Santa Clara Valley Transportation Authority

May 19, 2026

Dear Angela Obeso,

This letter confirms that, on May 7, 2026, the VTA Board of Directors approved the Vehicle Registration Fee – Intelligent Transportation System Funds (VRF-ITS), Cycle 5 project list, as shown in Table 1 below. Attachment A is the VTA Board-adopted memo and related materials, for your reference.

Table 1: VRF-ITS Cycle 5 – Approved List of Projects

Project Name	Agency Name	Funding Amount
Campbell ITS Mobility and Safety Improvements- Phase 1	Campbell	$500,000
Stevens Creek Boulevard & De Anza Boulevard Traffic Signal Synchronization Project	Cupertino	$231,000
Grant Road Corridor Optimization with Artificial Intelligence (AI) Detection	Mountain View	$218,000
Embarcadero Road ITS Upgrade and Optimization	Palo Alto	$500,000
San José Arterial Management – Adaptive Traffic Control System Deployment	San Jose	$450,000
Mathilda Avenue/Sunnyvale-Saratoga Road and Homestead Road Smart Corridor ITS Upgrade	Sunnyvale	$499,664
Santa Teresa & Tenth Traffic Signal Upgrades	Gilroy	$101,336

Next Steps
We will provide a draft Funding Agreement for your review shortly.

If you have any questions, you can contact me at 408-321-5804 or larissa.sanderfer@vta.org.

Sincerely,
Larissa Sanderfer
Transportation Planner III

CC: Carmen Talavera

Santa Clara Valley Transportation Authority

Date: April 30, 2026
Current Meeting: May 7, 2026
Board Meeting: May 7, 2026

APPROVED ACCEPTED ADOPTED AMENDED DEFERRED REVIEWED
Santa Clara Valley Transportation Authority
Board of Directors
Elaine F. Baltao, Board Secretary
BY: Nancy Nguyen
DATE: 5/7/2026

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority Board of Directors

THROUGH: General Manager/CEO, Carolyn M. Gonot

FROM: Chief Engineering & Prog Delivery Officer, Casey Emoto

SUBJECT: Vehicle Registration Fee - Intelligent Transportation System Funds - Cycle 5: Project Selections

Policy-Related Action: No **Government Code Section 84308 Applies: No**

ACTION ITEM

RECOMMENDATION:

Approve the recommended list of projects to receive $2.5 million in funding from the Vehicle Registration Fee for Intelligent Transportation Systems (VRF-ITS) - Cycle 5 competitive grant program.

EXECUTIVE SUMMARY:

- The purpose of this item is to seek approval from the Santa Clara Valley Transportation Authority (VTA) Board of Directors (Board) on the recommended list of projects to receive funding from the VRF-ITS - Cycle 5 competitive grant program.
- The recommended list of projects for funding award was evaluated by a committee composed of volunteer local agency staff from the cities of Campbell, Mountain View, San Jose, and Sunnyvale.
- The committee evaluated the grant submissions based on scoring criteria approved by the VTA Board at its October 2, 2025 meeting.

STRATEGIC PLAN/GOALS:

The award of VRF-ITS funds align with VTA's goal to create and support an integrated multimodal transportation system that serves all Santa Clara County residents efficiently. In addition, this action advances the goal to pursue, develop, and implement new technologies on Santa Clara County's transportation system.

FISCAL IMPACT:

The requested action in this memorandum would result in awarding funds to projects from the VRF-ITS grant program funds totaling $2.5 million that were allocated to the program by the VTA Board at its October 2, 2025 meeting.

BACKGROUND:

The source of funding for this grant program is the 2010 Measure B VRF Program that levies a $10 annual vehicle registration fee on motor vehicles owned/registered by Santa Clara County residents. The fees collected must be used to pay for programs and projects that have a relationship or benefit to owners of motor vehicles paying the fee; and the programs and projects must be consistent with the regional transportation plan. The VTA Board adopted an expenditure plan that divides these funds with 80 percent proportionally directed back to Santa Clara County local agencies based on population, 15 percent directed to countywide programs, and five percent for VTA's administration of the funds. The eligible countywide programs are environmental mitigations, local match for grants and ITS projects.

Since the inception of the VRF program, the countywide program has had four three-year funding cycles and is now on its fifth cycle. The VTA Board approved at its October 2, 2025 meeting an allocation of $2.5 million to fund the fifth cycle of VRF-ITS projects. The competitive grant process was developed through the VTA's ITS Working Group (ITSWG), a working group of VTA's Technical Advisory Committee (TAC). VTA staff along with a subset of the ITSWG composed of volunteer staff from the cities of Campbell, Mountain View, San Jose, and Sunnyvale developed the project selection criteria. The scoring criteria were also approved by the VTA Board at its October 2, 2025 meeting. The following sections provide a summary of the scoring criteria.

Scoring Criteria:

Proposed projects will be evaluated based on six criteria: Mobility & Operations, Resilience & Reliability, Cost-effectiveness, Responsiveness, Identified Community Need, and Project Readiness.

- **Mobility & Operations:** Measure the improvement of the movement of people and goods and enhance corridor performance, including traffic signal operations.
- **Resilience & Reliability:** Evaluate how the project strengthens the consistency and dependability of the County's transportation network, including improvements in travel times, traffic flow, and system performance.
- **Cost-effectiveness:** Assess how efficiently project funds are used and prioritize projects that deliver substantial benefits relative to their cost.
- **Responsiveness**: Project alignment with the goals and priorities identified in the current funding guidelines, Valley Transportation Plan (VTP), and VTA's Transportation Technology Strategic Plan (TTSP), as well as the clarity and feasibility of the proposed approach.
- **Identified Community Need**: Documentation of community transportation need identified in an adopted plan or study, and how clearly the benefits are described.
- **Project Readiness:** Evaluate project readiness for implementation, require no

environmental clearance, and ability to implement within two years. A detailed scope of work and schedule (including a Gantt chart) are required for maximum points.

Total possible points for each criteria are listed in Exhibit A.

Exhibit A: VRF-ITS Funding Cycle 5: Scoring Areas

Criteria	**Maximum Possible Points**
Mobility & Operations	40
Resilience & Reliability	20
Cost Effectiveness	15
Responsiveness	5
Identified Community Need	5
Project Readiness	15
Total Points:	100

Attachment A provides additional details on the scoring criteria.

DISCUSSION:

On October 16, 2025, VTA staff issued a call for projects for the VRF-ITS Cycle 5 with an end date of January 16, 2026. Staff received 16 project proposals that were evaluated by a selection committee comprised of volunteer local agency staff using the Board approved criteria. Members of the selection committee did not score projects from their own agency. The following are the seven projects recommended for funding:

Table 1: VRF -ITS Cycle 5 - Recommended List of Projects

Project Name	Agency Name	Project Description	Funding Amount
Campbell ITS Mobility and Safety Improvements- Phase 1	City of Campbell	Replace traffic signal controllers, implement signal retiming, procure analysis and simulation software, replace pedestrian signals and buttons.	$500,000
Stevens Creek Boulevard & De Anza Boulevard Traffic Signal Synchronization Project	City of Cupertino	Implement signal retiming and optimize traffic operations.	$231,000
Grant Road Corridor Optimization with Artificial Intelligence (AI) Detection	City of Mountain View	Expand AI detection and optimization system.	$218,000
Embarcadero Road ITS Upgrade and Optimization	City of Palo Alto	Upgrade traffic signal cabinets, pedestrian buttons, install video detection and implement signal performance monitoring.	$500,000
San José Arterial Management - Adaptive Traffic Control System Deployment	City of San Jose	Install video detection equipment and expand adaptive traffic control system on two corridors.	$450,000
Mathilda Avenue/Sunnyvale-Saratoga Road and Homestead Road Smart Corridor ITS Upgrade	City of Sunnyvale	Install video detection equipment and procure and implement adaptive traffic control system.	$499,664
Santa Teresa & Tenth Traffic Signal Upgrades	City of Gilroy	Upgrade traffic signal controllers and software, replace video detection equipment and install battery back up systems.	$101,336 *

* City of Gilroy Santa Teresa & Tenth Traffic Signal Upgrades Project recommended to receive partial funding after fully funding the other 6 projects.

Attachment B provides a summary of the grant submissions and overall scores of each.

ALTERNATIVES:

The VTA Board could choose to not award the VRF-ITS funds as recommended by staff. This would delay the implementation of the recommended ITS projects.

CLIMATE IMPACT:

The funding awarded to projects through this program involve improving mobility and traffic operations that could lead to reductions in greenhouse gas emissions.

ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:

The Technical Advisory Committee considered this item as part of its April 2026 Consent Agenda and recommended Board approval without comment.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

The Mobility Management & Capital Programs Committee, meeting as a committee of the whole in April 2026, considered this item on its regular agenda. Committee members asked whether debriefs were provided to unsuccessful applicants, what regional goals the awarded projects support, and whether cost variability would continue. Staff confirmed that debriefs were provided, that the funded projects align with the Transportation Technology Strategic Plan's focus on interoperability and improved traffic management, and that cost variability is expected to persist due to economic uncertainty. The Committee requested that this item be forwarded to the Board of Directors' consent agenda for May 7, 2026.

Prepared by: David Kobayashi, Traffic Engineer
Memo No. 9923

ATTACHMENTS:

- Attachment A_Scoring Criteria Memo (PDF)
- Attachment B_Scoring Summary (PDF)
- 4.16.26_MMCP_VRF-ITS Cycle 5 (PDF)

Attachment A

Scoring Criteria Memo Excerpt for the Vehicle Registration Fee Intelligent Transportation Systems (VRF-ITS) Cycle 5 Competitive grant program.

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Santa Clara Valley Transportation Authority

Scoring Areas

Submitted project proposals will be scored on how well the proposal meets each of the scoring areas shown in Table 2. The total maximum points for any project proposal shall be 100 points.

Table 2 - VRF-ITS Funding Cycle 5: Scoring Areas

Scoring Areas	Maximum Possible Points
Mobility & Operations	40
Resilience & Reliability	20
Cost Effectiveness	15
Responsiveness	5
Identified Community Need	5
Project Readiness	15
Total Points:	100

DESCRIPTION OF SCORING AREAS & SCORING OF PROJECTS

Submitted project proposals receiving the maximum score in that area will clearly describe how the proposed project meets an identified user need(s) in these areas.

Mobility & Operations projects encompass the improved movement of people and goods and the ability to get from one place to another using one or more modes of transport to meet daily needs on a corridor. An operations project seeks to improve the efficiency and performance of a group of traffic signals on a corridor, and this could be an identified significant daily need on a corridor.

Resilience & Reliability scoring was introduced in this cycle of VRF-ITS funding to ensure that proposed projects enhance the consistency and dependability of Santa Clara County's transportation network. Over the past two decades, Santa Clara County has emerged as a major employment hub, leading to a significant rise in traffic demand. Consequently, key arterial roadways have become increasingly unreliable for motorists. This scoring criterion is designed to incentivize project proponents to improve roadway reliability. Projects that earn the highest

Santa Clara Valley Transportation Authority

scores in this category will demonstrate measurable benefits, such as reduced travel times, improved traffic flow, or the integration of advanced traffic management systems over an extended period of time, under various weather conditions.

Cost-effectiveness scoring was introduced in this cycle of VRF-ITS funding to ensure that limited resources are directed toward projects that deliver the highest impact with the most efficient use of funds. This criterion encourages project proponents to optimize their budgets and pursue innovative, cost-conscious solutions that yield measurable transportation improvements. Projects that demonstrate a strong return on investment by delivering substantial benefits relative to their cost will be prioritized, as they exemplify fiscal responsibility and maximize the overall value to the community.

Responsiveness scoring was introduced in this cycle of the VRF-ITS funding to assess how effectively the applicant's proposed project aligns with the specific goals and objectives outlined in the funding guidelines in the latest VTP and TTSP. This criterion ensures that proposed projects directly address this cycle's priorities while also evaluating the clarity, feasibility, and practicality of the applicant's approach.

The **identified community need** scoring area was included in this cycle of VRF-ITS funds to address identified community needs. This need must be identified in a transportation plan or study. The objective of this scoring area is to encourage project proponents to deliver transportation improvements that address challenges faced in their communities, such as limited mobility, and air pollution. Submitted project must clearly describe how the community will benefit from the proposed project will receive a maximum score.

The final scoring area is **project readiness**. As described in the general requirements, projects must be substantially ready and not require any environmental clearance, including a completion within two years after receiving these funds. Submitted projects will receive the maximum score in this area if the project provides a sufficiently detailed scope of work and schedule, including meeting the requirements. The project proponent must submit a detailed scope of work, including Gantt chart showing the duration of each work tasks.

VTA as the grantor and its selection committee seeks a concise and cohesive application that demonstrates how the project follows up on the recommendation from the TTSP and clearly meets the immediate needs of the roadway users in the following areas: improves mobility and operations, improves accessibility, enhances safety, and addresses the needs of EPCs.

The above listed are key considerations in the scoring of submissions, including an inclusion of a realistic schedule for the project completion meeting the general requirements. Another final key component in the consideration of the submissions is the inclusion of an approach to measure performance and an evaluation how well the project meets the needs of the roadway users.

Attachment B

Scoring summary for the Vehicle Registration Fee Intelligent Transportation Systems (VRF-ITS) Cycle 5 Competitive grant program.

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VRF ITS Cycle 5 Competitive Grant - Selection Committee Scoring Summary

Project Name	Total Score	Funding Recommendation
City of San José - Arterial Management – Adaptive Traffic Control System Deployment	93.6	Recommended
City of Sunnyvale - Mathilda Avenue/Sunnyvale-Saratoga Road and Homestead Road Smart Corridor ITS Upgrade	93.3	Recommended
City of Campbell - Campbell ITS Mobility and Safety Improvements - Phase 1	88.2	Recommended
City of Cupertino - Stevens Creek Boulevard & De Anza Boulevard Traffic Signal Synchronization Project	87.7	Recommended
City of Mountain View - Grant Road Corridor Optimization with Artificial Intelligence Detection	87.0	Recommended
City of Palo Alto - Embarcadero Road ITS Upgrade and Optimization	86.7	Recommended
City of Gilroy - Santa Teresa & Tenth Traffic Signal Upgrades	86.6	Recommended
City of Milpitas - Great Mall Parkway Traffic Signal Modifications	86.4	Not Recommended
City of Morgan Hill - Monterey Road & Hale Avenue Corridors Controller Upgrade Project	80.0	Not Recommended
City of Saratoga - Citywide Traffic Signal Detection Upgrades	78.3	Not Recommended
City of San José - Cost Effective Edge AI Analytics for DOT Applications	76.5	Not Recommended
Santa Clara Valley Transportation Authority - Traffic Operations Modeling Tool	72.8	Not Recommended
County of Santa Clara - Signal Timing Coordination on Central, Oregon, and Page Mill Expressways	72.4	Not Recommended
County of Santa Clara - Replacement of Damaged Fiber Optic Cables at Multiple Locations	67.4	Not Recommended
County of Santa Clara - Countywide Collision Database and Safety Analysis Software Project	61.1	Not Recommended
*City of San José - Video Detection Upgrades at Bicycle and Transit Intersections	87.7	Not Recommended

*City of San José - Video Detection, project was withdrawn from consideration for funding in order to allow for region impartiality.