

CALLED TO ORDER at 5:33 p.m.

1. ROLL CALL

Board Members Present: Campos, Casas, Caserta, Gage, Kishimoto, Kniss, Liccardo, Pyle, Reed, Sandoval, Sellers, Williams

Board Members Absent: None

Alternate Board Members Present: Livengood, McHugh, Moylan

Alternate Board Members Absent: Cortese, King

Ex-Officio Board Member Present: Chu, Yeager

Ex-Officio Board Member Absent: None

* Alternates do not serve unless participating as a Member.

A quorum was present.

2. ADJOURNED TO CLOSED SESSION at 5:36 p.m.

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

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

Employee Organization:
Amalgamated Transit Union (ATU)

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

Charisma Ladiwala v. Santa Clara Valley Transportation Authority
(Santa Clara Superior Court No. 107CV087231)

C. Conference with Real Property Negotiators
[Government Code Section 54956.8]

Property: 5.25 acre parcel owned by VTA near the intersection of West San Carlos and Sunol Streets, San Jose, CA

Negotiators for VTA: John Ristow, Chief CMA Officer; Kevin D. Allmand, Acting General Counsel

Negotiators for Green Republic, LLC: Michael Van Every, Republic Urban Properties LLC; Stephen R. Ledoux, Esq.

Under negotiation: Price and terms of payment for sale of Property

RECONVENED TO OPEN SESSION at 6:34 p.m.

Chairperson Kniss **noted** the recusal of herself and Board Member Caserta for the following item per Government Code Section 84308: **Agenda Item 25.**, Approve the agreement with Green Republic, LLC for sale of the property described as the West San Carlos Joint Development Project site according to the terms outlined in the memorandum and included in the agreement.

Chairperson Kniss **encouraged** the Board of Directors to review **Agenda Item #25. Attachment C.**, Contractor Firm list to determine if they are able to participate or need to recuse per Government Code Section 84308.

Vice Chairperson Sandoval **stated** that she will preside over **Agenda Item #25.** and allow each member of the public one minute to present their comments on the item.

3. CLOSED SESSION REPORT

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

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

Employee Organization:
Amalgamated Transit Union (ATU)

There was no reportable action taken during Closed Session.

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70 West Hedding Street
San Jose, CA

- B.** Existing Litigation - Conference with Legal Counsel
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Under negotiation: Price and terms of payment for sale of Property

There was no reportable action taken during Closed Session.

4. ORDERS OF THE DAY

Chairperson Kniss **noted** staff's request to continue the following agenda item to the June 5, 2008 Board of Directors Regular Meeting: **Agenda Item #24.**, Hearing - Notice of Intention to Adopt a Resolution of Necessity determining that the public interest and necessity require the acquisition of property interests from one parcel for the Freight Railroad Relocation Project - B2607 (APN 519-1010-027-03) owned by Heirs of Theodore T. Silveria; Albert A. Silveria; Frank and Emilia F. Serpa.

Chairperson Kniss **noted** staff's request to continue the following agenda item to the May 15, 2008 Administration and Finance Committee Meeting: **Agenda Item #28.**, Adopt a resolution calling for a special election on November 4, 2008 to submit to the voters an advisory measure regarding the comprehensive transit program identified in Valley Transportation Plan 2035 scheduled for adoption on November 6, 2008 or amended thereafter.

M/S/C (Gage/Caserta) to accept the Orders of the Day.

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

5. AWARDS AND COMMENDATIONS

Employees of the Month for May 2008

Chairperson Kniss **recognized** Ephraim Cadaing, Management Analyst, River Oaks Administration; and Anita Jacobson, Coach Operator, North Division as Employees of the Month for May 2008. Salvador Gonzales, Transit Mechanic, North Division was unable to attend.

6. REPORT FROM THE GENERAL MANAGER

Michael T. Burns, General Manager, **provided** a report noting the following:

- Transportation Security Administration General Manager presented VTA with a plaque of recognition for diligent work in the security and operations area;
- March 2008 overall ridership increased by 3.8 percent with weekday bus and light rail ridership compared to March 2007;
- VTA will participate in the Bike to Work Day scheduled on May 15, 2008 at the Great Mall and Downtown Mountain View Stations;
- Adding additional service to Line 168 Gilroy to San Jose Express Bus to accommodate for ridership increases; and
- Advancing the replacement work for the track curves at the Downtown Transit Mall.

7. REPORT FROM THE CHAIRPERSON

A. Appoint Board Audit Committee Appointments

M/S/C (Caserta/Campos) to **appoint** Directors Casas, Pyle, and Sandoval to the Board Audit Committee.

B. Appoint General Counsel Search Committee

M/S/C (Caserta/Campos) to **appoint** Directors Kniss, Liccardo, and Sandoval to the General Counsel Search Committee.

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

Chris Moylan, Board Alternate and Policy Advisory Committee (PAC) Chairperson, **provided** a report regarding the PAC Meeting on April 10, 2008 highlighting the following: 1) Discussed VTA's Vision and Mission Statements; 2) Approved the FY 2008/09 Transportation Fund for Clean Air Program Manager Fund; 3) Approved the additional funding for FY 07/08 Congestion Mitigation & Air Quality (CMAQ) Improvement Program Projects; and 4) PAC suggested three changes to the proposed VTA Governance recommendation.

Mr. Moylan **reported** that the PAC recommended a Board directly elected from Countywide. Mr. Moylan urged the Board to solicit input from the PAC Committee regarding the proposed VTA Governance recommendation.

Mark Brodsky, Former Mayor of Monte Sereno, **expressed concern** on the current BART Extension Project and urged the Board of Directors to go back to the drawing board to consider alternatives.

Eugene Bradley, SCVTA Riders Union, **stressed the importance** of evacuation signage on VTA's light rail system in the event of an emergency.

Board Member Sellers **recused** himself for the following item per Government Code Section 84308: **Agenda Item 19.**, Approve the staff recommendations on Seven Key Policy Areas of the Habitat Conservation Plan/Natural Community Conservation Planning for submittal to the Liaison Group for consideration.

Ross Signorino, Interested Citizen, **expressed concern** and suggested that VTA distribute a memorandum to all employees banning the usage of cell phones while operating VTA vehicles.

CONSENT AGENDA

9. Minutes of April 3, 2008

M/S/C (Gage/Caserta) to **approve** the Minutes of the Regular Board of Directors' Meeting of April 3, 2008.

10. VTA Transformation Program Progress Report

M/S/C (Gage/Caserta) to **receive** the VTA Transformation Program Progress Report.

11. Support Position for AB 1756 (Caballero)

M/S/C (Gage/Caserta) to **adopt** a support position for AB 1756 (Caballero), which requires the Business, Transportation and Housing Agency to establish the "Office of Local Public-Private Partnerships" to inform local agencies and other interested stakeholders regarding the role that public-private partnerships could play in financing, constructing and/or operating fee-producing local infrastructure projects.

12. Support Position for AB 3034 (Galgiani)

M/S/C (Gage/Caserta) to **adopt** a support position for AB 3034 (Galgiani), which revises provisions in the existing Safe, Reliable, High-Speed Passenger Train Bond Act for the 21st Century to be submitted to the voters of California on November 4, 2008. Specifically, this bill: (a) amends and expands the descriptions of the route segments for the proposed high-speed train system; (b) makes \$9 billion in bond proceeds available for the entire 800-mile high-speed train route, rather than for just certain segments; (c) limits the amount of bond funds that could be spent on preconstruction activities; (d) requires detailed funding plans for each high-speed train system segment; and (e) establishes priorities and financial criteria for selecting construction segments.

13. Support Position for AB 1815 (Feuer)

M/S/C (Gage/Caserta) to **adopt** a support position for AB 1815 (Feuer), which calls for creating a 14-member California Transportation Infrastructure Funding Task Force to develop a report for the Governor and Legislature on alternatives to the current system of funding transportation infrastructure in the state by taxing road users through per-gallon fuel taxes.

14. Support Position for AB 2650 (Carter)

M/S/C (Gage/Caserta) to **adopt** a support position for AB 2650 (Carter), which permits Caltrans to continue to participate in a federal pilot program that allows certain states to assume the responsibilities of the Federal Highway Administration (FHWA) under the National Environmental Policy Act (NEPA) for a limited period of time to see if this approach would speed up the delivery of capital improvement projects on state highways without a lessening of environmental protection. Specifically, AB 2650 extends provisions in existing law that authorize Caltrans to consent to the jurisdiction of the federal courts with regard to the assumption of FHWA's responsibilities under NEPA and that waive the state's Eleventh Amendment protection against lawsuits brought in federal court for as long as Caltrans participates in the pilot program.

15. 2008/2009 Annual Renewal of Operations Property and Casualty Insurance Coverage

M/S/C (Gage/Caserta) to **authorize** the General Manager to purchase insurance coverage for Excess Liability, General and Auto Liability, Public Officials' Errors and Omissions Liability, Property/Boiler and Machinery, Inland Marine for Buses, Vans and Mobile Equipment, Inland Marine for Light Rail Vehicles, and Flood exposures for the annual Operations Program insurance renewal for an amount not to exceed \$1,831,000.

16. 2000 Measure A Program Financial Report, Fiscal Year 2007

M/S/C (Gage/Caserta) to **review and accept** the 2000 Measure A Program Financial Report for Fiscal Year 2007 (FY2007).

17. Palo Alto Train Depot Caffè del Doge Lease

M/S/C (Gage/Caserta) to **authorize** the General Manager to execute a sub-sublease (Lease) with Caffè del Doge Venezia, Inc. (Caffè) to provide a retail café operation within the Palo Alto Train Depot. Caffè will pay VTA a base rent of \$1,500 per month for the approximate area of 1,289 square feet commencing with the seventh month of retail operation. The Lease will terminate when VTA's sublease with the City of Palo Alto expires on June 30, 2013; and further, authorize the General Manager to execute a Consent Letter whereby Stanford consents to the lease between VTA and Caffè.

18. FY 08/09 Transportation Fund for Clean Air Program Manager Fund

M/S/C (Gage/Caserta) to **approve** the programming of FY 2008/09 Transportation Fund for Clean Air Program Manager (TFCA 40%) funds to projects.

19. Santa Clara Valley Habitat Conservation Plan/Natural Community Conservation Planning – Seven Key Policy Areas

M/S/C (Gage/Caserta) on a vote of 11 Ayes to 0 Noes to 0 Abstentions to 1 Recusal to **approve** the staff recommendations on Seven Key Policy Areas of the Habitat Conservation Plan/Natural Community Conservation Planning for submittal to the Liaison Group for consideration. Board Member Sellers recused.

20. Contract Award for Bus Stop Pavement and Transit Center Improvements FY 08

M/S/C (Gage/Caserta) to **authorize** the General Manager to execute a contract with J.J.R Construction, Inc., the lowest responsible bidder, in an amount of \$379,656 for the construction of the Bus Stop Pavement and Transit Center Improvements FY08 Project. This contract is 80 percent federally funded.

21. North Coach Division Fuel System Addition Project Construction Contract Award

M/S/C (Gage/Caserta) to **authorize** the General Manager to execute a contract with Balch Petroleum, the lowest responsible bidder, in the amount of \$549,850 for construction of the North Coach Division Fuel System Addition Project. This contract is 100 percent locally funded.

22. Federal Fiscal Year 2008 Federal Transit Administration Grant Applications

M/S/C (Gage/Caserta) to **authorize** the General Manager to submit federal Fiscal Year 2008 grant applications and execute grant agreements with the Federal Transit Administration (FTA) for Section 5307 Urbanized Area Formula, Section 5309 Fixed Guideway, and Section 5339 Alternatives Analysis funds.

23. FY 2008 – 2009 Transportation Development Act and State Transit Assistance Allocation Claim

M/S/C (Gage/Caserta) to **adopt Resolution No. 08.05.14** authorizing the filing of an annual claim to the Metropolitan Transportation Commission (MTC) for allocation of FY 2008-2009 Transportation Development Act (TDA) and State Transit Assistance (STA) funds.

REGULAR AGENDA

24. (Continued to the June 5, 2008 Board of Directors Regular Meeting.)

Close Hearing and adopt a Resolution of Necessity determining that the public interest and necessity require the acquisition of property interests from one parcel for the Freight Railroad Relocation Project.

Property ID/Assessor's Parcel Number/Owner

B2607 (APN 519-1010-027-03) owned by Heirs of Theodore T. Silveria; Albert A. Silveria; Frank and Emilia F. Serpa

Chairperson Kniss relinquished her seat at 7:00 p.m., and
Vice Chairperson Sandoval presided over the meeting.

Board Member Caserta left his seat at 7:00 p.m.

25. Property Sale Agreement with Green Republic for West San Carlos Site

Board Member Casas left his seat at 7:55 p.m.

Vice Chairperson Sandoval **clarified** that the recommendation is not the design of the proposed project, but to consider the sale of VTA's excess property.

Board Member Casas took his seat at 8:05 p.m.

Board Member Gage left the meeting at 8:10 p.m.

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

Michael Van Every, Green Republic, LLC
Joseph Horwedel, City of San Jose Director of Planning-Building and Code Enforcement
Eugene Bradley, SCVTA Riders Union
Rob Steinberg, Steinberg Architects
Lawrence Ames, Willow Glen Neighborhood Association
Robert Solis, Buena Vista Neighborhood Association
Susan Bradley, Interested Citizen
Brian Ward, Buena Vista Neighborhood Association
Lorie Bird, Shasta Hanchett Park Neighborhood Association (SHPNA)
Tom Sawyer, SHPNA
Judy Broughton, Interested Citizen
Bob Walker, Rose Garden Park Neighborhood Association (RGPNA)
Jean Dresden, Interested Citizen and Advocate for Smart Growth
Linda Dittes, RGPNA
Erich Winkler, SHPNA
Ruth Cavagnaro, SHPNA
Deborah Arant, Advocate for Smart Growth
Marc Morris, Interested Citizen
Frank Throckmorton, Interested Citizen
Helen Chapman, SHPNA
David Deanborn, Willow Glen Neighborhood Association (WGNA)
Richard Nieset, Interested Citizen and Advocate for Smart Growth
Neil Struthers, Building Trades Council of Santa Clara County
Richard Zappelli, Glen Neighborhood Association (WGNA)
Jack Nadeau, WGNA
Terri Balandra, Fiesta Lanes Action Group (FLAG)
Chet Lockwood, FLAG
Chris Flood, SHNA
Steve Ledoux, Legal Counsel representing Green Republic, LLC
Ed Rast, WGNA
Pierluigi Oliveria, San Jose Councilmember
Shiloh Ballard, Silicon Valley Leadership Group (SVLG)

Board Member Reed **requested** that all the public comments, documents, and the public record be forwarded to the City of San José. Board Member Reed **stated** that there is a lot of work to be conducted regarding the project concept plan; however, stated that the decision will take place with the City of San Jose.

Vice Chairperson Sandoval **requested** that all the information received by the VTA Board of Directors, the materials presented on the dais, and the PowerPoint presentations be forwarded to the City of San Jose.

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Board Member Kishimoto **stressed the importance** for the Board to change the policy process to incorporate public comment and input earlier in the sale agreement process. Board Member Kishimoto expressed support to include the ECO Pass Program as part of the policy.

Vice Chairperson Sandoval **suggested** that part of VTA's property sale contract negotiations include the ECO Pass Program, which will assist VTA's goal to increase transit ridership on the system. Vice Chairperson Sandoval **stressed the importance** to bridge community meetings with every city's planning process.

M/S/C (Reed/Liccardo) on a vote of 9 Ayes to 0 Noes to 0 Abstentions to 2 Recusals to **approve** the agreement with Green Republic, LLC for sale of the property described as the West San Carlos Joint Development Project site according to the terms outlined in the memorandum and included in the agreement. Board Member Caserta and Chairperson Kniss recused.

M/S/C (Liccardo/Kishimoto) to **request** that staff return in the near future to the Board with an opportunity to review VTA's Joint Development Policy.

Chairperson Kniss took her seat at 9:20 p.m.

Vice Chairperson Sandoval relinquished her seat as Chairperson and Chairperson Kniss presided for the remainder of the meeting.

Board Member Caserta took his seat at 9:20 p.m.

Board Member Campos left the meeting at 9:21 p.m.

26. **Regional Transportation Plan – Policy Position**

M/S/C (Pyle/Williams) to **approve** the Metropolitan Transportation Commission's (MTC) Regional Transportation Plan (RTP) Vision Policy Strategies with the staff recommended modifications and additions to serve as the basis for the development of VTP 2035 Policies and to establish the VTA position on the RTP Policy development.

27. **Accept Availability & Utilization Study & Approve the Reestablishment of a Race Conscious Disadvantaged Business Enterprise Program**

M/S/C (Casas/Williams) to **review and accept** the report submitted by CRA International entitled, "Measuring Minority and Woman-Owned Construction and Professional Service Firm Availability and Utilization." Additionally approve implementation of a Race Conscious Disadvantaged Business Enterprise (DBE) program.

28. (Continued to the May 15, 2008 Administration and Finance Committee Meeting.)

Adopt a resolution calling for a special election on November 4, 2008 to submit to the voters an advisory measure regarding the comprehensive transit program identified in Valley Transportation Plan 2035 scheduled for adoption on November 6, 2008 or amended thereafter.

29. VTA Governance

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

Mike Ludwig, Interested Citizen, **addressed** the Board of Directors.

Ed Rast, Interested Citizen, **addressed** the Board of Directors.

Margaret Okuzumi, Bay Rail Alliance and Citizens Advisory Committee (CAC) Member, **addressed** the Board of Directors.

M/S/F (Liccardo/Reed) on a vote of 5 Ayes to 5 Noes to 0 Abstentions to 0 Recusals to **recommend** that the VTA Board of Directors amend the VTA Administrative Code to make the following changes to VTA's governance structure: 1) Eliminate the concept of city groupings selecting their representative(s) through a rotation process. Each of the city groups will "select" their representative(s) to serve as a Director on the VTA Board; 2) VTA Directors will still serve two-year terms. However, the appointing authorities will be encouraged to reappoint representatives to consecutive terms; 3) Include a process for selecting VTA Directors within the city groupings. VTA Directors should have the required experience and qualifications in transportation; and 4) Reconfigure the small city groupings to include a new group comprised of Santa Clara, Sunnyvale and Milpitas. Board Members Liccardo, Pyle, Reed, Sandoval, and Sellers supported. Board Members Casas, Caserta, Kishimoto, Kniss, and Williams opposed.

NOTE: M/S/F MEANS MOTION SECONDED AND FAILED.

M/S/C (Casas/Liccardo) on a vote of 9 Ayes to 1 Noes to 0 Abstentions to 0 Recusals to **recommend** that the VTA Board of Directors amend the VTA Administrative Code to make the following changes to VTA's governance structure: 1) Eliminate the concept of city groupings selecting their representative(s) through a rotation process. Each of the city groups will "select" their representative(s) to serve as a Director on the VTA Board; 2) VTA Directors will still serve two-year terms. However, the appointing authorities will be encouraged to reappoint representatives to consecutive terms; and 3) Include a process for selecting VTA Directors within the city groupings. VTA Directors should have the required experience and qualifications in transportation; and furthermore, recommend that the VTA Board of Directors consider amending the VTA Administrative Code at the August 7, 2008 Board of Directors Meeting (time certain) as follows:

4) Reconfigure the small city groupings to include a new group comprised of Santa Clara, Sunnyvale and Milpitas, and move Los Altos Hills to the West Valley City Group. Board Member Sellers opposed.

30. Establishment of a Qualified Other Post Employment Benefits (OPEB) Trust

M/S/C (Caserta/Kishimoto) to **adopt Resolution No. 08.05.15** to establish the "Santa Clara Valley Transportation Authority Retirees' Other Post Employment Benefits (OPEB) Trust", and authorize the General Manager to transfer all assets held by VTA pertaining to the Retiree Medical Fund to the Trust.

OTHER ITEMS

31. ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION

Board Member Kishimoto **requested** that the Board of Directors utilize the PAC Committee to provide input on the recommendations to the proposed VTA Governance.

32. Monthly Legislative History Matrix

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

33. REPORTS (UNAPPROVED MINUTES) FROM STANDING COMMITTEES

A. Administration and Finance Committee

There was no report from the April 17, 2008 Administration and Finance (A&F) Committee.

B. Congestion Management Program and Planning

Accepted the April 17, 2008 Minutes as contained in the Agenda packet.

C. Transit Planning and Operations Committee

Accepted the April 17, 2008 Minutes as contained in the Agenda packet.

34. REPORTS (UNAPPROVED MINUTES) FROM ADVISORY COMMITTEES

A. Committee for Transit Accessibility (CTA)

Accepted the April 9, 2008 Minutes as placed in front of them on the dais.

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

There was no report from the April 9, 2008 Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC).

C. Bicycle & Pedestrian Advisory Committee (BPAC)

There was no report from the April 9, 2008 Bicycle and Pedestrian Advisory Committee (BPAC).

D. Technical Advisory Committee (TAC)

There was no report from the April 10, 2008 Technical Advisory Committee (TAC).

E. Policy Advisory Committee (PAC)

Accepted the April 10, 2008 Minutes as placed in front of them on the dais.

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

Chairperson Kniss advised the Board of Directors 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 JPB

C. Dumbarton Rail Corridor Policy Committee

D. Metropolitan Transportation Commission (MTC)

36. 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

There was no report from the Silicon Valley Rapid Transit Corridor PAB.

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.

37. PUBLIC PRESENTATIONS

Ross Signorino, Interested Citizen, **urged** the Board of Directors to place Public Presentations at the beginning of the Agenda to accommodate Seniors and Individuals with Disabilities.

38. ANNOUNCEMENTS

There were no Announcements.

39. ADJOURNED at 10:15 p.m.