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1. **CALLED TO ORDER at 5:40 p.m.**

2. **ROLL CALL**

**Board Members Present:** Campos, Chu, Cortese, Kerr, Liccardo, Macias, Reed, Sandoval, Sellers, Williams, and Yeager

**Board Members Absent:** Kniss

**Alternate Board Members Present:** McHugh, Velasco

**Alternate Board Members Absent:** Caserta, Chirco, King

**Ex-Officio Board Members Present:** None

**Ex-Officio Board Members Absent:** None

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

**A quorum was present.**

3. **ORDERS OF THE DAY**

Chairperson Chu **requested** that the following Agenda Items be heard as one item: **Agenda Item #22.**, VTA Financial Update, **Agenda Item #23.**, Governance and Organizational Transformation Support and **Agenda Item #33.X.**, Conference with Legal Counsel on existing litigation, Armando Reveles v. Santa Clara Valley Transportation Authority to be included in Closed Session.

Alternate Board Member McHugh **requested** that the following Agenda Items be deferred to the Thursday, October 4, 2007 Board of Directors meeting: **Agenda Item #27.A.**, Request for Pilot of Reduced Monthly Pass Fare for Milpitas School Students; **Agenda Item #27.B.**, Free Transportation for Youth Under 18; and **Agenda Item #27.C.**, "Zero Fare Program" Report.

Chairperson Chu **announced** that Santa Clara County Supervisor Ken Yeager has been appointed as a voting member of the Board of Directors.

Chairperson Chu **read** a letter from Director Kniss expressing concern with **Agenda Item #23.**, Governance and Organizational Transformation Support and **Agenda Item #24.**, Adopt the Revised Bus Service Operating Plan for Implementation in January 2008. Director Kniss **suggested deferring** **Agenda Item #24.**, to a future meeting.

**M/S/C (Liccardo/Campos) to accept the Orders of the Day.**

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

**4. AWARDS AND COMMENDATIONS**

**Employees of the Month for September 2007**

**Recognized and presented awards** to the following recipients: Kermit Cuff, Transit Service Development Specialist III, River Oaks Administration; Tom Matthews, Light Rail Operator, Guadalupe Operations; and Ubaldo Castillo, Transit Mechanic, Chaboya Maintenance, as Employees of the Month for September 2007.

**5. Policy Advisory Committee (PAC) Chairperson's Report**

Christopher Moylan, Policy Advisory Committee (PAC) Chairperson, **provided** a report highlighting:

- Received quarterly update from VTA's General Manager Michael Burns.
- Recommended that the VTA Board of Directors approve the Community Design & Transportation Capital Grants Program. The motion passed unanimously. Several PAC members noted that they do not believe it should be VTA's normal policy to borrow against future revenues.
- Received presentation on the Comprehensive Operations Analysis (COA) Revised Bus Service Operating Plan. The PAC considered the following motions:
  - To forward the following recommendations to the VTA Board for consideration: 1) VTA will work closely with communities in designing Community Bus Programs and 2) Create reserve funds to allow for flexibility in the COA. The motion passed unanimously.
  - To recommend that the Board set aside funding to allow for flexibility for community concerns for future iterations of the COA. The motion passed unanimously.
  - To recommend that the VTA Board prioritize activity centers, including community centers, senior centers, schools, transit centers and affordable housing. The motion passed unanimously.
  - To recommend that VTA provide a city-by-city impact report at the discretion of each city. The motion passed on a vote of 10 Ayes to 1 Noe to 0 Abstentions.

- To recommend that the VTA Board approve the COA Revised Bus Service Operating Plan. The motion failed on a vote of 5 Ayes to 6 Noes to 0 Abstentions.
- To recommend that the VTA Board approve the COA Revised Bus Service Operating Plan noting that specific modifications must be considered. The motion failed on a vote of 5 Ayes to 6 Noes to 0 Abstentions.
- To recommend that the VTA Board postpone adopting the COA to allow time to implement changes. The motion failed on a vote of 6 Ayes to 5 Noes to 0 Abstentions.

**6. REPORT FROM THE GENERAL MANAGER**

Michael T. Burns, General Manager, **reported** that: 1) VTA ridership increased in July 2007 by 3.5 percent overall; Light Rail ridership increased approximately 7.9 percent with average weekday boardings of 38,200; bus remains stagnant, weekday boardings down 1.4 percent; 2) VTA attended the High Speed Rail public meeting and provided input; 3) The Measure B Program event celebrating the opening of High Occupancy Vehicles (HOV) Lanes on Highway 87 was held Wednesday, August 15, 2007; 4) Progress on the transit portion of the Measure B Program continues and contract awards are expected for the California Avenue and Palo Alto Station modifications programs; 5) VTA's request for state legislation carried by Senator Alquist to allow VTA to seek a 1/8 cent sales tax from the voters is progressing through the legislative process; 6) On August 29, 2007 the Joint Legislative Legislative Audit Committee voted to perform an audit of VTA at the request of Assemblymember Sally Lieber; and 7) The California State Budget was approved and discussed its fiscal impact on VTA.

**7. REPORT FROM THE CHAIRPERSON**

Chairperson Chu **provided** a report, highlighting: 1) Formation of the Audit Committee and the appointment of Director Cortese as Chairperson; and 2) Appointment of Director Yeager as VTA representative to the BART Warm Springs Extension Project Policy Advisory Committee. Director Yeager will serve as Chairperson to the committee.

**8. PUBLIC PRESENTATIONS**

Richard Grven, Interested Citizen, **expressed concern** regarding Disability Services.

Alysson Mc Donald, Sunnyhills Neighborhood Association, **expressed support** for reduced monthly pass fares for Milpitas students.

Mary-Ellen White-Vondron, Interested Citizen, **expressed support** for the Silicon Valley Rapid Transit Corridor- BART (SVRTC) Extension.

John Carlson and John Rolland, representing the American Federation of State, County, and Municipal Employees (AFSCME), **expressed appreciation** to VTA on reaching a tentative agreement.

Eugene Bradley, Santa Clara Valley Transportation Authority Riders Union, **expressed concern** regarding the California state budget in regards to transportation.

James Wightman, Interested Citizen, **expressed concern** regarding bus routing changes.

## **CONSENT AGENDA**

Chairperson Chu **noted** that at the request of a public speaker, the following Agenda Item was removed from the Consent Agenda and placed on the Regular Agenda: **Agenda Item #10.**, Negotiated Compensation for General Manager.

M/S/C (McHugh/Williams) to **approve** the Consent Agenda, as amended.

9. M/S/C (McHugh/Williams) to **approve** the Minutes of the Regular Board of Directors' Meeting of August 2, 2007.
10. **(Removed from the Consent Agenda and placed on the Regular Agenda.)**

Approve the recommendation of the Board Negotiating Committee to revise the General Manager's compensation over a two-year period; and amend the Money Purchase Pension Plan for the General Manager to reflect the change in contributions on behalf of the General Manager.

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| <b>ADMINISTRATION AND FINANCE COMMITTEE</b> |
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11. M/S/C (McHugh/Williams) to **authorize** the General Manager to amend the Route 87 (North) High Occupancy Vehicle (HOV) construction contract with RGW Construction by an amount of \$1,250,000 for a new contract amount of up to \$28,972,178, and **authorize** an adjustment to the current Highway Program Capital Budget appropriation for fiscal year 2008.

12. M/S/C (McHugh/Williams) to **authorize** the General Manager to: 1) **Amend** the contract with Nolte Associates to perform additional traffic studies and prepare final design plans for the Carlo Street ramp conversion improvements as part of the Calaveras Boulevard Widening Project, increasing the approved contract value by \$138,700 for a new total contract value of \$461,693; and 2) **Extend** the term of the contract through December 31, 2008; and 3) **Authorize** the General Manager to execute an amendment to the cooperative agreement with the City of Milpitas for project funding.
13. M/S/C (McHugh/Williams) to **authorize** staff to submit an application for \$480,000 in §5339 funds (SAFETEA-LU) for the preparation of the Santa Clara Valley Transportation Authority Bus Rapid Transit Strategic Plan; and if successful in obtaining funds, **authorize** the General Manager to enter into all necessary agreements with the Federal Transit Administration (FTA) to accept the grant.
14. M/S/C (McHugh/Williams) to **authorize** the General Manager to execute a five-year lease agreement, with an option for year-to-year extensions after the original lease term, with T-Mobile USA, Inc. (dba Omnipoint Communications, Inc.) for placement of wireless telecommunications equipment and co-location antenna on VTA property, at a rate of \$2,500 a month with 3 percent annual increases thereafter.

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| <b>CONGESTION MANAGEMENT PROGRAM AND PLANNING COMMITTEE</b> |
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15. M/S/C (McHugh/Williams) to **review** the Programmed Projects Quarterly Monitoring Report Summary for FY 06/07.
16. M/S/C (McHugh/Williams) to **review** the Proactive CMP Reviewed and Approved Projects Quarterly Status Report April 2007 through June 2007.
17. M/S/C (McHugh/Williams) to **approve** the programming of \$48,101 in Transportation Fund for Clean Air Program Manager (TFCA 40%) funds to Segment 2 of Morgan Hill's Little Llagas Creek Trail.
18. M/S/C (McHugh/Williams) to **approve** the programming of \$3,430,612 in Community Design & Transportation Program Capital Grants to projects.

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| <b>TRANSIT PLANNING AND OPERATIONS COMMITTEE</b> |
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There are no items submitted for the Consent Agenda by the Transit Planning and Operations Committee.

**The Agenda was taken Out of Order.**

**REGULAR AGENDA**

10. M/S/C (McHugh/Williams) to **approve** the recommendation of the Board Negotiating Committee to revise the General Manager's compensation over a two-year period; and amend the Money Purchase Pension Plan for the General Manager to reflect the change in contributions on behalf of the General Manager.

Eugene Bradley, VTA Riders Union, **addressed** the Board of Directors.  
Scott Irby, Interested Citizen, **addressed** the Board of Directors.

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| <b>ADMINISTRATION AND FINANCE COMMITTEE<br/>CHAIRPERSON'S REPORT – (See Agenda Item #29.A.)</b> |
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19. M/S/C (McHugh/Williams) to **adopt Resolution No. 07.08.16**: 1) Determining there is a significant public benefit in the acquisition, by the Peninsula Corridor Joint Powers Board (PCJPB), of eight passenger bi-level railcars (railcars) to enhance its service levels; and, 2) Approving the issuance of the PCJPB 2007 Series A Farebox Revenue Bonds, the proceeds of which will be used to purchase railcars and refund outstanding 1999 Farebox Revenue Bonds.

Board Member Reed left his seat at 6:34 p.m. noting his recusal from Item #20 per Government Code Section 84308

20. M/S/C (Williams/Kerr) on a vote of 11 Ayes to 0 Noes, 0 Abstentions, and 1 Recusal to **adopt a Resolution No. 07.08.17**: authorizing the General Manager or his designee to take all necessary actions to offer, via negotiated sale, up to \$140,000,000 of 2000 Measure A Sales Tax Revenue Refunding Bonds, 2007 Series A (2007 Refunding Bonds) to refund \$137,800,000 aggregate principal amount of VTA's 2000 Measure A Sales Tax Revenue Bonds, 2006 Series F and Series G (2006 Series F and G Bonds) and to pay the costs of issuance. (Board Member Reed recused per Government Section Code 84308.)

Board Member Reed took his seat at 6:41 p.m.

21. M/S/C (Kerr/Sandoval) to: 1) Reaffirm the Board's vote at their August 2, 2007 meeting that VTA PAC quorum shall now be defined as a majority of the total appointed positions or seven, whichever is greater, and amend the PAC bylaws and, if necessary, the VTA Administrative Code accordingly; and 2) Amend VTA Administrative Code to provide for an exemption to allow for action to be approved by a simple majority of any quorum present for non-advisory actions, such as administrative matters.

M/S/C (Kerr/Sandoval) on a vote of 7 Ayes to 5 Noes to 0 Abstentions to amend the PAC bylaws and, if necessary the VTA Administrative Code to provide for an exemption

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to allow for action to be approved by a simple majority of any quorum present for advisory recommendation, so long as each recommendation made contains the following prefatory language that is prominently displayed on the meeting minutes and the staff report, and verbally stated as part of the report and as part of the PAC Chairperson's monthly report to the Board:

*"The following minority recommendation was the result of a vote taken at the PAC with less than a quorum of members as defined by VTA. The actual number of members casting votes on this issue was\_\_and the final vote was\_\_."* Members Liccardo, McHugh, Reed, Williams and Yeager opposed.

**TRANSIT PLANNING AND OPERATIONS COMMITTEE  
CHAIRPERSON'S REPORT – (See Agenda Item #29.C.)**

24. M/S/C (Sandoval/Cortese) to **adopt** the revised Bus Service Operating Plan for implementation in January 2008; and further that VTA staff be directed to meet with Palo Alto City representatives during the fall and return to TP&O with a recommendation for all transit services in Palo Alto by December 2007.

The following citizens **addressed** the Board of Directors:

Kathy Bonilla, Interested Citizen  
Eugene Bradley, Santa Clara Valley Transportation Authority Riders Union  
Andy Chow, San Jose State University (SJSU) Transportation Solutions  
Sparky Cohen, Interested Citizen  
Penny Ellson, Palo Alto Parent Teacher's Association Council Traffic Safety Committee  
Steve Emslie, Palo Alto Planning Director  
Christine Fawcett, Gunn High School  
Kelly Ferguson, Mayor of Menlo Park California  
William J. Garbeit, Interested Citizen  
Jerry Grace, Interested Citizen  
Ed Hughot, Menlo Park Resident  
Arthur Keller, Palo Alto Planning and Transportation Committee Member  
Yoriko Kishimoto, City of Palo Alto Mayor  
Michael Ludwig, Interested Citizen  
Lupe Medrano, Disabled Students of DeAnza College  
Barb Mitchell, Palo Alto Unified School District  
S. Morest, Interested Citizen  
Dena Mossar, Palo Alto City Council  
Nick Perry, Foothill College  
Jim Stallman, Interested Citizen  
Laura Stuchinsky, Silicon Valley Leadership Group  
Stephen Wolgast, Interested Citizen  
Jim Fink, Interested Citizen

Board Member Reed left his seat at 9:50 p.m. noting his recusal from Items #22 and #23 per Government Section Code 84308.

22. **M/S/C (Cortese/Yeager)** on a vote of 11 Ayes to 0 Noes to 0 Abstentions, and 1 Recusal to **receive** VTA's Financial Update. (Board Member Reed recused per Government Section Code 84308.)
23. **M/S/C (Cortese/Yeager)** on a vote of 11 Ayes to 0 Noes, 0 Abstentions, and 1 Recusal to **authorize** the General Manager to negotiate and execute a contract amendment with Karen Antion Consulting, LLC (KAC), increasing the contract value by \$350,000 to provide professional services in support of the implementation of recommendations contained in the Organizational and Financial Assessment of the Santa Clara Valley Transportation Authority, for a total contract value of \$500,000, and extending the term of the contract through June 30, 2008. (Board Member Reed recused per Government Section Code 84308.)

Board Member Reed took his seat at 10:13 p.m.

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| <b>CONGESTION MANAGEMENT PROGRAM AND PLANNING COMMITTEE<br/>CHAIRPERSON'S REPORT – (See Agenda Item #29.B.)</b> |
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There were no items submitted for the Regular Agenda by the Congestion Management Program and Planning Committee.

## **OTHER ITEMS**

25. **M/S/C (Williams/Cortese)** to **adopt** a support position for AB 1077 (Lieber).  
Doug McNea, Silicon Valley Taxpayer's Association, **addressed** the Board of Directors.
26. **M/S/C (Sellers/Cortese)** to **authorize** the General Manager to approve the terms and conditions of a labor agreement between VTA and the American Federation of State, County, and Municipal Employees (AFSCME).
27. **ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION**
- A. (Deferred)

Receive a Report on Request for Pilot of Reduced Monthly Pass Fare for Milpitas School Students.

**B. (Deferred)**

Receive a Report on Free Transportation for Youth Under 18.

**C. (Deferred)**

Receive a Report on “Zero Fare Program” Report.

**28. MONTHLY LEGISLATIVE HISTORY MATRIX**

Accepted Monthly Legislative History Matrix as contained in the Agenda Packet.

**29. SUMMARY MINUTES FROM STANDING COMMITTEES**

**A. Administration and Finance Committee**

Accepted the August 16, 2007 Summary Minutes as contained in the Agenda packet.

**B. Congestion Management Program and Planning**

Accepted the August 16, 2007 Summary Minutes as contained in the Agenda packet.

**C. Transit Planning and Operations Committee**

Accepted the August 15, 2007 Summary Minutes as contained in the Agenda packet.

**30. REPORTS (UNAPPROVED MINUTES) FROM ADVISORY COMMITTEES**

**A. Committee for Transit Accessibility (CTA)**

Accepted the August 8, 2007 Minutes as contained in the Agenda packet.

**B. Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC)**

Accepted the August 8, 2007 Minutes as contained in the Agenda packet.

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

Accepted the August 8, 2007 Minutes as contained in the Agenda packet.

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

Accepted the August 9, 2007 Summary Minutes as contained in the Agenda packet.

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

Accepted the August 9, 2007 Minutes as contained in the Agenda packet.

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

Chairperson Chu **advised** the Board of Directors that there were no Reports from the Joint Powers Boards (JPBs) & Regional Commissions.

**A. Peninsula Corridor JPB**

**B. Capitol Corridor JPB**

**C. Dumbarton Rail Corridor Policy Committee**

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

**32. 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 the August 22, 2007 Notice of Cancellation as contained in the Agenda packet.

**C. Downtown East Valley PAB**

There was no report from the Downtown East Valley PAB.

**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.

**33. ADJOURNED TO CLOSED SESSION at 10:20 p.m.**

Conference with Real Property Negotiator  
[Government Code 54956.8]

Property: Block bounded by North First Street, North Market Street, Santa Clara Street and West St. John Street located in downtown San Jose.

Negotiators for VTA: Jerry Mikolajczyk, Chief Financial Officer  
Roberta Notrangelo, Manager of Real Estate

Negotiating parties: The Mitchell Family, Owners, acting through an exclusive listing by CB Richard Ellis.

Under negotiation: Price and terms of payment.

**33.X.** Existing Litigation - Conference with Legal Counsel  
[Government Code Section 54956.9(a)]

Name of Case: Armando Reveles v. Santa Clara Valley Transportation Authority  
Superior Court Case No. 107CV082231

**RECONVENED TO OPEN SESSION at 10:34 p.m.**

**34. CLOSED SESSION REPORT**

Conference with Real Property Negotiator  
[Government Code 54956.8]

Property: Block bounded by North First Street, North Market Street, Santa Clara Street and West St. John Street located in downtown San Jose.

Negotiators for VTA: Jerry Mikolajczyk, Chief Financial Officer  
Roberta Notrangelo, Manager of Real Estate

Negotiating parties: The Mitchell Family, Owners, acting through an exclusive listing by CB Richard Ellis.

Under negotiation: Price and terms of payment.

Suzanne Gifford, General Counsel, **noted** there was no reportable action taken during Closed Session.

**33.X.** Existing Litigation - Conference with Legal Counsel  
[Government Code Section 54956.9(a)]

Name of Case: Armando Reveles v. Santa Clara Valley Transportation Authority  
Superior Court Case No. 107CV082231

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Suzanne Gifford, General Counsel, **noted** there was no reportable action taken during Closed Session.

**35. ANNOUNCEMENTS**

There were no Announcements.

**36. ADJOURNED at 10:34 p.m.**