director” defined.**

As used in this Code, “Director” shall mean a member of the Board of Directors of VTA.

**Sec. 1-26. “District” defined.**

As used in this Code, “District” is the Santa Clara County Transit District, also known as the Santa Clara Valley Transportation Authority.  
*(Amended Resolution 97.03.5, §1, 3/6/97.)*

**Sec. 1-27. “General Counsel” defined.**

As used in this Code, “General Counsel” shall mean the General Counsel of VTA.

**Sec. 1-28. “General Manager” defined.**

As used in this Code, “General Manager” shall mean the General Manager of VTA.

**Sec. 1-29. “Member Agency” defined.**

As used in this Code, “Member Agency” shall mean each public agency which is a member of the congestion management program as provided in the most recently amended version of the Joint Powers Agreement for the Administration of the Santa Clara County Congestion Management Program, dated December 1, 1994.

**Sec. 1-30. Number construed.**

As used in this Code, the singular number includes the plural, and the plural includes the singular.

**Sec. 1-31. Title of officer, employee, office, etc.**

The use of the title of any officer, employee, division, department, office, committee or board in this Code shall mean such officer, employee, division, department, office, committee or board of VTA.

**Sec. 1-32. “Person” defined.**

As used in this Code, “person,” except as otherwise provided herein, shall mean any natural person, firm, corporation, partnership, club, and any association or combination of natural persons, whether acting by themselves or through any agent or employee.

**Sec. 1-33. “Secretary” defined.**

As used in this Code, “Secretary” shall mean the Secretary of the Board of Directors of VTA.

**Sec. 1-34. “Shall” and “must” construed.**

As used in this Code, “shall” and “must” are mandatory rather than discretionary.

**Sec. 1-35. “State” defined.**

As used in this Code, “state” is the State of California.

**Sec. 1-36. Tense construed.**

As used in this Code, the present tense includes the past and future tenses, and the future includes the present.

**Sec. 1-37. “Violate” construed.**

As used in this Code, “violate” includes failure to comply.

**Chapter 2**

**BOARD OF DIRECTORS**

**Article I**

**In General**

**Sec. 2-1 Board directions to staff through General Manager.**

Except for the purposes of inquiry and information, neither the Board of Directors nor any Director shall deal with any administrative officer or employee appointed by or under the General Manager except through the General Manager, and neither the Board nor any Director shall give orders to the subordinates of the General Manager, either publicly or privately.

**Sec. 2-2. Directors ineligible for VTA employment.**

No Director, during the term of office or for two years thereafter, shall be eligible for appointment to any VTA office, position or employment carrying compensation, exclusive of travel and other authorized expenses.

*(Amended Resolution 97.11.27 dated 11/6/97.)*

**Secs. 2-3 - 2-10. Reserved.**

**Article II**

**Members**

**Sec. 2-11. Generally.**

The Board of Directors consists of 12 voting members who are appointed by their respective appointing agencies as provided in Public Utilities Code Section 100060 on the basis of the appointees’ expertise, experience or knowledge relative to transportation issues.

**Sec. 2-12. Alternates.**

Alternate members shall regularly attend Board meetings and vote in the place of a Director represented by that alternate if the Director is absent.

**Sec. 2-13. City and County groupings; selection of Directors and alternates.**

Groupings of cities and the County which appoint Directors and alternates to the Board are as follows:

<b>Group Number</b>	<b>Grouping</b>	<b>Representatives</b>
1	San Jose	5 Directors 1 alternate
2	Los Altos Los Altos Hills Mountain View Palo Alto Santa Clara Sunnyvale	3 Directors 1 alternate
3	Campbell Cupertino Los Gatos Monte Sereno Saratoga	1 Director 1 alternate
4	Gilroy Milpitas Morgan Hill	1 Director 1 alternate
5	Santa Clara County	2 Directors 1 alternate

**Sec. 2-14. Selection of Directors and alternates by city groupings.**

Procedures for the selection of Directors and alternates to the Board for groups 2, 3 and 4 as described in this Code shall be determined by the cities of each respective grouping.

**Sec. 2-15. Ex-Officio Directors**

Metropolitan Transportation Commissioners who reside in Santa Clara County, and who are not members or alternate members of the Board of Directors by virtue of Public Utilities Code Section 100060, shall be invited to serve as Ex-Officio members of the Board of Directors. Upon acceptance as Ex-Officio Board members, they shall be invited to, and they may regularly attend, Board meetings, but their presence shall not be counted for purposes of establishing a quorum, they shall have no voting rights, and they shall not serve on the standing committees of the Board. (*Added. Resolution 99.05.11, §1, 5/6/99.*)

**Secs. 2-16 - 2-25. Reserved.**

## Article III

### Board Officers

#### **Sec. 2-26. Generally.**

The officers of the Board shall be the Chairperson and Vice Chairperson who shall be elected annually by the Board from its membership. The term of office shall commence at the time designated by the Board and shall be for a period of one year. No person shall hold the same office for more than two consecutive terms. (*Amended Resolution No. 98.01.01, 1/8/98.*)

#### **Sec. 2-27. Chairperson.**

The powers and duties of the Chairperson are:

- (a) To preside at all meetings of the Board.
- (b) To nominate Directors to Board committees and to nominate the committee chairpersons as provided by this Code.
- (c) To establish the Board's agenda in consultation with the General Manager.
- (d) To regulate the order of presentations to the Board consistent with the Rules of Procedure adopted by the Board.
- (e) To call special meetings of the Board for the purpose of transacting any business specified in the notice of the special meeting.
- (f) To sign all ordinances, resolutions and legal instruments approved or authorized by the Board whenever not otherwise delegated to other officers or employees of VTA by this Code, Board action or law.
- (g) To perform such additional duties as may be designated by the Board.

#### **Sec. 2-28. Vice Chairperson.**

The Vice Chairperson shall perform the duties of the Chairperson in the event of the Chairperson's absence or inability to act, and while so acting, shall have all of the authority of the Chairperson. In the event of a vacancy in the office of Chairperson, the Vice Chairperson shall succeed as Chairperson for the balance of the term of office. In the event the office of Vice Chairperson becomes vacant during the term of such office, the Board shall elect a successor from its membership at the earliest meeting at which such election would be practicable. The election shall be for the unexpired term.

#### **Sec. 2-29. Chairperson Pro Tem.**

Whenever both the Chairperson and Vice Chairperson are absent, the Board shall elect a Director to act as Chairperson Pro Tem who shall preside at the Board meeting and shall, for the purposes of the meeting for which the Director was so elected, have all the authority of the Chairperson.

**Sec. 2-30. Signature authority.**

The Chairperson or, in the absence of the Chairperson, the Vice Chairperson or, in the absence of both the Chairperson and Vice Chairperson, the Chairperson Pro Tem who presided at the meeting shall have authority to sign ordinances, resolutions and legal instruments approved or authorized by the Board at that meeting whenever not otherwise delegated to other officers or employees of VTA by this Code, Board action or law.  
*(Amend. Ord. No. 95.2, § 1, 5/4/95.)*

**Secs. 2-31 - 2-35. Reserved.**

**Article IV**

**Standing Committees**

**Sec. 2-36. Appointments.**

At the first meeting in January, the Chairperson shall nominate for Board approval the members and chairpersons of all standing committees of the Board. The membership of each committee shall consist of four Directors, not more than two of whom shall come from the same City Grouping. The term of each appointment shall be for one year.  
*(Amend. Ord. No. 95.2, § 2, 5/4/95.)*

**Sec. 2-37. Duties.**

Standing committees shall serve in an advisory capacity to the Board. They shall meet, study, prepare recommendations and report to the Board on matters within their respective assigned areas of responsibility as well as other matters referred to them by the General Manager or the Chairperson in consultation with each other or by the Board. Notwithstanding individual committee responsibilities, standing committees shall work jointly where issues overlap the assignments of two or more standing committees. *(Amend. Ord. No. 95.2, § 3, 5/4/95.)*

**Sec. 2-38. Meetings.**

Unless otherwise determined by the Board, standing committee meetings shall be held once a month when there is business for the committee to transact. The times and locations of regular meetings shall be established by resolution adopted by the Board. All meetings shall be called, noticed and conducted in accordance with the applicable provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code). The General Manager and General Counsel shall be given notice of all standing committee meetings.

**Sec. 2-39. Quorum, vote and procedures.**

A majority of the standing committee's total authorized membership shall constitute a quorum for the transaction of business and all official acts of the committee shall require the affirmative vote of three members. At any regularly called meeting not held because of the lack of a quorum, the members present may constitute themselves a "committee of the whole" for the

purposes of discussing matters on the agenda of interest to the Directors present. The committee of the whole shall automatically cease to exist if a quorum of the committee is present at the meeting. All meetings shall be conducted in accordance with the Board's Rules of Procedure. (*Amended Resolution 97.03.5, §2, 3/6/97.*)

**Sec. 2-40. Standing committees established.**

The standing committees of the Board and their duties are as follows:

(a) Administration and Finance Committee. The Administration and Finance Committee shall review and recommend to the Board policy decisions pertaining to the general administration and financial management of VTA. The committee's specific areas of responsibility shall be set forth in the Board's Rules of Procedure.

(b) Transit Planning and Operations Committee. The Transit Planning and Operations Committee shall review and recommend to the Board policy decisions pertaining to transit planning, transit capital projects, transit operations and marketing. The committee's specific areas of responsibility shall be set forth in the Board's Rules of Procedure.

(c) CMP and Planning Committee. The CMP and Planning Committee shall review and recommend to the Board policy decisions pertaining to the congestion management program and the development of the countywide transportation plan for Santa Clara County. The committee's specific areas of responsibility shall be set forth in the Board's Rules of Procedure. (*Amend. Ord. No. 95.2, § 4, 5/4/95.*)

**Secs. 2-41 - 2-50. Reserved.**

**Article V**

**Meetings**

**Sec. 2-51. Time and place of regular meetings; Brown Act compliance; notice.**

The time and place of regular meetings of the Board shall be established by resolution. All regular and special meetings shall be called, noticed and conducted in accordance with the applicable provisions of the Ralph M. Brown Act (commencing at Section 54950 of the Government Code).

**Sec. 2-52. Quorum; voting.**

A majority of the members of the Board shall constitute a quorum for the transaction of business and no act of the Board shall be valid unless at least seven concur therein.

**Sec. 2-53. Rules of procedure.**

The Board shall adopt Rules of Procedure by resolution, and such rules shall govern its proceedings to the extent they are not inconsistent with this Code or law.

**Secs. 2-54 - 2-60. Reserved.**

## Article VI

### Per Diem Allowance; Travel Authorization and Reimbursement

#### Sec. 2-61. Per diem for meetings.

In lieu of reimbursement for expenses for attending meetings, each Director and each alternate shall be entitled to an allowance of one hundred dollars (\$100) per day for attending Board meetings and meetings of Board standing and ad hoc committees to which the Director or alternate is assigned, not to exceed a total of five (5) days in any calendar month.

In lieu of reimbursement for expenses for attending meetings, each Ex-Officio Director shall be entitled to an allowance of \$100 per day for attending Board meetings, not to exceed a total of five days in any calendar month.

*(Amended Resolution 99.05.11, §2, 5/6/99; Amended Resolution 00.01.06X, 1/11/2001.)*

#### Sec. 2-62. Travel authorization and reimbursement.

A Director who engages in VTA business, other than attendance at Board or committee meetings for which the Director is paid a per diem allowance, shall first obtain authorization of the Board for reimbursement of travel expenses before engaging in that business and shall submit a report of those expenses to the Board through the Secretary. Authorization for and reimbursement of travel expenses shall be in accordance with VTA's Travel Reimbursement Policy. Rates of reimbursement shall be the same for Directors and VTA employees.

#### Secs. 2-63 - 2-65. Reserved.

## Article VII

### Code of Ethics

#### Sec. 2-66. Responsibilities of public office.

The proper operation of democratic government requires that public officials be responsible to the people; that public office or employment not be improperly influenced or used for personal gain; and that the public have confidence in the integrity of government.

The members of the Board of Directors hold office for the benefit of the public. They are bound to uphold the Constitution of the United States and the State of California and to carry out impartially the laws of the nation, state and VTA. Public officials are bound to observe the highest standards of performance and to discharge faithfully the duties of their office, regardless of personal considerations. *(Amend. Ord. No. 95.5 § 1, 12/7/95.)*

#### Sec. 2-67. Public official.

As used herein "public official" means members/alternates of the Board of Directors, VTA officers and employees, and consultant/contractors required to file disclosure statements pursuant to VTA's Conflict of Interest Code. *(Amend. Ord. No. 95.5 § 3, 12/7/95.)*

## **Sec. 2-68. Purpose of Code of Ethics.**

The purpose of this Code of Ethics is to recognize the ethical responsibilities of public officials under existing law and to prescribe ethical standards of conduct which will assure that their actions will not be in conflict or incompatible with the best interests of VTA. The provisions of this Code of Ethics are hereby declared to be in the best interest of VTA and for the protection of the public interest.

This Code of Ethics shall be construed broadly in order to effectuate its purposes. To the extent that the provisions of this Code of Ethics overlap existing general law or regulations, the more stringent provisions shall control.

*(Amend. Ord. No. 95.5 § 2, 12/7/95.)*

## **Sec. 2-69. Existing standards of conduct for public officials.**

There are numerous laws and regulations which govern the conduct of public officials and which are applicable to SCCTD. Because they are contained in various California statutes as well as federal regulations, it is desirable to set them forth in one document for ready reference. When in doubt as to the applicability of any law or regulation, or provision of this Code of Ethics to any particular situation, the potentially affected public official should request an advisory opinion from the Office of the General Counsel.

The following sections, which summarize the applicable laws and regulations, govern the conduct of all public officials. All persons subject to this Code shall be familiar with its provisions.

(a) Public officials shall disqualify themselves from making, or participating in the making of, or in any way attempting to use their official position to influence, a governmental decision in which they know or have reason to know they have a financial interest. (Government Code § 87100).

(b) Public officials shall not be financially interested in any contract made by them in their official capacity. They shall not be purchasers at any sale or vendors at any purchase made by them in their official capacity. A contract made in violation of these sections may be voided by the Board of Directors. (Government Code § 1090 et seq.)

(c) Board members or employees shall not engage in any employment or activity for compensation which is inconsistent or incompatible or in conflict with his or her duties as a Board member or employee, or with the duties of his or her appointing power or agency by which he is employed (that is, which would interfere with the official's ability to carry out official duties or exercise independent judgment on behalf of the public interest) (Government Code §§ 1126, 1128); and shall not engage in outside employment or provide services for compensation where any part of those efforts will be subject to approval by the Board of Directors, or any other board, officer or employee acting on behalf of VTA. (Government Code § 1126(a)).

(d) No public official shall participate in a government decision in which he or she has a close personal interest which would tend to impair the exercise of independent judgment in the public interest.

(e) No public official shall hold another public office where the two offices are incompatible.

(f) No Board member, employee or agent of VTA shall solicit or accept gratuities, favors or anything of monetary value from contractors/consultants, potential

contractors/consultants, or subcontractors/consultants, except an unsolicited gift of nominal intrinsic value. "Nominal intrinsic value" for purposes of this section shall mean a value of less than \$15, provided that with respect to meals, "nominal intrinsic value" shall mean the limits set forth in the applicable Travel/Expense Reimbursement Policy. Provided further, that each VTA department shall set more restrictive requirements regarding unsolicited gifts as directed by the General Manager (FTA Circular 4220.1C, sec. 7c).

(g) No public official shall disclose or otherwise use confidential information acquired by virtue of his or her position or employment with VTA for his or her or another person's private gain. No Board member shall reveal information received in lawful closed session unless such information is required by law to be disclosed. No Board member or employee shall take any action or provide any information for or on behalf of any prospective contractor or vendor which interferes with free and open competition for VTA contracts. (*Amend. Ord. No. 95-5 §§ 4, 5, 12/7/95.*)

### **Sec. 2-70. Incompatible uncompensated activities.**

(a) Directors may participate in outside activities for which they are not compensated, but are discouraged from participating in such non-compensated activities which:

(1) Involve a substantial commitment of time that interferes with the Director's ability to timely discharge his or her official duties; or

(2) Involve matters which come regularly before the Board and would create a substantial conflict between the private interests and the exercise of Board authority in the public interest.

(b) A director may disqualify himself or herself in matters coming before the Board where the Director concludes that participation would create the appearance of a conflict of interest.

### **Sec. 2-71. Prohibitions against use of office for personal gain.**

No public official shall use for personal gain or advantage, VTA facilities, equipment, supplies, personnel or other things of value; or his or her office to secure, for personal benefit, gifts, special privileges or exemptions.

(*Amend. Ord. No. 95-5 § 6, 12/7/95.*)

### **Sec. 2-72. Conduct when there may be a financial interest.**

Board members, employees and consultants shall conduct themselves as follows whenever the member, employee or consultant has, or may have, a financial interest in making or participating in the making of, any governmental decision:

a. Directors: Unless his or her participation is legally required, when the matter comes up on the agenda, the Director shall disclose his or her interest, refrain from participating in any way in the decision making process; and withdraw from the room if the subject is being discussed in closed session.

b. Employees: The employee shall immediately report the nature of the matter and the existence of a conflict to his or her superior so that the work may be assigned to another.

c. Consultants: The consultant shall immediately report the nature of the matter and the existence of the conflict to the General Manager, who shall determine the action to be taken.

*(Amend. Ord. No. 95-5 §§ 7,8, 12/7/95.)*

**Sec. 2-73. Undue influence or favor.**

No public official shall by his or her conduct give reasonable basis for the impression that any person improperly can influence him or her or unduly enjoy his or her favor in the performance of his or her official acts or actions, or that he is affected unduly by the kinship, rank, position of, or association with, any person.

*(Amend. Ord. No. 95-5 §§ 9,10, 12/7/95.)*

**Sec. 2-74. Violations: Procedure.**

The Chairperson of the Board of Directors shall annually appoint an Ethics Committee to investigate alleged violations by Board members and contractors/consultants of the provisions of this Code of Ethics. The committee shall consist of three persons, not more than one of whom shall be a Board member or elected official. Whenever the Board has reason to believe, based upon a complaint or otherwise, that there has been a violation, it shall refer the matter to the Ethics Committee, who shall prepare a notice of violation and provide a copy of same to the alleged violator, and shall promptly conduct an investigation. The committee shall provide the alleged violator with an opportunity to be publicly heard concerning the allegations and to present evidence in rebuttal. The Board may also report the allegations to VTA Attorney or other official responsible by law for enforcement of this Code or the other provisions of law pertaining to conflicts of interest or standards of conduct for public officials. The Committee shall report its findings to the Board.

The Board shall refer allegations pertaining to employees to the General Manager.  
*(Amend. Ord. No. 95-5 §§ 11, 12, 12/7/95.)*

**Sec. 2-75. Penalties for violation.**

a) An employee who violates any of the standards of conduct set forth herein is subject to discipline, up to and including discharge, in addition to any penalties provided by law.

b) Board members and consultants/contractors who violate any of the standards of conduct set forth herein are subject to the following sanctions in addition to any penalties provided by law:

1. Public censure by the Board.
2. An official finding of misconduct in office and removal from office upon an accusation proceeding instituted by the grand jury.
3. Forfeiture into VTA general fund of any amounts or things of value given or paid in violation of this Code of Ethics.
4. A penalty assessment to be deposited into VTA general fund of \$500 per violation of this Code of Ethics or an amount equal to three times the amount given, paid or expended in violation of this Code of Ethics, whichever amount is greater.

*(Amend. Ord. No. 95-5 § 13, 12/7/95.)*

**Sec. 2-76. Post employment restrictions.**

a. Post employment restriction for Board Members/Alternates.

VTA shall not employ or retain under contract for compensation any individual who has served as a Board member/alternate within the previous two years. No Board member/alternate who leaves his or her office and accepts a position of employment with a current or future VTA contractor/consultant may participate in a project or provide any goods or services to the VTA, through the consultant/contractor, for a period of two years.

b. Post employment restrictions for employees.

No employee who leaves his or her VTA position and accepts a position of employment with a current or future VTA contractor (consultant, vendor, developer) may participate in a project or provide any goods or services to the VTA, through the contractor, for a period of two years, except where VTA determines that the employee (1) does not hold a key position on the project, (2) has not previously participated in any meaningful way in developing or managing the contract, (3) and has not held a position of substantial responsibility in the area of service to be performed under the contract.

The General Manager may, when it is in the overall best interests of VTA, make exceptions in the case of employees who leave due to retirement.

*(Amended Resolution. 03.08.12, 8/7/03.)*

**Chapter 3**

**SECRETARY**

**Sec. 3-1. Powers and duties generally.**

The Secretary shall take the minutes, prepare the correspondence, assemble and distribute the agendas, post and deliver meeting and hearing notices, keep the records and generally provide clerical support for the Board and its committees as required by law and as directed by the Board.

**Sec. 3-2. Petitions, claims, communications, etc.**

The Secretary shall receive, on behalf of the Board, any and all petitions, applications, claims, legal process and requests for consideration of the Board and shall process and file them for the Board.

**Sec. 3-3. Duty to prepare agenda and meeting notices.**

The Secretary shall prepare, post and distribute the agenda and notices for Board and designated committee meetings in accordance with the Ralph M. Brown Act (commencing with Section 54950 of the Government Code.). The Secretary shall assemble and distribute reports and other documents requested to be distributed with the agenda packet.

**Sec. 3-4. Recording and certification of acts of Board; attestations.**

The Secretary shall record the votes of the Board and issue certifications of such vote, order, resolution, ordinance or other act of the Board by affixing the Secretary's signature and seal of the Board upon the document. The Secretary shall also attest to the signature of the Chairperson, Vice Chairperson and other officers of VTA.

**Chapter 4**

**ADVISORY BOARDS AND COMMITTEES**

**Article I**

**In General**

**Sec. 4-1. Establishment; appointments.**

Advisory boards and committees may be established by the Board and, except as otherwise provided, their members shall be nominated by the Chairperson and appointed by the Board. Except as otherwise provided, membership terms shall be for one year, coinciding with the calendar year. Unless otherwise provided by by-laws, members may be re-appointed for successive terms at the discretion of the appointing authority and vacancies shall be filled by the body which made the initial appointment. VTA employees shall not be eligible for appointment to advisory committees. (*Amended Resolution 97.03.5, §3, 3/6/97; Amend.Motion 6/5/03; Amended Resolution 04.12.22, §3, 12/9/2004.*)

**Sec. 4-2. Duties.**

Advisory boards and committees shall provide advice to the Board on matters of VTA policy and shall have additional duties as assigned by the Board. No advisory board or committee shall have independent duties or authority to take actions that bind the Board, except for the Citizens Advisory Committee when acting in its capacity as the Citizens Watchdog Committee as specified in the 2000 Measure A Transit Sales Tax ballot. (*Amended Resolution 04.12.22, §3, 12/9/2004.*)

**Sec. 4-3. Bylaws.**

Each advisory board and committee shall adopt bylaws, which shall be approved by the Board, for the conduct of its business. The adopted and approved bylaws shall govern the proceedings of the board or committee to the extent they are not inconsistent with this Code or law. Bylaws may be amended by committee by the affirmative vote of a majority of its total authorized membership and with the approval of the Board of Directors. (*Amended..Resolution 04.03.02, §4, 3/4/04*)

**Sec. 4-4. Staff support; expenses.**

Agendas, public noticing, minutes and other staff services shall be furnished to advisory boards and committees as directed by the General Manager. Except for the Citizens Advisory Committee when acting in its capacity as the Citizen's Watchdog Committee as specified in the 2000 Measure A Transit Sales Tax ballot, no expenditures or requisitions for services and supplies shall be made by advisory boards and committees. No individual member of an advisory board or committee shall be entitled to reimbursement for travel or other expenses except as authorized by the Board. (*Amended Resolution 97.03.5, §4, 3/6/9; Amended Resolution 04.12.22, §4, 12/9/2004; Amended Resolution 04.12.22, §3, 12/9/2004.*)

**Sec. 4-5. Election of chairperson and vice chairperson.**

Each advisory board and committee shall elect from its membership a chairperson to preside at all meetings and a vice chairperson, who, in the event of the chairperson's absence or inability to act, shall serve as chairperson. (*Amended Resolution 97.03.5, §5, 3/6/97.*) (*Amended Resolution 04.03.02, §4, 3/4/04*)

**Sec. 4-6. Reimbursement for Expenses to Travel to and from Board and Committee Meetings.**

VTA shall reimburse to each Advisory Board and Advisory Committee member, upon request thereof, the actual cost of travel to and from a scheduled Advisory Board or Committee or subcommittee meeting. Cost of travel consists of actual fare paid if by public transportation or paratransit, and current IRS mileage rate if by automobile. (*Added Resolution 01.04.24, 4/5/01*) (*Amended Resolution 04.03.02, §4, 3/4/04*)

**Secs. 4-7 - 4-15. Reserved.**

**Article II**

**Meetings**

**Sec. 4-16. Meetings.**

Unless otherwise provided, each advisory board and committee shall meet at least once a quarter. The times and locations of its regular meetings shall be established in its bylaws. All meetings shall be called, noticed and conducted in accordance with the applicable provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code). The General Manager and General Counsel shall be given notice of all advisory board and committee meetings.

**Sec. 4-17. Quorum; vote; committee of the whole.**

A majority of the total authorized membership of the advisory board or committee constitutes a quorum for the transaction of business and all acts of the body shall require either the affirmative vote of a majority of its total authorized membership, or if the committee or board bylaws so provide, the affirmative vote of the majority of the members present so long as a quorum is present. At any regularly called meeting not held because of the lack of a quorum, the members present may constitute themselves a “committee of the whole” for the purposes of discussing matters on the agenda of interest to the committee members present. The committee of the whole shall automatically cease to exist if a quorum is present at the meeting. *(Amended Resolution 97.03.5, §6, 3/6/97; Motion, Item #10, 12-12-02)*

**Secs. 4-18 - 4-25. Reserved.**

### **Article III**

#### **Policy Advisory Committee, Technical Advisory Committee, Citizens Advisory Committee**

**Sec. 4-26. Policy Advisory Committee.**

(a) Membership. A Policy Advisory Committee is established consisting of sixteen members and their alternates, who are elected officials, as follows: one governing board member from each Member Agency governing board and an alternate for each member, who also shall be a governing board member, shall be appointed by their respective governing board for a two-year term. The alternate representing the County Board of Supervisors may be selected from a Member Agency city council. If a member or an alternate ceases to hold office on the governing board from which he or she was appointed, the appointing body shall appoint another member or alternate for the remainder of the term. No Director shall be appointed to serve on the committee, although alternate Board members may be appointed to the committee. Committee bylaws may establish further restrictions on qualifications for membership. *(Amend. Motion 6/5/03; Amended Resolution 04.12.22, §3, 12/9/2004.)*

(b) Duties. It shall be the duty of the committee to advise the Board on:

- 1) Policy issues referred to the committee by either the Board or the General Manager
- 2) The countywide transportation plan (Valley Transportation Plan), the Short-Range Transit Plan (SRTP), development of the annual or biennial budget, and tariff and service modifications.

The Committee may also advise the Board of Directors with respect to any policy matter the members determine to be relevant to their Member Agency or to VTA.

It shall be the members’ responsibility to keep their respective appointing agencies informed of key issues, facilitate communication between those agencies and VTA, and to help build the consensus necessary to make policy decisions. *(Amended Resolution 05.03.03, §2, 3/30/05.)*

**Sec. 4-27. Technical Advisory Committee.**

(a) Membership. A Technical Advisory Committee is established consisting of one staff member from each Member Agency. One member and one alternate shall be appointed by the chief administrative officer of each Member Agency and shall serve at the pleasure of the represented agency. In addition, VTA and the California Department of Transportation (Caltrans) may each appoint one ex-officio member and one alternate, who shall not be counted for purposes of establishing a quorum and who shall have no voting rights. Committee bylaws may establish further restrictions on qualifications for membership. (*Amended Resolution 04.03.02, §4, 3/4/04; Amended Resolution 04.12.22, §3, 12/9/04.*)

(b) Duties. It shall be the duty of the committee to advise the Board on major policy and technical issues related to VTA projects and programs which are referred to the committee either by the Board or the General Manager in consultation with the Chairperson or which are raised by the committee upon its own initiative. It shall be the members' responsibility to keep their respective appointing agencies informed of key issues, facilitate communication between those agencies and VTA, and to help build the consensus necessary to make policy decisions.

**Sec. 4-28. Citizens Advisory Committee.**

(a) Membership. A Citizens Advisory Committee is established consisting of seventeen members appointed in accordance with subsection (b), as follows: six citizens at large from the city and County groupings, six citizens representing certain specified community interests, and five citizens representing certain specified business and labor groups. All members shall be residents of Santa Clara County during their term. No member of the Board of Director or alternate, Policy Advisory Committee member or alternate, or other elected official shall serve on the committee. Each member shall be appointed for a continuous term, serving until resignation or replacement by their appointing organization or the Board of Directors. The Board of Directors shall ratify the appointments of all members of the committee. The committee shall have no alternate members. If a member is absent more than three meetings a year, the position may be declared vacant and another member appointed by the body which made the original appointment. Committee bylaws may establish further restrictions on qualifications for membership. (*Amended Resolution 04.12.22, §3, 12/9/2004.*)

(b) Appointments. Members shall be appointed as follows, with effort made to reflect the ethnic, gender, and geographic diversity of the County:

(1) City and County Groupings

a. Two from Group 1:

San Jose

b. One from Group 2:

Los Altos  
Los Altos Hills  
Mountain View  
Palo Alto  
Santa Clara  
Sunnyvale

c. One from Group 3:

Campbell  
Cupertino  
Los Gatos  
Monte Sereno  
Saratoga

d. One from Group 4:

Gilroy  
Milpitas  
Morgan Hill

e. One from the County Board of Santa Clara:

(2) Community Interests

Six citizens representing the following community interests, appointed by the Administration & Finance Committee from nominations submitted by advocacy groups or received at large, one for each category:

Senior citizens  
Disabled persons  
Mass Transit users  
Environmentalists  
Bicyclists  
Pedestrians

(3) Business and Labor Groups

Five citizens representing the following business and labor groups, one appointed by each organization:

Silicon Valley Manufacturing Group  
Homebuilders Association of Northern California  
National Association of Industrial and Office Properties  
South Bay AFL-CIO Labor Council  
Santa Clara County Chamber of Commerce Coalition

- (c) Duties. It shall be the duty of the committee to advise the Board on policy issues referred to the committee either by the Board or the General Manager in consultation with the Chairperson. The committee shall not have the authority to communicate externally, but all communications by the committee shall be to and through the Board.

*(Amended Resolution 04.03.02, §4, 3/4/04; Amended Resolution 04.12.22, §4, 12/9/2004.)*

#### **4-29. Committee for Transit Accessibility**

(a) Membership. A Committee for Transit Accessibility is established consisting of twenty-one voting members and one ex-officio, non-voting member, as follows: twelve individuals with disabilities, one each designated by each member of the Board of Directors; and nine members designated by human service agencies familiar with public transportation and serving seniors or persons with disabilities. These nine members shall be employees of the designating agency. The Chairperson of the Board of Directors shall, with the advice and consent of the Board of Directors, from time to time designate the agencies that shall be entitled to designate members, as set forth in the committee by-laws.

The current contract paratransit broker shall designate an employee thereof to service as the ex-officio, non-voting member.

Committee bylaws may establish further restrictions on qualifications for membership.  
*(Amended Resolution 04.12.22, §3, 12/9/2004.)*

(b) Duties. It shall be the duty of the committee to perform the functions of a paratransit coordinating council, and to advise the Board of Directors on matters pertaining to paratransit services in Santa Clara County, and on issues and policies related to accessibility to VTA transit services, facilities, and media, and on state and federal laws related thereto.  
*(Added Resolution 01.04.24, 4/5/01)*

#### **4-30. Bicycle and Pedestrian Advisory Committee**

(a) Membership. A Bicycle and Pedestrian Advisory Committee is established consisting of sixteen members who are bicyclists or pedestrians, and who either live or work in Santa Clara County. Each Member Agency shall appoint one member. Committee by-laws may establish further restrictions on qualifications for membership.*(Amend.Motion 6/5/03.) (Amended Resolution 04.03.02, §4, 3/4/04)*

(b) Duties. It shall be the duty of the committee to advise the Board and to make recommendations regarding bicycle and pedestrian related issues affecting the countywide transportation system and with regard to prioritization of bicycle and pedestrian projects in the TDA Article 3 program; to review and comment to Congestion Management Program staff on plans and designs related to the countywide bikeway system updates of the Countywide Bicycle Plan and Countywide Bicycle Map, Countywide Bicycle Expenditure Plan, and bicycle-related issues affecting the transit system; and to coordinate with other groups concerned with bicycle

and pedestrian issues and to report to the Board concerning the same. It shall also serve as the countywide bicycle and pedestrian advisory committee for the County Santa Clara. *(Added. Resolution 01.04.24, 4/5/01; Amend.Motion 6/5/03.) (Amended Resolution 04.03.02, §4, 3/4/04)*

## **Chapter 5**

### **OFFICERS**

#### **Sec. 5-1. Generally.**

The officers of VTA shall consist of the members of the Board of Directors; the Chairperson and Vice Chairperson, each of whom shall be a member of the Board of Directors; a General Manager and General Counsel, both of whom shall be appointed by and serve at the pleasure of the Board; a Secretary appointed by the General Manager; and a Chief Financial Officer, appointed by the General Manager; and such other officers as the Board may provide for.

*(Amended Resolution 97.03.5, §7, 3/6/97; Amended Resolution 97.11.27, 11/6/97.)*

#### **Sec. 5-2. Powers and duties of the General Manager.**

The powers and duties of the General Manager are:

- (a) To head the administrative branch of VTA and to be responsible to the Board of Directors for the proper administration of all affairs of VTA.
- (b) To appoint, supervise, suspend or remove VTA officers and employees other than the members of the Board and officers appointed by the Board.
- (c) To supervise and direct the preparation of the annual budget for the Board and be responsible for its administration after its adoption, except as provided in section 6-2.
- (d) To prepare and submit to the Board as soon as practicable after the end of each fiscal year a complete report of the finances and administrative activities of VTA for the preceding year.
- (e) To prepare the congestion management plan for approval by the Board and administer the congestion management program for the County as provided in the Joint Powers Agreement for the Administration of the Santa Clara County Congestion Management Program, dated December 1, 1994, as most recently amended.
- (f) To prepare the countywide transportation plan for approval by the Board.
- (g) To formulate and present to the Board plans for transit facilities within VTA and the means to finance them.
- (h) To supervise the planning, acquisition, construction, maintenance and operation of the transit facilities of VTA.
- (i) To attend all meetings of the Board.
- (j) To administer the personnel system and employee relations of VTA and to establish the positions and staff levels and fix the compensation of employees appointed by or under the authority of the General Manager within the limits of VTA's budget.
- (k) To direct the preparation and administration of contracts for goods and services and to serve as VTA's purchasing agent.

(l) To execute grant applications, certifications and other documents to apply for funding for VTA and, when authorized by the Board, to execute agreements for such funding.

(m) To perform such other and additional duties as the Board may require.

*(Amend. Ord. No. 95.1 § 1, 5/4/95.)*

### **Sec. 5-3. General Manager - real property powers and duties.**

The General Manager shall accept deeds, easements and other conveyances on behalf of VTA; execute real property license agreements, permits and certifications; and, when authorized by the Board, execute real property purchase and possession and use agreements incident to the exercise of eminent domain power by VTA.

**Sec. 5-4.** *Deleted, Res. 97.11.27, 11/6/97*

### **Sec. 5-5. General Manager - grant agreements.**

The General Manager is authorized to execute grant agreements for amounts not to exceed \$1,000,000 for projects and programs which are identified and included in VTA's current budget. *(Amended Resolution 97.03.5, §8, 3/6/97.)*

### **Sec. 5-6. Powers and duties of the Chief Financial Officer.**

The powers and duties of the Chief Financial Officer are:

(a) To supervise the general accounting and property accounting functions of VTA.

(b) To take custody and manage the banking and investment of VTA funds.

(c) To supervise the fare collection process, the issuance of payments, and the financial management of VTA's pension programs.

(d) To prepare monthly and annual financial statements and reports.

(e) To perform such other duties and functions required by VTA's enabling act and this Code.

(f) To perform such other duties and functions required by state law to be performed by the controller or treasurer of VTA.

(g) To perform, and such other duties and functions assigned by the General Manager.

*(Amended Resolution 97.11.27, 11/6/97.)*

## **Chapter 6**

### **GENERAL COUNSEL**

#### **Sec. 6-1. Powers and duties of the General Counsel.**

The powers and duties of the General Counsel are:

(a) To advise the Board of Directors and its standing committees in all legal matters pertaining to VTA.

(b) To perform all legal services for VTA as directed by the Board.

- (c) To attend all meetings of the Board.
- (d) To draw resolutions, ordinances and contracts.
- (e) To represent VTA in all matters, actions or proceedings in which VTA is a party or is interested.
- (f) To prepare legal opinion letters.
- (g) To perform such other duties as the Board may prescribe.

**Sec. 6-2. Budget submittal; employees.**

As part of VTA's comprehensive budget, the General Counsel shall prepare and recommend to the Board an annual (or biennial) budget for the General Counsel's office in accordance with the procedures established in this Code and the financial policies adopted by the Board. The General Counsel shall have the authority to establish the positions and staff levels and appoint and remove all employees in the General Counsel's office and fix their compensation within the limits of the General Counsel's budget.

*(Amend. Ord. No. 95.1, §2, 5/4/95.)*

**Sec. 6-3. Requests for opinions to be written.**

Requests for opinions of the General Counsel shall be in writing if requested by the General Counsel.

**Sec. 6-4. Use of outside counsel.**

The General Counsel shall act as the legal officer of VTA and no division, department or office of VTA shall employ or consult any outside counsel with respect to VTA affairs except with the consent of and through the General Counsel, unless authorized by the Board.

**Sec. 6-5. Transmittal of papers in actions involving VTA.**

It shall be the duty of the head of each division, department and office of VTA to transmit to the General Counsel, immediately, any and all pleadings or papers served in any action or proceeding involving VTA or such official in his or her official capacity.

## **Chapter 7**

### **PERSONNEL SYSTEM**

**Sec. 7-1. Merit principle.**

All appointments to and promotions within the administrative service of VTA shall be based upon merit and fitness which shall be ascertained by means of recognized personnel selection techniques. The service of VTA shall be divided into the Unclassified and Classified Service. Appointments and promotions in the Classified Service of VTA shall be made from eligible lists to be established by examination in accordance with personnel policies and procedures adopted in the manner provided in this chapter.

**Sec. 7-2. Unclassified and Classified Service.**

(a) The Unclassified Service shall comprise the following officers and positions:

- (1) All members of the Board of Directors.
- (2) General Manager.
- (3) General Counsel.
- (4) Persons employed for a temporary or limited duration, as specified by the General Manager.

(b) The Classified Service shall comprise all positions not specifically included by this section in the Unclassified Service.

**Sec. 7-3. Persons not part of VTA service.**

The service of VTA shall not include:

- (a) Members of advisory boards and committees.
- (b) Persons employed by contract to render professional, scientific, technical or expert advice.
- (c) Independent contractors.

**Sec. 7-4. Position classification and pay ranges.**

The General Manager, with the advice of the Director of Human Resources, shall establish a position classification plan and pay ranges of all positions in VTA. The pay ranges shall include a minimum and maximum and such intermediate steps or a midpoint as may be deemed desirable for each class of positions.

*(Amend. Ord. No. 95.1, § 3, 5/4/95; Amend. Ord. No. 95.4, § 1, 6/29/95.)*

**Sec. 7-5. Personnel policies and procedures.**

The General Manager shall administer the personnel system of VTA and, except as otherwise required by law, shall have the authority to adopt and implement specific policies and procedures to govern the following phases of the personnel system:

- (1) The preparation, installation, revision, and maintenance of a classification plan and salary schedules covering all positions in VTA Service.
- (2) The formulation of minimum standards and qualifications for each class of position, together with the salary to be attached to each position.
- (3) The posting and announcement of vacancies and examinations and the acceptance of applications for employment.
- (4) The preparation and conduct of examinations and the establishment and use of employment lists containing names of persons eligible for appointment.
- (5) The certification and appointment of persons from employment lists to fill vacancies and the making of temporary and emergency appointments.
- (6) The evaluation of employees.
- (7) The transfer, promotion, demotion and reinstatement of employees in the classified service.

(8) The separation from VTA service of employees through layoff, suspension, dismissal, and for incapacity to perform required duties.

(9) The standardization of hours of work, payroll practices, attendance and leave regulations, working conditions and the development of employee morale, welfare, training, benefits and services.

(10) The maintenance of necessary personnel records and forms.

(11) Other necessary personnel policies and procedures mandated by federal and state law.

## **Chapter 8**

### **EMPLOYEE RELATIONS**

#### **Sec. 8-1. Administration of employer-employee relations.**

The administration of employer-employee relations in VTA shall be in conformance with Section 100300 *et seq.* of the Public Utilities Code, and as more specifically established by rules and regulations adopted by the Board upon recommendation by the General Manager.

## **Chapter 9**

### **PURCHASING AND CONTRACTING**

*(Amend. Ord. No. 95.3, § 1, 5/4/95.)*

#### **Article I**

##### **Purchasing Agent**

*(Amend. Ord. No. 95.3, § 2, 5/4/95.)*

#### **Sec. 9-1. Purchasing agent.**

The General Manager shall serve as the purchasing agent for VTA. The General Manager may delegate some or all of the duties and responsibilities of the purchasing agent to others in VTA.

#### **Sec. 9-2. Powers and duties of the purchasing agent.**

The powers and duties of the purchasing agent are:

(a) to purchase supplies, materials, equipment or other personal property required by VTA up to the amount of \$250,000 per purchase order or contract, and to procure services up to the amount of \$250,000 per purchase order or contract so long as the services are procured pursuant to sealed bid. Purchase orders or contracts exceeding such limit shall be approved by the Board of Directors. Notwithstanding the foregoing, the purchasing agent may purchase, through sealed bidding, routine or recurring supplies, materials, equipment, other personal property, and services, where such items have been previously budgeted, regardless of amount. *(Amended Resolution 03.12.20, 12/4/03)*

(b) to contract for the services of independent contractors to perform services for VTA or for VTA to provide services to others on at least a fully cost-reimbursable basis, within excess capacity, for a term up to seven years, and for an amount not to exceed \$300,000 over the duration of the contract. Contracts exceeding such limits shall be approved by the Board of Directors. *(Amended Resolution 03.12.20, 12/4/03)*

(c) to rent or lease real property or equipment as lessor lessee, for a term not to exceed three years, for a lease or rental amount not to exceed \$100,000 per year. Agreements exceeding these limits shall be approved by the Board of Directors.

(d) to contract for the construction of public facilities and works up to \$250,000 per contract, provided that all such contracts exceeding \$25,000 shall be let to the lowest responsible bidder following receipt of sealed bids.

(e) to execute construction contract notices of completion and acceptances of work pursuant to Civil Code Sections 3082 et seq., and to consent to the substitution of subcontractors and to the voluntary assignment, transfer or performance of subcontracts pursuant to Public Contract Code Section 4107.

(f) for those contracts entered into by the purchasing agent under the authority set forth in subsections (a), (b), (c) and (d), above, to amend the amount of any such contract up to the limits set forth in those sections plus an amount not to exceed 15% over the limits specified therein. The amount of all amendments to a contract shall be added together to determine the total contract value. Any amendment causing the total contract value to exceed 15% over the limits set forth in subsections (a) (b) (c) or (d) shall be approved by the Board of Directors.

(g) for those contracts approved by the Board of Directors, to amend the amount of the contract by not greater than 15% unless otherwise directed by the Board at the time of award.

(h) for any contract, to amend such contract to extend time and make minor changes within the original scope, or make other additions or changes not involving a change in the total contract value.

(i) to reject any and all bids and re-advertise in his or her discretion.  
*(Amended Resolution. 97.11.27, 11/6/97)*

**Sec. 9-3.** *(Deleted Resolution. 97.11.27, 11/6/97)*

**Sec. 9-4. Persons authorized to requisition.**

The purchasing agent shall supply the head of each division and department of VTA the means, whether by approved forms or electronic systems, to requisition property and supplies. Authority to requisition property and supplies is vested in the General Manager and through the General Manager to the heads of the divisions and departments of VTA. This authority may be delegated to other employees of VTA by written authorization of the General Manager.

**Sec. 9-5 Report of personal property no longer needed.**

Whenever any items of VTA personal property are no longer needed by the division, department or office having possession thereof, such fact shall be reported to the purchasing agent.

**Sec. 9-6. Acquisition of salvage from purchasing agent.**

Whenever a division, department or office of VTA has need for property which has been placed in the purchasing agent's stock for salvage materials and equipment, such division, department or office may acquire the property by submitting a transfer request to the purchasing agent. If approved by the purchasing agent, the transfer shall be made.

**Sec. 9-7. Disposition of surplus personal property; proceeds; securing value.**

The purchasing agent may by direct sale or otherwise, sell, lease, or dispose of any personal property belonging to VTA not required for VTA use, subject to any requirements as may be provided by the Board of Directors. No VTA employee may purchase, lease or otherwise acquire such property or interest therein except through public sale or auction or pursuant to sealed bidding. The proceeds of such sale shall be deposited into VTA treasury. Where personal property is exchanged or traded, the property received shall be of comparable value to the property traded. The proceeds of any sale of congestion management program assets shall be allocated to the accounts for that program. . (*Amended Resolution. 97.11.27, 11/6/97*)

**Sec. 9-8. Sale and leaseback of personal property.**

The purchasing agent, with approval of the Board of Directors and after publishing notice of the intended action in accordance with law, may, by direct sale or otherwise, sell to a purchaser any personal property owned or to be owned by VTA, provided the purchaser agrees to lease the equipment back to VTA for use by VTA following the sale. The approval of the Board of Directors of the sale and leaseback shall be given only if the Board finds, by resolution, that the sale and leaseback is the most economical means for providing such personal property to VTA.

**Sec. 9-9. Advertising proposed sale; decision of purchasing agent.**

Upon approval by the Board of Directors, the purchasing agent may purchase advertising space and may advertise the proposed sale or other disposition of any VTA personal property to be disposed of pursuant to this chapter in such newspapers, magazines, and other periodicals which, in the purchasing agent's judgment, will best publicize the proposed sale or other disposition to those persons most likely to bid for or purchase the personal property. Within the limits of the order of the Board approving the advertising, the purchasing agent shall decide upon the amount, nature, make-up and content of the advertising.

**Article II**

**General**

*(Amended Resolution. 97.11.27, 11/6/97)*

**Sec. 9-10 Use of Procurements of Other Public Agencies**

The purchasing agent may procure supplies, materials, equipment or services from vendors who have been awarded a contract therefor through a competitive solicitation process conducted by another public agency ("tag-on procurement"), provided that 1) the procurement

done by the public agency included adequate competition to ensure that the price achieved was fair and reasonable, 2) prices comparable to those offered to the awarding agency are secured, and 3) the “tag-on” procurement does not exceed \$250,000 or three years’ duration. *(Added Resolution 97.11.27, 11/6/97; Amended Resolution 03.12.20, 12/4/03)*

### **Sec. 9-11 Preference for local firms**

In the procurement of independent contractors to perform services for VTA, local firms shall be given a preference in the selection process, as follows: In a 100 point scoring system, 5 points shall be awarded if at least 50% of the dollar value of services to be rendered will be performed by a local firm, and an additional point shall be awarded for each additional 10% of the dollar value of services to be performed by a local firm, to a maximum point award of 10 points.

For this purpose, local firms are those firms who currently have their main office or a branch office with meaningful production capability located within Santa Clara County, or those firms who, upon award of the contract by VTA, will establish such a local office. This preference shall not apply when prohibited by law or regulation. *(Added Resolution 98.12.33, 12/10/98.)*

### **Sec. 9-20 General Limitations.**

The purchasing agent’s authority to enter into agreements on behalf of VTA shall be limited by the budget limits established by the Board of Directors for the particular budget unit or capital project. *(Amended Resolution 97.11.27, 11/6/97)*

### **Sec. 9-21. Construction.**

The construction of all facilities and public works, when the expenditure required exceeds \$25,000, shall be by contract let to the lowest responsible bidder, or otherwise as provided by law. Notice inviting bids shall be published at least once in an appropriate trade publication at least 10 days before bids are received. *(Amended Resolution 97.11.27, 11/6/97)*

### **Sec. 9-22. No Bids.**

If no bids are received pursuant to the procedure specified in Sec. 9-21, the purchasing agent or the Board, as the case may be, may authorize the work to be performed through a negotiated contract. *(Amended Resolution 97.11.27, 11/6/97)*

### **Sec. 9-23. Cooperative Agreements**

The Purchasing Agent may enter into cooperative agreements with public agencies and public utilities in amounts up to \$1 Million in connection with public works construction projects, provided the construction project is budgeted and has been previously approved by the Board. *(Deleted Resolution 97.11.27, 11/6/97; Added Resolution 03.12.20, 12/4/03)*

### **Sec. 9-24. *(Deleted. Resolution 97.11.27, 11/6/97)***

**Sec. 9-25.** *(Deleted. Resolution 97.11.27, 11/6/97)*

### **Article III**

#### **Responsibility of Bidders and Contractors**

##### **Sec. 9-26 Policy**

It is VTA policy that (1) purchases shall be made from, (2) bids and proposals shall be solicited from, (3) contracts shall be awarded to, and (4) consent shall be given to subcontract with “responsible contractors” only. *(Added Resolution 00.06.43X, 6/23/00)*

##### **Sec. 9-27 Definition of “Responsible Contractor”**

As used in this article, the term “contractor” includes bidders, proposers, suppliers, consultants, and subcontractors. To be deemed “responsible,” a contractor must be eligible to receive an award under applicable laws and regulations and have--

- (a) The capacity to deliver the required product or to perform the proposed work, including--
  - (i) Sufficient financial resources;
  - (ii) The necessary organization and management, experience, accounting and operational controls, and technical skills; and
  - (iii) The necessary production, construction, and technical equipment and facilities.
- (b) A satisfactory performance record with VTA or other public or private entities; and
- (c) A satisfactory record of trustworthiness, integrity, honesty, and business ethics.

A contractor’s responsibility shall be determined at the time of award and may be based upon information that is outside of the contractor’s bid, offer, or proposal. *(Added Resolution 00.06.43X, 6/23/00)*

##### **Sec. 9-28 Conduct Required of Responsible Contractors**

(a) The purchasing agent shall ensure that contractors are informed that they shall at all times deal in good faith and truthfully with VTA, and that they shall submit documentation to VTA, including reports, claims, requests for change orders, equitable adjustments, contract modifications, or requests of any kind seeking increased compensation or decreases of an obligation on a VTA contract, only in good faith, and upon an honest evaluation of the underlying circumstances and an honest calculation of any amount being sought. The

purchasing agent shall inform contractors that a violation of this standard of conduct will subject the contractor to being deemed “nonresponsible” and potentially ineligible for future contracts with VTA, regardless of whether VTA relied on or responded to the submission. (*Added Resolution 00.06.43X, 6/23/00*)

### **Sec. 9-29 Debarment and Suspension of Nonresponsible Contractors**

(a) In order to effectuate VTA’s policy to contract only with responsible contractors, the purchasing agent may initiate debarment or suspension proceedings.

(b) “Debarment” is the exclusion of a contractor from VTA contracting for a reasonable, specified period, not to exceed five (5) years.

(c) “Suspension” is a temporary disqualification of a contractor from VTA contracting pending an investigation.

(d) Debarred or suspended contractors may not receive VTA contracts, and VTA personnel may not make purchases from, solicit offers from, award contracts to, or consent to subcontracting with these contractors. (*Added Resolution 00.06.43X, 6/23/00*)

### **Sec. 9-30 Causes for Debarment**

The Board may debar a contractor for any of the following--

(a) Conviction of, or civil judgment by, a Federal or State court for--

(i) Commission of fraud or a criminal offense in connection with (i) obtaining, (ii) attempting to obtain, or (iii) performing a public contract or subcontract;

(ii) Violation of Federal or State antitrust statutes relating to the submission of offers;

(iii) Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, making false claims, tax evasion, or receiving stolen property;

(iv) Commission of any other offense indicating a lack of business integrity or business honesty that seriously and directly affects the present responsibility of the contractor.

(b) When it is determined, based upon a preponderance of the evidence, that the contractor concerned--

(i) Violated the terms of a VTA contract or a subcontract so seriously as to affect the integrity of a VTA program, such as by--

(A) The willful failure to perform in accordance with the terms of a VTA contract; or

(B) A history of failure to perform in accordance with the terms of one or more contracts; or

(ii) Submitted a false claim or engaged in any other conduct indicating a lack of trustworthiness, integrity, honesty, or business ethics that seriously and directly affects the present responsibility of the contractor.

(iii) Engaged in any other conduct of so serious or compelling a nature that it affects the present responsibility of the contractor. (*Added Resolution 00.06.43X, 6/23/00*)

### **Sec. 9-31 Debarment; Notice; Hearing; Procedures**

Before a contractor may be debarred from contracting with VTA, VTA shall provide the contractor written notice of the cause or causes for the proposed debarment, and of all evidence supporting the proposed action. The contractor shall be entitled to a public hearing on the proposed debarment and to reasonable notice of the time and place thereof. Implementation of this section shall be pursuant to procedures adopted by the purchasing agent. (*Added Resolution 00.06.43X, 6/23/00*)

### **Sec. 9-32 Causes for Suspension**

The purchasing agent may suspend a contractor, upon adequate evidence:

- (a) To suspect the commission of an offense listed in Section 9-30(a)(i), (ii), (iii) or (iv); or
- (b) That a cause for debarment under Section 9-30 may exist.

Indictment by Federal or State authorities shall constitute adequate evidence for suspension. (*Added Resolution 00.06.43X, 6/23/00*)

### **Sec. 9-33 Suspension; Notice; Hearing; Procedures**

Before a contractor may be suspended from contracting with VTA, VTA shall provide the contractor written notice of the cause or causes for the proposed suspension, and of all evidence supporting the proposed action. The contractor shall be entitled to a public hearing on the proposed suspension and to reasonable notice of the time and place thereof. Implementation of this section shall be pursuant to procedures adopted by the purchasing agent. (*Added Resolution 00.06.43X, 6/23/00*)

## **Chapter 10**

### **CONGESTION MANAGEMENT PROGRAM**

#### **Sec. 10-1. Congestion management program to be implemented according to joint powers agreement.**

The congestion management program shall be implemented by VTA in accordance with the Joint Powers Agreement for the Administration of the Santa Clara County Congestion Management Program, dated December 1, 1994, as most recently amended. The joint powers agreement shall govern in the event of any conflict between this Code and the joint powers agreement. The powers, functions and responsibilities of the congestion management program shall be performed by a discrete unit within VTA. This unit shall have a degree of independence commensurate with its unique function of evaluating competing projects and proposals submitted by Member Agencies as well as by other units within VTA. This unit shall be headed by a manager appointed by the General Manager with the concurrence of the Board of Directors. The functions of the unit shall be substantially comparable to those that existed in the Santa Clara County Congestion Management Agency. The unit shall include positions and related job classifications which are appropriate to and reflect the professional and technical needs of the land use and transportation planning and programming functions of the Santa Clara County Congestion Management Agency.

### **Sec. 10-2. Congestion management program annual budget procedures.**

(a) Before April 1 of each year, VTA shall mail to each Member Agency a preliminary scope of work and a preliminary budget setting forth all administrative, operational and capital expenses necessary to implement the congestion management program for the fiscal year commencing upon July 1 of that calendar year.

(b) The preliminary budget shall set forth each Member Agency's share of the expenses related to implementation of the congestion management program. These expenses shall be apportioned as fees among the Member Agencies using the same formula used by the Santa Clara County Congestion Management Agency, which is based equally upon each Member Agency's relative share of the County-wide job population and of the County-wide gas tax subventions under Proposition 111.

(c) The congestion management program budget shall be a part of VTA's comprehensive budget and shall be adopted in accordance with the procedures set forth in this Code, except as otherwise provided in the joint powers agreement. The adopted budget shall set forth all administrative, operational and capital expenses for the congestion management program, together with the apportionment of such expenses by levy against each Member Agency to the extent necessary to fund the adopted budget.

(d) VTA shall mail a copy of the adopted budget and final apportionment of costs for implementing the congestion management program to each Member Agency within 30 days after the adoption of the budget.

(e) If the Board of Directors elects to adopt a multi-year budget, the procedures set forth in this section shall apply.

### **Sec. 10-3. Member Agency fees.**

(a) Member Agency fees shall be levied in accordance with the Joint Powers Agreement for the Administration of the Santa Clara County Congestion Management Program, dated December 1, 1994, as most recently amended. The annual fee shall be due on the date or dates, if the fee is payable in installments, set forth by the Board of Directors. A Member Agency's failure to pay the fee levied against it to VTA within six months after the fee is due shall be

deemed to constitute nonconformance with the requirements of the congestion management program, and the Board of Directors shall cause the State Controller to be notified of the Member Agency's nonconformance.

(b) If at the end of the fiscal year the actual expenditures of VTA for implementing the congestion management program are less than the fees actually collected that year from the Member Agencies and the Board decides to retain those surplus fees, VTA shall use those fees as a credit against the annual fees due the following fiscal year. If the Board decides to return those surplus fees, then those fees shall be returned to each Member Agency in the same proportion as collected.

#### **Sec. 10-4 Congestion management program funds and accounts.**

(a) The assets and funds transferred from the Santa Clara County Congestion Management Agency to VTA shall become and remain a part of the congestion management program unit within VTA. They shall not be commingled with other assets and funds of VTA, but shall be used only for implementing the congestion management program.

(b) The congestion management program funds shall be placed in a separate fund of VTA and not be commingled with other VTA funds. That fund shall be subject to inspection and audit by VTA's auditors.

(c) In the event of termination of the congestion management program or transfer of the congestion management program to another agency, congestion management agency funds, including any interest earned on deposits remaining upon termination or transfer of the congestion management program and after payment of all obligations, shall either be returned to each Member Agency in proportion to the contribution of each Member Agency or transferred to the successor agency as determined by the Board of Directors.

#### **Sec. 10-5. Annual audit.**

As part of VTA's annual financial audit, an audit of VTA's congestion management program accounts and records shall be performed by an independent firm of certified public accountants. The minimum requirements of this audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code and the audit shall conform to generally accepted auditing standards. Audit reports shall be made available to the Member Agencies upon request.

### **Chapter 11**

#### **FISCAL MANAGEMENT**

##### **Sec. 11-1. Fiscal year.**

VTA's fiscal year shall be from July 1 through June 30.

##### **Sec. 11-2. Budgets.**

(a) Adoption of the annual budget. No later than May 15 of each year, the General Manager shall present a recommended annual budget to the Board of Directors and mail a copy

to each city manager in the County and the County Executive. The proposed budget, containing appropriations for both operations and capital, shall be reviewed by the Board's Administration and Finance Committee, and submitted to the Board for adoption before July 1. The adopted budget shall be appropriated and controlled at the fund, budget unit and object levels.

(b) Amendment of the budget. Any amendment to the adopted budget which provides for a net increase in authorized appropriations to any fund (including an allocation from reserves) shall require an affirmative vote by at least eight Directors. However, during any fiscal year, the General Manager may authorize a reallocation of appropriations between budget units and objects within the same fund.

(c) Employee compensation . The recommended budget shall include a list of all employee position classifications and pay ranges and the funds budgeted for wages, salaries and employee benefits for the coming fiscal year.  
(*Amend. Ord. No. 95.1, § 4, 5/4/95; Amend. Ord. No. 95.4, § 2, 6/29/95; Amended Resolution 97.03.5, §7, 3/6/97.*)

(d) Biennial Budgets. Notwithstanding the above provisions for an annual budget, the General Manager may propose and the Board may adopt a biennial (two-year) budget. This biennial budget may be subjected to one general mid-term review by the Board and amended at that time upon the affirmative vote of at least eight Directors. Any other amendments shall follow the procedure outlined in the subsection (b).

### **Sec. 11-3. Financial plan.**

A ten-year operating and capital financial plan shall be included in VTA's Short Range Transit Plan (SRTP). The SRTP shall be prepared and adopted biennially by the Board. The financial plan shall be updated annually for review and approval by the Board.

**Sec. 11-4. Salary Resolution.** (*Repealed Ord. No. 95.4, §3, 6/29/95.*)

### **Sec. 11-5. Establishment of fares.**

The rates, rentals, charges and classifications of transit service shall be established by the Board, in accordance with an approved process.

### **Sec. 11-6. Periodic financial reports.**

Periodic reports shall be made by the General Manager to the Board showing revenue and expenditure totals year to date in relation to adopted budget categories.

### **Sect. 11-7. Annual audit.**

An independent audit of VTA's finances shall be conducted at the close of each fiscal year by a certified public accountant.

### **Sec. 11-8. Insurance.**

VTA shall insure itself against such risks and in such amounts as may be determined by the Board.