



Silicon Valley Regional Interoperability Authority

TO: City Managers, Town Manager, County Administrator, City Attorneys, Town Attorney and County Counsel

FROM: Heather Tannehill-Plamondon, Executive Director SVRIA
Gary M. Baum, General Counsel SVRIA

SUBJECT: Request for Approval of Restated Silicon Valley Regional Interoperability Authority Joint Powers Agreement to Accommodate Santa Clara Valley Transportation Authority as an Additional Member.

REQUEST:

The Board of Directors of the Silicon Valley Regional Interoperability Authority (“SVRIA”) request that the current Members of SVRIA approve revisions to the Joint Powers Agreement (“JPA”) in order to accommodate a new member, the Santa Clara Valley Transportation Authority (“VTA”).

SUMMARY/DISCUSSION:

On May 26, 2016, the Board of Directors of the SVRIA reviewed and recommended certain changes to the Joint Powers Agreement in order to include the VTA as a voting member of the Board of Directors. These changes were based upon input from the Working Committee, City Attorneys, City Managers, County Administrator, and VTA as well as direction from the Board itself.

In the summer of 2015, VTA entered into a Memorandum of Understanding (“MOU”) with the SVRIA to become a participant in the Silicon Valley Regional Communication System (“SVRCS”). As part of their request, VTA agreed to share the costs of SVRCS. In addition, VTA required that they receive two seats on the Board of Directors of SVRIA. One of VTA’s seats will be an elected member of VTA’s Board or of its Policy Committee. The second Board seat will be designated for the VTA’s General Manager or designee.

VTA brings approximately 2000 new users into the SVRCS. This would make VTA the third largest member in SVRIA, after the City of San Jose and the County of Santa Clara. In addition, VTA will make proportionate capital payments to the SVRCS in an amount totaling approximately \$5,500,000 over three years. Starting in fiscal year 2018 – 2019, VTA would

begin making annual operations and maintenance payments in excess of \$700,000. By adding this additional Member, all other Members' payments will be reduced. VTA has requested two Board seats. This is proportionate with VTA's size and status as the third largest Member of SVRIA. The JPA requires that any changes to the JPA be approved unanimously in order for them to take effect. Thus, these changes will require approval every City and the County in order for the changes to take effect.

The changes recommended by the SVRIA Board of Directors address VTA's requests and those of the Working Committee, County Administrator and City Managers. Any additional changes at this time would require the approval of the Working Committee and Board of Directors. This would substantially delay VTA's entry onto the Board and SVRIA and ultimately could cause VTA to reconsider its commitment to SVRCS. Our goal is to complete the review and approval by all current Members no later than September 1, 2016.

The changes are summarized below.

1. Cover page change made to reflect the Restatement Date to be filled in following unanimous approval of all Members of SVRIA.
2. Page 1, first paragraph, original Effective Date is described by including the original date of adoption of the JPA document in November, 2009.
3. Page 1, first paragraph, Restatement Date is included as the date of unanimous approval by all Members of SVRIA.
4. Page 1, Recital H added to explain that the changes made are based upon the request of VTA.
5. Page 2, Section 1.9, the definition of Members is expanded to include the Santa Clara Valley Transportation Authority ("VTA").
6. Page 3, Section 1.12 added to define Restatement Date as the date the JPA Restatement is unanimously approved by all of the Member Agencies.
7. Page 6, Section 3.5 was amended to correct a reference to Section 3.3 that should have been listed as Section 3.4.
8. Page 6, Section 4 Members is expanded to include VTA as of the Restatement Date.
9. Page 7, paragraph 5 amended to reflect the increase in total Board of Directors from nine to eleven.
10. Page 8, paragraph 5.1.8 is added to reflect the addition of two new Directors by VTA. Both new directors will be appointed by the VTA's Board of Directors. One Director will be VTA General Manager or his or her designee of an Executive Level Staff Member and one Director will be an elected member of the VTA Board of Directors or Policy Advisory Committee from a City or Town that does not have a current member on the Board of Directors of SVRIA.
11. Page 8, Section 5.1.8, addition of last sentence of paragraph of: "Future Directors appointed to any seat may not be from the cities or town already represented by the VTA Directors." This requested change was made to make clear that any future Director appointment would not cause the sitting VTA Director to need to resign as any future appointment would need to be from a City not already on the Board.
12. Page 8, Paragraph under Section 5.1.8, addition of the following sentence: "If a Director shall cease to be an employee of VTA, his or her seat shall be deemed vacant." The

rationale is that if the VTA employee Director is no longer employed by VTA he or she can longer be a SVRIA Director.

13. Page 8, Paragraph following Section 5.1.8 has had a provision added to reflect that one of the Board Members from VTA will be an employee of VTA.
14. Page 8, paragraph 5.2, the increase in the Board of Director's quorum from 5 to 6 is listed.
15. Page 9, Section 5.5 has been amended to describe the procedure for Working Committee review of Board of Director's Bylaw amendments.
16. Page 13, Section 7.6 has been amended to include a requirement for VTA to pay \$13,157 within 30 days after the Restatement Date.
17. Page 11, paragraph 6.9.1.9 memorializes the already approved addition of two Committee Members from the VTA to the Working Committee.
18. Page 12, paragraph 6.9.3, this shows the increase in the quorum of the Working Committee from 6 to 7.
19. Page 14, Section 7.8.1 a provision was added as follows: "Notwithstanding the foregoing, on or after the Restatement Date, the Working Committee shall commission or obtain a cost allocation study which considers usage, overhead, and other reasonable cost factors and with that data shall propose, subject to the adoption of the Board, an allocation methodology for the VTA that is not based on population." The intent of this change is to address a formula for VTA participation for any future project that is outside of the SVRCS. For example [Heather do you want to add something here?]

FISCAL IMPACT:

If these JPA changes are approved by all current Members of the SVRIA and VTA completes the remaining requirements, then the current Members' costs will be reduced because the SVRCS's fixed costs will be spread over more Members. If one or more current Members declines to approve these JPA changes, then VTA could consider withdrawing from SVRCS. If this were to happen, the current Members' costs would rise proportionately.

ATTACHMENTS:

Redline copy of the Joint Powers Agreement Restatement showing proposed changes and a clean copy showing the final revised Joint Powers Agreement Restatement