



## **CONGESTION MANAGEMENT PROGRAM & PLANNING COMMITTEE**

Thursday, February 16, 2006

### **MINUTES**

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

The Regular Meeting of the Congestion Management Program & Planning Committee (CMPP) was called to order at 10:40 a.m. by Vice Chairperson Campos in Room 157, County Government Center, 70 West Hedding Street, San Jose, California.

#### **ROLL CALL**

##### **Members Present**

Nora Campos, Vice Chairperson  
Cindy Chavez  
Dennis Kennedy

##### **Members Absent**

Liz Kniss, Chairperson

##### **Alternates Present**

Pete McHugh

##### **Alternates Absent**

Al Pinheiro  
Ken Yeager

\* Alternates do not serve unless participating as a Member.

**A quorum was present.**

**The Agenda was taken out of order.**

#### **4. PUBLIC PRESENTATIONS**

There were no Public Presentations.

## REGULAR AGENDA

Members Chavez and Kennedy arrived at 10:40 a.m. and a quorum was declared.

### 10. Scoring Criteria for Lifeline Transportation Projects

John Ristow, Programming and Project Development Deputy Director, noted that this item details the scoring criteria that will be used to evaluate projects for the Lifeline Transportation Program that VTA and Santa Clara County will jointly administer. Mr. Ristow stated that the Metropolitan Transportation Commission (MTC) provided guidance and criteria for the program. Mr. Ristow added that staff provided the Joint Lifeline Transportation Committee Roster and Frequently Asked Questions for the Committee.

Marcella Rensi, Transportation Planning Manager, reported that the initial proposal by VTA and County staff is a 100-point system with the following five criteria: 1) Implementation Plan with 30-point weight; 2) Project Need/Stated Goals and Objectives with 25-point weight; 3) Project Budget/Sustainability with 20-point weight; 4) Cost Effectiveness with 15-point weight, and; 5) Coordination and Program Outreach with 10-point weight.

Ms. Rensi explained that the implementation plan was given the most weight because “a good project implemented well is better than a great project that does not get implemented.” Ms. Rensi further explained that project sponsors must detail the project’s goals and objectives, completion plan, other funding sources, coordination with non-traditional partners, and outreach. Ms. Rensi added that cost effectiveness is important as there is only approximately \$4 million available for this program for the next three years.

Mr. Ristow noted examples of potential projects that could be eligible for the program including improvement of access to transit services, broadening of transit options, provisions for free passes or rides, and other types of projects that would provide low income communities more travel choices. Mr. Ristow added that a Call for Projects will be released on March 3, 2006.

Vice Chairperson Campos referred to the weight given to the implementation plan and project need. She expressed concern that there might be communities with greater need that do not have the resources or assistance to come up with a good implementation plan.

Michael T. Burns, General Manager, responded that VTA could provide technical assistance, when necessary, to communities that do not have technical experience.

Alternate Member McHugh expressed support for the relative value of the proposed criteria.

Member Kennedy referred to the Gilroy Community Based Plan and inquired about the study's relationship to the Lifeline Transportation Program. Ms. Rensi responded that the study Member Kennedy is referring to is a separate effort sponsored by MTC. Ms. Rensi noted that staff expects to see projects identified by the community-based transportation plans, including Gilroy's, applying for the Lifeline Funding.

Mr. Ristow reviewed the next steps and reiterated that a Call for Projects will be sent out on March 3, 2006. Mr. Ristow added that staff would come back to CMPP in the June/July 2006 timeframe to provide a list of proposed recommended projects and project sponsors.

Vice Chairperson Campos expressed concern regarding the short period of time between the Call for Projects and closing date of April 24, 2006. She inquired if the timeline is realistic for project applicants to create a good plan. Mr. Ristow stated the timeframe would provide project sponsors sufficient time to develop a plan. VTA and County staff already conducted some outreach to get the word out to potential sponsors. Mr. Ristow noted that there will be a conference similar to a bidders conference to provide the opportunity for potential project sponsors to ask specific questions and obtain additional information regarding the program.

Member Chavez commented that the partnership between VTA and County for this program will work well. She referred to initiatives (i.e. strong neighborhood initiative), which involve city/community planning processes and inquired about strategies that could integrate these efforts into the Lifeline Transportation Program.

Ms. Rensi stated that staff anticipates that projects for the Lifeline Transportation Program will come from the planning efforts from the cities/communities as well as those planning efforts sponsored by MTC. A list of agency contact information and recommended partner agency per project type are provided in the Frequently Asked Questions to assist those who may be unfamiliar with the process.

Member Chavez stated that there should be more emphasis on a collaboration effort.

Mr. Ristow stated that the program is intended for lower income residents and noted that Santa Clara County does not have as clear geographic boundaries of low-income residents compared to other counties in the Bay Area. He noted the partnership with the County is helpful as social services are doing coordination work to get the word out to those areas with needs.

Member Chavez responded that there are many regions of poverty in Santa Clara County. She commented that this program is good because it provides VTA an opportunity to be more customer focused. She expressed appreciation to staff for a job well done.

Member Kennedy referred to the South County Collaborative efforts for transportation issues, which identified transportation needs. He commented that the Lifeline Transportation Program is the next logical step for those efforts.

M/S/C (McHugh/Kennedy) to approve submitting a recommendation to the Board of Directors to approve the scoring criteria to evaluate projects submitted to receive funding from the Lifeline Transportation Program.

**5. ORDERS OF THE DAY**

There were no Orders of the Day.

**CONSENT AGENDA**

**6. Minutes of January 19, 2006**

M/S/C (Chavez/Kennedy) to approve the Minutes of January 19, 2006.

**7. Proactive CMP Reviewed and Approved Projects Quarterly Status Report October through December 2005**

M/S/C (Chavez/Kennedy) to review the Proactive CMP Reviewed and Approved Projects Quarterly Status Report.

**8. Monthly Legislative Report for January 2006**

M/S/C (Chavez/Kennedy) to review the Monthly Legislative Report for January 2006.

**REGULAR AGENDA (continued)**

**9. Responses to Questions on VTA Scenario Posted at the Board of Directors' Workshop Meeting of January 27, 2006**

Mr. Burns briefly discussed the responses to issues regarding the VTA Sales Tax Scenario. He stated that VTA has worked on the expenditure plan for approximately two years, beginning in 2004 and highlighted that in June 2005, the Board reviewed four scenarios and requested a new scenario based on assumptions by the City of San Jose. In September 2005, the Board reviewed three new scenarios and consequently directed staff to proceed with one scenario, a 30-year, ¼ cent sales tax, BART by 2018, and Dumbarton by 2011.

At the December 1, 2005 Board of Directors' Meeting, the Board considered a modified scenario that included the airport people mover. At the same meeting, the City of San

Jose presented their council recommendations. The Board deferred action and directed staff to take the information to various committees and communities.

In late December 2005, VTA updated the scenario using the new sales tax projections from the Center of Continuing Study of California Economy (CCSCE). All VTA Advisory and Standing Committees reviewed this updated scenario. VTA also met with municipalities and stakeholder groups that requested a presentation on the VTA Scenario.

At the January 27, 2006 Board of Directors' Workshop Meeting, several board members posed questions. Today, VTA is presenting the answers to those questions with Board adoption scheduled on March 2, 2006.

Mr. Burns referred to Section 2: Cost Projections, and noted the following annual labor cost assumptions in the VTA Scenario: 1) wages – 3.45 percent; 2) benefits – 3.24 percent; 3) inflation rate – 3 percent, and; 4) construction cost - 3.5 percent. Mr. Burns compared those figures to the actual 10-year historical cost noting that operator wages increased 3.56 percent and consumer price index is 3 percent. Mr. Burns stated that staff is currently examining data for benefits, and this information will be provided prior to the March 2, 2006 Board Regular Meeting.

At the request of the Board, staff looked at other sources for projections of sales tax growth such as the State Board of Equalization, Association of Bay Area Governments (ABAG), and the California Office of Transportation Economics. All three organizations forecasted solid sales tax growth.

Upon inquiry of Alternate Board Member McHugh, Jack Collins, Chief Construction Officer, responded that the 3.5 percent construction number included the anticipated cost increases for materials and labor. Mr. Collins further explained that for the capital program, the VTA Scenario assumes 3.5 percent per year compounded for thirty years. However, Mr. Collins explained that the "Hurricane Katrina" effect is not fully factored in. Mr. Burns stated that in a 10-year historical period, there were peaks and valleys. He added that the assumptions built in the VTA Scenario are for a 30-year program.

Mr. Burns briefly discussed Section 3: Summary of Scenarios, which illustrates for each of the three scenarios the initial program balance, completion program, new projects, and impacts to VTA Reserves. 1) The VTA Recommended Scenario with a \$537 million initial program balance, completes all projects including new projects and maintains VTA Reserves at 15 percent. 2) The VTA Conservative Scenario that used 4.8 percent for the sales tax growth rate, has \$94 million for the initial program balance. The completion program is negative \$1.3 billion that includes new projects, and maintains VTA Reserves at 15 percent. 3) The No Tax Scenario with new projects has an initial program negative balance of \$2.9 billion, the completion program is negative \$1.3 billion, and VTA Reserves will be depleted by 2027. The No Tax Scenario without new projects has negative \$1.4 billion in the initial program balance, negative \$1.3 billion for the completion program, and VTA Reserves will be depleted by 2028.

Mr. Burns discussed Section 4: Other Issues, and noted that this addresses other questions such as: 1) preservation of existing service – VTA recommended scenario increases service up to 24 percent by 2020, no ¼ cent without new projects increases service by 12 percent, and no ¼ cent with new projects does not increase service; 2) specific project descriptions for expressways/major arterials – staff recommends that the Technical Advisory Committee (TAC) should establish the priorities and that this is a Board policy decision; 3) Caltrain Grade Separation – based on the City of Mountain View Study, staff calculated that 10 grade crossings will amount to \$400 million in 2004 dollars. Grade separations do not provide improved service but will improve traffic flow and address safety issues; and 4) Downtown East Valley (DTEV) Single Car Segment – will be presented at the March 2006 DTEV Policy Advisory Board (PAB).

Member Chavez referred to the DTEV meeting and noted that it will be helpful to include the discussion on the work plan for community outreach. Vice Chairperson Campos added that it will also be helpful to provide that information in a timely manner.

Mr. Burns referred to Section 5: Ad-Hoc Financial Stability Committee, and noted the committee's conclusions/recommendations: 1) operating deficits are expected to continue; 2) VTA must address the revenue increases and cost controls; 3) VTA should pursue an expansion of the sales tax base; 4) consider joint development opportunities aggressively; and 5) consider an advisory ballot measure for setting measure A project priorities if no new revenue sources are approved.

Mr. Burns noted that all questions from the workshop are addressed in the packet provided with the exception of the benefits.

Member Chavez expressed appreciation to the great work of the Ad-Hoc Financial Stability Committee and thanked staff for including their recommendations. She noted that this provides the opportunity for the public to be more aware of the Ad-Hoc Financial Stability Committee's work. She suggested including in the March 2, 2006 Board presentation the actual steps taken to improve VTA's financial condition including the cooperation of labor groups in the labor agreements, the routes that were cut, and service changes. She inquired about the next steps.

Mr. Burns responded that staff is currently working and reviewing historical data on the benefits figures and added that figures are different between Amalgamated Transit Union (ATU) members and non-ATU members. Mr. Burns assured that the information will be forwarded prior to the Board Meeting on March 2, 2006.

Member Chavez emphasized the importance of providing information in a timely manner. She cautioned that staff should avoid providing new materials regarding an item on the day of the Board Meeting.

Member Chavez inquired if construction costs assumptions would be sufficient to address possible cost increases brought about by natural calamities and global growth.

Stephen Levy, CCSCE, responded that prices fluctuate depending on different factors. He noted that over the past ten years, construction costs were almost flat for the first eight years and followed by rising costs the last two years. Although Mr. Levy acknowledged that there are short term uncertainties on costs for construction due to growth of other nations, the prices and materials over 30 years would either shift or adjust.

Mr. Collins directed attention to the Engineering News Record table, Page 6, Responses to Issues from the Board of Directors Workshop on January 27, 2006, to provide a visual to Mr. Levy's comments. Mr. Collins explained that fluctuations happen for a variety of reasons. For example, the 9.9 percent increase in 2004 was brought about by a cost increase of steel and concrete and the 6.4 percent increase in 2005 could be attributed to rise of petroleum and soft wood lumber costs. Mr. Collins further explained that labor is an important component of determining construction costs. He noted the importance for U.S. contractors to be innovative and improve productivity and efficiency.

Mr. Levy commented that the fluctuations are almost "whimsical" but are very real. He commented that energy costs are vital to VTA as well. He stated that if energy costs rise dramatically, it is possible that it will help VTA's ridership and revenue as more people would opt to take public transit over their personal vehicles.

Member Chavez requested that the packet for the March 2, 2006 Regular Board of Directors Meeting be delivered on February 23, 2006, to ensure that people have ample time to review the material.

**On order of Vice Chairperson Campos**, there being no objection, the Committee considered the Responses to Questions on VTA Scenario Posted at the Board of Directors' Workshop Meeting of January 27, 2006.

**2. ADJOURNED TO CLOSED SESSION at 11:42 a.m.**

Conference with Labor Negotiators  
[Government Code Section 54957.6]

Employee Organization:  
Amalgamated Transit Union (ATU)

Agency Designated Representatives:  
Matthew O. Tucker, Chief Operating Officer  
Robert Escobar, Manager, Office of Employee Relations

Member Kennedy left the meeting at 11:45 a.m.

**RECONVENED TO OPEN SESSION at 11:55 a.m.**

**3. CLOSED SESSION REPORT**

Conference with Labor Negotiators  
[Government Code Section 54957.6]

Employee Organization:  
Amalgamated Transit Union (ATU)

Agency Designated Representatives:  
Matthew O. Tucker, Chief Operating Officer  
Robert Escobar, Manager, Office of Employee Relations

There was no reportable action taken during Closed Session.

**OTHER ITEMS**

**11. ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION**

There were no Items of Concern and Referral to Administration.

**12. Committee Work Plan**

Mr. Ristow noted that the item on Freeway Litter Control Study discussed at the previous CMPP meeting will go back to the Technical Advisory Committee (TAC) and will come back to CMPP in April or May 2006.

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

**13. Committee Staff Report**

There was no Committee Staff Report.

**14. Chairperson's Report**

There was no Chairperson's Report.

**15. Determine Consent Agenda for March 2, 2006 Board of Directors Meeting**

**CONSENT: Agenda Item #10.,** Approve the scoring criteria to evaluate projects submitted to receive funding from the Lifeline Transportation Program.

**REGULAR: None**

**16. Announcements**

There were no Announcements.

**17. ADJOURNMENT**

**On order of Vice Chairperson Campos**, there being no objection, the meeting was adjourned at 11:57 a.m.

Respectfully submitted,

Elaine F. Baltao, Board Assistant  
VTA Board of Directors