



TECHNICAL ADVISORY COMMITTEE

Thursday, April 12, 2007

MINUTES

1. CALL TO ORDER

The Regular Meeting of the Technical Advisory Committee (TAC) was called to order at 1:35 p.m. by Chairperson Dey in Conference Room B-104, Valley Transportation Authority (VTA), 3331 North First Street, San José, California.

ROLL CALL

Members Present

Greg Armendariz
 Rajeev Batra, Alternate
 John Cherbone
 Dieckmann Cogill, Alternate
 Kevin Connolly, Alternate Ex-Officio
 Don Dey, Chairperson
 Glenn Goepfert, Alternate
 Joan Jenkins
 Robert Kass, Vice Chairperson
 Hans Larsen, Alternate
 Henry Louie
 Kevin Rohani

Representing

City of Milpitas
 City of Santa Clara
 City of Saratoga
 City of Sunnyvale
 VTA
 City of Gilroy
 City of Cupertino
 City of Mountain View
 City of Campbell
 City of San José
 Town of Los Altos Hills
 Town of Los Gatos

Members Absent

Gayle Likens
 Kathleen Molloy Previsich
 Michael Murdter
 Jim Porter
 Gordon Siebert
 Lee Taubeneck, Ex-Officio

Representing

City of Palo Alto
 City of Morgan Hill
 County of Santa Clara
 City of Los Altos
 City of Monte Sereno
 Caltrans

A quorum was present.

2. PUBLIC PRESENTATIONS

There were no Public Presentations.

3. **ORDERS OF THE DAY**

There were no Orders of Day.

4. **Committee Staff Report**

Jim Lawson, Government Affairs Manager and Staff Liaison, reported that the Hay Group presented its Organizational and Financial Assessment Executive Report at the March 23, 2007 Board of Directors Workshop meeting. He noted that the Committee will discuss the item under Agenda Item #9. Review the VTA Organizational and Financial Assessment.

Mr. Lawson noted the following actions taken at the April 5, 2007 VTA Board of Directors meeting: 1) The Board of Directors honored outgoing VTA Ex-Officio Board Member and Metropolitan Transportation Commissioner, John McLemore, for his years of service; 2) The new federal lobbyist, Susan Lent of Akin Gump Strauss Hauer & Feld was introduced; 3) A discussion was held on the Comprehensive Operations Analysis (COA): Draft Proposed Service Operating Plan; 4) The Board authorized the refinancing of \$33 million in Sales Tax Revenue Refunding Bonds; 5) The Board authorized the Hay Group Consultants to draft a work plan to assist with the implementation of changes recommended in the Organizational and Financial Assessment; and 6) The Board authorized the hiring of VTA's new interim Chief Financial Officer, Jerry Mikolajczyk.

Mr. Lawson introduced the new interim Chief Financial Officer, Mr. Mikolajczyk.

Vice Chairperson Kass took his seat at 1:37 p.m.

Mr. Lawson reported that at the April 12, 2007 TAC meeting, staff provided a report on the Metropolitan Transportation Commission (MTC) Infrastructure Bond regarding the next phase of transit funding. MTC proposed funding for transit corridor improvements for VTA's Bus Rapid Transit Lines 22, 522, and potential Line 523 in the amount of \$45 million. He noted that MTC has imposed a condition on VTA to resolve the Caltrain Right-of-Way financing issue with SamTrans before VTA can receive the funds. Mr. Lawson noted that VTA's position is that the Caltrain Right-of-Way issue has been resolved for quite some time. He added that VTA continues to work on this issue.

Mr. Lawson reported that the Board of Directors adjourned their April 5, 2007 meeting in memory of the recently deceased VTA employees Antwaine Day, Coach Operator; Marilyn Torgersen, Management Analyst; and Charles "Chuck" Flores, Fare Inspector.

On order of Chairperson Dey, there being no objection, the Committee Staff Report was received.

5. **Chairperson's Report**

Chairperson Dey noted the idea of either the TAC Chairperson or Vice Chairperson hosting a TAC meeting once a year in their respective city/county to give TAC members an opportunity to visit various locations throughout the County of Santa Clara.

Chairperson Dey suggested holding the August 9, 2007 TAC meeting in the City of Gilroy.

6. **Reports from TAC Working Groups**

• **Capital Improvement Program (CIP)**

John Sighamony, Transportation Planner III, provided a report on the March 2007 CIP meeting. Items discussed included: 1) Transportation Fund for Clean Air Program Manager (TFCA 40%) funds for Fiscal Year (FY) 2007-08; 2) Hay Group Organizational and Financial Assessment Executive Report; and 3) Revision to the CDT Planning Grants Scoring Criteria.

• **Systems Operations & Management (SOM)**

P. Paul Ma, Transportation Systems Planning Manager, City of San Jose - Department of Transportation, and SOM Working Group Chairperson, provided a report on the following major items the SOM Working Group discussed at its March 2007 meeting: 1) update of the Traffic Impact Analysis Guidelines; 2) 2006 Congestion Monitoring and Conformance Report; 3) coordination of the Caltrans California Environmental Quality Act (CEQA) comments for local development; and 4) update of the ITS Strategy Plan.

Alternate Member Larsen referenced the issue of the Caltrans CEQA process and expressed his appreciation to VTA for organizing the discussion between the cities, VTA, and Caltrans in addressing the issue. He commented that Caltrans was not happy with the CEQA or project review processes that the City of San José was following, noting that the City of San José generally followed VTA's regional guidelines. He noted that Caltrans was holding up encroachment permits for City of San José projects because the issues were not resolved to Caltrans' satisfaction.

Jean Finney, Caltrans-District 4, referenced the issue with the City of San José and Caltrans. She noted that while there is still no resolution to the issues with particular projects, Caltrans did not want to hold them up pending the work currently underway with VTA. Ms. Finney commented that the issue on how to address cumulative impacts needs resolution, so Caltrans does not hold up projects as it did with the City of San José.

On order of Chairperson Dey, there being no objection, the Reports from TAC Working Groups, CIP and SOM, were received.

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

CONSENT AGENDA

7. Minutes of March 8, 2007

M/S/C (Batra/Larsen) to approve the Minutes of March 8, 2007.

8. Programmed Projects Quarterly Monitoring Report for January – March 2007

M/S/C (Batra/Larsen) to review the Programmed Projects Quarterly Monitoring Report for January – March 2007.

REGULAR AGENDA

9. VTA Organizational and Financial Assessment

Ann Carey, Executive Assistant to the General Manager, provided a presentation entitled, "Santa Clara Valley Transportation Authority Organizational and Financial Assessment, Advisory Committee Overview, April 2007." She provided background information on the origins of the Study, noting that this is the first review of VTA since its creation in 1996. Ms. Carey provided a report on the consultant selection process and noted that the Board approved the contract with the top-ranked team, the Hay Group. Ms. Carey also provided background information on the scope of work and methodology.

Ms. Carey indicated that the Hay Group's findings and recommendations were embodied in the following two documents: 1) Executive Report and 2) Technical Memorandum. She noted that the recommendations fall into three areas, "Governance", "Organizational Structure", and "Financial Management", and that the Executive Report contained the Hay Group's top nine recommendations.

Ms. Carey provided a report on some of the findings in the Governance area that related specifically to Board Committees. She indicated that the Executive Report contained a specific recommendation to perhaps combine the Technical Advisory Committee (TAC) with the Policy Advisory Committee (PAC).

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

Ms. Carey provided a report on the next steps in the Governance, Organizational Structure, and Financial Management areas. She indicated that the Organizational and Financial Assessment is one of a number of important initiatives that VTA has undertaken. She noted the other efforts underway to improve VTA's services, the Transit Sustainability Policy (TSP) and the Comprehensive Operations Analysis (COA). The TSP was developed to improve system ridership and the COA is an effort to analyze VTA's existing transit services and to identify the underutilized components.

Ms. Carey noted that the General Manager's goals for VTA is to improve and build relationships internally and externally; increase ridership; deliver the capital program; and achieve financial stability.

Alternate Member Batra queried about the timeframe for the implementation of the recommendations and if the recommendations were quantified. Ms. Carey noted that the Hay Group suggests about a one-year timeframe for adoption of the high priority recommendations. In terms of the quantification, the level of analysis did not get to the degree that the Hay Group could quantify either savings or benefits.

Alternate Member Larsen commended the leadership of VTA for conducting the Organizational and Financial Assessment. He expressed his curiosity about the level of coordination with key stakeholders, such as TAC and others in reviewing the recommendations. He referenced the recommendation regarding merging both the PAC and TAC and noted the importance of involving both PAC and TAC in determining the pros and cons of this recommendation.

Alternate Member Larsen referenced the recommendation regarding the organization structure pertaining to the BART Project and noted that the cities involved with the project would welcome an opportunity to provide input or would like briefings before final decisions are made.

Alternate Member Larsen expressed TAC and the cities' interest of being informed of any significant changes to the Congestion Management Program (CMP).

Alternate Member Larsen referenced Recommendation No. 6, "Build VTA commitment for the Commercial Development Program" and noted that the City of San José strongly supports the recommendation.

Alternate Member Larsen referenced the recommendation to revisit the 2000 Measure A Expenditure Plan and expressed an interest of being kept informed of this process.

Vice Chairperson Kass referenced the recommendation regarding consolidating the TAC and PAC. He queried if the Technical Memorandum contained an explanation regarding the rationale for the recommendation and if so, to provide the information to TAC. Ms. Carey noted that staff will look for the detailed information and will provide it to TAC and PAC.

Chairperson Dey referred to the recommendations contained in the Organizational and Financial Assessment Executive Report and commented that from his perspective it seems like the major focus was on VTA's bus operations and very little focus was on the Congestion Management Agency (CMA). He expressed concern regarding the consolidation of PAC and TAC, noting that TAC was the only committee identified as being eliminated. Chairperson Dey referred to when the Transit Agency and the CMA were separate entities and commented that maybe they should be separated again. Chairperson Dey requested that TAC be involved in future directions and decisions and noted that TAC will provide the best input from its local perspective.

Chairperson Dey noted the discussions held at the TAC Subcommittee regarding how to make VTA a stronger Agency. He noted that VTA could take more of a leadership role in a lot of the regional issues instead of the jurisdictions working through its issues. He referenced the Executive Report and noted that if the CMA is being down played, what does that do for the vision of trying to make VTA a stronger Agency to fully represent all of the cities in whatever regional issues arise.

On order of Chairperson Dey, there being no objection, the VTA Organizational and Financial Assessment was reviewed.

Member Armendariz left the meeting at 2:34 p.m.

10. Fiscal Year 2008 Transportation Fund for Clean Air Program Manager Fund

Bill Hough, Transportation Planner III, reported that the Transportation Fund for Clean Air (TFCA) is generated by a \$4.00 surcharge on vehicle registrations that is collected by the Department of Motor Vehicles (DMV). The funds are then forwarded to the Bay Area Air Quality Management District (BAAQMD) and BAAQMD returns 40 percent of the funds to the county of origin. The fund is called the TFCA Program Manager Fund (TFCA 40%) Fund and VTA is the program manager for Santa Clara County.

Mr. Hough directed attention to the chart entitled, "Attachment A – Santa Clara County FY 2007-08 TFCA 40% Program" and noted that the Capital Improvement Program (CIP) Scoring Subcommittee of TAC developed the FY 2008 project funding recommendations. He referred to the Competitive Program and indicated that six eligible projects were submitted by the Member Agencies with a total grant request of \$1,520,653. He referred to the Bicycle Expenditure Program (BEP) and indicated that approximately \$1.1 million is available for the BEP projects during the FY 2007 fund cycle. VTA recommends programming \$1,070,778 of this amount to the Metropolitan Transportation Commission's (MTC's) Vehicle Buyback Program.

Vice Chairperson Kass left the meeting at 2:36 p.m.

M/S/C (Jenkins/Larsen) to review and recommend that the VTA Board of Directors approve the programming of FY 2008 Transportation Fund for Clean Air Program Manager (TFCA 40%) funds.

The Agenda was taken out of order.

12. Recommended FY 2007-08 Congestion Management Program Work Program

Stephen Flynn, Senior Management Analyst, noted that the Member Agency Fees are recommended to stay the exact same amount that the Board of Directors previously approved. He noted that the Congestion Management Program (CMP) is separate and distinct funding wise from VTA transit. However, in this process the CMP budget will be incorporated, as a separate component, into the VTA Biennial Budget scheduled for discussion in May 2007.

Mr. Flynn directed attention to Attachment A, "Santa Clara Valley Transportation Authority Congestion Management Program, Recommended Work Program for Fiscal Year 2007-08 (FY 07-08)." He noted that the Joint Powers Agreement covering the CMP requires VTA to prepare a Recommended Work Program on an annual basis. The Recommended Work Program is a detailed list of activities that the CMP will undertake in the upcoming year. Mr. Flynn provided a report on some of the most significant activities planned for the FY 2007-08, highlighting: 1) Completing the 2007 CMP, which includes updating the Capital Improvement Program (CIP); 2) Working with MTC to finalize project selection and programming of Regional Lifeline Transportation Program projects and also coordinating with the County of Santa Clara to monitor project delivery; 3) Prioritizing and programming Santa Clara County's Regional Improvement Program (RIP) share of the 2008 State Transportation Improvement Program (STIP); 4) Developing program policies and establishing project priorities for Highway Safety Traffic Reduction, Air Quality and Port Security Bond Act of 2006 (I-Bond) programs; 5) Required monitoring of the CMP system and preparation of the 2007 Monitoring and Conformance Report, which will include additional analysis of land use trends; 6) Initiating or continuing work on corridor, planning and project development studies identified in Valley Transportation Plan (VTP) 2030; and 7) Continued participation and partnering in the El Camino/Grand Boulevard Project.

Alternate Member Larsen referred to the following bulleted item contained on Page 3 of 5 of the Board Memorandum: "Initiating or continuing work on corridor, planning and project development studies identified in VTP 2030." He noted that the following project should be listed: "US 101 Improvements (I-280/I-680 to Yerba Buena)."

Alternate Member Larsen referred to past discussions about how the private development process is utilized to pay for regional improvements. He noted Caltrans' interest in this issue and questioned the establishment of a regional impact fee for the County of Santa Clara. He noted that the City of San José is requesting the development of an incentive or partnership program. He noted that this program would recognize or encourage cities to receive private development contributions through regional improvements. The program would also define incentives, rewards, or standards that are expected. Alternate Member Larsen requested that this be considered a policy development study issue.

Chairperson Dey expressed concern regarding the number of items listed on the TAC Work Plan under "Items for Future Consideration" and how all of these requests fit within the funding with regards to staff's ability to take on extra work. He requested that staff provide a report back at the May 10, 2007 TAC meeting regarding their ability to take on extra work based upon the priorities of TAC, PAC and other committees.

M/S/C (Larsen/Batra) to review and recommend the Board of Directors approve the Recommended FY 2007-08 Congestion Management Program Work Program.

11. Development and Preliminary Engineering of High Occupancy Toll (HOT) Lane Projects

Murali Ramanujam, Sr. Transportation Planner, provided a status report on the development and preliminary engineering of High Occupancy Toll (HOT) Lane Projects that VTA is currently undertaking. He noted that Governor Arnold Schwarzenegger signed Assembly Bill 2032, which allows VTA to undertake two HOT Lane Projects. He noted that HOT Lanes are High Occupancy Vehicle (HOV) carpool lanes, which can be converted into HOT Lanes thereby allowing single occupant drivers to use the carpool lane for a fee. The purpose of this project is to utilize unused carpool lane capacity.

Mr. Ramanujam indicated that VTA conducted a feasibility study to determine whether HOT Lanes could be placed on some of the High Occupancy Vehicle (HOV) Lane segments within the County of Santa Clara. The Feasibility Study determined that U.S. 101 and State Route (SR) 85 are potential corridors for conversion to HOT Lanes.

Mr. Ramanujam directed attention to the map entitled, "Santa Clara County HOT Lanes Project, SR 85 and U.S. 101 Study Segments", and provided an overview.

Mr. Ramanujam directed attention to the chart entitled, "HOT Lanes Study Process Summary", and provided an overview of the study process, highlighting: 1) Phase 1 – Development of Conceptual Alternatives; and 2) Phase 2 – Preliminary Engineering. He indicated that a stakeholders meeting will take place the first Wednesday of the month at 9:30 a.m. and asked the TAC members to contact staff if they wish to participate.

Mr. Ramanujam directed attention to the scheduled entitled, "Santa Clara County HOT Lanes Project Schedule", and provided an overview.

Alternate Member Batra strongly recommended that the HOT Lanes Project not stop at the San Mateo County line. Mr. Ramanujam referred to the stakeholders and noted that they are working with San Mateo County.

Member Jenkins expressed her opposition to the HOT Lanes Project. She referred to the Organizational and Financial Assessment commenting about VTA's highest and best use of its resources and noted that this is not the highest and best use of its resources. She commented that HOV Lanes should be reserved for carpoolers, and if they are not being used sufficiently, then there should be a program to get people into carpools. She noted

that VTA should take a seriously look at this issue in its technical examination and make sure that the lanes are not being overloaded.

John Ristow, Deputy Director Program and Highway Administration, noted that one of the major components that VTA will have to engage in is public education/community outreach.

Alternate Member Larsen noted the importance of having the ability to use this as a mechanism to fund increased transportation service in the corridor.

On order of Chairperson Dey, there being no objection, a report on the Development and Preliminary Engineering of High Occupancy Toll (HOT) Lane Projects was received.

OTHER

13. Technical Advisory Committee (TAC) Subcommittee Report

There was no Technical Advisory Committee (TAC) Subcommittee Report.

14. Committee Work Plan

Stephen Flynn, Sr. Management Analyst, directed attention to the Work Plan and noted that there are many items agendized for the May 10, 2007 TAC meeting.

Mr. Flynn noted that at a previous TAC meeting a suggestion was made to add a column to denote those items that are grant related. The May 2007 Agenda Packet will reflect this request. Mr. Flynn noted that there was also a request to have a cheat sheet to reflect the type of grant program and its deadline. He stated that the May 2007 Agenda Packet will also include this request.

Mr. Flynn direction attention to the Work Plan, Items for Future Consideration, "City Transportation Presentations to the PAC (Updates in 2007)," and queried if the Committee wishes to have the item remain on the Work Plan. Jim Lawson, Government Affairs Manager and Staff Liaison, noted that the City of Santa Clara will provide a presentation at today's PAC meeting. He indicated that at the Committee's choice, staff would provide a report back on the City of Santa Clara presentation, and a decision could be made thereafter on whether to remove the item from the Work Plan.

Alternate Member Larsen requested that the following item be listed under Items for Future Consideration: "Private Development Partnership Policy."

On order of Chairperson Dey, there being no objection, the Committee Work Plan was reviewed.

15. Announcements

Member Louie announced that Friday, April 20, 2007, is Member Jim Porter's last day with the City of Los Altos. He noted that Member Porter has accepted a position with San Mateo County.

Alternate Member Batra noted that Member Steve Yoshino has announced his retirement and his last day with the City of Santa Clara will be on Friday, May 4, 2007. He extended an invitation to TAC members to attend Member Yoshino's retirement reception to take place on May 4, 2007, from 2:30 p.m. to 4:30 p.m., at the City of Santa Clara Council Chambers.

16. ADJOURNMENT

On order of Chairperson Dey, there being no objection, the meeting was adjourned at 3:20 p.m.

Respectfully submitted,

Tracene Y. Crenshaw, Board Assistant
VTA Board of Directors