

Administration & Finance Committee

Thursday, December 17, 2009

MINUTES

CALL TO ORDER

The Regular Meeting of the Administration and Finance Committee (A&F) was called to order at 12:03 p.m. by Chairperson Kniss in Room B-104, VTA River Oaks Campus, 3331 North First Street, San Jose, California.

1. ROLL CALL

Attendee Name	Title	Status
Don Gage	Board Member	Present
Liz Kniss	Board Member	Present
Chuck Reed	Board Member	Absent
David Casas	Board Member	Absent
Chris Moylan	Alternate Board Member	Present

A quorum was present.

2. PUBLIC PRESENTATIONS:

There were no public presentations.

3. ORDERS OF THE DAY

The memorandum for Agenda Item #11, BPAC Appointments, has been modified to reflect the term of the appointments and will be effective through June 30, 2010, the end of the fiscal year. In spring 2010, BPAC appointments will come back before the A&F and the Board for the full two-year term.

CONSENT AGENDA

4. Regular Meeting Minutes of October 15, 2009

M/S/C (Gage/Moylan) to approve the regular Meeting Minutes of October 15, 2009.

5. Regular Meeting Minutes of November 19, 2009

M/S/C (Gage/Moylan) to approve the regular Meeting Minutes of November 19, 2009.

6. Monthly Investment Report - October 2009

M/S/C (Gage/Moylan) to receive the Report on Santa Clara Valley Transportation Authority Investments for the month of October 2009.

7. **Annual Swap Report for Period Ending June 30, 2009**

M/S/C (Gage/Moylan) to review the Annual Swap Report for the period ending June 30, 2009.

8. **Monthly Legislative History Matrix**

M/S/C (Gage/Moylan) to review the Monthly Legislative History Matrix.

9. **2009 Quarterly Attendance Report**

M/S/C (Gage/Moylan) to review the 2009 Quarterly Attendance Report.

10. **Citizens Advisory Committee Appointment**

M/S/C (Gage/Moylan) to ratify the nomination of Bruce Liedstrand to the Citizens Advisory Committee, representing the North County Cities.

11. **BPAC Member Appointments**

M/S/C (Gage/Moylan) amended to ratify the following new appointment and re-appointments to the Bicycle & Pedestrian Advisory Committee through June 30, 2010:

New Appointment

Ray Cosyn, City of Saratoga

Re-appointment

Thomas Muniz, City of Gilroy
John Sullivan, City of Santa Clara
Richard Swent, City of Palo Alto

REGULAR AGENDA

12. **2010 Administration and Finance (A&F) Committee Meeting Schedule**

M/S/C (Gage/Moylan) to approve the 2010 Administration and Finance (A&F) Committee Meeting Schedule.

13. **Silicon Valley Rapid Transit Program – SVBX Utility Relocation Agreements with Utility Owners**

**Vice Chairperson Gage left his seat at 12:07 p.m.,
the quorum was lost, and a Committee of the Whole was declared.**

Carolyn Gonot, Chief Silicon Valley Rapid Transit (SVRT) Program Officer, provided the staff report noting: 1) Substantial utility relocation has been performed in the corridor, primarily parallel to the railroad right-of-way; 2) Current focus is on station area utilities or cross the rail corridor; 3) The utility relocation right-of-way must be identified

prior to entering final design; 4) The utility company will perform the final design; and 5) Staff will bring required construction authorizations to the Board.

Alternate Member Moylan questioned whether state funds have been secured. Ms. Gonot confirmed the state allocation has been received.

On order of Chairperson Kniss and there being no objection, the Committee of the Whole deferred this item until a quorum was reestablished.

14. Federal Advocacy Consultant Services Contract

Kurt Evans, Government Affairs Manager, reviewed the recommendation for the proposed three year federal advocacy consultant services contract with Van Scoyoc Associates. He noted the importance of choosing the right firm to represent VTA's current and future needs.

Vice Chairperson Gage took his seat at 12:11 p.m. and a quorum was declared.

Mr. Evans described the search process as follows: 1) VTA issued a Request For Proposal (RFP) for federal advocacy consultant services via newspapers, the VTA website, and through notices sent to more than 50 Washington, D.C. lobbying firms; 2) Proposals were received from nine firms; 3) A panel was convened to review and score the written proposals; 4) After an in-depth evaluation six firms were invited to give oral presentations and to answer a series of questions; and 5) The review panel ranked the five firms and concluded Van Scoyoc Associates was the best qualified to perform the work described in the RFP.

Mr. Evans reported Van Scoyoc Associates: 1) has a balanced approach to federal advocacy; 2) has established effective relationships with key members of the House and Senate from both political parties, as well as with key staff members for the various authorizing and appropriation committees that address transportation issues; 3) has worked with VTA's House delegation and California's two senators in the past on behalf of other clients and has established relationships with them; and 4) has access to key officials within the White House, the U.S. Department of Transportation, Federal Transit Administration (FTA), the Federal Highway Administration (FHWA), and other appropriate federal agencies.

Mr. Evans noted Van Scoyoc Associates: 1) proposed a staffing plan for the RFP that was superior to those presented by other firms; 2) demonstrated to the review panel that it has a proven track record of successfully advocating for the project and program interest of its transportation-related clients at a federal level; 3) submitted a comprehensive work plan in response to the work scope in the RFP; 4) would be able to provide a thoughtful, thorough and timely counsel on federal transportation initiatives that directly impact VTA; and 5) proposed the lowest price for performing the services outlined in the work scope for the RFP.

Mr. Evans stated the contract with Van Scoyoc Associates represents an approximate cost savings of 31 percent over VTA's current contract with Akin Gump.

Chairperson Kniss referenced the change made in representation three-years ago. Mr. Evans noted VTA's needs have changed and a different skill set is now required.

Michael T. Burns, General Manager, noted this is a fairly significant shift from a tactical approach to a much more strategic approach.

Alternate Member Moylan questioned how potential firms reflected achievable fund amounts. Mr. Evans noted multiple-client examples were provided listing work performed and outcome achieved.

M/S/C (Gage/Moylan) to authorize the General Manager to execute a contract with Van Scoyoc Associates for federal advocacy consultant services for a period of three years in the amount of \$456,000. The term of the contract would be from January 1, 2010, to December 31, 2012. The fixed monthly retainer for this contract would be \$12,500 for the first two years and \$13,000 for the third year. Further authorize the General Manager, at his discretion, to extend this contract after December 31, 2012, for two additional one-year periods at a fixed retainer rate to be negotiated.

13. Silicon Valley Rapid Transit Program – SVBX Utility Relocation Agreements with Utility Owners (continued)

Chairperson Kniss called the Committee's attention back to this item as a quorum was not previously present.

M/S/C (Gage/Moylan) to:

- Authorize the General Manager to execute master utility relocation agreements with utility owners in order to support the Silicon Valley Berryessa Extension Project (SVBX). These utilities include PG&E, San Jose Water Company, Santa Clara Valley Water District, Milpitas Public Works, Verizon, Air Products, Comcast, AT&T, and others. These agreements may include provisions for design and construction of utility relocation (e.g. determination of percentage cost share liability), but authorization for expenditure commitment is limited to design only.
- Authorize the General Manager's expenditure commitment authority for SVBX utility relocation advanced design in an amount not to exceed \$8.4 million for both preliminary and advanced design effort.

15. 2010 Legislative Program

Kurt Evans, Government Affairs Manager, reported staff will be continuing with the approach initiated this past year, a consolidated program rather than separate programs. He noted the recommended 2010 Legislative Program is divided into three sections: 1) federal; 2) state; and 3) regional and local.

Federal

Mr. Evans noted the surface transportation authorization is VTA's main focus in 2010. VTA will urge Congress to act on a longer term surface transportation authorization measure to replace The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) as quickly as possible to ensure that much-needed transportation capital investments are initiated and critical infrastructure improvement projects are advanced.

Mr. Evans recommended that VTA continue to endorse the California Consensus on Federal Transportation Authorization, the principles of which are intended to provide a unified California position on the future of the nation's surface transportation policies.

Mr. Evans noted the Federal section also covers: 1) FY 2011 transportation appropriations; 2) climate change; 3) high-speed rail; 4) economic stimulus; 5) Sale In Lease Out / Lease In Lease Out (SILO/LILO) transactions; and 6) public transit security.

Mr. Evans stated the importance of ensuring investors cannot use technicalities in existing SILO/LILO agreements to go after the transit agencies for financial benefits they had been previously denied by Congress and the Internal Revenue Service.

State

Mr. Evans noted language has been added in support of the California Transit Association's efforts to reclaim public transportation account revenues for transit in light of the favorable court decision the association received in light of its lawsuit against the State. He also noted other key state policy issues are: 1) the structure of state transportation programs; 2) transportation and the environment; 3) transit-oriented development; 4) project delivery; and 5) high-speed rail.

Regional and Local

Scott Haywood, Policy and Community Relations Manager, reported VTA is working with the Metropolitan Transportation Commission (MTC) on programs within its Regional Transportation Plan (RTP) to address issues such as: 1) climate change; 2) express lanes; 3) bicycles; and 4) land use. Mr. Haywood noted a top priority for VTA will be to ensure that these programs are administered in a way that benefits Santa Clara County, as well as the region as a whole.

VTA is working with MTC on the implementation of Senate Bill (SB) 375 requiring the region to develop a sustainable community strategy as part of the RTP.

The Governor signed SB83, which will allow VTA to place a vehicle registration surcharge on the ballot, subject to majority vote, which could bring in as much as \$14M annually to be spent on various VTA transportation projects. VTA will research the potential opportunities this bill presents and explore putting it on the ballot.

VTA will continue to work on regional services to ensure they are providing cost-effective benefits to the residents of Santa Clara County.

In light of VTA's current financial situation, VTA will be working with its partners to look at alternative delivery models and ways in which these services are operating.

Alternate Member Moylan referenced Page 20 of the report and requested that language be included in the legislative program to expand VTA's advocacy beyond the Capital Corridor to improve the operational efficiencies of Amtrak long-haul services, such as the Coast Starlight.

Chairperson Kniss acknowledged staff's efforts.

M/S/C (Gage/Moylan) to recommend that the Board of Directors approve the 2010 Legislative Program for the Santa Clara Valley Transportation Authority (VTA) with the addition to include language in the legislative program that would reflect that VTA would work to improve the operational efficiencies of Amtrak long-haul services, such as the Coast Starlight.

16. Advisory Committee Enhancement (ACE) Process Recommendations

Greta Helm, Chief External Affairs Officer and Staff Liaison, introduced four of the ACE Task Force members seated in the audience: David Simons, Herman Wadler, Emma Eljas, and Katie Heatley.

Ms. Helm noted an update on the ACE process was presented to the A&F at its October meeting at which time it was determined staff would once again meet with the Task Force. The recommendations before the A&F are a result of the two additional ACE Task Force meetings.

Ms. Helm provided an overview of the ACE recommendations noting: 1) the Citizens Advisory Committee (CAC), the Policy Advisory Committee (PAC) and the Technical Advisory Committee (TAC) will continue to meet on a monthly basis; 2) if an agenda does not warrant a full meeting, every effort will be made by the advisory committees to cancel the meeting or to hold a workshop for discussion without action; 3) the Committee for Transit Accessibility (CTA) will reduce their meeting schedule from twelve (12) to four (4) regular meetings, not necessarily held on a quarterly basis; 4) the Bicycle & Pedestrian Advisory Committee (BPAC) will reduce its meeting schedule from twelve (12) to a maximum of six (6) regular meetings per year; 5) BPAC will have the option to hold four (4) workshops/study sessions per year for discussion without action. The workshops will be noticed in compliance with the Brown Act; and 5) the CAC will allow CTA and BPAC to recommend members of their committee fill two existing vacant CAC seats that represent bicyclists and the disabled community. The CTA and BPAC nominees will need to meet the established CAC membership requirements and are subject to approval by the Board of Directors.

Ms. Helm expressed her appreciation to the Advisory Committees for making these adjustments.

Emma Eljas, ACE Committee Task Force Member, introduced herself. Ms. Eljas noted, in addition to be an ACE member, she is also a member of VTA's Committee for Transit Accessibility (CTA), and the City of San Jose's Disability Advisory Commission.

Alternate Member Moylan noted his belief that this recommendation is a good start in using fewer resources and streamlining the advisory committee process, as recommended by the Hay Group Report. He expressed his opinion that the recommendation should be approved, but noted there is still more work to be done in order for the advisory committees to reach their maximum potential.

Chairperson Kniss stated this is a good start and recommended moving the item forward, but noted it is not a totally finished product. She suggested a Committee of the Board might better address this item.

Michael T. Burns, General Manager, noted with these recommended changes, not only will there be a resource-savings benefit, future committee meetings will have greater importance and be more relevant to the needs of the Board.

Member Gage noted when combining committees of varied interests there is a division of relevancy among the membership. Over the next year the focus needs to be on streamlining the committee process, achieving cost savings, and ensuring the committee meetings are more relevant to the needs of the Board. Member Gage suggested staff should determine relevancy by targeting specific items for specific committees.

Member Gage recommended the Board review work plans to determine relevancy.

Chairperson Kniss confirmed with staff that this is a one-year plan.

M/S/C (Moylan/Gage) to approve the indicated modifications to the advisory committee process.

OTHER ITEMS

17. Items of Concern and Referral to Administration

There were no Items of Concern and Referral to Administration.

18. Review Committee Work Plan

On order of Chairperson Kniss and there being no objection, the Committee reviewed the Committee Work Plan.

19. Committee Staff Report

There was no Staff Report.

20. Chairperson's Report

There was no Chairperson's Report.

21. Determine Consent Agenda for the January 7, 2010, Board of Directors Meeting

CONSENT: Agenda Item #8. Review the Monthly Legislative History Matrix;

Agenda Item #10. Ratify the nomination of Bruce Liedstrand to the Citizens Advisory Committee;

Agenda Item #11. Ratify the following new appointment and re-appointments to the Bicycle & Pedestrian Advisory Committee to a two-year term starting January 2010:

New Appointment

- Ray Cosyn, City of Saratoga

Re-appointment

- Thomas Muniz, City of Gilroy
- John Sullivan, City of Santa Clara
- Richard Swent, City of Palo Alto

Agenda Item #13.

- Authorize the General Manager to execute master utility relocation agreements with utility owners in order to support the Silicon Valley Berryessa Extension Project (SVBX). These utilities include PG&E, San Jose Water Company, Santa Clara Valley Water District, Milpitas Public Works, Verizon, Air Products, Comcast, AT&T, and others. These agreements may include provisions for design and construction of utility relocation (e.g. determination of percentage cost share liability), but authorization for expenditure commitment is limited to design only.
- Authorize the General Manager's expenditure commitment authority for SVBX utility relocation advanced design in an amount not to exceed \$8.4 million for both preliminary and advanced design effort.

Agenda Item #14. Authorize the General Manager to execute a contract with Van Scoyoc Associates for federal advocacy consultant services for a period of three years in the amount of \$456,000. The term of the contract would be from January 1, 2010, to December 31, 2012. The fixed monthly retainer for this contract would be \$12,500 for the first two years and \$13,000 for the third year. Further authorize the General Manager, at his discretion, to extend this contract after December 31, 2012, for two additional one-year periods at a fixed retainer rate to be negotiated.

Agenda Item #15. Recommend that the Board of Directors approve the 2010 Legislative Program for the Santa Clara Valley Transportation Authority (VTA); and

Agenda Item #16. Approve the indicated modifications to the advisory committee process.

22. ANNOUNCEMENTS

There were no announcements.

23. ADJOURNMENT

On order of Chairperson Kniss and there being no objection, the meeting was adjourned at 12:49 p.m.

Respectfully submitted,

Susan E. Garcia, Board Assistant
VTA Office of the Board Secretary