



**CITIZENS ADVISORY COMMITTEE
and
2000 MEASURE A CITIZENS WATCHDOG COMMITTEE**

Wednesday, November 7, 2007

MINUTES

1. CALL TO ORDER

The Regular Meeting of the Citizens Advisory Committee (CAC) was called to order at 4:30 p.m. by Chairperson Schulter, in Conference Room B-104, Valley Transportation Authority (VTA), 3331 North First Street, San Jose, California.

ROLL CALL

Members Present

Stephen Blaylock
Don Burnett
Chris Elias
Ellen Fletcher
Ray Hashimoto
Robert Jacobvitz, Vice Chairperson
(BOMA) –Silicon Valley
Judi Kirkham
Gaye Morando
Margaret Okuzumi
Charlotte Powers
Sally Probst
Connie Rogers
Martin Schulter, Chairperson
Noel Tebo

Members Absent

Roberta Hughan
Laura Stuchinsky

Representing

Mass Transit Users
West Valley Cities
Environmentalists
Bicyclists
Building Industry Association
Building Owners and Managers Association

South Bay AFL-CIO Labor Council
Santa Clara County Chamber of Commerce Coalition
North County Cities
City of San Jose
Senior Citizens
South County Cities
Disabled Persons
City of San Jose

Representing

Santa Clara County
Silicon Valley Leadership Group

A quorum was present.

2. ORDERS OF THE DAY

There were no Orders of the Day.

3. PUBLIC PRESENTATIONS

Jerry Grace, Interested Citizen, expressed appreciation to be in attendance and participate in the Citizens Advisory Committee (CAC) Meeting.

4. Committee Staff Report

Jim Lawson, Government Affairs Manager and Staff Liaison, provided a brief report highlighting: 1) VTA Board approved the additional expenditure of \$3.4 million for the Mary Avenue Bicycle and Pedestrian Bridge project, 2) VTA Board authorized the Purchase Agreement for the Mitchell Block property in downtown San Jose, 3) VTA Board approved VTA's agreement with the County to provide transit passes to clients in Social Services programs, 4) VTA continues to work on the Comprehensive Operations Analysis (COA) with the target date schedule on January 14, 2008, and 5) Caltrain sold \$29 million in bonds to fund the purchase of eight new Bombardier rail cars to assist with peak loads and spares replacement.

Member Kirkham arrived at the meeting and took her seat at 4:35 p.m.

Member Tebo queried about the status of two previous items he had requested to be agendaized. Mr. Lawson stated that the items are scheduled on the workplan to be agendaized.

Stephen Flynn, Senior Management Analyst, responded that the Eastridge access to Capitol Expressway Light Rail Project is scheduled on the December 12, 2007 CAC Agenda.

Mr. Lawson noted that the ACE/Fremont item is tentatively scheduled for future consideration.

Member Hashimoto arrived at the meeting and took his seat at 4:40 p.m.

Member Probst queried about the Mitchell Block property purchase agreement. Mr. Lawson stated that the purchase agreement and contract between the parties have been signed. Mr. Lawson stated that the title search and environmental study needs to be completed.

Member Probst queried about the use of the land after the completion of the BART project to downtown San Jose. Mr. Lawson responded that the location is the determined preferred site to facilitate the construction of the downtown BART Station.

Mr. Lawson stated that there are several options available, such as utilizing the land as the entrance for the Downtown San Jose Station, for joint development projects, and other options for consideration.

Member Elias arrived at the meeting and took his seat at 4:45 p.m.

5. Chairperson's Report

Chairperson Schuller reported that Luis Mendez has resigned his seat on the Citizens Advisory Committee (CAC) representing Pedestrians. Chairperson Schuller acknowledged and recognized Member Mendez's contributions to the Citizens Advisory Committee (CAC).

BUSINESS REFERRED TO COMMITTEE BY THE BOARD OF DIRECTORS/ GENERAL MANAGER

COMBINED CAC AND 2000 MEASURE A CITIZENS WATCHDOG COMMITTEE CONSENT AGENDAS

6. Minutes of October 10, 2007

Member Fletcher noted a correction to the October 10, 2007 CAC Meeting Minutes and referenced Page 3 of 8, Paragraph 5, noting that Transportation Authority Board should state Transportation Commission.

M/S/C (Fletcher/Jacobvitz) to approve the Minutes of October 10, 2007 as amended.

CITIZENS ADVISORY COMMITTEE CONSENT AGENDA

7. Programmed Projects Quarterly Monitoring Report for July – September 2007

Member Rogers referenced Page 47 of 51, Second Table, and queried about the meaning of PA & ED. Jack J. Collins, Chief Engineering and Construction Officer, responded that PA & ED is Preliminary Assessment and Environmental Documentation.

M/S/C (Morando/Rogers) to review the Programmed Projects Quarterly Monitoring Report for July – September 2007.

Member Okuzumi arrived at the meeting and took her seat at 4:50 p.m.

CITIZENS ADVISORY COMMITTEE REGULAR AGENDA

8. Election Process for Advisory Committee Chairperson and Vice Chairperson

Stephen Flynn, Sr. Management Analyst, provided a brief background noting that the election process for Chairperson and Vice Chairperson is comprised of three distinct steps. The first step is the appointing of the Nominating Committee at the November 7, 2007 CAC meeting. The second step is the presentation of the Nominating Committee's report at the December 12, 2007 CAC meeting. The final step is conducting the elections to select the Chairperson and Vice Chairperson for 2008 at the January 9, 2008 CAC meeting. The Nominating Committee's purpose is to determine who is interested to serve as Chairperson and Vice Chairperson.

NOTE: M/S/C MEANS MOTION SECONDED AND CARRIED AND, UNLESS OTHERWISE INDICATED, THE MOTION PASSED UNANIMOUSLY.

Mr. Flynn noted that the current CAC Chairperson and Vice Chairperson are eligible for re-election. He stated that typically, the Chairperson requests volunteers to serve on the Nominating Subcommittee but if there are no volunteers, it is the Chairperson's prerogative to appoint Committee Members to the Nominating Subcommittee.

M/S/C (Morando/Rogers) to appoint Members Stuchinsky, Morando, and Tebo as the Nominating Subcommittee to identify Committee members interested in serving as the Chairperson and Vice Chairperson for 2008.

Chairperson Schuler expressed appreciation and thanked the Committee for their support during his term as CAC Chairperson. Chairperson Schuler announced that he would not run for Chairperson for 2008. Chairperson Schuler expressed his appreciation and recognized Mr. Lawson and Mr. Flynn for their diligent work and effort to provide support to the CAC Committee, Chairperson, and Vice Chairperson.

9. Review of September 13, 2007 Joint Policy Advisory Committee (PAC)/Citizens Advisory Committee (CAC) Workshop Topics and Participant's Comments, Concerns, and Suggested Potential Recommendations

Jim Lawson, Government Affairs Manager and Staff Liaison, reported that at the request of the Policy Advisory Committee (PAC) Chairperson Chris Moylan, a joint workshop of the PAC and the Citizens Advisory Committee (CAC) was held on September 13, 2007. Mr. Lawson stated that the agenda consisted of the following two main items: 1) Review and discussion of the VTA Organizational and Financial Assessment findings regarding governance; and 2) Review and discussion of the State audit of VTA.

Mr. Lawson directed attention to the attachments contained in the Committee Packet:

- Attachment A – Hay Group Technical Memorandum;
- Attachment B – State Auditor Work Plan; and
- Attachment C – Joint PAC and CAC Workshop Meeting concerns and comments.

Mr. Lawson stated that each Advisory Committee should review and discuss the items as an individual Committee then provide direction to staff on which, if any, of these or other possible recommendations to submit to the Board of Directors concerning the findings of the VTA Organizational and Financial Assessment.

He continued that if a Committee decides to submit recommendations to the Board of Directors then staff will agendaize the item for a future meeting and prepare a memorandum listing the specific recommendations for formal adoption by the Committee.

Member Powers reported that some of the recommendations were good, while some were not viable. Member Powers commented on the concerns raised related to the recommendation to combining the Technical Advisory Committee (TAC) and PAC into a single committee. She noted concern related to the creation of a directly elected Board of Directors for VTA.

Member Powers continued that PAC Chairperson Moylan and CAC Member Powers agreed to meet at a future meeting to discuss the next steps.

Member Powers stressed the importance to recognize that among VTA's Advisory Committees there is equal representation from each city. She noted the importance to continue to keep the TAC and PAC as separate committees to conduct committee business in their fields of expertise. Member Powers stressed the importance for the CAC to align its mission and remain in the process as well.

Member Okuzumi expressed support to restructure the VTA Board of Directors to ensure fair representation and to allow for representation from every city on VTA's Board with weighted votes by population. Member Powers stated that this would be difficult to implement.

Member Probst stressed the importance of the Citizens Advisory Committee (CAC) responsibility due to its role as the 2000 Measure A Citizens Watchdog Committee.

Member Powers stressed the importance for the CAC to align its goals with the VTA Board of Directors goals to ensure that CAC is more effective when dealing with the Board.

Member Elias stressed the importance to know how other specialized governing bodies are structured so it would be possible to compare and contrast those transit agencies with VTA.

Member Hashimoto left his seat at 5:10 p.m.

Mr. Lawson referenced the concerns raised regarding the creation of a directly elected Board, noting that historically the County Board of Supervisors served in the capacity as the County Transportation Agency. Mr. Lawson stated that there are few directly elected transportation boards, such as AC Transit and BART.

Member Rogers stated that the role and purpose of the Board is to serve different parts of the community and staff is there to provide expertise and knowledge. Member Rogers expressed support for the Board Members to serve a longer term and stated that the cities should have a primary role with VTA.

Member Okuzumi expressed support to allow the Board Members to remain on VTA's Board for their elected term. Member Okuzumi stated that VTA should have a seven member appointed Board with representation from every city with weighted votes by population. Member Okuzumi encouraged other members to provide their comments on VTA's Board composition and structure.

Member Hashimoto took his seat at 5:16 p.m.

Member Powers referenced Attachment C – Possible Recommendations to VTA Board of Directors, noting support for the following items:

- Have Board chair and Advisory Committee chairs interact directly on work plans rather than through staff;
- Give each advisory committee a mission;
- Develop orientation programs for all advisory committee members; and
- Advisory committees need to meet more frequently with the Board.

Member Powers noted opposition for the following items:

- Recombine transportation with the rest of the County so that the five supervisors constitute the Board again; and
- Reduce the number of advisory committees (combine PAC with TAC).

Member Elias suggested that a facilitator be present at the future meeting between the PAC and CAC.

Member Fletcher queried if staff is working to empower VTA's Advisory Committees and how the information is being forwarded to the Board. Mr. Lawson responded, "yes."

Member Powers stated that PAC Chairperson Moylan and CAC Member Powers have agreed to meet at a future meeting to discuss and explore the next steps.

On order of Chairperson Schulter, there being no objection, the Committee reviewed and discussed the September 13, 2007 Joint Policy Advisory Committee (PAC)/Citizens Advisory Committee (CAC) Workshop Topics and Participant's Comments, Concerns, and Suggested Potential Recommendations.

2000 MEASURE A CITIZENS WATCHDOG COMMITTEE REGULAR AGENDA

10. The 2000 Measure A Transit Improvement Program Quarterly Progress Report – September 2007

Jack Collins, Chief Engineering and Construction Officer, reported on the 2000 Measure A Transit Improvement Program Quarterly Progress Report – March 2007. Mr. Collins provided a report highlighting the following: 1) Program Financial Status, 2) Program Summary, and Project Summary Reports.

Mr. Collins reported that the 2000 Measure A Transit Improvement Program continues to move forward and highlighted the following:

- Federal Transit Administration (FTA) approved a Notice of Intent (NOI) for VTA to prepare a federal environmental document for the BART Extension to Silicon Valley, which is a prerequisite to receive federal funding;
- VTA Board of Directors approved the Bus Rapid Transit (BRT) alternative as the preferred near term development strategy on Santa Clara/Alum Rock pending environmental analysis; and

- VTA refunded 2006 Sales Tax Revenue Bonds Series F & G with traditional fixed rate securities that will result in an estimated \$17.7 million in debt reduction.

Mr. Collins reported that VTA has been awarded two federal grants totaling \$8.85 million, which will be used to reimburse VTA for Preliminary Engineering (PE) work on the BART Extension project. He stated that since sales tax collections began on April 1, 2006, VTA has received cumulative sales tax revenue of \$240.9 million through September 30, 2007 versus projected sales tax revenue of \$235.1 million, which is a positive variance of \$5.8 million.

Mr. Collins stated that federal grant funds have allocated approximately \$11 million to the BART – Silicon Valley Rapid Transit (SVRT) Corridor project.

Mr. Collins reported on the Commuter Rail Program, noting that funding has been allocated to several of the individual projects that will comprise the Caltrain Service Upgrades Project and highlighted the following:

- Mountain View Parking – conceptual engineering and environmental review for the Mountain View Parking Structure, which is scheduled for completion in mid 2008. The City of Mountain View has committed \$0.425 million toward the effort;
- Blossom Hill Pedestrian Crossing – The City of San Jose through a cooperative agreement with VTA has committed \$0.25 million for conceptual engineering, which is currently being performed by DMJM;
- Safety Enhancements – HNTB Inc. is performing a study to identify and prioritize locations where safety can be enhanced. The study is scheduled to be completed in November 2007. Another study is scheduled in November 2007 to quantify the effect of safety improvements on operations;
- Santa Clara Station Upgrades – Measure A is contributing funding to the \$26 million station upgrade project, which is being designed by Caltrain. The project includes a new center boarding platform and pedestrian underpass to improve operating efficiency and pedestrian access; and
- Santa Clara Station Pedestrian Underpass Extension – The project will extend the Caltrain Station tunnel to cross under the Union Pacific Railroad (UPRR) tracks for future pedestrian and bicycle access west of the tracks.

Member Okuzumi inquired about the status on the California Avenue Underpass project. Mr. Collins responded that Caltrain has awarded the contract and the work is scheduled to start in December 2007.

Member Tebo queried if there were projects planned to address concerns over safety issues related to grade-crossings. Mr. Collins responded that there is a State program with over \$50 million per year with 50 projects on the list, which require a 10 percent contribution. Mr. Collins stated that the City of Fremont recently received funding for the Paseo de Padre and Washington Streets.

Mr. Collins noted that VTA has submitted Cato Road and Dixon Landing as safety projects to receive State funding.

On order of Chairperson Schulter, there being no objection, the 2000 Measure A Transit Improvement Program Quarterly Progress Report – September 2007 was discussed.

11. The 2000 Measure A Transit Improvement Program Quarterly Cost Report – September 2007

Jack Collins, Chief Engineering and Construction Officer, gave a brief report about the 2000 Measure A Transit Improvement Program Quarterly Cost Report – September 2007. Mr. Collins reported that expenditures on various 2000 Measure A Transit Improvements have been ongoing since 2001 using Federal, State, and Local Funds. He directed attention to September 2007 changes in cost from the authorized budget and highlighted the following:

- Program wide Costs authorized budget remains unchanged at \$311 million;
- BART – Silicon Valley Rapid Transit authorized budget remains unchanged at \$651.3 million;
- Light Rail Program authorized budget decreased from \$386.6 million to \$331.6 million with the transfer of the DTEV-Santa Clara/Alum Rock Corridor project from the Light Rail Program to the Bus Program;
- Commuter Rail Program authorized budget remains unchanged at \$128 million;
- Bus Program authorized budget increased from \$41 million to \$96 million with the transfer of the DTEV-Santa Clara/Alum Rock Corridor project from the Light Rail Program to the Bus Program; and
- San Jose Mineta Airport People Mover authorized budget remains unchanged at \$2 million.

Mr. Collins stated that the VTA 2000 Measure A Program breaks down to \$18.7 billion anticipated expenditure program over 30 years. He stated that the Board of Directors have authorized \$1.5 billion to be spent for the program, noting that \$712 million has been incurred to date. Mr. Collins reported that approximately \$16.9 million is incurred every six months on the 2000 Measure A Program projects.

Mr. Collins announced that he would be leaving VTA. Mr. Collins expressed appreciation to work with the Citizens Advisory Committee and 2000 Measure A Citizens Watchdog Committee. Mr. Collins stated that he has enjoyed working at VTA and every construction project holds a special memory.

Mr. Collins recognized and thanked the Citizens Advisory Committee and 2000 Measure A Citizens Watchdog Committee for their important role in providing independent review of all expenditures of revenue from the 2000 Measure A sales tax.

The Committee recognized and thanked Mr. Collins for his outstanding service to VTA and the Citizens Advisory Committee and 2000 Measure A Citizens Watchdog Committee. The Committee wished Mr. Collins well in his future endeavors.

Jim Lawson, Government Affairs Manager and Staff Liaison, commented that Mr. Collins has had a very successful career at VTA. He stated that Mr. Collins accomplishments are reflected in VTA's construction projects being delivered on time

and within budget. He stated that Mr. Collins will be missed and wished him continued success in his future endeavors.

On order of Chairperson Schulter, there being no objection, the 2000 Measure A Transit Improvement Program Quarterly Cost Report – September 2007 was discussed.

12. Publication of completed projects prior to the collection of Measure A Sales Tax

Jim Lawson, Government Affairs Manager and Staff Liaison, requested input and comments from the Committee regarding the publication of completed projects prior to the collection of the 2000 Measure A sales tax.

Member Burnett stressed the importance to inform the public of the completed 2000 Measure A Program projects that have been completed and the expenditures incurred. Mr. Lawson stated that staff can publish the project lists and accomplishments in various newspapers and on VTA's website.

Member Burnett stressed the importance to inform the public of the completed 2000 Measure A Program projects that have been completed and the expenditures incurred. Mr. Lawson stated that staff can publish the project lists and accomplishments in various newspapers and on VTA's website.

Chairperson Schulter expressed concern regarding the expense to publish the information in newspapers and suggested that web based publication would be a good option.

Member Rogers stressed the importance to utilize a combination of both resources to accommodate the needs of the public.

Mr. Lawson reiterated the Committees request to have a special report on the completed projects to be published in local newspapers and a link to VTA's webpage with additional information on the list of projects.

Member Powers stressed the importance to utilize other languages to accommodate the needs of the public.

Member Okuzumi left the meeting at 6:00 p.m.

On order of Chairperson Schulter, there being no objection, the Publication of completed projects prior to the collection of Measure A Sales Tax was discussed.

13. Publication Strategy for the 2000 Measure A Citizens Watchdog Committee's Inaugural Annual Report

Stephen Flynn, Sr. Management Analyst, provided a brief overview on the Publication Strategy for the 2000 Measure A Citizens Watchdog Committee's Inaugural Annual Report. Mr. Flynn reported that one of the responsibilities of the 2000 Measure A Watchdog Committee is to publish the results of the independent audit and the annual report in local newspapers.

Mr. Flynn reported that Attachment C is the option approved by the 2000 Measure A Citizens Watchdog Committee and Attachments A and B are different publication

strategies for the 2000 Measure A Citizens Watchdog Committee's Inaugural Annual Report.

Mr. Flynn stated that staff recommends Attachment A – Selected Distribution of Full and Trimmed Versions of the publication strategy. The primary placement achieves maximum exposure utilizing the fewest publications for a one day full version advertisement in the following newspapers:

- San Jose Mercury News in English;
- El Observador in Spanish/Hispanic; and
- Thoi Bao in Vietnamese;

The secondary placement achieves exposure utilizing well read community publications for a one day trimmed version advertisement in the following newspapers:

- The Metro in English;
- Morgan Hill Times in English;
- Gilroy Dispatch in English;
- Los Altos Town Crier in English;
- Palo Alto Daily News/Los Gatos Weekender; and
- 12 other Silicon Valley Community Newspapers.

Mr. Flynn stated that the total number of newspapers with the combined primary and secondary placement is 21 with a total cost of \$19,008.40.

Mr. Flynn stated that Attachment B – Complete Distribution of Full Version shows the cost for publishing the full version for one day in the same newspapers. The total number of newspapers with the combined primary and secondary placement is 28 with a total cost of \$31,751.15.

Dino Guevarra, Sales & Promotion Supervisor, reported that the difference between the full and trimmed version is the advertisement size and the use of photos.

Member Blaylock stressed the importance for the Committee to select Attachment B - Complete Distribution of Full Version since the graphics shows the completed projects.

Vice Chairperson Jacobvitz and Member Tebo stated that Attachment B is well worth the total cost of \$31,751.15 to present the completed projects with the project pictures.

M/S/C (Blaylock/Morando) to recommend the use of Attachment B – Complete Distribution of Full Version as the recommended publication strategy for the inaugural Citizens Watchdog Committee's (CWC) Annual Report.

Mr. Flynn stated that staff will send the advertisement publication schedule to the Committee Members.

Member Rogers left the meeting at 6:15 p.m.

12. Publication of completed projects prior to the collection of Measure A Sales Tax
(continued)

Members Powers and Burnett stressed the importance to quantify the 2000 Measure A Transit Improvement Program projects and suggested that the next advertisement publication present the project progress and accomplishments.

Jim Lawson, Government Affairs Manager and Staff Liaison, stated that staff will bring back the advertisement publication strategy to the Committee for consideration in February 2008.

14. Status of Bid Process for Independent Auditor

Stephen Flynn, Sr. Management Analyst, provided a brief overview on the Status of Bid Process for the Independent Auditor, noting that the process will be a Request for Proposal (RFP), which will be available to be advertised within the next month or two. Mr. Flynn stated one of the recommendations is that an Audit Subcommittee be established to evaluate the firms.

Mr. Flynn suggested that the Audit Subcommittee consist of two or three members to review, evaluate, and create a short list of the firms for the Committee to review and determine the final selection. Mr. Flynn stated that with the initial timeline the Committee may consider the final award of the Independent Auditor at the February 2008 meeting. He noted that staff will bring back the information on the number of firms interested in the Independent Auditor RFP at the December 12, 2007 meeting.

On order of Chairperson Schulter, there being no objection, the Status of Bid Process for Independent Auditor was discussed.

COMBINED CAC AND CITIZENS WATCHDOG COMMITTEE ITEMS

15. CAC and the 2000 Measure A Citizens Watchdog Work Plan

Jim Lawson, Government Affairs Manager and Staff Liaison, stated that the following Agenda Items are included on the CAC and the 2000 Measure A Citizens Watchdog Work Plan: Publication of completed projects prior to the collection of Measure A Sales Tax and Status of Bid Process for Independent Auditor.

On order of Chairperson Schulter, there being no objection, the CAC and the 2000 Measure A Citizens Watchdog Work Plan was reviewed.

OTHER

16. Announcements

There were no Announcements.

17. ADJOURN

On order of Chairperson Schuler, there being no objection, the Meeting was adjourned at 6:22 p.m.

Respectfully submitted,

Michelle M. Garza, Board Assistant
VTA Board of Directors