



Date: May 8, 2007
Committee Meeting Date: May 17, 2007
Board Meeting Date: June 7, 2007
ACTION X DISCUSSION INFO

BOARD MEMORANDUM

TO: Administration and Finance Committee
Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: Michael T. Burns
General Manager (with signature)

FROM: Bill Lopez
Chief Administrative Officer (with signature)

SUBJECT: VTA Appointments To SCVTA – ATU Pension Plan Board of Pensions

RECOMMENDATION:

Policy-Related Action: Yes Government Code Section 84308 Applies: No

Adopt the attached resolution designating positions from which VTA’s appointees to the SCVTA – ATU Pension Plan Board of Pensions shall be made, and authorize the General Manager to make those appointments. Additionally, authorize the General Manager to appoint Gerald A. Rosenquist, former Chairperson to the Board of Pensions, as the jointly-selected seventh Pension Board member.

BACKGROUND:

Assembly Bill 1064 became effective 1/1/2004. AB1064 added Section 99159 to the Public Utility Codes to require equal representation from management and labor on certain public transit pension boards and also to specify how deadlocks shall be resolved. VTA and the Amalgamated Transit Union, Local 265 (ATU) were unable to agree as to how the deadlock resolution provisions of Section 99159 should be implemented. ATU representatives to the Pension Plan filed suit in the Superior Court to compel arbitration of the issue. As directed by the Court, the parties engaged in settlement discussions. The parties have now reached a proposed resolution of this matter.

DISCUSSION:

The parties have agreed to amend the Plan to provide for three members and up to two alternate members of the Pension Board to be appointed by VTA. In addition, three members and up to two alternate members are to be appointed by the Amalgamated Transit Union, Local 265 (ATU).

To resolve the issue regarding the implementation of the deadlock resolution procedures required by the legislation (which requires that a neutral party serve as a tie breaker when deadlocks occur), a seventh member is to be jointly appointed by VTA and ATU. VTA and ATU have reached agreement on the appointment of Gerald A. Rosenquist, former Chairperson of the Board of Pensions, as the seventh Pension Board member.

Resolution No. 06.02.01 adopted by the Board on February 2, 2006 specifies that the three members from VTA shall be appointed from among persons at the Manager level and above, with one representative from the Fiscal Resources Division, one from the Administrative Services Division, and one from the Operations Division. This resolution must be amended to address the appointment of the two new VTA appointed alternates to the Pension Board.

To provide flexibility in making appointments to fill vacancies in the VTA positions on the Board as staff changes occur, it is recommended that the General Manager be authorized to designate, from among persons at the Manager level and above, one member from the Fiscal Resources Division, one member from the Administrative Services Division, and one member from the Operations Division as primary members to the Pension Board, and one alternate member from the Fiscal Resources Division and one alternate member from the Administrative Services Division.

ALTERNATIVES:

The alternative is to designate specific VTA positions as the three members and two alternate members, which would necessitate returning to the VTA Board for approval of the appointment of new Pension Board members if any of these positions change in any way.

FISCAL IMPACT:

There is no fiscal impact.

Prepared by: Carol Horner

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
AUTHORIZING THE GENERAL MANAGER TO APPOINT
MEMBERS AND ALTERNATE MEMBERS TO THE
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY –
AMALGAMATED TRANSIT UNION
PENSION PLAN
BOARD OF PENSIONS**

WHEREAS, the Santa Clara Valley Transportation Authority – Amalgamated Transit Union Pension Plan provides that the Plan be administered by a Board of Pensions consisting of three members and two alternate members appointed by VTA, and three members and two alternate members appointed by ATU, and a seventh member jointly selected by VTA and ATU; and

WHEREAS, the Board of Directors has heretofore authorized and directed the General Manager to designate one representative each from among persons at the Manager level and above from the Administrative Services Division, the Fiscal Resources Division, and the Operations Division, as the VTA appointees to the Board of Pensions, and to designate one alternate member from among persons at the Manager level and above from the Fiscal Resources Division;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Transportation Authority, that:

The General Manager is hereby authorized and directed to designate, from among persons at the Manager level and above, one member from the Fiscal Resources Division, one member from the Administrative Services Division, and one member from the Operations Division; and

BE IT FURTHER RESOLVED, that the General Manager is hereby authorized and directed to designate, from among persons at the Manager level and above, one alternate member from the Fiscal Resources Division and one alternate member from the Administrative Services Division; and

BE IT FURTHER RESOLVED, that the General Manager is hereby authorized and directed to appoint Gerald A. Rosenquist as the seventh member of the Board of Pensions.

PASSED AND ADOPTED by the Santa Clara Valley Transportation Authority Board of Directors on June 7, 2007, by the following vote:

AYES:

NOES:

ABSENT:

Dean J. Chu, Chairperson
Board of Directors

I HEREBY CERTIFY AND ATTEST that the foregoing resolution was duly and regularly introduced, passed and adopted by the vote of a majority of the Board of Directors of the Santa Clara Valley Transportation Authority, California, at a meeting of said Board of Directors on the date indicated, as set forth above.

Date: _____

MARIA MARINOS, Secretary
Board of Directors

APPROVED AS TO FORM:

Counsel