



## **ADMINISTRATION & FINANCE COMMITTEE**

Thursday, August 21, 2003  
12:00 p.m.

City of San Jose  
801 North First Street – Room 204  
San Jose, California

### **MINUTES**

#### **1. CALL TO ORDER**

The Regular Meeting of the Administration and Finance Committee (A&F) was called to order at 12:00 p.m. by Chairperson Williams in Room 204, City of San Jose, 801 North First Street, San Jose, California.

#### **ROLL CALL**

##### **Members Present**

Don Gage  
Jane P. Kennedy  
Forrest Williams, Chairperson

##### **Members Absent**

Pat Dando, Vice Chairperson  
Pete McHugh  
Joe Pirzynski

**A quorum was present.**

#### **2. PUBLIC PRESENTATIONS**

There were no Public Presentations.

#### **3. ORDERS OF THE DAY**

There were no Orders of the Day.

## CONSENT AGENDA

4. **Regular Meeting Minutes of May 28, 2003**

M/S/C (Kennedy/Gage) to approve the Regular Meeting Minutes of May 28, 2003.

5. **Report on Santa Clara Valley Transportation Authority Investments for the Month of June 2003 and quarter ending June 2003**

M/S/C (Kennedy/Gage) to receive and file the Report on Santa Clara Valley Transportation Authority Investments for the Month of June 2003 and quarter ending June 2003.

6. **Monthly Legislative Reports**

M/S/C (Kennedy/Gage) to receive and file the Monthly Legislative Reports.

7. **Fourth Quarter and FY 2003 Year-End Report of Workers' Compensation Claims Activity**

M/S/C (Kennedy/Gage) to receive and file the Fourth Quarter and FY 2003 Year-End Report of Workers' Compensation Claims Activity.

8. **Fourth Quarter and FY 2003 Year-End Report of Public Liability/Property Damage Claims Activity**

M/S/C (Kennedy/Gage) to receive and file the Fourth Quarter and FY 2003 Year-End Report of Workers' Compensation Claims Activity.

## REGULAR AGENDA/OTHER ITEMS

9. **January 2004 Transit Service Reduction Plan**

Frank T. Martin, Chief Operations Officer, introduced Mike Aro, Service and Operations Planning Deputy Director. Mr. Aro provided a brief overview on the January 2004 Transit Service Reduction Plan. Mr. Aro noted that that the service reduction proposals were presented to the committees in May 2003 and presented to the community in June 2003. Mr. Aro noted that VTA Board of Directors approved the two-year budget at the June 5, 2003 Board of Directors Regular Meeting.

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

Mr. Aro added that the Board of Directors approved the 21 percent service reduction proposal and directed staff to explore the feasibility of the limited, temporary use of future 2000 Measure A revenues to fund most, if not all the bus and light rail service reductions contained in the FY 2003 – 2004 and FY 2004 – 2005 budget. Mr. Aro noted that the service modifications included in the January 2004 Transit Service Reduction Plan contains two alternatives: Alternative A and Alternative B. Mr. Aro noted that Alternative A means a combined reduction in bus and light rail service of 21 percent implemented in January 2004 and Alternative B means a combined reduction in bus and light rail service of 3 percent implemented in January 2004. Mr. Aro noted that the implementation of Alternative B is preferred; however, would be contingent upon securing the approval of the court to bond against 2000 Measure A revenue funds. Mr. Aro noted that Alternative B is a subset of Alternative A bus and light rail service reduction.

Member Gage queried on whether the community would have the opportunity to comment on the proposed bus and light rail service reduction plan. Mr. Martin noted that the community would have the opportunity to comment on the proposed bus and light rail service reduction plan. Member Gage queried on whether the community was aware of the service cuts. Mr. Martin responded that the community has been made aware of the service cuts.

Mr. Aro noted that the implementation of either Alternative A or Alternative B would only buy two-years of time. He noted that VTA has a \$60 – \$100 million structural deficit and added that the November 2004 Election Ballot is VTA's last opportunity to receive voter approval to identify new revenue sources to prevent further service cuts. Mr. Aro noted that the service cuts are major and are starting to impact core services. He noted that the service cuts will bring VTA back to 1981 bus service levels. Mr. Aro noted that the modified proposal has 11 lines eliminated, 2 lines created, and the elimination of the Almaden Shuttle light rail line.

Member Gage queried on the route that services the Senior Citizen Nutrition Center in Gilroy. Member Gage noted that this would be a hardship for the senior citizens who use this service and that this may be their only mode of transportation. Member Gage inquired if there was an opportunity to discuss the elimination of the line and the impact to the senior citizens. Member Gage noted that the only issue with the line is regarding the noontime service between 11:30 a.m. and 1:00 p.m. to the Senior Citizen Nutrition Center and the trip service to the hospital. Peter M. Cipolla, General Manager, noted that these issues have to be addressed right away and noted that some areas may have some trade offs. Mr. Aro noted that Sunday trip service to the hospital has been eliminated on Line 17.

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Mr. Aro noted that the proposed service modifications fall into five categories: 1) discontinued service – elimination of entire lines, selected portions of service on lines, such as weekday peak, midday, or weekend service. Due to the magnitude of the service reductions required it is impossible to avoid drastic changes of this magnitude without having to “thin-out” the network and reduce the number of routes operated; 2) service frequency changes – headway or interval between buses and light rail vehicles is increased. Some lines currently operate every 15 minutes during the peak period and staff has found that some lines could operate every 20 minutes with minimum impact to existing riders. Other service frequency changes are more drastic, going from 30 minute intervals to 45 or 60 minute intervals on lines with low rider-ship, 3) route changes – routing modifications designed to eliminate route deviations or shorten lines. Deviations are eliminated to streamline the routing, improve service directness for through passengers, and save resources. The shortening of lines eliminates unproductive segments or service duplications; 4) span of service changes – start and/or end times of service are modified. The weekday proposals involve modifying the evening service to end earlier. On weekends, it’s a combination of having some service starting later and some service ending earlier; and 5) minor trip deletions/changes – primarily single trips or portions of trips that are eliminated due to low rider-ship. Mr. Aro noted VTA’s concern with maintaining access to the system and minimizing the impact to the customers. Mr. Aro noted that some customers will be greatly impacted due to the proposed service modifications.

Chairperson Williams queried on how the service modifications were determined regarding the timing, routes, and rider-ship volume. Mr. Aro noted that traffic checkers ride the system everyday and check the rider-ship levels.

Member Kennedy inquired if the 21 percent service reduction plan is implemented what would be the process and how long would it take to get back to where service was before the cuts.

Chairperson Williams queried on the standard performance level and queried on its impacts to the fare box recovery ratio. Mr. Cipolla noted that VTA has operating standard performance levels that they currently operate under. Mr. Cipolla noted that the operating standard performance levels are being developed to improve the efficiency of the system. Mr. Cipolla noted that these operating standard performance levels will be brought to the Board of Directors for consideration and formal adoption. Mr. Cipolla noted that the standard performance levels contribute by providing more efficient service. Mr. Cipolla noted that standard performance levels do not necessary mean that every route is going to be cost efficient. Mr. Cipolla added that a route may carry a lot of customers but does not bring in a lot of money. Mr. Cipolla noted the importance to keep regular service routes versus ADA Paratransit Service.

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**On order of Chairperson Williams**, there being no objection, the Committee received and filed the January 2004 Transit Service Reduction Plan.

**10. Committee Work Plan**

**On order of Chairperson Williams**, there being no objection, the Committee reviewed the Committee Work Plan.

**11. Committee Staff Report**

Kurt Evans, Government Affairs Manager, provided a report regarding Legislative Position SB 916 (Perata) - Bay Area Bridge Tolls. Mr. Evans noted that this was the legislative position that would authorize a vote in the region on a one-dollar increase in tolls on the State own bridges for transportation improvements. Mr. Evans noted that the VTA Board of Directors previously adopted an oppose unless amended position on this legislative position primarily because a \$2 million allocation was included in the expenditure plan in the bill to reopen the debate on the Altamont Pass Alignment with high speed rail system. Mr. Evans noted that the prevision was stricken from the bill; therefore, addressing the concerns of VTA Board of Directors. Mr. Evans recommended that the Board of Directors adopt a support position.

**12. Chairperson's Report**

Chairperson Williams noted his appreciation for staff's diligent work and inquired on the status of the economy. Mr. Buhner noted no improvement in the economy at this time.

**13. Determine Consent Agenda for the September 4, 2003 Board Meeting**

**CONSENT: None**

**REGULAR: None**

**14. Announcements**

There were no Announcements.

**15. ADJOURNMENT**

**On order of Chairperson Williams**, there being no objection, the meeting was adjourned at 12:30 p.m.

Respectfully submitted,

Michelle Garza, Board Assistant  
VTA Board of Directors

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