



## **TRANSIT PLANNING & OPERATIONS COMMITTEE**

Thursday, April 17, 2003

### **MINUTES**

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

The Regular Meeting of the Transit Planning and Operations (TP&O) Committee was called to order at 4:33 p.m. by Chairperson Valerio in Room 106, San Jose City Hall, 801 North First Street, San Jose, California.

#### **ROLL CALL**

##### **Members Present**

David Cortese, Vice Chairperson  
Ron Gonzales  
Dena Mossar  
Manuel Valerio, Chairperson

##### **Members Absent**

Francis LaPoll  
Ken Yeager

**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. Minutes of March 20, 2003**

**M/S/C (Gonzales/Cortese)** to approve the Minutes of March 20, 2003.

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

**5. Tasman East Light Rail Project – Pavement Resurfacing**

**M/S/C (Gonzales/Cortese)** to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract with DeSilva Gates Construction LP, the lowest responsible bidder in the amount of \$1,581,106, for construction of pavement resurfacing for the Tasman East Light Rail Project.

**6. Door Maintenance and Repair Contract**

**M/S/C (Gonzales/Cortese)** to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract with Industrial Door Service, Inc., the lowest responsive and responsible bidder, for door maintenance and repair services at all VTA facilities. The term of the contract is for three years with two one-year options at an estimate cost of \$109,000 a year for the first three years. Option years four and five are estimated at \$116,000 and \$117,000, respectively. The total amount of the contract is estimated at \$560,000 for the five-year period.

**7. Community Oriented Design Enhancements (CODE) Program Update – February 2003 – March 2003**

**M/S/C (Gonzales/Cortese)** to receive and file the Community Oriented Design Enhancements (CODE) Program Update – February 2003 – March 2003.

**8. Report on the Capitol Light Rail Project for the Month of March 2003**

**M/S/C (Gonzales/Cortese)** to receive and file the Report on the Capitol Light Rail Project for the Month of March 2003.

**9. Report on the Tasman East Light Rail Project for the Month of March 2003**

**M/S/C (Gonzales/Cortese)** to receive and file the Report on the Tasman East Light Rail Project for the Month of March 2003.

**10. Report on the Vasona light Rail Project for the Month of March 2003**

**M/S/C (Gonzales/Cortese)** to receive and file the Report on the Vasona Light Rail Project for the Month of March 2003.

**11. Joint Powers Board Monthly Status Report**

**M/S/C (Gonzales/Cortese)** to receive and file the Joint Powers Board Monthly Status Report.

**12. Committee for Transit Accessibility Report**

**M/S/C (Gonzales/Cortese)** to receive and file the Committee for Transit Accessibility Report.

**13. Monthly Legislative Report**

**M/S/C (Gonzales/Cortese)** to receive and file the Monthly Legislative Report.

**REGULAR AGENDA**

**14. Recommendations for the Downtown East Valley Santa Clara/Alum Rock Corridor**

Julie Render, Principal Transportation Planner, reported that in August 2000, VTA Board of Directors approved a Preferred Investment Strategy for the Downtown East Valley Plan, which included a light rail project in the Santa Clara/Alum Rock Corridor.

Ms. Render reported the conceptual design began in January 2001 and the work moved somewhat slowly, because of the significant design challenges in the corridor. She noted the Santa Clara/Alum Rock Corridor is approximately four miles, it is a very heavily used transit corridor, and the corridor is an important auto travel corridor and gateway to Downtown San Jose. It is a corridor in which there are a number of small businesses that front on the street and rely on the existing on-street parking and loading areas. In addition, the street width and right-a-way is very constraint.

Ms. Render reported in recognizing the very unique characteristics and constraints of the corridor, a streetcar mode, similar to what is operated in Portland, Oregon, was suggested in Spring 2002 as a possible option. In October 2002 the Downtown East Valley Policy Advisory Board (PAB) determined that a focused evaluation of the potential modes (i.e., light rail, streetcar, and bus) should be looked at before proceeding with the environmental document. The purpose of the study was to determine the preferred mode and alignment in the corridor.

Ms. Render reported the focused study included six discreet alternatives; three light rail, two streetcar and one enhanced bus. All six alternatives extended from

the Alum Rock Station, along Santa Clara and Alum Rock, to the Diridon Station in Downtown San Jose. The study process also included a very intensive community interface, interaction process. Ms. Render noted that staff created a packet of study guides that were used in the process.

Ms. Render reported that based on the technical analysis and the community input received, it was recommended by VTA staff to proceed with the environmental document with two alternatives, the enhanced bus and the single car light rail.

Ms. Render reported that the PAB conducted a special meeting on March 24, 2003, to hear community input on the recommendation and the recommendation received support. The PAB adopted the recommendation for enhanced bus and single car light rail at their regular meeting on April 3, 2003. The recommendation was forwarded to TP&O for approval and will be forwarded to the Board of Directors at their May 1, 2003 Meeting.

**M/S/C (Cortese/Gonzales)** to approve submitting a recommendation to the Board of Directors to approve recommendations for the Santa Clara/Alum Rock Corridor, which includes advancing both the Enhanced Bus Service and the Single-Car Light Rail alternatives in the Environmental Impact Statement/Environmental Impact Report (EIS/EIR).

Chairperson Valerio thanked staff for their hard work and effort.

**15. Paratransit Eligibility Certification Program Contract**

George Tackè, Accessible Services Manager, reported that the Paratransit Eligibility Certification Program is part of the current phase that is being implemented. In November 2002 the Board of Directors approved Phase II of the Paratransit Improvement Plan. As part of the Plan, VTA was going to completely overhaul the Eligibility Certification Program, in order to better improve the controlling of the gate. VTA also wants to have a third party perform the function, instead of Outreach, the current broker.

Mr. Tackè reported that VTA looked at operating the program in-house, but did not think it was appropriate, given the kind of healthcare professionals needed to conduct the evaluations. Mr. Tackè noted that VTA opted to develop a Request for Proposal in January 2003, which outlined the program and the various steps a customer has to take in order to be determined eligible or ineligible.

Mr. Tackè reported that VTA received the following two proposals: 1) Orthopaedic Hospital and 2) NovaCare Outpatient Rehabilitation of California, Inc. He noted that both are very reputable organizations and had excellent references. Mr. Tackè reported that although Orthopaedic Hospital's rate was

higher than NovaCare Outpatient Rehabilitation of California, Orthopaedic Hospital had a much more well developed plan and quite a bit more experience. He noted the program would be effective in the absence of physical functional assessments, which VTA gave up as part of the public hearing process. The physical functional assessments was part of the original proposal, but was moved to the Appeals Program. If a customer was denied service under the Certification Review Program, the customer would be subject to functional assessments if they wanted to appeal.

Mr. Tackè directed attention to Page 3 of the Board Memorandum, which indicated the current organizations that Orthopaedic Hospital is currently conducting eligibility evaluations for, noting that Orthopaedic Hospital has evaluated over 175,000 ADA paratransit applications.

Upon query of Member Mossar, Mr. Tackè noted the functions of NovaCare Outpatient Rehabilitation of California, Inc. He noted that staff would come back to TP&O next month recommending NovaCare Outpatient Rehabilitation of California, Inc. as the appeals vendor.

Upon query of Member Mossar, Mr. Tackè noted that Orthopaedic Hospital is located in Los Angeles. Member Mossar queried if customer access is an issue, given the fact that both companies are located out of the area. Mr. Tackè noted that Orthopaedic Hospital is opening two offices in the Santa Clara County area and will establish an on-site manager to be hired locally. Orthopaedic Hospital will also coordinate with various senior and community centers from Gilroy to Palo Alto to get access to a private room to conduct interviews.

Member Mossar queried if staff has any way of knowing how the customers would rate Orthopaedic Hospital as a company. Mr. Tackè indicated “no”, and could only interpret by the fact that their appeal rate is one percent.

Member Mossar requested that staff provide a report back, after a year of starting the Paratransit Eligibility Certification Program, on the operation of the system and customer satisfaction.

Vice Chairperson Cortese noted that the contract itself looks like it is laid out so that there are a lower number of applications than what is anticipated at this time. He referred to the wording, “A lower rate will be negotiated in the event that the number of applications drops significantly”, and queried about its meaning. He queried why wouldn’t the contract be set-up on a per application basis or at least have tiers. Mr. Tackè reported that VTA did not want to follow other organizations and pay per application. He noted that VTA set-up a process that was relatively strict, but well defined and reasonable and did not want the vendor to do anything to bypass any of the steps for a customer. Mr. Tackè noted why VTA did not come out with tiers. He noted the biggest cost driver in the Program

is going to be the cost for the occupational therapists. For example, there is going to be two interviewers, one manager and one administrator. Before seeing a real cost reduction, interviews would have to be lowered to a point where a staff position could be eliminated. VTA will be working with the vendor to try to get the vendor to capulate the cutout point.

Upon query of Vice Chairperson Cortese, Mr. Tackè noted the approximate cost if the functions were brought in-house. He noted the advantages of providing the services outside.

Vice Chairperson Cortese referred to the potential VTA employee layoffs and noted it would make sense to try to keep work in-house and create a training program.

Upon query of Vice Chairperson Cortese, Mr. Tackè provided a report on the cost benefit of the program and potential savings, noting that VTA would come out ahead.

Chairperson Valerio queried if the Committee for Transit Accessibility (CTA) participated in the review process. Mr. Tackè reported that there were approximately eight to nine meetings held with CTA wherein staff presented the various proposals either to the CTA Work Group or to the full CTA and that the CTA did end up endorsing the Program.

**M/S/C (Mossar/Gonzales)** to approve submitting a recommendation to the Board of Directors to authorize the General Manager to execute a contract with Orthopaedic Hospital for the operation of the Paratransit Eligibility Certification Program. The term of the contract is for three years beginning July 1, 2003, with two one-year options, at a cost of \$566,922 for the first year, \$580,845 for the second year and \$595,116 for the third year. Option years four and five are \$615,595 and \$636,791, respectively. The total amount of the contract is \$2,995,300 for the five-year period. *Further, requested that staff provide a report back, after a year of starting the Paratransit Eligibility Certification Program, on the operation of the system and customer satisfaction.*

## **OTHER ITEMS**

### **16. Fare Modifications for FY 2003-2004**

Scott Buhner, Chief Financial Officer, noted the discussion held at the March 21, 2003 Board of Directors Workshop regarding the proposed Fare Modifications for FY 2003-2004.

Mr. Buhner reported that the Board of Directors felt that the fare proposals for the senior and disabled day and monthly passes were too severe. The Board of Directors requested that staff reassess the impacts if staff modified the day pass from the original proposal of \$2.25 to \$1.75 and the monthly, which was originally proposed at \$22.50 to \$17.50. Mr. Buhner directed attention to Page 9 of the Board Memorandum, Revenue and Ridership Impacts of Fare Change, and provided an overview, noting the impacts of the proposed changes by the Board of Directors.

Mr. Buhner directed attention to Attachment D, Current Fares versus FY 04 Alternatives, and provided an overview.

Mr. Buhner referred to the March 21, 2003 Board of Directors Workshop and noted that staff was asked to look at other alternatives that would implement the changes in the senior and disabled pricing, but make changes in other categories that would achieve the budget goal of a \$4 million increase. He noted that staff looked at increasing the adult cash fare to \$1.75 and leaving everything else the same. Staff found by doing that, it would achieve the budget goal of \$4 million. Mr. Buhner reported that staff decided not to recommend the proposal, because of a number of other issues. One of which was, it undermined one of VTA's principal objectives, which was to get the fares and discounts for certain categories aligned to be more comparable to other agencies. It would also have significant affects on the paratransit fares, which are all indexed off the adult cash fare.

Mr. Buhner reported that staff looked at what it would be if staff moderated some of the initial recommendations as it related to the senior and disabled. He directed attention to Attachment D, Revised Staff Alternative, and noted that the revised proposal is modifying the senior and disabled day pass to \$2 and the monthly pass to \$20. He noted the proposal achieves the fare goal of \$4 million.

Mr. Buhner reported that staff took the three proposals through the community public involvement process. He reported that eight public meetings were held and noted that the bulk of the comments were related to the senior and disabled fares. Most people felt that the amount on a percentage basis was too great. Mr. Buhner reported that staff is currently reflecting on what has been learned through the public process.

Mr. Buhner noted that the Administration and Finance Committee felt that the discussions regarding the next steps of the fare proposals should be done in conjunction with the budget discussions held at the April 25, 2003 Board of Directors Workshop.

Member Mossar directed attention to Page 11 of 11, Fiscal Impact, “Fiscal impact from these fare changes is estimated at \$149,000 in increased paratransit revenues” and expressed concern about the ECO Pass Program for employers in the North County, because of, in her perception, the relative decrease in value. She noted that Caltrain is no longer part of the ECO Pass Program.

Member Mossar reported just to sort of put the \$149,000 increase based on the paratransit in perspective, Stanford University is spending a little over \$174,000 a year giving its employees ECO Pass. She expressed concern if Stanford University pulls out of the ECO Pass Program. Member Mossar expressed concern that fares are being raised in areas that cause potential hardship to people that can least afford it and at the same time making it difficult for those who can afford it to continue doing business with VTA.

Member Mossar expressed concern about the potential increase in fares for the senior/disabled and paratransit service.

Peter M. Cipolla, General Manager, provided a report on the issue with Caltrain and commented on the possibility of losing ECO Pass customers.

Chairperson Valerio expressed concern regarding a letter received from Moffett Park Transit Association expressing concern regarding the bus and light rail service reductions and potential increase in the ECO Pass.

Chairperson Valerio queried if staff could provide the number of companies in Sunnyvale who participate in the ECO Pass Program and the number of passes bought. Vice Chairperson Cortese noted that the ECO Pass Program information was recently distributed to the Board of Directors.

A discussion was held regarding whether or not it was a requirement that the cities/employers participate in the Transportation Demand Management (TDM) Program.

**On order of Chairperson Valerio**, there being no objection, the Proposed Transit and Americans with Disabilities Act (ADA) Paratransit Fare Modifications for Implementation August 1, 2003 was discussed.

**17. Committee Work Plan**

**On order of Chairperson Valerio**, there being no objection, the Committee Work Plan was reviewed and accepted.

**18. Committee Staff Report**

Mr. Pierson noted that an additional Ad Hoc Financial Stability Committee Meeting would be held on April 23, 2003, at 9:00 a.m. in the Sheriff's Auditorium.

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

**19. Chairperson's Report**

There was no Chairperson's Report.

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

**15. Paratransit Eligibility Certification Program Contract (continued)**

Vice Chairperson Cortese referred to request made by Member Mossar and queried if contract would have termination provisions that are aligned with the review process. Suzanne Gifford, General Counsel, noted that all of VTA's contracts provide for termination for convenience as well as termination for cause.

**20. Determine the Consent Agenda for May 1, 2003 Board Meeting**

**CONSENT: Item #5.** Authorize the General Manager to execute a contract with DeSilva Gates Construction LP, the lowest responsible bidder in the amount of \$1,581,106, for construction of pavement resurfacing for the Tasman East Light Rail Project and **Item #6.** Authorize the General Manager to execute a contract with Industrial Door Service, Inc., the lowest responsive and responsible bidder, for door maintenance and repair services at all VTA facilities. The term of the contract is for three years with two one-year options at an estimate cost of \$109,000 a year for the first three years. Option years four and five are estimated at \$116,000 and \$117,000, respectively. The total amount of the contract is estimated at \$560,000 for the five-year period.

**REGULAR: Item #14.** Approve recommendations for the Santa Clara/Alum Rock Corridor, which includes advancing both the Enhanced Bus Service and the Single-Car Light Rail alternatives in the Environmental Impact Statement/Environmental Impact Report (EIS/EIR) and **Item #15.** Authorize the General Manager to execute a contract with Orthopaedic Hospital for the operation of the Paratransit Eligibility Certification Program. The term of the contract is for three years beginning July 1, 2003, with two one-year options, at a cost of \$566,922 for the first year, \$580,845 for the second year and \$595,116 for the third year. Option years four and five are \$615,595 and \$636,791, respectively. The total amount of the contract is \$2,995,300 for the five-year period. Further, requested that staff provide a report back, after a year of starting the Paratransit

Eligibility Certification Program, on the operation of the system and customer satisfaction.

**21. Announcements**

There were no Announcements.

**22. Adjourn**

**On order of Chairperson Valerio**, there being no objection, the meeting was adjourned at 5:25 p.m.

Respectfully submitted,

Tracene Y. Crenshaw, Board Assistant  
VTA Board of Directors