



BOARD OF DIRECTORS MEETING

Thursday, June 5, 2008

MINUTES

CALL TO ORDER

The Regular Meeting of the Santa Clara Valley Transportation Authority's (VTA) Board of Directors was called to order by Chairperson Kniss at 5:35 p.m. in the Board of Supervisors' Chambers, County Government Center, 70 West Hedding Street, San Jose, California.

1. ROLL CALL

Attendee Name	Title	Status	Arrived
David Cortese	Alternate Board Member	Absent	
Nora Campos	Board Member	Absent	
Dean Chu	Ex-Officio Board Member	Absent	
Don Gage	Board Member	Present	
Liz Kniss	Chairperson	Present	
Dolly Sandoval	Vice Chairperson	Absent	
Forrest Williams	Board Member	Present	
Sam Liccardo	Board Member	Present	
Nancy Pyle	Board Member	Present	
Chuck Reed	Board Member	Present	
David Casas	Board Member	Present	
Yoriko Kishimoto	Board Member	Present	
Dominic Caserta	Board Member	Absent	
Chris Moylan	Alternate Board Member	Absent	
Bob Livengood	Alternate Board Member	Present	
Greg Sellers	Board Member	Present	
Pete McHugh	Alternate Board Member	Present	
Chuck Page	Alternate Board Member	Present	
Ken Yeager	Ex-Officio Board Member	Absent	

2. ADJOURNED TO CLOSED SESSION at 5:38 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. Anticipated Litigation-Conference with Legal Counsel
[Government Code Section 54956.9(c)]

Initiation of litigation pursuant to subdivision (c) of Section 54956.9: One case involving property located at 420 Railroad Court, Milpitas, California, owned by Brian E. Horner

- C. Anticipated Litigation-Conference with Legal Counsel
[Government Code Section 54956.9(b)]

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: One case involving termination of freight rail service to Frank-Lin Distillers Products, Ltd.

RECONVENED TO OPEN SESSION at 6:22 p.m.

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)

Kevin Allmand, Acting General Counsel, reported that there was no reportable action taken during Closed Session.

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

Initiation of litigation pursuant to subdivision (c) of Section 54956.9: One case involving property located at 420 Railroad Court, Milpitas, California, owned by Brian E. Horner

Mr. Allmand reported that there was no reportable action taken during Closed Session.

- C. Anticipated Litigation-Conference with Legal Counsel
[Government Code Section 54956.9(b)]

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: One case involving termination of freight rail service to Frank-Lin Distillers Products, Ltd.

Mr. Allmand reported that there was no reportable action taken during Closed Session.

4. Removed from the Agenda.

Authorize the General Manager to approve the terms and conditions of a labor agreement between VTA and the Amalgamated Transit Union (ATU) Local 265.

5. ORDERS OF THE DAY

Chairperson Kniss noted the addendum, **Agenda Item #8.X** Appoint Board Member Sam Liccardo and Board Member Nancy Pyle to the Silicon Valley Rapid Transit (SVRT)/Warm Springs Extension (WSX) Joint Policy Advisory Committee. She noted that staff's request to move the following items from the Regular Agenda to the Consent Agenda: and **Agenda Item #23.**, Authorize the General Manager to amend the contract with SC Fuels of Orange California to supply and deliver unleaded gasoline for an estimated annual cost of \$557,652.

M/S/C (Williams/Page) to accept the Orders of the Day.

6. AWARDS AND COMMENDATIONS

Employees of the Month for June 2008

Chairperson Kniss recognized and presented awards to Andrew Ho, Associate Transportation Engineer, River Oaks Administration and Julie Thompson, Coach Operator, Chaboya Division as Employees of the Month for June 2008. Augustine Marquez, Transit Mechanic, Maintenance Employee of the Month for June 2008 was not present.

7. REPORT FROM THE GENERAL MANAGER

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

- Bus ridership increased five percent for bus and 1.8 percent for light rail. Fiscal year to date increased 3.7 percent compared to the same period last year.
- The southline construction project is nearing completion. Phase 3 will be open by June 16, 2008 or earlier.
- VTA plans to increase the transit service on July 4th to accommodate the crowd.
- VTA was successful in obtaining about \$5 million from state and federal Homeland Security Grants, which will be used for Closed circuit TV and other security projects.

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

- Thanked Board Members Williams, Kishimoto, and Chairperson Kniss for attending VTA's Asian Heritage Festival at River Oaks. He invited the Board Members to attend the Juneteenth Celebration scheduled for June 20, 2008.
- The Audit Committee met today. There will be two items included in the August 2008 Regular Board Meeting to address the procedural elements of the Audit Committee.
- Staff will develop a Request for Proposal (RFP) to recruit for the Auditor general position.
- The June 19, 2008 scheduled special meeting will most likely be cancelled. The next meeting of the Board of Directors is scheduled for July 17, 2008.

Eugene Bradley, Santa Clara VTA Riders Union, commended the increase in bus ridership. He urged VTA to re-examine the restructuring of bus services and make necessary adjustments, and restore the previously cut services. He commented that VTA should be more bus oriented.

8. REPORT FROM THE CHAIRPERSON (Verbal Report)

There was no report from the Chairperson.

8.X. Appointments to Silicon Valley Rapid Transit/Warm Springs Extension Joint Policy Advisory Committee

M/S/C (Kishimoto/Williams) to appoint Board Member Sam Liccardo and Board Member Nancy Pyle to the Silicon Valley Rapid Transit (SVRT)/Warm Springs Extension (WSX) Joint Policy Advisory Committee.

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

Margaret Abe-Koga, PAC Vice Chairperson, provided a report regarding the PAC Meeting on May 8, 2008 highlighting the following: 1) Discussion of the FY 2008-09 Countywide Transportation Development Act Article 3 Program, Transportation System Monitoring Program, and Draft 2007 Monitoring and Conformance Findings; 2) The PAC received presentation and discussed the VTA Technology Update, Valley Transportation Plan (VTP) 2035 Highway Program, High Occupancy Toll (HOT) Lanes, and Measure A Revenue and Expenditure Plan Policy Guidance. Ms. Abe-Koga noted the Committee's preference of being regularly updated regarding the HOT Lanes. She referred to the Measure A Policy Guidance and noted that the Committee recommended that VTA continues to be realistic and use the conservative approach when forecasting revenues. She added that all listed project in the program be quantified and prioritized.

Ms. Abe-Koga advised the Board of Directors that the PAC will discuss the Governance Issue at its June 2008 Meeting.

CONSENT AGENDA

Eugene Bradley, SCVTA Riders Union, expressed support for the proposed on-campus bus stop at De Anza College. This very much needed bus stop will make transit more convenient for riders specially those with special needs.

Michael Ludwig, Interested Citizen, noted that this on-campus stop is needed. He commented that the proposed bus stop should be large enough to accommodate the current bus routes in Stelling and Stevens Creek and the future routes that will serve the area.

Ed Rast, Interested Citizen, referred to the Board Minutes of May 1, 2008, and commented that the West San Carlos Property Sale Terms are not compliant with the San Jose Midtown Specific Plan. He noted that the Property Sales Agreement should be disclosed.

10. Board of Directors Workshop Minutes of April 25, 2008

M/S/C (Pyle/Kishimoto) to approve the Board of Directors Workshop Minutes of April 25, 2008.

11. Board of Directors Regular Meeting Minutes of May 1, 2008

M/S/C (Pyle/Kishimoto) to approve the Board of Directors Regular Meeting Minutes of May 1, 2008.

12. Bicycle & Pedestrian Advisory Committee Appointment

M/S/C (Pyle/Kishimoto) to ratify the appointment of Marian Sacco to the Bicycle & Pedestrian Advisory Committee representing the City of Morgan Hill for the terms ending June 30, 2008 and June 30, 2010.

13. Fiscal Year 2008 Quarterly Statement of Revenues and Expenses for the Period Ending March 31, 2008

M/S/C (Pyle/Kishimoto) to review and accept the Fiscal Year 2008 Quarterly Statement of Revenues and Expenses for the period ending March 31, 2008.

14. Network Equipment Replacement

M/S/C (Pyle/Kishimoto) to authorize the General Manager to purchase up to \$359,000 in electronic network equipment from approved vendors under cooperative purchasing agreements negotiated by the State of California on behalf of local agencies.

15. Programmed Projects Quarterly Monitoring Report for January - March 2008

M/S/C (Pyle/Kishimoto) to receive the Programmed Projects Quarterly Monitoring Report for January - March 2008.

16. Ramp Metering - Professional Services Contract

M/S/C (Pyle/Kishimoto) to authorize the General Manager to execute a contract with Mark Thomas & Company to provide engineering services to implement ramp metering on three freeway corridors in Santa Clara County, for a total contract value not to exceed \$900,000 and an initial contract term through December 31, 2010.

17. Draft 2007 Monitoring and Conformance Findings

M/S/C (Pyle/Kishimoto) to approve the Draft 2007 Monitoring and Conformance Findings. The findings are summarized in this memorandum and the draft report is provided in Attachment A.

18. FY2008/09 Transportation Development Act Article 3 Project Priorities

M/S/C (Pyle/Kishimoto) to approve the project priorities for the FY2008/09 Countywide Transportation Development Act Article 3 Program.

19. Contract Award for De Anza College On-Campus Bus Stop

M/S/C (Pyle/Kishimoto) to authorize the General Manager to execute a contract with George Bianchi Construction Inc., the lowest responsible bidder, in the amount of \$308,690 for construction of the De Anza College On-Campus Bus Stop. Additionally, authorize a 25% allowance for change order growth, for a total not-to-exceed value of \$385,863. This contract is 80% federally funded.

20. FY07- FY08 California Transit Security Grant Program – California Transit Assistance Fund (CTS-GP-CTAF)

M/S/C (Pyle/Kishimoto) to adopt Resolution No. 08.06.16 authorizing the General Manager to submit and execute grant applications and agreements, certifications, assurances, and other documents as necessary to the Governor's Office of Homeland Security (OHS) to receive \$3,289,948 from the FY08 California Transit Security Grant Program-California Transit Assistance Fund (CTS-GP-CTAF).

21. FY2007 Transit Security Grant Program (Base and Supplemental)

M/S/C (Pyle/Kishimoto) to adopt Resolution No. 08.06.17 authorizing the General Manager to submit and execute grant applications and agreements, certifications, assurances, and other documents as necessary to receive \$2,466,264 from the U. S. Department of Homeland Security's FY2007 Transit Security Grant Program (Base and Supplemental).

23. Contract Amendment for Gasoline Purchase

M/S/C (Pyle/Kishimoto) to authorize the General Manager to amend the contract with SC Fuels of Orange California to supply and deliver unleaded gasoline for an estimated annual cost of \$557,652.

REGULAR AGENDA**22. Governor's May Budget Revisions**

Michael T. Burns, General Manager, noted that this item seeks direction from the Board for staff to continue to advocate for funding of \$743 million for the State Transit Assistance Program (STA) that was originally proposed by Governor Schwarzenegger last January 2008.

Since January 2008, Governor Schwarzenegger proposed a revision in May 2008 which diverts additional \$711 million in Public Transportation Account (PTA) revenues for General Fund expenditure. This May 2008 proposal will decrease VTA's revenue by approximately \$17 million. Mr. Burns noted the importance of opposing the May 2008 revision to ensure better funding for Transportation.

Board Member Sellers expressed support for the item, however, he noted that the item title should be revised to be clear that VTA is opposing the cuts in transit funds in the May 2008 California Budget Revise.

M/S/C (Williams/Reed) to direct staff to advocate for a funding level of \$743 million for the State Transit Assistance Program (STA) as recommended by Gov. Arnold Schwarzenegger in his January 10 budget plan during the California Legislature's deliberations on the FY 2009 budget. The title should be clear to note VTA's opposition to the May 2008 Budget Revision.

24. Hearings - Notices of Intention to Adopt Resolutions of Necessity

Roberta Notrangelo, Real Estate Manager, provided a background noting that the properties (Item 24. A - Silveira and Serpa Properties and Item #24.B. - Horner Property) have to be acquired for construction of the Freight Railroad Relocation Project in Fremont. The need and necessity are explained in the report in the Agenda package and the approval of the resolution authorizes the filing of a condemnation proceeding in which the compensation to be paid by VTA for each of the property interests will be determined.

Ms. Notrangelo noted that as of today, the relatives of the Silveria and Serpa properties have not been able to provide evidence of their ownership interest. However, they can still assert their claim for ownership during the condemnation proceedings. For the Horner property, staff is close to an agreement with the property owner but has no formal agreement as of this time. She added that property owners of both items were notified of tonight's hearing. She invited the property owners or their representatives to speak; however, they have already left.

M/S/C (Liccardo/Sellers) to Close Hearings and adopt Resolutions of Necessity Nos. 08.06.18 and 08.06.19 determining that the public interest and necessity require the acquisition of property interests from two parcels for the Freight Railroad Relocation Project, as follows:

Property ID/Assessor's Parcel Numbers/Owners

A. Resolution No. 08.06.18

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

B. Resolution No. 08.06.18

B2019 (APN 022-31-028) owned by Brian E. Horner

Alternate Board Member Livengood left the meeting at 7:00 p.m.

25. Measure A Revenue and Expenditure Plan Policy Guidance

Carolyn Gonot, Chief SVRT Program Officer discussed the policy guidance, highlighting the addition of Policy #5 (economic development), as requested by the City of San Jose. The following policies, and the respective objectives and measures were discussed: 1) Maintain Financial Integrity of Organization; 2) Increase Transit Usage; 3) Achieve Environmental Improvements; 4) Support Transit-Oriented Land Use; 5) Support Countywide Economic Development; 6) Strengthen Complimentary Partnerships; 7) Take Advantage of Leveraged and New Fund Sources; 8) Model Various Financial Conditions; 9) Achieve a Balanced Transportation Plan; 10) Implement the Intent of Measure A. Ms. Gonot noted that there are some modifications from Board Member Kishimoto.

Board Member Kishimoto noted her proposed recommendation, including: 1) Policy #2 - Bullet 3 Modify to: Increase Ridership and Modal Share; 2) Policy #3 - Bullet 2 Modify to: Reduce greenhouse gases and other designated pollutants to meet state and federal standards; and 3) Policy #4 - Bullet 1 Modify to: Focus capital intensive investments on areas in the cores, corridors, and station areas which have city-adopted transit-supportive policies. She noted the importance of putting transit investments in cities that are committed to transit supportive policies including walkable communities, and some level of density. She commented that the policy guidance should have enough language about cost effectiveness (i.e.net revenue per passenger mile).

Board Member Sellers referred to Board Member Kishimoto's proposed modification to policy #3., and suggested to modify to read: "meet or exceed state and federal standards." He referred to Board Member Kishimoto's proposed modification on Policy #4 and noted that he does not want to preclude a model project (i.e. those that could be used as catalyst for a more transit oriented development) from moving forward merely because the city did not adopt transit supportive policies in the past.

Board Member Liccardo suggested adding land-use to the modification to Policy #4.

M/S/C (Kishimoto/Casas) to adopt the Measure A Revenue and Expenditure Plan Policy Guidance in Attachment A and include the following modifications: 1) Policy #2 - Bullet 3 Modify to: Increase Ridership and Modal Share; 2) Policy #3 - Bullet 2 Modify to: Reduce greenhouse gases and other designated pollutants to meet or exceed state and

federal standards; and 3) Policy #4 - Bullet 1 Modify to: Focus capital intensive investments on areas in the cores, corridors, and station areas which have city-adopted transit-supportive policies including land-use.

Board Member Reed inquired when the Board is scheduled to provide direction to staff regarding the portfolio of plans for Measure A.

Mr. Burns noted that staff can begin the portfolio of plans based on the policy guidance that were adopted tonight. Staff is considering scheduling a Board Workshop in place of the originally scheduled portfolio of plans discussion in the August Board Meeting.

Ms. Gonot noted that the tentative schedule for the workshop is September 5, 2008.

Mr. Burns noted that the schedule to approve the plan will be delayed one month, in October 2008

26. Freight Rail Relocation Project FY 2009 Budget Amendment

Mark Robinson, Acting Chief Engineering and Construction Officer, briefly discussed the background of the project noting that per the Union Pacific Rail Road right of way purchase agreement, VTA is required to remove and relocate existing freight railroad facilities onto adjacent UPRR property before the property can be used for transportation corridor. He noted that VTA partnered with other agencies (Alameda County Transportation Authority (ACTA), City of Fremont, Santa Clara Valley Water District (SCVWD) to reduce estimated costs and improve the design efficiency. He clarified that although this corridor will be used for Silicon Valley Rapid Transit Corridor (SVRT) BART Extension, the work scope of the FRR project does not involve construction of any BART Extension Facilities. He also discussed the project limits and project scope.

Mr. Robinson noted that staff requests that the Board amend the 2000 Measure A FY 2009 Capital Budget by \$72 million for the Freight Rail Relocation Project. The additional costs will be funded from Measure A and the partners noted above.

M/S/C (Williams/Gage) to approve amendment increasing the 2000 Measure A FY 2009 Capital Budget by \$72 million for the Freight Rail Relocation Project. This augmentation will be funded from 2000 Measure A, Alameda County Transportation Authority, the City of Fremont and the Santa Clara Valley Water District.

27. Transit Career Ladder Program/San Jose City College Grant

Mike Hursh, Maintenance Deputy Director, noted that the approval of this resolution will bring in \$468,839, which will be used for development and strengthening of training programs for the next two years. The training programs are geared towards addressing the need to train a new generation of transit employees and to ensure that current workers' skills are up to date. He recognized the partnership with the Amalgamated Transit Union (ATU) as they were instrumental in securing this grant. He noted that the benefits of the program are: 1) builds on the success and allows VTA to continue its

Maintenance Career Ladder Program; 2) creates new partnerships with San Jose City College; 3) enable VTA employees to receive college credit for the training attended; and 4) expands new operator mentor program to all three bus yards. Mr. Hursh noted that staff will be providing regular program updates at the Transit Planning and Operations Committee.

Tom Fink, ATU, noted that the program will create many positive benefits including creating transit career opportunities. He introduced Kathleen Werle, San Jose City College Applied Sciences Dean.

Ms. Werle noted that the program is consistent with the San Jose City College Mission of educating people for sustainable careers. Ms. Werle noted the curriculum development is underway.

Board Member Pyle expressed support for the program because it is a win-win for VTA and the San Jose City College. She added that the program will benefit VTA because future employees will be equipped with the right skills to do the job.

Board Member Casas noted that it is a great partnership but expressed concern about the sustainability of the program. He noted that planning should be done now to address the program funding options after the two-year grant period. He also inquired about the measures to evaluate the success of the program.

Mr. Hursh noted that VTA staff has the same concern. He noted that it is important to implement the program now to ensure that there will be qualified transit personnel who can replace the aging workforce.

Ms. Werle noted that the measures for success are well defined in the grant proposal that has been submitted. The evaluation of the program has been an integral part of the planning process. Mr. Burns added that there are established metrics, which can be shared to the Board.

Mr. Burns publicly recognized Ms. Deb Moi for her work for the program and securing the grant.

Board Member Liccardo congratulated the VTA staff, ATU, San Jose City College, and all the team members for taking the initiative.

Board Member Williams also thanked staff and the team that made this program and grant possible.

Mr. Fink thanked Ms. Werle, Dan Smith, Mike Hursh, and Deb Moi for all their hard work and for making this program possible.

Eugene Bradley, SCVTA Riders Union, expressed support for the program noting that it is needed. He also expressed concern about the funding after the two-year grant program.

M/S/C (Pyle/Kishimoto) to adopt a Resolution 08.06.20 to execute a subgrant from the Chancellor's Office of the California Community Colleges Economic and Workforce Development Program Subgrant in the amount of \$468,839. This Job Development

Incentive Fund (JDIF) grant was awarded to San Jose/Evergreen Community College District (including its San Jose City College and Evergreen Valley College campuses) to establish a Transit Career Ladders Project (TCLP), in partnership with Santa Clara Valley Transportation Authority, the Career Ladders Project, work2future (our local Workforce Investment Board), and the Amalgamated Transit Union (ATU) Local 265.

28. Valley Transportation Plan (VTP) 2035 – Program Area Review: Highways

John Ristow, Chief CMA Officer, noted that staff will be reviewing the other program areas within the next several months. Mr. Ristow introduced Bijan Sartipi, Caltrans District 4 Director.

Mr. Sartipi noted that Caltrans District 4 is committed to meet the delivery of infrastructure projects and making positive partnerships. He provided an overview of the Caltrans District 4, State of the Bay Area Congestion, Transportation Funding, Infrastructure Bond, Transportation 2035 Funding Tradeoffs, and Caltrans District 4 Vision: Managed Corridors.

Board Member Gage expressed concern about the lack of attention to State Route 152/156 and inquired why the improvement project for SR 152 does not make it on the list. Mr. Sartipi noted that Caltrans has several minor improvements for SR 152/156 through the State Highway Operation and Protection Plan (SHOPP) program. However, because of the funding constraints and the many needs within the region, the SR 152/156 does not get the attention. Mr. Burns noted that VTA is working closely with Caltrans and was able to secure \$5 million to study the corridor.

Mr. Sartipi noted that there is great need because the system is aging. In fact, 80 percent of the system was built between 1954 and 1974. He noted the funding challenges noting that the 2008 SHOPP need is \$4.1 Billion and the anticipated funds for 2008 is only \$1.9 Billion.

Mr. Sartipi noted that Caltrans District 4 is to advocate and support Freeway Performance Initiative, Highway Pavement Maintenance, and High Occupancy Vehicle (HOV)/HOT Lane Network. He discussed the System Management Vision and Strategies, highlighting that Intelligent Transportation System (ITS) will be mainstream and new technologies will be embraced.

Upon inquiry of Chairperson Kniss, Mr. Sartipi responded that California is still a donor state. He noted the importance of local dollars that go to transportation, noting that it greatly helps for building transportation investments.

Board Member Casas requested clarification on the slide about Daily Vehicle Hours of Delay by County 2003-2007. Mr. Sartipi noted that the reduction of the daily weekday vehicle hours of delay noted on the newspapers refers to those specific corridors that had implemented improvement projects.

Board Member Casas referred to the California State Highway System and inquired about landscaping and maintenance. He noted that there should be incentive program for counties that have litter programs. Mr. Sartipi noted that Caltrans is using the Adopt a

Highway Program to help with landscape and maintenance for those corridors that could be adopted. He added that maintenance and litter control is expensive, highlighting that it costs about \$50 million for litter control (\$18 million for Santa Clara County). There are programs currently in place to minimize litter.

Board Member Reed thanked Mr. Sartipi for making presentation. He inquired if Caltrans annually evaluate the conditions of the roads within the district and further inquired if Santa Clara County roads are in worse shape compared to other roads in the state or nation (as noted in the TRIP Report). Mr. Sartipi responded that evaluation of every highway mile is done every two years and Santa Clara County does not have the worst highway system. He added that 40 percent of the highway needs are not addressed due to funding constraints. Mr. Sartipi stated that Caltrans is trying to work with TRIP so that they could use the same metrics for highway and road evaluation.

Board Member Williams inquired about how to continue after the Pilot Program for Litter Control. He further inquired if Caltrans is supporting legislation such as reduction of plastic in an effort to control litter. Mr. Sartipi noted that Caltrans District 4 would like to continue its partnership with San Jose and determine the next steps for litter control. With regard to the legislation, he is not aware of the organization's position at this time, however, he welcomes any effort that will curb the litter problem and save public's money.

Alternate Board Member McHugh left the meeting at 8:00 p.m.

Board Member Kishimoto applauded Caltrans move towards smart, efficient and priced freeway. She commented that pricing is key to obtain the revenues. She inquired if Caltrans is taking any role in promoting casual carpooling and commented that Caltrans should be a partner for casual carpooling. Mr. Sartipi responded that there is no current casual carpooling program, but reiterated that Caltrans support carpooling.

Chairperson Kniss thanked Mr. Sartipi for providing presentation.

Board Member Gage left the meeting at 8:05 p.m.

Chris Augenstein, Deputy Director, reviewed the VTP 2035 programs, which will be presented in the next months. Mr. Augenstein provided an overview of the highway system in Santa Clara County, noting that Santa Clara County highway system has the most HOV lanes in the region.

Chairperson Kniss inquired why other counties do not have carpool lanes (i.e. San Mateo County). Mr. Ristow responded that San Mateo County has some HOV lanes but in the past, San Mateo decided to invest in auxiliary lanes instead of carpool for operational improvements.

Mr. Augenstein noted that the Highway Program contains numerous projects for highways including safety improvements, ITS, etc, HOT Lanes. He noted the many needs for the aging system and the funding challenges that Santa Clara County faces. He reviewed the potential funding sources in VTP 2035 such user pricing, gateway corridor pricing, development impact fees, HOT Lanes, etc.

Mr. Augenstein discussed the plans for HOT Lanes, highlighting the two corridors in Santa Clara County where HOT Lanes will be implemented. He briefly reviewed the projects in the Highway Program, which will approximately cost \$4.2 Billion. VTA staff is working with the Metropolitan Transportation Commission (MTC) to include the HOT Lane Projects and the Constrained List of Projects into MTC's Regional Transportation Plan (RTP).

Board Member Liccardo referred to the developer impact fees and noted that it is a viable source of funds for highways and roadways. He noted that the City of San Jose charges development impact fees to new developments and stated that part of the fees collected are for highways, roadways, and regional improvements. He inquired if VTA as a Congestion Management Agency can require as a condition of receiving funds that a city has a "transportation impact fee policy" for future developments.

Mr. Ristow noted that VTA uses criteria to select projects that will be included in VTP 2035, and cities that could demonstrate a higher match, gets higher points, and most likely will obtain funds. Mr. Ristow noted that VTA has also considered a Countywide Deficiency Plan ten years ago, which will require a countywide development fee, but that effort did not result into a countywide fee.

Mr. Ristow noted that staff will report to the Congestion Management Program and Planning Committee the benefits and disadvantages of development impact fees and the Board can provide direction on how to move forward.

Board Member Liccardo noted the importance of examining better ways to leverage private entities and obtain additional revenues for transit project that will benefit the entire region. He referred to the HOT Lanes projects cost of \$810 million inquired if this is the aggregate number that will get VTA to \$500 billion in revenues estimated for VTP 2035.

Mr. Ristow responded that the figure noted is the estimated cost of constructing and completing the HOV Network and cost conversion to HOT Lanes. The funding for these projects are projected from the assumed gross revenues from the converted HOT Lanes. This concept was submitted to MTC.

Upon inquiry of Board Member Casas regarding the east west commute for HOT Lanes, Mr. Ristow stated that VTA only has legislative authority to construct two HOT Lane Corridors. Highway 237 was a near-term candidate for HOT Lanes.

Board Member Reed commented that there are numerous opportunities for cities to collect development fees such as during the review of the environmental reports (California Environmental Act) for the proposed project. He noted that there should be a statement in the plan that reflects development fees.

Board Member Reed referred to state and federal funding and noted that Santa Clara County should get the appropriate and fair share of funding. He added that Santa Clara County should not get penalized for providing its own funding for projects that benefit the entire region. He noted that this concept should also be included in the VTP 2035.

Board Member Kishimoto requested a report for a Countywide Congestion Plan at a future CMPP Meeting and discuss the development impact fees, either region-wide or city by city.

Board Member Sellers commented that there should be a sub-regional development impact fee because some of the congestion come outside of the County. He expressed support for a countywide development impact fee because it provides equity and much needed revenues to address the growing transportation needs in the region.

On order of Chairperson Kniss, the Board of Directors received the Valley Transportation Plan (VTP) 2035 - Program Area Review: Highways.

OTHER ITEMS

29. ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION

Board Member Casas referred to the May 1, 2008 Board Minutes, top of Page 22, and noted that the motion was “recommend that the Governance Sub-Committee return to the VTA Board of Directors with a recommendation to consider amending the VTA Administrative Code at the August 7, 2008 Board of Directors Meeting, date certain.”

Jim Lawson, Senior Policy Advisor, also noted that Item #4 noted on top of Page 22 should be removed as it was not adopted by the Board.

M/S/C (Casas/Reed) to reconsider Item #11, and amend it to reflect the comments noted earlier.

Board Member Kishimoto noted that she and Chairperson Kniss serve at the Air District Board and advised the audience that June 9, 2008 will be the last Spare the Air Day that the District will fund. She encouraged everyone to take advantage of the free fares that day.

Board Member Casas requested that he be removed from the 2020 Peninsula Corridor Gateway mailing and e-mail list.

30. MONTHLY LEGISLATIVE HISTORY MATRIX

On order of Chairperson Kniss, there being no objection, the Monthly Legislative History Matrix was accepted as contained in the Agenda packet.

31. REPORTS (UNAPPROVED MINUTES) FROM STANDING COMMITTEES

A. Administration and Finance Committee

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

B. Congestion Management Program and Planning Committee

There was no report from the Congestion Management Program and Planning Committee.

C. Transit Planning and Operations Committee

There was no report from the Transit Planning and Operations Committee.

32. REPORTS (UNAPPROVED MINUTES) FROM ADVISORY COMMITTEES

A. Committee for Transit Accessibility (CTA)

On order of Chairperson Kniss, there being no objection, the May 7, 2008 Minutes were accepted as contained in the Agenda Packet.

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

On order of Chairperson Kniss, there being no objection, the May 7, 2008 Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC) Minutes were accepted as placed in front of the dais.

C. Bicycle & Pedestrian Advisory Committee (BPAC)

There was no report from the Bicycle and Pedestrian Advisory Committee (BPAC).

D. Technical Advisory Committee (TAC)

On order of Chairperson Kniss, there being no objection, the April 10, 2008 and May 8, 2008 Technical Advisory Committee (TAC) Minutes were accepted as placed in front of the dais.

E. Policy Advisory Committee (PAC)

On order of Chairperson Kniss, there being no objection, the April 10, 2008 Minutes were accepted as placed in front of them on the dais.

33. 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

On order of Chairperson Kniss, there being no objection, the June 5, 2008 Peninsula Corridor JPB report was accepted as placed in front of the dais.

B. Capitol Corridor JPB

There is no report from the Capitol Corridor JPB.

C. Dumbarton Rail Corridor Policy Committee

There is no report from the Dumbarton Rail Corridor Policy Committee.

D. Metropolitan Transportation Commission (MTC)

On order of Chairperson Kniss, there being no objection, the May 28, 2008 Metropolitan Transportation Commission (MTC) report was accepted as placed in front of the dais.

E. Sunol SMART Carpool Lane Joint Powers Authority

On order of Chairperson Kniss, there being no objection, the May 22, 2008 Sunol SMART Carpool Lane Joint Powers Authority report was accepted as placed in front of the dais.

34. 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.

35. PUBLIC PRESENTATIONS

Atty. Brad Chibos, Interested Citizen, reported about his client's concern regarding a VTA Bus Stop. He expressed concern that their calls are not returned by VTA staff.

Chairperson Kniss referred Atty. Chibos' concern to VTA staff.

Eugene Bradley, SCVTA Riders Union, thanked staff for informing them about the plans to restructure the light rail service.

Michael Ludwig, Interested Citizen, expressed concern that he was not able to attend a VTA Public Meeting because it was an election day. He noted that VTA Public Meetings should be better scheduled in the future to ensure that it does not conflict with election day.

Richard Zappelli, followed up his request last February 2008 regarding sunshine laws brought to the VTA Board. He noted that the public supports smart growth and noted that the public would want the opportunity to participate as the VTA Board makes decisions on these matters. He noted that the public should be notified of the meetings in advance.

Ed Rast, Interested Citizen, stated that significant information should be disclosed at VTA documents such as minutes. He noted that VTA should look at how to better disclose important information.

36. ANNOUNCEMENTS

Board Member Casas thanked staff for the Wi-Fi connection.

Chairperson Kniss noted that she will be out of the country for the August 7, 2008 Board Meeting and Vice Chairperson Sandoval will chair that meeting.

37. ADJOURN

On order of Chairperson Kniss, there being no objection, the meeting was adjourned at 8:58 p.m.

Respectfully Submitted,

Elaine F. Baltao, Board Assistant
VTA Board of Directors