



1. CALLED TO ORDER at 5:35 p.m.

Chairperson Chavez **advised** the Board Members that the Revised Agenda was on the dais.

2. ROLL CALL

Board Members Present: Beall (Ex-Officio), Campos, Chavez, Chu, Cortese, Gage, Kennedy, Kerr, Kniss, McLemore (Ex-Officio), Nguyen, Perry, Sandoval, Williams

Board Members Absent: None

Alternate Board Members Present: Matthews, Pinheiro

Alternate Board Members Absent: Kline, McHugh, Yeager

* Alternates do not serve unless participating as a Member.

A quorum was present.

The Agenda was taken out of order.

2.1. ORDERS OF THE DAY (FORMERLY ITEM # 5.)

Chairperson Chavez **changed** the order of the Board Meeting Agenda as follows:

Agenda Item # 5., Orders of the Day renumbered to Agenda Item # 2.1,
Agenda Item # 6., Awards and Commendations renumbered to Agenda Item # 2.2, and
Agenda Item #31., Adopt Resolutions of Necessities for three parcels of land owned by
Blackburn Farms III, L.P., Louis A. Scaglione Jr. and Louis A. Scaglione Jr., et al,
located near Gilroy, for the State Route 152/156 Improvement Project renumbered to
Agenda Item # 2.3.

Chairperson Chavez **advised** the Board of Directors that a Revised Agenda, which reflects and clarifies that Agenda Item #31., Adopt Resolutions of Necessities for three parcels of land owned by Blackburn Farms III, L.P., Louis A. Scaglione Jr. and Louis A. Scaglione Jr., et al, located near Gilroy, for the State Route 152/156 Improvement Project renumbered to Agenda Item # 2.3. has been moved to the beginning of the Agenda to be considered as public hearings. Chairperson Chavez **read** the public hearing into the record:

“Hearings of Notices of Intentions to adopt Resolutions of Necessities and close hearings and adopt Resolutions of Necessities requiring the acquisition of fee and utility easement property interests from three parcels of land owned by Blackburn Farms III, L.P., Louis A. Scaglione Jr. and Louis A. Scaglione Jr., et al, located near Gilroy, for the State Route 152/156 Improvement Project.”

Board Member Gage **requested** that Agenda Item # 36., Accept the findings of the Southern Gateway Transportation and Land Use Study, be deferred to the June 15, 2006 Special Board Meeting due to the length of the meeting and Closed Session.

Chairperson Chavez **recommended** that the Board move forward with the discussion of Agenda Item # 28., Debt Policy and Agenda Item # 29., 2006 Sales Tax Revenue Bonds-secured by 2000 Measure A Sales Tax then at the end of the discussion decide if the Board would forward the items to the June 15, 2006 Special Board Meeting or to a Board Workshop Meeting for consideration.

The Board of Directors **accepted** the Orders of the Day. Board Member Kniss opposed.

2.2. AWARDS AND COMMENDATIONS (FORMERLY ITEM # 6.)

Employees of the Month for June 2006

Chairperson Chavez **presented** awards to Maria Testa, Information Services Representative, River Oaks Administration; and Michael Hoshida, Bus Operator, Chaboya Division Operations as Employees of the Month for June 2006 and Mark Robinson, Engineering Group Manager, as Supervisor of the Quarter for June 2006. David Lasich, General Maintenance Mechanic, River Oaks Facilities Maintenance, was unable to attend.

2.3. HEARINGS – NOTICES OF INTENTION TO ADOPT RESOLUTIONS OF NECESSITIES (FORMERLY ITEM # 31.)

Chairperson Chavez **opened** the Hearings – Notices of Intention to Adopt Resolution of Necessities.

Norman E. Matteoni, representing the Scaglione families, **addressed** the Board of Directors.

Board Member Kennedy took his seat at 6:06 p.m.

The Board of Directors **closed hearings and adopted Resolutions of Necessity Nos. 06.06.12; No. 06.06.13; and No. 06.06.14** determining that the public interest and necessity require the acquisition of fee and utility easement property interests from three parcels of land owned by Blackburn Farms III, L.P., Louis A. Scaglione Jr. and Louis A. Scaglione Jr., et al, located near Gilroy, for the State Route 152/156 Improvement Project.

Property ID/Owner/Assessor's Parcel Number

43002-1, -2 & -3; Blackburn Farms III, L.P.

43006-1 & -2; Louis A. Scaglione, Jr.

43007-1, -2 & -3; Louis A. Scaglione, Jr., et al

3. ADJOURNED TO CLOSED SESSION at 6:18 p.m.

- A.** Anticipated Litigation - Conference with Legal Counsel
Significant exposure to litigation pursuant to Government Code Section: 54956.9 (b):
One case, pertaining to the Workers' Compensation Claim of Martha Meza.
- B.** Anticipated Litigation – Conference with Legal Counsel
Initiation of litigation pursuant to Government Code Section 54946.9(c):
One potential case.
- C.** Conference with Labor Negotiators
[Government Code Section 54957.6]
VTA Designated Representatives:
Roger Contreras, Chief Financial Officer
Bill Lopez, Chief Administrative Officer
Robert Escobar, Manager, Office of Employee Relations
Employee Organization:
Service Employees International Union (SEIU) Local 715
- D.** Conference with Labor Negotiators
[Government Code Section 54957.6]
VTA Designated Representatives:
Roger Contreras, Chief Financial Officer
Bill Lopez, Chief Administrative Officer
Robert Escobar, Manager, Office of Employee Relations
Employee Organization:
Transportation Authority Engineers and Architects (TAEA)
- E.** Public Employee Performance Evaluation
[Government Code Section 54957]
Title: General Counsel
- F.** Conference with Labor Negotiators
[Government Code Section 54957.6(a)]
VTA Designated Representatives:
Dean Chu, Vice Chair, Board of Directors
Don Gage, Director
Madison Nguyen, Director
Unrepresented Employee:
General Counsel

RECONVENED TO OPEN SESSION at 7:50 p.m.

4. CLOSED SESSION REPORT

- A.** Anticipated Litigation - Conference with Legal Counsel

Significant exposure to litigation pursuant to Government Code Section: 54956.9 (b):
One case, pertaining to the Workers' Compensation Claim of Martha Meza.

There was no reportable action taken during Closed Session.

B. Anticipated Litigation – Conference with Legal Counsel

Initiation of litigation pursuant to Government Code Section 54946.9(c):
One potential case.

There was no reportable action taken during Closed Session.

C. Conference with Labor Negotiators
[Government Code Section 54957.6]

VTA Designated Representatives:
Roger Contreras, Chief Financial Officer
Bill Lopez, Chief Administrative Officer
Robert Escobar, Manager, Office of Employee Relations

Employee Organization:
Service Employees International Union (SEIU) Local 715

There was no reportable action taken during Closed Session.

D. Conference with Labor Negotiators
[Government Code Section 54957.6]

VTA Designated Representatives:
Roger Contreras, Chief Financial Officer
Bill Lopez, Chief Administrative Officer
Robert Escobar, Manager, Office of Employee Relations

Employee Organization:
Transportation Authority Engineers and Architects (TAEA)

There was no reportable action taken during Closed Session.

E. Public Employee Performance Evaluation
[Government Code Section 54957]

Title: General Counsel

There was no reportable action taken during Closed Session.

F. Conference with Labor Negotiators
[Government Code Section 54957.6(a)]

VTA Designated Representatives:
Dean Chu, Vice Chair, Board of Directors
Don Gage, Director
Madison Nguyen, Director

Unrepresented Employee:
General Counsel

There was no reportable action taken during Closed Session.

5. ~~ORDERS OF THE DAY~~ (NOW ITEM #2.1)

6. ~~AWARDS AND COMMENDATIONS~~ (NOW ITEM #2.2)

Alternate Board Member Matthew left the meeting at 7:52 p.m.

7. REPORT FROM THE GENERAL MANAGER (Verbal Report)

Michael T. Burns, General Manager, **presented a report**, highlighting: May 17, 2006 River Oaks Pedestrian and Bicycle Bridge Opening Ceremony and May 24, 2006 85/101 North Interchange Project in Mountain View Opening Ceremony.

Chairperson Chavez left her seat at 7:55 p.m.,
Chairperson Chavez relinquished her seat as Chairperson and
Vice Chairperson Chu presided over the meeting.

8. PUBLIC PRESENTATIONS

Tim Ranz, Interested Citizen, **expressed concern and noted** his complaint regarding Line 32. Mr. Ranz **stated** that he waited 24 minutes in front of Line 32 then at 7:00 p.m. the driver opened the door and allowed another individual to enter the bus and immediately closed the doors and drove away.

Chairperson Chavez took her seat at 8:02 p.m.,
Vice Chairperson Chu relinquished his seat as Chairperson
and Chairperson Chavez presided for the remainder of the meeting.

Mr. Ranz **expressed concern and requested** that the driver be brought to the Board Meeting in order to explain his actions. **Expressed appreciation** for the information and **apologized** for the incident.

Chairperson Chavez **directed** staff to speak with Mr. Ranz after the Board Meeting regarding the incident.

Mr. Burns **stated** that Mr. Tucker would speak with Mr. Ranz regarding the incident.

Walter Schinke, Silicon Valley Independent Living Center, **expressed concern** regarding the Community Bus Program and VTA's attempt to bring Paratransit in-house in order to operate Paratransit Services. Mr. Schinke **expressed concern** that VTA and Amalgamated Transit Union (ATU) violated the Brown Act by meeting behind close doors regarding discussion pertaining to the Community Bus Program and Paratransit in-house concept.

Bruce Stevens, VTA Fare Inspector, **requested** that his written letter submitted to the Board of Directors be entered into the June 1, 2006 Minutes and responses be entered into the next Board of Directors Meeting Minutes to initiate a dialogue. Mr. Stevens

requested that VTA employees be involved in the initial setup of the Protective Services Study in order to provide input regarding the needs of the community and employees. **Agreed** to allow Mr. Stevens written letter "In Response to the Response to Concerns Relating to VTA Security" entered into the record.

Mr. Stevens **noted** that Ms. Angel needed to leave due to the time length of the meeting but **requested** that her written letter submitted to the Board of Directors be entered into the June 1, 2006 Minutes. **Agreed** to allow Ms. Angel's letter entered into the June 1, 2006 Minutes and **requested** that a copy of the letter be forwarded to the Board Members.

Jerry Grace, Interested Citizen, **expressed appreciation and support** for Spare the Air Day and noted the positive benefits to the community. Mr. Grace **urged** the Board of Directors to inform the community about the importance to utilize public transportation. Mr. Grace **congratulated and wished** the candidates well on their campaigns for the position as Mayor of San Jose.

9. Policy Advisory Committee (PAC) Chairperson's Report

Steve Glickman, PAC Chairperson, **provided a brief report, highlighting:** 1) PAC received a verbal report from Michael Burns, General Manager. He commented on the increase in bus and light rail ridership, the work of the Project Advisory Committee, and the results of the employee survey. Additionally, Kurt Evans provided a comprehensive overview of the Infrastructure Bond Package; 2) PAC reviewed the Congestion Management Program Financial Audit, FY 2005 and the Proactive Congestion Management Program Reviewed and Approved Projects Quarterly Status Report; 3) PAC reviewed and recommended that the Board approve the FY 2007 Transportation Development Act Article 3 Project Priorities and the FY 2006-07 Congestion Management Work Plan and Budget. In discussing the item, the PAC agreed by consensus to recommend that the county drive-alone rate be included in the next Monitoring and Conformance Report; 4) PAC received a City Transportation Presentation from Palo Alto Vice Mayor Kishimoto of the City and its vision for improving transportation locally and regionally. The top four transportation priorities for Palo Alto include: a) Palo Alto Intermodal Transit Center; b) Palo Alto Shuttle Program, c) Safe Routes to School; and d) Charleston/Arastradero Corridor Project.

CONSENT AGENDA:

Chairperson Chavez **noted** that a public speaker requested that the following items be removed from the Consent Agenda and placed on the Regular Agenda:

Agenda Item # 20., Approve the budget and cost allocation for the Santa Clara Valley Habitat Conservation Plan/Natural Community Conservation Plan and
Agenda Item # 27., Approve the Recommended FY 06-07 Congestion Management Program Work Program and Budget.

Board Member Perry **requested** that the item be removed from the Consent Agenda and placed on the Regular Agenda: Agenda Item #13., Augment the total value of contracts

permitted under the previously approved Transportation Planning and Mass Transit Studies on-call list from \$1,000,000 to \$2,500,000.

The Board of Directors **approved** the Consent Agenda, as amended.

10. **Approved** the Minutes of the Regular Board of Directors' Meeting of May 4, 2006.

ADMINISTRATION AND FINANCE COMMITTEE

11. **Reaffirmed** the Investment Policy on Unrestricted and Restricted Funds.
12. **Ratified** the reappointments of Carl Hagenmaier, City of Los Altos; Bill Manry, City of Monte Sereno; Thomas Muniz, City of Gilroy; Bart Thielges, City of San Jose; Richard Swent, City of Palo Alto; Herman Wadler, City of Campbell; and Jim Stallman, City of Saratoga to the Bicycle and Pedestrian Advisory Committee (BPAC) for the term ending June 30, 2008.
13. **(Removed from the Consent Agenda and placed on the Regular Agenda.)**

Augment the total value of contracts permitted under the previously approved Transportation Planning and Mass Transit Studies on-call list from \$1,000,000 to \$2,500,000.
14. **Adopted** a **Resolution No. 06.06.10** to amend Section 4-28 (b) (3) of the VTA Administrative Code to replace the National Association of Industrial and Office Properties with Building Owners and Managers Association – Silicon Valley as a business and labor group representative on the Citizens Advisory Committee; and, further **amended** Section 3.1 (c) of the Citizens Advisory Committee bylaws to conform to this change.
15. **Ratified** the appointment of Robert Jacobvitz to the Citizens Advisory Committee position representing the Building Owners and Managers Association – Silicon Valley.
16. **Adopted** the Travel & Expense Reimbursement Policy (“Policy”) for all VTA employees, Board Members, and others in the service of VTA.
17. **Authorized** the General Manager to execute separate contracts with Computer Specialists Inc. (CSI) and Systems Services International (SSI) to provide computer system hardware and software support services. The contract with Computer Specialists Inc. will be \$300,000 for the first two years and \$375,000 for two additional one-year options for service, for a total contract value of \$675,000. The contract with Systems Services International will be in the amount of \$235,000 for two years of service.
18. **Adopted** a **Resolution No. 06.06.11** authorizing the General Manager to execute Program Supplements, Fund Exchange and Fund Transfer Agreements with the California Department of Transportation (Caltrans) for federal-aid projects, as required by the Master Agreement pertaining to such Projects entered into between VTA and Caltrans in 1997.

19. **Authorized** the General Manager to execute grants of fee parcels and easements (including utility, maintenance, access and street and highway easements) for 1996 Measure B Highway Program projects, at no cost, to Caltrans, the City of Mountain View, and various utility companies.
20. **(Removed from the Consent Agenda and placed on the Regular Agenda.)**

Approve the budget and cost allocation for the Santa Clara Valley Habitat Conservation Plan/Natural Community Conservation Plan.
21. **Authorized** the General Manager to execute a five-year lease agreement, with year-to-year extensions after that time, with Nextel of California Inc. (dba Nextel Communications) to lease a cellular antennae site from VTA starting at \$2,500 per month with three percent annual increases thereafter.
22. **Authorized** the General Manager to execute all necessary agreements with the City of San Jose, County of Santa Clara and California Department of Transportation (Caltrans) finalizing transfer of properties and establishing long-term maintenance and use of properties and facilities related to the Guadalupe Corridor Project.
23. **Authorized** the General Manager to execute a cooperative agreement with the City of Sunnyvale for the transfer of Federal Transit Administration Federal Fiscal Year 2005 Section 5307 Transit Enhancement funds for the City of Sunnyvale's Frances Street Transit Center Project.

CONGESTION MANAGEMENT PROGRAM AND PLANNING COMMITTEE

24. **Reviewed** the Congestion Management Program Financial Audit, Fiscal Year 2005.
25. **Reviewed** the Proactive CMP Reviewed and Approved Quarterly Status Report for January through March 2006.
26. **Approved** project priorities for the FY 2007 Countywide Transportation Development Act (TDA) Article 3 Program.
27. **(Removed from the Consent Agenda and placed on the Regular Agenda.)**

Approve the Recommended FY 06-07 Congestion Management Program Work Program and Budget.

TRANSIT PLANNING AND OPERATIONS COMMITTEE

There were no items submitted for the Consent Agenda by the Transit Planning and Operations Committee.

The Board of Directors **took** the following actions on the Regular Agenda.

REGULAR AGENDA

13. **Augmented** the total value of contracts permitted under the previously approved Transportation Planning and Mass Transit Studies on-call list from \$1,000,000 to \$2,500,000.

20. **Approved** the budget and cost allocation for the Santa Clara Valley Habitat Conservation Plan/Natural Community Conservation Plan.

Mr. Grace **addressed** the Board of Directors.

27. **Approved** the Recommended FY 06-07 Congestion Management Program Work Program and Budget.

Mr. Grace **addressed** the Board of Directors.

ADMINISTRATION AND FINANCE COMMITTEE CHAIRPERSON'S REPORT – (See Agenda Item # 39.A.)

28. **Deferred** to the June 15, 2006 Special Board Meeting. Board Member Williams opposed.

Tom Fink, Political Director representing Amalgamated Transit Union (ATU) Local 265, **queried** about the Debt Policy and the appropriate purposes for debt issuance. Mr. Fink referenced the Board of Directors authorization to issue \$80 million in bonds to be used for operating expense if needed and **queried** if the policy would allow bonds to be used for the purposes of temporarily sustaining bus and light rail service during a severe downturn in operating revenues. Mr. Fink **urged** the Board of Director to amend the Debt Policy to include a similar scenario to address operating revenue concerns in the future.

Board Member Campos and Ex-Officio Board Member Beall
left the meeting at 9:15 p.m.

Board Member Gage left the meeting at 9:16 p.m.

29. **Deferred** action on Agenda Items # 28. and # 29. to the June 15, 2006 Special Board Meeting and **requested** that staff provide the Board with the requested information before the meeting.

Board Member Kennedy left the meeting at 9:35 p.m.

30. **Received** an update on current status of the Federal Disadvantage Business Enterprise Program (DBE).

31. ~~Resolutions of Necessity determining that the public interest and necessity require the acquisition of fee and utility easement property interests from three parcels of land owned by Blackburn Farms III, L.P., Louis A. Scaglione Jr. and Louis A. Scaglione Jr., et al, located near Gilroy, for the State Route 152/156 Improvement Project. (NOW ITEM # 2.3)~~

CONGESTION MANAGEMENT PROGRAM AND PLANNING COMMITTEE CHAIRPERSON'S REPORT – (See Agenda Item # 39.B.)

32. **Adopted** the Final Report of the Litter Control and Landscape Maintenance Program and its recommendations, including visual standards and initiation of a demonstration project, and formation of an oversight committee.
33. **Reviewed** the Gilroy Community-Based Transportation Plan.

**TRANSIT PLANNING AND OPERATIONS COMMITTEE
CHAIRPERSON'S REPORT – (See Agenda Items # 39.C.)**

34. **Approved** fare adjustments for the Dumbarton Bridge Express Service, effective August 28, 2006 and receive information on minor service changes.

Mr. Grace **addressed** the Board of Directors.
35. **Authorized** the General Manager to amend the current agreement with the County of Santa Clara for law enforcement services provided by the Santa Clara County Sheriff's Department for one additional year (from July 1, 2006 through June 30, 2007) by \$3,237,975 resulting in a total estimated contract value of \$27.24 million.

Board Member Kniss left the meeting at 10:00 p.m.

OTHER ITEMS

36. **(Deferred to the June 15, 2006 Special Board Meeting.)**

Accept the findings of the Southern Gateway Transportation and Land Use Study.
37. **ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION**

There were no Items of Concern and Referral to Administration.
38. **LEGISLATIVE REPORT**

Accepted as contained in the Agenda Packet.
39. **SUMMARY MINUTES FROM STANDING COMMITTEES**
 - A. **Administration and Finance Committee**

Accepted as contained in the Agenda Packet.
 - B. **Congestion Management Program and Planning Committee**

Accepted as contained in the Agenda Packet.
 - C. **Transit Planning and Operations Committee**

Accepted as contained in the Agenda Packet.
40. **REPORTS FROM AD-HOC COMMITTEES**

A. Ridership Initiative to Develop Energy-Efficiency (RIDE) Task Force

Accepted the Ridership Initiative to Develop Energy-Efficiency (RIDE) Task Force Report.

Requested that the RIDE Task Force Report be forwarded to the Board Members.

B. Project Advisory Committee

Accepted the Project Advisory Committee Report.

Vice Chairperson Chu, **provided a brief report, highlighting:** The Project Advisory Committee held two meetings in May. The first meeting held was on May 11, 2006 at the VTA Auditorium in San Jose in attendance were Directors Gage, Sandoval, Williams and himself. The Project Advisory Committee 1) Received a report on questions raised at the prior meeting; 2) Received information overview on the light rail travel times on the system; 3) Received a report presentation on the comparative costs of Earth Pressure Balance Tunnel Boring Machines; 4) Received information on the Downtown East Valley Project and Vasona Extension; 5) Received a report on Bus Rapid Transit (BRT); 6) Received information on the Line 522 Rapid Bus Project; and 7) Received an overview from Hans Larsen, Deputy Director of Transportation, City of San Jose and Dave Moss, Deputy Director of Airport Planning, San Jose Mineta International Airport of the Airport People Mover Project.

Vice Chairperson Chu **advised** that letters from City Representatives in Supervisorial District 4 and from the cities of Gilroy, Morgan Hill, and Milpitas were on the dais regarding identifying priorities for the Measure A Program.

Board Member Sandoval **provided a brief report, highlighting:** The Project Advisory Committee second meeting held on May 25, 2006 in the City of Santa Clara Council Chambers in attendance were Directors Gage, Williams and herself where Director Sandoval was designated Chairperson by consensus. The Project Advisory Committee 1) Received a report on Pavement Management Program; 2) Received information on the Recommended VTA Scenario's 12 percent and 24 percent service increases, and 3) Received information on the BRT.

Vice Chairperson Chu **noted** that the next Project Advisory Committee Meeting will be held in the City of Mountain View Council Chambers at 5:30 PM on June 8, 2006.

41. REPORTS (UNAPPROVED MINUTES) FROM ADVISORY COMMITTEES

A. Committee for Transit Accessibility (CTA)

Accepted as contained in the Agenda Packet.

B. Citizens Advisory Committee (CAC)

Accepted as contained in the Agenda Packet.

C. **Bicycle & Pedestrian Advisory Committee (BPAC)**

Accepted as contained in the Agenda Packet.

D. **Technical Advisory Committee (TAC)**

Accepted as contained in the Agenda Packet.

E. **Policy Advisory Committee (PAC)**

Accepted as contained in the Agenda Packet.

42. **REPORTS FROM JOINT POWERS BOARDS (JPBs) & REGIONAL COMMISSIONS**

Chairperson Chavez **advised** the Board Members that the Reports from the Joint Powers Boards (JPBs) & Regional Commissions were placed in front of them on the dais.

A. **Peninsula Corridor JPB**

B. **Capitol Corridor Intercity Rail Service**

C. **Dumbarton Rail Corridor Policy Committee**

D. **Metropolitan Transportation Commission (MTC)**

43. **REPORTS FROM VTA POLICY ADVISORY BOARDS (PABs)**

A. **Vasona Light Rail PAB**

There was no report from the Vasona Light Rail PAB.

B. **Silicon Valley Rapid Transit Corridor PAB**

Accepted as contained in the Agenda Packet.

C. **Downtown East Valley PAB**

Accepted as contained in the Agenda Packet.

D. **Highway PAB – South**

There was no report from the Highway PAB – South.

E. **I-680 Sunol SMART Carpool Lane Policy Advisory Committee**

There was no report from the I-680 Sunol SMART Carpool Lane Policy Advisory Committee.

44. REPORT FROM THE CHAIRPERSON

There was no Report from the Chairperson.

45. ANNOUNCEMENTS

There were no Announcements.

46. ADJOURNED at 10:05 p.m.