



POLICY ADVISORY COMMITTEE

Thursday, November 9, 2006

MINUTES

1. CALL TO ORDER

The Regular Meeting of the Policy Advisory Committee (PAC) was called to order at 4:03 p.m. by Chairperson Glickman in Conference Room B-104, Valley Transportation Authority (VTA), 3331 North First Street, San Jose, California.

ROLL CALL

Members Present

Mark Brodsky
Steve Glickman, Chairperson
Yoriko Kishimoto
Jane Kennedy, Alternate
Norman Kline, Vice Chairperson
Linda J. LeZotte
Christopher Moylan
Al Pinheiro
Kris Wang

Representative Cities

Monte Sereno
Los Gatos
Palo Alto
Campbell
Saratoga
San Jose
Sunnyvale
Gilroy
Cupertino

Members Absent

David Casas
Dominic Caserta
Armando Gomez
Joseph D. Hernandez
Laura Macias
Pete McHugh
Greg Sellers

Representative Cities

Town of Los Altos
Santa Clara
Milpitas
Campbell
Mountain View
Santa Clara County Board of Supervisors
Morgan Hill

A quorum was present.

2. Orders of the Day

There were no Orders of the Day.

3. Public Presentations

There were no Public Presentations.

4. Committee Staff Report

Jim Lawson, Government Affairs Manager and Staff Liaison, reported that the State Infrastructure Bonds were approved by the voters in the November 2006 election. As a result the VTA Board of Directors has started taking action regarding the Corridor Mobility Improvement Account (CMIA). The CMIA, part of the Infrastructure Bond package, is slated to bring \$200-350 million to Santa Clara County and is a time sensitive issue. Projects eligible for CMIA funds must be proposed through Caltrans and the Metropolitan Transportation Commission (MTC). In addition the projects must be under construction by 2012. Projects under consideration include: 1) Additional lanes from Monterey Road in Gilroy to Highway 129 in San Benito County; 2) Additional southbound lanes on Highway 101 from Interstate 280 to Capital Expressway and Yerba Buena; 3) Highway 101 Interchange improvements and potential widening from Trimble to McKee Roads; 4) Highway 101 additional lanes from Marsh Road to Route 85 in Mountain View; and 5) Highway 880-additional lanes between 101 and State Highway 237.

Mr. Lawson announced that the BART to Warm Springs Extension Record of Decision (ROD) was signed by the Federal Transportation Administration (FTA) on October 24, 2006. This action allows BART to apply for Federal funds for this portion of the Corridor.

Mr. Lawson reported that the River Oaks Bicycle and Pedestrian project was awarded the American Society of Civil Engineers Outstanding Small Project of the Year Award for 2006, and the Palo Alto Transit Center project has been named the winner of the California Construction Magazine Best of 2006 award.

Mr. Lawson noted that there has been some difficulty with the Highway 152/156 construction project in South County due to an issue between the FTA, MTC, and VTA regarding the method of reporting. This has resulted in an unfortunate delay to the project.

VTA hosted the Caltrain Joint Powers Board meeting in San Jose. Members of the Joint Powers Board and the public toured the new Caltrain Maintenance Facility under construction at its Lenzen Avenue site.

Mr. Lawson reported that VTA ridership was up 10 percent overall with approximately 150,000 weekday boardings for the month of September

5. Chairperson's Report

Chairperson Glickman thanked Vice Chairperson Kline for presenting the PAC Committee Report at the Regular Meeting of the VTA Board on Thursday, November 2, 2006.

Chairperson Glickman suggested formulating work groups to study agendized items in a more in-depth manner.

Chairperson Glickman suggested Agenda Items #13., Draft Service Design Guidelines, and Agenda Item # 15 Committee Work Plan become topics of study for the proposed working groups. Members Kishimoto and Wang volunteered to serve on the working group to study the Draft Service Design Guidelines. Chairperson Glickman requested that Committee members interested in serving on the working group contact Member Kishimoto.

Chairperson Glickman, and Vice Chairperson Kline volunteered to serve on the working group to study the PAC Workplan. Chairperson Glickman commented that it would be the responsibility of the Chairperson to meet with staff to anticipate the items that would require in-depth study.

Vice Chairperson Kline commented that the PAC should inform the Board that in order to effectively perform its duties ample time must be provided to study the agendized items and to assist the Board in policy advisory decisions. Vice Chairperson Kline suggested that a two-month advance study time for crucial agendized items would be preferred. Member Pinheiro commented that the timing element of the TAC, PAC, and Board meetings is too closely scheduled and it would be preferable if the meetings could be scheduled differently allowing more time for review of the agendized items.

6. City Grouping Report

Member Brodsky announced that he made presentations to the West Valley Mayors and City Managers and the Cities Association on his concept of Community Bus linking to the Bus Rapid Transit (BRT) in the West Valley.

Member Pinheiro commented that the Milpitas Morgan Hill Gilroy (MGM) Cities Grouping met and discussed the dynamics of the interaction between the Technical Advisory Committee (TAC) and PAC. Member Pinheiro expressed concern that the time element between both meetings does not allow the opportunity for collaboration between members of both Committees on pertinent issues.

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

CONSENT

7. **(Removed from the Consent Agenda and placed on the Regular Agenda)**
8. **Proactive CMP Reviewed and Approved Projects Quarterly Status Report July through September 2006**

M/S/C (Kline/Brodsky) to review the Proactive CMP Reviewed and Approved Projects Quarterly Status Report July through September 2006.

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

9. (Removed from the Consent Agenda and placed on the Regular Agenda)

The Agenda was taken out of order.

REGULAR

7. Minutes of October 12, 2006

M/S/C (Brodsky/Kline) to approve the Minutes of October 12, 2006 as amended on Page 3 of 13, “the wall under construction on Hamilton Avenue,” and Page 10 of 13, add text stating that VTA has the ability to test options to link Community Bus with BRT.

Member Moylan noted Page 5 of 13, Paragraph 1, should be the Bay Bridge.

9. Community Design & Transportation Program Capital Grants

This item was removed by Member Pinheiro. Member Pinheiro expressed concern that the City of Gilroy’s project was not recommended for funding by the Community Design & Transportation (CDT) Scoring Committee. Member Pinheiro expressed concern that Gilroy’s project rated 45.5 percent and did not reach the required 50 percent needed to qualify for the CDT Grant. Member Pinheiro said he believed areas of misunderstanding existed between the Scoring Committee and Gilroy staff. Member Pinheiro introduced Don Dey, Gilroy City Traffic Engineer to provide background and their perspective on the project.

Mr. Dey commented that the projects in Gilroy would enhance connections to transit facilities, improve the pedestrian environment, and create livability and sustainability. Mr. Dey said that in his opinion the Downtown Gilroy Streetscape project met the scoring standards. Mr. Dey stated the Scoring Committee did not fully understand the Gilroy project.

Mr. Dey said that while the Scoring Committee had inspected the site, Gilroy staff was unable to meet with them and so they did not have a complete picture of what Gilroy was proposing.

Member Pinheiro then requested the Scoring Committee reconsider the Gilroy project as now described by Mr. Dey. Chairperson Glickman noted that as a member of the Scoring Committee it would have been beneficial to have the opportunity to meet with the City of Gilroy staff regarding the project. John Sighamony, Transportation Planner III, commented that due to the fact that Gilroy staff was unable to meet with the Scoring Committee they attempted to clarify the project via a conference call.

Mr. Lawson stated that this project was discussed with the TAC Committee, and the TAC recommendations, together with the Scoring Committee will move be forwarded to the Board. Mr. Lawson recognized the valuable work of the Scoring Committee. He described the recommendation from the TAC that those projects scored above 50 points

receive immediate funding, and that a call for new projects be expedited (30 to 60 days), and that staff meet with those submitting projects to review and clarify scoring criteria. In addition TAC will review and clarify scoring criteria with the Committee to avoid any misconceptions in the future.

Member Moylan suggested opening the call for projects as this would provide an additional opportunity for all submitted projects to improve their scoring.

Member Kishimoto suggested that a breakdown on scoring criteria would be constructive for submitted projects. Staff indicated this information would be provided to all applicants.

Vice Chairperson Kline suggested if the call for projects is re-opened the scored projects above 50 points should be funded immediately, and if available monies exist, he recommended the remaining projects be funded according to their scoring order on the existing list even though they are below the 50 scoring points. Vice Chairperson Kline noted that if the open call for projects does not notice the projects that have previously scored above 50 points on the existing list, theoretically newly submitted projects could outscore those projects and drop them below the 50 scoring points. He stated that the existing priority list should be funded in its present form.

Member Pinheiro concurred with Vice Chairperson's Kline suggestion concerning the existing priority list funding order

Vice Chairperson Kline recommended funding the projects over 50 points and with any remaining monies, utilize the funds for the projects on the existing priority list. It was clarified that the Scoring Committee recommended a cut off at 50 points as they felt projects below this level were not meeting the goals of the program. It was further noted that there was a significant gap between the lowest recommended project (72.5 points) and the cut off at 50 points.

Chairperson Glickman noted that projects that did not meet the Committee criteria should be given the opportunity to define and resubmit those projects. This would provide those projects the opportunity to meet the scoring criteria.

Member Kishimoto agreed with the recommendation from the TAC. Chairperson Glickman noted that sending a call for all projects could jeopardize the position of projects that have passed the scoring criteria because new projects could replace the existing order of scored projects.

Chris Augenstein, Transportation Planning Manager, said that the CDT Program is Board adopted and the criterion is specifically designed to obtain maximum utilization of the funds. Mr. Augenstein noted the scoring criterion has become a learning tool for cities to utilize in evaluating their projects. Mr. Augenstein indicated projects that originally scored below the 50 points that now wish to resubmit would have a clearer understanding of the criteria and a chance to improve their scores.

Vice Chairperson Kline requested clarification regarding the timing of the call for projects. Mr. Augenstein answered that the call for projects would occur in January 2007 with a 4-6 week open call that would expire at the end of February 2007. The scoring evaluation would commence in April 2007, and the submitted projects would go before the full Board in May 2007. He stated the priority list would be provided to the PAC approximately June 2007.

Mr. Lawson indicated that the TAC recommendation is to: 1) Fund the projects that scored above 50 points; 2) Send out an open call for projects within the next 30-60 days; 3) Work with project sponsors to clarify and define those projects; and 4) Return to the TAC for discussion and establish clarification regarding the scoring criterion.

Chairperson Glickman reiterated the call for projects would compete for funds not committed to previously approved projects.

Vice Chairperson Kline expressed concern regarding projects that have scored above the line. Vice Chairperson Kline stated that those projects should also compete with newly submitted projects to maintain a fair and equal submission process. Mr. Lawson said the TAC felt that from a fair and equitable point of view projects already scored above the 50 points should be funded.

Member Pinheiro referred to Page 3 of 3, of the Memorandum and requested clarification on the "Alternatives" stated on the Board Memorandum. Mr. Lawson clarified that the stated criteria is Board adopted and any changes to the scoring must be first adopted by the Board of Directors. Mr. Augenstein stated that the Board has the ability to modify the criteria and restructure the process.

Mr. Dey stated that during discussion at TAC it was stated that the 50 scoring point criteria was not initiated from direction by the Board but identified by the Scoring Committee. Staff acknowledged that this is correct.

M/S/F (Kishimoto/LeZotte) on a vote of 8 ayes, to 0 noes and 1 abstention to recommend that the VTA Board of Directors approve the recommended projects on the priority list to program \$5,843,440 in Community Design & Transportation Program Capital Grants and send out an open call for projects for a 30-60 day period to compete for the remaining funds. Chairperson Glickman abstained.

Vice Chairperson Kline made a motion, seconded by Member Pinheiro, to recommend that the VTA Board of Directors approve the recommended projects on the priority list including the project from Gilroy and to program \$5,843,440 in Community Design & Transportation Program Capital Grants. During discussion of the motion, Vice Chairperson Kline and Member Pinheiro withdrew the motion. Vice Chairperson Kline suggested that an alternative motion be made that would include Gilroy in the immediate funding proposal.

Member Moylan expressed concern that without knowledge of the scoring criterion he could not support a motion that selects certain projects over others.

M/S/F (LeZotte/Kline) on a vote of 8 ayes, to 0 noes and 1 abstention to review and recommend that the VTA Board of Directors approve the top five prioritized projects on the list and to provide Gilroy the opportunity to raise their scoring to 50 points, and if Gilroy is successful in the endeavor to move them to the prioritized list and fund their project. Chairperson Glickman abstained.

There were insufficient votes to pass any motion.

10. 2000 Measure A Projects

Mr. Lawson stated that the 2000 Measure A Transit Improvement Program would be presented at the Thursday, December 14, 2006 Board of Directors Meeting.

Mr. Lawson provided a progress report of the 2000 Measure A program including: 1) Purchase of the low floor light rail vehicles; 2) Implementation of the 522 Rapid Bus service and potential additional BRT opportunities; 3) Continuation of the Zero Emission Bus demonstration project; 4) Update on the final design of the Caltrain Double Tracking Project to Gilroy; 5) Preliminary Engineering on BART extension to Silicon Valley; 6) Final design on Capitol Expressway Light Rail to Eastridge; 7) Development and review of Draft Measure A Program Cost Report for the Citizens Advisory Committee, which is serving as the 2000 Measure A Watchdog Committee; 8) Update on the PAC Subcommittee to prepare a list of priorities for Caltrain Capital needs and 9) Re-established the Project Advisory Committee to advise the Board on funding issues, cash flow, potential hold points, and “No New Revenue” scenarios.

Mr. Lawson provided a brief overview of the information that would be provided at the November Standing Committee Meetings. In order to deliver the 2000 Measure A program, VTA must continue to advance design developments so projects are ready to go into construction subject to funding availability. Measure A projects must be “shelf ready” to enhance the competitiveness of projects eligible for state and federal funds. This strategy was successfully employed with prior ballot measure programs in Santa Clara County.

Board Members will be asked to review a number of significant consultant design contract amendments for the Caltrain and BART projects at the November Standing Committee meetings. The full Board will be asked to approve these items at the December 14, 2006 Board meeting. VTA staff recommends that the following design work move forward at the following Standing Committees:

Administration & Finance Standing Committee

2000 Measure A and Highway Programs:

- Execute an agreement with South Bay Transportation Associates for Program and Construction Management services to help VTA manage the 2000 Measure A Transit Improvement and VTA Highway Programs.

Silicon Valley Rapid Transit:

- Amend the existing cooperative agreement with Alameda County Transportation Authority (ACTA) for final engineering services for the combined I-880/Mission Boulevard Interchange project in the City of Fremont.
- Execute a cooperative agreement with the Santa Clara Valley Water District (SCVWD) for design services for a new Berryessa Creek flood channel box culvert that will support Union Pacific (UP) and future Silicon Valley Rapid Transit (SVRT) tracks.
- Amend the 2000 Measure A Capital Budget for Fiscal Year 2007 for expenditures related to UP Rail relocation (\$31 million) and VTA labor and other direct costs (\$11 million).

Transit Planning and Operations Standing Committee

Caltrain:

- Amend an existing design contract with DMJM & Harris to complete an additional 8 miles of Caltrain double tracking between Morgan Hill and Gilroy.
- Execute an agreement with MCI/Verizon to begin relocating 8.5 miles of fiber optic line in the Caltrain Corridor to allow double tracking.

Silicon Valley Rapid Transit:

- Amend six existing design contracts for the BART extension to continue design development to a 65 percent level of completion in accordance with new guidance from the Federal Transit Administration (FTA), which encourages New Start project sponsors to perform more design work in parallel with the environmental clearance and the New Starts evaluation process. The additional design work is slated to take 2 years for completion and would be concurrent with an anticipated Record of Decision (ROD) from the FTA by December 2008.

Mr. Lawson commented that all work on the Measure A projects would proceed within an “affordability structure.” He stated the Board would be regularly updated on the financial status of Measure A and would be provided clearly defined standards to keep expenditures in line with income. Mr. Lawson also commented that it is anticipated that the PAC would continue to advise the Board concerning these issues and would be provided updated project cost estimates from the design work, revised revenue projections from the Center for the Continuing Study of the California Economy, recommendations from the Comprehensive Management Audit and any new information regarding funding commitments.

Mr. Lawson reported that these proposed contract amendments represent a significant step forward in the delivery of the voter approved 2000 Measure A transit improvements.

On order of Chairperson Glickman, there being no objection, the Committee received the report on Advancing 2000 Measure A Transit Improvement Program.

11. Election Process for Advisory Committee Chairperson and Vice Chairperson

Stephen Flynn, Senior Management Analyst, provided a brief overview of the background, responsibilities and eligibility regarding the positions of Chairperson and Vice Chairperson for PAC.

Chairperson Glickman asked for volunteers to serve on the Nominating Committee for PAC Chairperson and Vice Chairperson for 2007. Members Kishimoto, Moylan and Wang volunteered to serve on the Nominating Committee.

Member Brodsky informed the Committee that this would be his final PAC meeting. He will be unable to attend the Thursday, December 14, 2006 PAC meeting. Member Brodsky commented that he enjoyed his tenure on the PAC and expressed his appreciation to staff for their diligent work.

Chairperson Glickman and Members of PAC expressed their appreciation to Member Brodsky for his commitment to the PAC, as well as his dedication and perseverance to provide optimal transportation services to the residents of Santa Clara County.

M/S/C (Kline/Kishimoto) to appoint a nominating subcommittee to identify Committee members interested in serving as the Chairperson or Vice Chairperson for 2007.

Member Brodsky left the meeting at 5:15 p.m.,
the quorum was lost and a Committee of the Whole was declared.

12. Market Segmentation Analysis: Mode Choice

Kevin Connolly, Transportation Planning Manager, summarized a report on Market Segmentation Analysis: Mode Choice. Mr. Connolly commented that market segmentation is a form of research and analysis that aims to identify groups of customers or market segments who have similar characteristics or needs and who are likely to exhibit similar purchase behavior and responses to product types and services. VTA staff presented the first component of the market segmentation analysis in October 2006, which identified six market segments based on a telephone survey of residents of Santa Clara County.

Mr. Connolly commented that this portion of the effort focuses on the six market segments by geographic area and detailing the specific responses to a variety of questions concerning transportation choices. The transportation choices are based on factors such as passenger amenities, transportation mode, cost, and travel time.

Mr. Connolly identified the following strategies for future transit service planning in the on-going Comprehensive Operations Analysis (COA): 1) Understanding traveler attitudes; 2) Identifying six Santa Clara County customer segments; 3) Identifying relative size of each segment; 3) Classifying demographic data from each segment; and 4) Identifying the Transit Competitive Factor (TCF) by combining transit planning factors with market segment research to identify areas of the County that are amenable to transit service.

Mr. Connolly noted that transportation land use factors, customer types, and trip purposes

establish a Transit Friendly Factor (TFF) environment. Mr. Connolly provided a brief overview of transit potential by customer type and provided a handout depicting areas illustrating TCF origins and destinations within Santa Clara County. He stated that a high TFF location would be a high potential for transit ridership and is ultimately a candidate for transit investment. Mr. Connolly commented that high TFF locations would be designed for convenient stops at the origin, and the same scenario would ring true for destination stops. In areas where high levels of congestion exist, methods to operate outside of those levels of congestion would be implemented.

Alternate Member Kennedy left the meeting at 5:25 p.m.

Member LeZotte inquired as to the model sensitivity to changing demographics. Mr. Connolly replied that the information is valid for approximately 6-8 years.

Member Kishimoto referenced a City of Palo Alto Community Services Memorandum, titled, "Impact of the Aging Baby Boom Population on Palo Alto Social And Community Services." Member Kishimoto commented that the number one new service identified in the Memorandum is dependence on transportation for the Baby Boom residents.

On Order of Chairperson Glickman, there being no objection the Committee of the Whole reviewed the Market Segmentation Analysis: Mode Choice.

13. Draft Service Design Guidelines

On Order of Chairperson Glickman, there being no objection the Committee of the Whole deferred the Draft Service Design Guidelines.

14. Joint Development-Developer Selection Criteria

Mr. Lawson gave an overview of the Joint Development-Developer Selection Criteria, and noted on December 9, 2004, the VTA Board of Directors approved the Joint Development Program and Joint Development Policy. He commented that the Policy is designed to increase revenues to VTA from underutilized property. The Policy also emphasizes the use of joint development on VTA property to increase transit ridership and encourages transit-oriented development. As a component of the Board's approval of the Joint Development Program and Policy, a list of criteria and a weighting system was approved for the purpose of ranking joint development projects for developer selection, and the Developer Selection Criteria were formulated to reflect the policies of the Joint Development Program.

Mr. Lawson stated that at the Administration and Finance (A & F) Committee meeting on September 21, 2006, staff presented the Joint Developer Evaluation Committee's recommendation for the Selected Developer for the Capitol Light Rail Park & Ride Lot Joint Development Site. The A & F Committee recommended that VTA staff revise the developer selection criteria and give preference to local developers. Mr. Lawson commented that at the A&F Committee meeting, Board Member Kerr raised the issue of incorporating "green building" standards into the Developer Selection Criteria.

Mr. Lawson summarized the goals of VTA's Joint Development Program to include: 1) Comprehensively plan and develop the highest and best housing, office and retail uses around station sites and along transit corridors; 2) Increase transportation system capacity by increasing transit use; and 3) Generate a long-term source of revenue for VTA and allow VTA to increase the value of its real property assets over time.

Mr. Lawson stated the Joint Development Policy provides that VTA shall, to the greatest extent possible, take advantage of opportunities for development on VTA property. He commented that the Policy provides that VTA shall support and complete projects that have the greatest potential to contribute financially to VTA, improve transit ridership, reduce dependence on the automobile, and enhance community livability and prosperity.

Mr. Lawson commented that at the September 21, 2006 A&F Committee meeting, the members expressed that developers located in Santa Clara County should receive scoring credit for local preference. In discussions with local developers, staff indicated that if the chosen developer was not local they would likely select local companies as subcontractors. An additional concern relating to providing credit for developers located within Santa Clara County is the potential elimination of competition from quality development firms from other parts of the U.S.

Mr. Lawson commented that criteria for Joint Development projects shall:

- Create a long-term source of revenue for VTA and allow VTA to increase the value of its real estate assets over time;
- Encourage transit ridership;
- Exhibit the highest urban design standards and quality;
- Be consistent with local jurisdiction land-use goals and be developed with a public participation process that respects neighborhood concerns;
- Provide for efficient and safe vehicular and pedestrian circulation and provide adequate parking to serve both private and public demand, while maximizing shared parking opportunities;
- Implement the concepts, principles and practices outlined in VTA's Community Design and Transportation (CDT) Program and shall include the elements of transit-oriented design (TOD);
- Enhance existing or future transportation systems, operation, and infrastructure; and
- Address community needs in joint development consistent with VTA policy encouraging revenue generation and implement TOD design principles.

Mr. Lawson summarized that the U.S. Green Building Council, the State of California and the Federal General Services Administration Office recommend the Leadership in Energy and Environmental Design (LEED) Green Building Rating system as the nationally accepted benchmark for the design, construction, and operation of high performance green buildings.

Member LeZotte commented that the local building community favors the option of Green Building development and expressed concern that local government planning authorities are a hindrance in the process. Member LeZotte noted that certification could raise the cost of the building construction but not if calculated at the onset.

Chairman Glickman expressed concern about the local developer preference issue and

endorses open competition on projects. Vice Chairperson Kline concurred.

Member Kishimoto suggested some consideration be given for local preference.

Member Moylan commented that he endorses the Green Building and stated that the community would reap the benefits of that type of development in perpetuity.

On Order of Chairperson Glickman, there being no objection, the Committee of the Whole reviewed the Joint Development-Developer Selection Criteria and endorsed the Green Building.

OTHER

15. Committee Work Plan.

On Order of Chairperson Glickman, there being no objection, the Committee of the Whole deferred the Committee Work Plan.

16. Announcements

There were no Announcements.

17. ADJOURNMENT

On order of Chairperson Glickman, there being no objection, the Committee of the Whole meeting was adjourned at 5:55 p.m.

Respectfully submitted,

Jacqueline F. Golzio, Board Assistant
VTA Board of Directors