



TRANSIT PLANNING & OPERATIONS COMMITTEE

Thursday, January 19, 2006

MINUTES

1. CALL TO ORDER

The Regular Meeting of the Transit Planning and Operations (TP&O) Committee was called to order at 4:46 p.m. by Chairperson Sandoval in Room W120, San Jose City Hall, 200 East Santa Street, San Jose, California.

Chairperson Sandoval noted that the meeting was delayed to await the arrival of a Member that would constitute a quorum.

ROLL CALL

Members Present

Dean Chu
Greg Perry
Dolores Sandoval, Chairperson

Members Absent

David Cortese

Alternates Present

None

Alternates Absent

Norman Kline
Jamie Matthews
Ken Yeager

*Alternates do not serve unless participating as a Member.

A quorum was not present and a Committee of the Whole was declared.

The Agenda was taken out of order.

14. Chairperson's Report

Chairperson Sandoval reported that she was recently appointed by the VTA Board of Directors Chairperson, Cindy Chavez, as the new Chairperson of the Transit Planning & Operations (TP&O) Committee for 2006. TP&O is responsible for reviewing and making

recommendations to the Board regarding policy decisions on transit planning and operations, transit capital projects, and marketing items. Chairperson Sandoval noted that TP&O has a significant amount of responsibility in terms of ridership, because people depend on transit services to connect with businesses, schools, and for recreational opportunities. Chairperson Sandoval noted that her goal for the year is to work with VTA staff and the Board of Directors strategically on initiatives that will improve operational efficiencies and increase ridership.

2. PUBLIC PRESENTATIONS

There were no Public Presentations.

3. ORDERS OF THE DAY

Member Chu requested that Agenda Item #6. Elect a Vice Chairperson for 2006, be deferred to the February 16, 2006 TP&O Committee Meeting.

Member Chu requested that the following Agenda Items be placed towards the end of the Agenda: Item #7. Consider a revised 2006 Transit Planning & Operations Committee Meeting Schedule and Item #8. Review and forward the Recommended VTA Scenario to the VTA Board of Directors.

On order of Chairperson Sandoval, there being no objection, the Committee of the Whole accepted the Orders of the Day.

Chairperson Sandoval queried if Board of Directors Chairperson Chavez would determine the fourth Member to serve on the TP&O Committee by the February 16, 2006 TP&O Committee Meeting. Michael T. Burns, General Manager, reported that appointed TP&O Committee Member David Cortese has noted his interest in serving on the TP&O Committee. He stated that Member Cortese indicated at the January 5, 2006 Board of Directors' Meeting that he had a standing conflict with the scheduled day and time of the TP&O Committee Meetings, and had suggested the possibility of looking at another day and time for the TP&O Committee to meet. Mr. Burns noted failing that, then a replacement will need to be appointed to the TP&O Committee. Chairperson Sandoval noted that she would like to elect a TP&O Vice Chairperson for 2006 with a full Committee present.

CONSENT AGENDA

4. Minutes of December 15, 2005

On order of Chairperson Sandoval, there being no objection, the Committee of the Whole deferred the Minutes of December 15, 2005, pending arrival of a quorum.

5. (Removed from the Consent Agenda and placed on the Regular Agenda.)

Review the Monthly Legislative Report for December 2005.

REGULAR AGENDA

5. Monthly Legislative Report for December 2005

Kurt M. Evans, Government Affairs Manager, reported that the Monthly Legislative Report for December 2005 contained a detailed explanation about the passage of the Fiscal Year (FY) 2006 Transportation Appropriations Bill and a detailed discussion about Senate Bill 1024 (Perata) – Infrastructure Bond Measure. Mr. Evans indicated that since the writing of the report, Governor Schwarzenegger has done a State-of-the-State Address and released his budget proposal for FY 2007. Mr. Evans noted that the Governor has a much larger Infrastructure Bond Proposal that he is putting forth.

Member Chu referred to the Governor's "Go California" Plan and queried about the initial size of the bond measure and how much was for transportation. Mr. Evans noted that in the "Go California" plan the Governor did not propose a bond measure; it was more of an effort to try to come up with some ways to streamline project delivery. The bond measure discussions occurred after the release of "Go California" and "Go California" sort of provided a policy framework for what the Governor put on the table in terms of his transportation bond element. Mr. Evans indicated that the \$12 million would be divided into a number of different categories that the Administration has identified as being statewide transportation needs.

Chairperson Sandoval referred to VTA Board of Directors Chairperson Chavez' comments made at the January 5, 2006 Board Meeting regarding the importance of staying on top of the legislation, especially with the bond measure, and how VTA can make sure that they get their fare share. Mr. Burns noted that Chairperson Chavez has created a Bond Infrastructure Ad-Hoc Committee that consists of three Members of the Board of Directors, three members of staff, and three members from private industry, and that the first meeting would be held the week of January 23, 2006 and another meeting would be held before the February 2, 2006 Board of Directors' Meeting. Mr. Burns indicated that a verbal progress report on the outcome of the meetings would be given at the February 2, 2006 Board of Directors' Meeting.

On order of Chairperson Sandoval, there being no objection, the Committee of the Whole reviewed the Monthly Legislative Report for December 2005.

6. (Deferred to the February 16, 2006 TP&O Committee Meeting.)

Elect a Vice Chairperson for 2006.

OTHER ITEMS

9. Monthly Ridership and Fare Revenue Performance

Matthew O. Tucker, Chief Operating Officer, reported that the Monthly Ridership and Fare Revenue Performance Report would be presented at the TP&O Committee on a monthly basis.

Member Perry took his seat at 5:00 p.m. and a quorum was declared.

Joonie Tolosa, Sr. Management Analyst, provided a PowerPoint presentation on VTA Transit Operations, December 2005 Ridership and Revenue Performance, highlighting: 1) How is VTA ridership data collected?, 2) VTA Ridership Characteristics, 3) December Ridership, and 4) Revenues & Average Fare per Boarding.

Member Perry referred to the average daily ridership and indicated that the numbers reflect the number of boardings on a bus. He queried if a person transfers to somewhere and transfers to get back if that would be counted as four riders. Mr. Tolosa noted that VTA can count ridership on unlinked as opposed to linked ridership. Member Perry queried if VTA has survey information showing a conversion from link to unlinked ridership and vice versa. Mr. Tolosa noted that VTA's 2000 Onboard Survey would show that information and that the latest Onboard Survey would be completed some time in May 2006.

On order of Chairperson Sandoval, there being no objection, the Monthly Ridership and Fare Revenue Performance was reviewed.

CONSENT AGENDA (continued)

4. Minutes of December 15, 2005

Member Perry indicated that he did not have adequate time to review the Minutes of December 15, 2005. Chairperson Sandoval requested that the Minutes of December 15, 2005, be deferred to the February 16, 2006 TP&O Meeting.

On order of Chairperson Sandoval, there being no objection, the Minutes of December 15, 2005, was deferred to the February 16, 2006 TP&O Meeting.

REGULAR AGENDA (continued)

7. **Consider A Revised 2006 Transit Planning & Operations Committee Meeting Schedule**

Sandra Weymouth, Executive Assistant to the General Manager, reported that Board Member David Cortese, who has been appointed to the TP&O Committee, has a standing conflict with the 2006 TP&O Meeting schedule. Ms. Weymouth noted that Member Cortese has been appointed to the Association of Bay Area Governments (ABAG), which meets the same date and time as the TP&O Committee Meeting. She indicated that Member Cortese has asked that the Committee consider rescheduling the meetings to the third Wednesday of the month at 4:30 p.m. Chairperson Sandoval asked Ms. Weymouth to have Member Cortese call her regarding the meeting schedule.

Chairperson Sandoval requested that the TP&O Committee Meetings be held at the Valley Transportation Authority (VTA), 3331 North First Street, Room B-104, San Jose.

On order of Chairperson Sandoval, there being no objection, a revised 2006 Transit Planning & Operations Committee Meeting Schedule was considered.

8. **Recommended VTA Quarter Cent Sales Tax Scenario**

Jim Lawson, Government Affairs Manager, directed attention to the document entitled VTA Scenario, January 2006, and provided a history on why the recommended VTA Quarter Cent Sales Tax Scenario was developed. He referred to 2000 Measure A and noted that it was an all transit measure, a half-cent sales tax, built on the success of prior measures, targeted specific transportation projects, and achieved more than a two-thirds majority approval vote. Mr. Lawson noted the major projects in 2000 Measure A.

Mr. Lawson referred to the economic downturn that occurred in 2001 and noted the negative impact to VTA's revenue and ridership. He indicated that the VTA Board of Directors created an Ad-Hoc Financial Stability Committee, chaired by Santa Clara County Supervisor Don Gage and City of San Jose Councilperson, David Cortese. The Ad-Hoc Financial Stability Committee's purpose was to try to determine what would be a good long-term solution to the economic shortfall that VTA was suffering, in addition to how VTA would meet the commitment to the voters on the delivery of the 2000 Measure A Projects.

Mr. Lawson referred to the development of the Expenditure Plan and noted that Board of Directors' Workshop Meetings were held over the past two years and on June 2, 2005, the Board of Directors reviewed four different scenarios. In Summer 2005, different scenarios were requested by the North County Cities Group, Silicon Valley Leadership

Group, and the City of San Jose. At the September 16, 2005 Board of Directors Meeting, three scenarios were reviewed, and it was concluded that a 30-year, quarter-cent sales tax

would be required. The scenario would include Pavement Management, BART by the year 2018, Dumbarton by the year 2011, and some flexibility on the balance amount.

Mr. Lawson referred to the November 3, 2005 Board of Directors' Meeting and noted that the recommended Scenario was deferred due to concerns regarding the San Jose Airport People Mover and Pavement Management. He referred to the December 1, 2005 Board of Directors' Meeting, noting the addition of the San Jose Airport People Mover and Pavement Management. At the December 1, 2005 Board of Directors' Meeting input was received from the Cities of San Jose, Morgan Hill, and Gilroy, and the item was deferred to the February 2, 2006 Board of Directors' Meeting, with the instruction given to staff to provide this presentation to all VTA Committees prior to the February 2, 2006 Board of Directors' Meeting. Subsequent to that, as part of the annual review, VTA received a projection from the Center for Continuing Study of the California Economy to allow VTA to project sales tax revenues over the upcoming ten years. VTA used the methodology to project out what it believed would be an accurate representation of the revenue over a 30-year period. Mr. Lawson provided a report on the graphs containing the new projections by VTA and projections by other cities.

Jack J. Collins, Chief Construction Officer, reported that the previous recommended VTA Scenario presented to the Board of Directors on December 1, 2005, incorporated the concept of a Completion Plan. He noted the reason for the Initial Plan and the Completion Plan was that VTA would not have enough revenue to complete all of the projects. There was an Initial Program ending balance of \$94 million and a Completion Plan list of projects that were not funded at about \$1.3 billion. He likened this to the 1996 Measure B Transportation Improvement Program.

Mr. Collins indicated that with the revised projections all 2000 Measure A Projects would be completed, noting that there is no Completion Plan at this time. The recommended scenario puts forward:

- A positive ending balance of \$537 million
 - Maintain VTA Reserves at 15%
 - Advances BART to December 2016
 - Advances Light Rail to Eastridge by 2012
 - Advances Light Rail to Nieman by 2017
 - Advances Light Rail to Los Gatos by 2012
 - Accommodates Single Car Light Rail on Santa Clara/Alum Rock by 2021, if the mode is selected as the preferred alternative
 - Restores prior 10% funding cut for Caltrain
 - Completes Caltrain Electrification by 2018
 - Provides for Caltrain Service Improvements
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- Provides for 8.4 miles of Caltrain double tracking in the South County by 2010
 - Completes Dumbarton Rail by 2011

- Provides for Altamont Commuter Express (ACE) upgrades between 2014 and 2025
- Completes the Airport People Mover by 2018
- Initiates Bus Rapid Transit (BRT) projects on Line 22, Monterey Road and Stevens Creek by 2011

Mr. Collins reported that the VTA Scenario also includes the following new projects:

- New \$718 million local streets and roads, county roads and bicycle and pedestrian path improvement program
- New \$130 million BRT project in Sunnyvale/Cupertino
- Increases in VTA service to 24 %
- New Senior/Disabled Programs
- \$2.7 billion in BART Operating subsidy to 2038

Mr. Collins reported that the VTA Scenario was reviewed by the Santa Clara County Board of Supervisors, VTA Advisory and Board Committees, and VTA staff has made and will make presentations to the various city councils. VTA staff has also made a presentation at the Silicon Valley Leadership Group. A Board of Directors' Workshop Meeting has been scheduled for Friday, January 27, 2006, to further discuss the VTA Scenario. The VTA Scenario will be forwarded to the Board of Directors at their February 2, 2006 Board of Directors Meeting Agenda for possible action.

Stephen Levy, Center for Continuing Study of the California Economy (CCSCE), directed attention to the document entitled Projections of Taxable Sales for VTA and provided a presentation on how he arrived at the sales tax projections that VTA used to construct the VTA Scenario. Mr. Levy noted that CCSCE has prepared projections for VTA for four years and VTA has taken the average of CCSCE's middle and conservative projections for each of the four years. The revenue projections do not affect the sales tax or BART, but it directly affects the number of projects contained in the Expenditure Plan.

Mr. Levy noted that CCSCE produced a set of projections and taxable sales for VTA, and CCSCE has a moderate growth and a more conservative growth to the year of 2015. He noted that CCSCE does not provide VTA with recommendations about which projection to use.

Mr. Levy directed attention to the presentation and provided a report on the following: 1) Major Determinants of Taxable Sales, 2) Staff Uses the Midpoint of CCSCE's Projections, 3) CCSCE's Low Projection Changed the Most, 4) Major Changes from Last Year's Projections, 5) Job Levels May Regain 2000 Peak by 2015, 6) Job Projections are

Lower, 7) Continuing Wage Growth Expected in County, 8) County Residents Make a Higher Share of Earnings, 9) County Lags State in Retail Sales as Share of Income,

10) Projected Share of Income Spent on Taxable Retail Sales, and 11) Business-to-Business Sales Per Job Rising.

Member Perry queried about the impact on sales tax projections should housing prices decline. Mr. Levy noted that for the short term, if people see their home equity drop then there is likely to be a pull back on their spending. Lower home prices in Silicon Valley would probably be the best thing we could do for our economy, because the high price of housing is now one of the major barriers for employers.

Member Perry referred to a bill pending in the Assembly that would exempt a portion of business-to-business sale and use tax. He queried if the bill passes, would it decrease the amount of sales tax over the life of the measure. Mr. Levy indicated “yes” and that changes in the tax base and tax laws will impact sales tax to a greater degree than any slight change in the rate of economic growth.

Member Perry asked how much of the overall sales and use tax is for business-to-business. Mr. Levy indicated 30 percent.

Member Perry noted that the assumption that people with jobs within the County, who live within the County, spend more taxable income within the County than people with jobs inside the County, who live outside the County, seems at odds with our ridership estimates, particularly along the I-880 corridor. Mr. Burns indicated that he does not think they are mutually exclusive. He believes that the projections being used are the same sort of base data that feeds into the regional model; so, you are still seeing the demand for trip making in that corridor at the same time you are seeing more people living in the County.

Member Perry queried about the growth rate for population and jobs. Mr. Levy noted that the population growth rate is 1 percent per year and the job growth rate is 1.8 percent. Member Perry queried if that means that people are still living here, but they are not participating in the job market. Mr. Levy indicated that the County lost 200,000 jobs and there was not a huge migration out; so, there was a lot of people who lost jobs who are commuting, but there is an even larger number of people who lost jobs who are still here, who semi-retired or went into kind of self-employment and will come back to the County if there are opportunities.

Member Chu noted that Mr. Levy talked about a conservative projection and a moderate projection and queried about an aggressive projection. Mr. Levy indicated “no” and that in the first year or two that CCSCE did the work for VTA, CCSCE did three projections. Since the VTA uses the average of conservative and moderate, CCSCE dropped the optimistic projection.

Member Chu asked how did the projection compare to the actual for the past two years. Mr. Collins noted that this year’s fiscal budget has a sales tax growth rate of 4.8 percent. At the end of the first quarter, VTA is seeing \$2 million higher than the 4.8 percent

projected. He noted that if you stayed on this path, you would be on the path of something like 5.5 percent. Member Chu queried about the sales tax growth for last year versus the actual. Roger Contreras, Chief Financial Officer, noted that the actual sales tax revenue was \$145 million in FY 2005, and represents a 4.4 percent increase in growth over the previous year.

Member Perry indicated that the population is growing by about a 1 percent per year in model and inflation is 3.5 percent. He queried if the real per capita sales tax growth would be 1.3 percent per year or a little more. Mr. Levy indicated “yes”, but the growth may be a little more than that. He indicated that in this County, wages have always grown faster than inflation; it could be 3.0 or 3.5 percent for the Bay Area, but not much more than that.

Member Perry queried about the schedule of the VTA Board of Directors’ Workshop Meetings. Mr. Burns noted that the schedule of the meetings would be e-mailed to Member Perry.

On order of Chairperson Sandoval, there being no objection, the Committee reviewed and forwarded the Recommended VTA Scenario to the VTA Board of Directors.

OTHER ITEMS (continued)

10. Transit Service Changes

Chairperson Sandoval noted that the Transit Service Changes would be a continual item of discussion at the TP&O Meetings and that a discussion of the Transit Service Evaluation Standards would be held at the February TP&O Meeting.

Bill Capps, Service Planning Manager, provided a PowerPoint presentation on the 2006 Service Change Review, highlighting: 1) Input for Service Changes, 2) Minor Service Changes, 3) Major Service Change Process, 4) Summary of January 2006 Service Changes, 5) Route 87 Single Tracking, 6) Summary of Known July 2006 Service Changes, and 7) Next Steps. Mr. Capps referred to Bus Line 13 contained in the Summary of January 2006 Service Changes and noted that the schedule was changed to address the concerns of idling buses at Almaden Road & Mountain Shadows. He noted that the subject matter would be addressed after the presentation on the 2006 Service Change Review.

Mr. Capps provided a PowerPoint presentation, highlighting: 1) Bus Stop Location Criteria, 2) Line 13 Bus Stop, Almaden and Mountain Shadows, 3) Bus Stop Usage, and 4) Almaden and Mountain Shadows Bus Stop Area.

Mr. Capps reported that VTA received petitions and letters requesting that the Line 13 Bus Stop be removed. He noted that VTA posted flyers asking the public if they had any concerns about the Line 13 Bus Stop. VTA received a petition with 41 signatures requesting that the bus stop be removed. VTA also received eight public comments indicating that they wanted the Line 13 Bus Stop to remain. The comments received were as follows: 1) the Bus Stop is used by the elderly and persons with disabilities, 2) accessibility concerns, and 3) other bus stop locations were too far away.

Mr. Tucker reported that from a staff perspective a decision was made to keep the Line 13 Bus Stop at its current location. He indicated that changes were made to the bus stop, noting that the bus stop was used as a starting point for the route, but it is now just a stop, which would prevent buses from idling at the stop. Mr. Tucker noted that VTA recognized and responded to the feedback received from the owner that is affected by the bus stop, but at the same time, VTA has the issue in terms of meeting the needs of its customers. Mr. Tucker noted that the route is a feeder route and is definitely a route that may fall into the category for possible future implementation as a community bus route, and VTA would be able to provide the service with a smaller vehicle that would probably seem less intrusive to the community.

Chairperson Sandoval referred to the 41 signatures received to have the Line 13 Bus Stop removed and queried if the 41 people used the bus and had an alternative on where to place the bus stop or were these 41 people in the neighborhood who just wanted the bus stop removed. Mr. Capps noted that there were about 28 households within the neighborhood with multiple signatures to have the bus stop removed. He added it is difficult to determine if the persons who signed the petition are actual riders.

Member Perry referred to the Almaden and Mountain Shadows Bus Stop Area slide and queried about the pedestrian crosswalks. Mr. Capps directed attention to the slide showing construction in progress (a center median being built) and noted that at this point there are no crosswalks or signals. Member Perry expressed concern about the non-existence of crosswalks and queried how do people get to the bus stop from the other side. Chairperson Sandoval noted the importance of making sure that there are crosswalks in order for people to be able to access the bus stop.

Chairperson Sandoval referred to Janti Doomany, Interested Citizen, speaking to the Board of Directors during the months of December 2005 and January 2006 regarding the removal of the Line 13 Bus Stop.

Ms. Doomany thanked VTA for looking into the concerns that her household has had with the Line 13 Bus Stop at the corner of Almaden Road and Mountain Shadows. She referred to the presentation given by staff and noted she had two corrections to the presentation. Ms. Doomany indicated that in the letter that she received from Sam Lau, Deputy Director of Operations Planning & Support Services, reflected that only six

people called in to VTA and that the letter received did not contain information regarding the 41 people who wanted the bus stop removed. Ms. Doomany noted that as a parent and resident, she felt that it took six months for their concerns to be heard and to be elevated to the VTA Board of Directors level. She referred to the Line 13 Bus Stop located behind her house, and expressed concern about the affect the bus noise has had on her two and a half year old child.

Chairperson Sandoval referred to the implementation efforts that VTA staff has made in terms of taking away the idling and queried if Ms. Doomany noticed any changes resulting from VTA's modifications. Ms. Doomany noted that even though the bus does not idle, it shakes their house whenever the bus makes a stop and her child wakes up crying and even cries when awake. Chairperson Sandoval queried if Ms. Doomany really noticed a specific change between a bus just idling at the stop and a bus taking off from the stop. Ms. Doomany indicated "no".

Mr. Tucker noted that there has been discussions regarding moving the bus stop back 20 to 25 feet, but VTA may get negative feedback from the homeowner who has a two-story home. He noted that VTA continues to work on resolving the issue.

Upon query of Member Perry, Mr. Tucker noted that the average weekday ridership on the route is about 190 for the month of December 2005.

Member Perry queried about the timeline for getting community busing in the neighborhood. Mr. Tucker indicated that the timeframe would be determined by the Comprehensive Operations Analysis (COA) process, noting that the process could expand up to 18 months.

Mr. Capps reported that the Line 13 bus route generates a number of riders from the local high and junior high schools.

Chairperson Sandoval expressed concern regarding the timeframe of 18 months to complete an analysis on the possible implementation of community busing and queried if the process could be expedited. Mr. Tucker noted that staff could try to expedite the whole process.

Member Chu indicated that the next time the Committee is presented with issues similar to the Line 13 bus stop issue, it would be important to have information on all of the bus lines serving a particular area in question.

Member Perry noted that it makes sense to expedite the study and that it also makes sense to separate the requesting of turning Bus Line 13 into a community bus on an expedited basis.

On order of Chairperson Sandoval, there being no objection, the Transit Service Changes was reviewed.

11. **Committee for Transit Accessibility Unapproved Summary Minutes of January 11, 2006**

On order of Chairperson Sandoval, there being no objection, the Committee for Transit Accessibility Unapproved Summary Minutes of January 11, 2006 was reviewed.

12. **Committee Work Plan**

Chairperson Sandoval directed attention to the revised TP&O Committee Work Plan and noted that she met with Mr. Tucker the week of January 9, 2006 to map out the monthly and quarterly reports.

Member Perry referred to the possibility of returning a share of Transportation Development Act (TDA) funds to cities to run their own shuttles, noting that it may be a way of providing more transit to more people at a lower cost. He requested that the subject matter be listed as a future item.

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

13. **Committee Staff Report**

RIDE Task Force Overview

Mr. Tucker reported that in 2005 the Board of Directors gave staff the approval to work with a coalition made up of labor and business persons to discuss ways on how to increase ridership on VTA's transit system. He noted that four meetings have been held and the meetings have been very productive and well attended. Mr. Tucker reported that the RIDE Task Force recently completed a process of having a facilitated session to get ideas on how to increase ridership and staff is in the process of synthesizing all of the ideas. He indicated that for the March 22, 2006 RIDE Task Force Meeting staff anticipates providing a number of items based upon the feedback received from the RIDE Task Force for their consideration and noted that staff has developed a timeline indicating when the items would be forwarded to the Board of Directors for approval.

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

14. **Chairperson's Report**

(Removed from Other Items and placed at the beginning of the Agenda.)

15. **Determine the Consent Agenda for the February 2, 2006 Board Meeting**

CONSENT: None

REGULAR: None

16. Announcements

There were no Announcements.

17. ADJOURNMENT

On order of Chairperson Sandoval, there being no objection, the meeting was adjourned at 6:59 p.m.

Respectfully submitted,

Tracene Y. Crenshaw, Board Assistant
VTA Board of Directors