



BOARD OF DIRECTORS' MEETING

August 7, 2008

MINUTES

1. CALL TO ORDER

The Regular Meeting of the Santa Clara Valley Transportation Authority's (VTA) Board of Directors was called to order by Vice Chairperson Sandoval at 5:33 p.m. in the Board of Supervisors' Chambers, County Government Center, 70 West Hedding Street, San Jose, California.

ROLL CALL

Members Present

Nora Campos
 David Casas
 Dominic Caserta
 Dean J. Chu, Ex-Officio
 Don Gage
 Yoriko Kishimoto
 Sam Liccardo
 Nancy Pyle
 Chuck Reed
 Dolly Sandoval, Vice Chairperson
 Greg Sellers
 Forrest Williams
 Ken Yeager, Ex-Officio

Members Absent

Liz Kniss, Chairperson

Alternates Present

Dave Cortese
 Pete McHugh
 Chris Moylan

Alternates Absent

Bob Livengood
 Chuck Page

* Alternates do not serve unless participating as a Member.

A quorum was present.

2. ADJOURNED TO CLOSED SESSION at 5:35 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)

RECONVENED TO OPEN SESSION at 6:08 p.m.

3. CLOSED SESSION REPORT

- A.** Conference with Labor Negotiators
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Kevin Allmand, Acting General Counsel, reported that there was no reportable action taken during Closed Session.

Ed Dolores, ATU 265 Business Agent for Maintenance, expressed concern with VTA's inability to settle the contract. Mr. Dolores indicated that employees are working overtime to keep the system running are asking for fair treatment.

Ex-Officio Board Member Yeager took his seat at 6:12 pm.

Loretta Springer, ATU Local 265 President and Business Agent, expressed concern with the lack of respect toward working people noting the presence of the guards at the door. Ms. Springer indicated that ATU is looking for respect from the Board.

4. ORDERS OF THE DAY

Vice Chairperson Sandoval indicated that the meeting would adjourn in memory of three VTA employees who recently passed away: Kim Petterson, Joyce Stewart-Cook, and Julianne Simpson.

Vice Chairperson Sandoval noted that there was one request to move the following item to the beginning of the Regular Agenda; **Agenda Item #32.**, Reaffirm the Board of Director's support for the Capitol Expressway Light Rail Extension to Eastridge Mall Project as recommended by the Downtown East Valley – Policy Advisory Board.

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

5. AWARDS AND COMMENDATIONS

Employees of the Month for July 2008

Vice Chairperson Sandoval recognized and presented awards to Vimla Duryani, Administrative Services Assistant III, River Oaks Administration; Robert Kisling, Coach Operator, Cerone Division; Jess Elemen, Service Worker Foreman, Cerone Maintenance Division as Employees of the Month for July 2008; and Cyndi Laptalo, Transportation Superintendent, Cerone Division, as Supervisor of the Quarter for the third quarter of 2008.

Employees of the Month for August 2008

Vice Chairperson Sandoval recognized and presented awards to Martin Hernandez Gonzalez, Construction Inspector, River Oaks Administration; Nina Marquez, Coach Operator, Chaboya Division; and John Allen, Transit Mechanic, Cerone Division as Employees of the Month for August 2008.

6. REPORT FROM THE GENERAL MANAGER

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

- Ridership numbers increased in June 2008 in comparison to June 2007. Total system ridership increased 7.6 percent, average weekday ridership increased nine percent and was the highest since 2002, and average bus ridership increased 10.2 percent. For fiscal year 2008, ridership increased 4.6 percent when compared to fiscal year 2007. Light Rail weekday ridership increased by 5.6 percent above last year and is the highest in VTA history.
- Operating statistics for fiscal year 2008 are highest in the level of percent of service provided and miles between mechanical failures of the Light Rail. The lowest level of absenteeism amongst mechanics and operators was also achieved. However, on time performance of Light Rail has been hampered by the Southline Platform project which is a temporary inconvenience that will provide permanent improvement.

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

- Fare revenues increased by two percent when compared to 2007. Pass sales to seniors and youth increased by 11 percent. The Ecopass program continues to expand and 15 new employers were added, contributing to a six percent increase in revenue. The Uplift program partnership with the Santa Clara County went into effect on 4/01/08, which doubles the number of passes available to distribute to homeless individuals that qualify for county services.
- Revenues from sales tax were flat. The budget assumed a 4.8 percent increase with savings in labor and other expenses. The outlook is similar for fiscal year 2009 and cost savings methods will continue to be imposed to keep budget balanced.
- The Bureau of State Audit validated the recommendations of the financial assessment completed last year and the changes will continue to be implemented. There were no significant changes recommended to the governance structure but the proposals made by the Governance Sub-Committee were endorsed. The audit noted that financial report planning meets best practices, and project planning practices generally conform but there is some room for improvement in estimating project costs and revenue, and in project monitoring. Specific timelines and actions have been identified and VTA will report back to Bureau of State Audits in the next 6-9 months.
- The Southline Platform retrofit project is nearing completion. The Almaden, Oakridge, and Ohlone-Chynoweth stations are scheduled to reopen on August 11, 2008. The Blossom Hill and Cottle stations are expected to be completed at the end of September and the Snell and Santa Teresa stations are scheduled to be completed by Thanksgiving, which will be the last phase of the project.
- Rail replacement at First and Divine in Downtown San Jose is scheduled from 8/22/08 - 8/25/08.
- A significant project under construction is the flyover structure at the Route 152/156 interchange in South County. The ribbon cutting ceremony will be held on 8/27/08 and the official opening is 8/28/08, which is 5 weeks ahead of schedule. The full project is expected to be complete in spring 2009.

Eugene Bradley, Santa Clara VTA Riders Union, congratulated VTA's increase in bus Ridership but noted that 75 percent of transit users take the bus and requested that some of the services that were cut as part of the new service program be restored.

7. REPORT FROM THE CHAIRPERSON

There was no report from the Chairperson.

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

Christopher Moylan, PAC Chairperson, provided a report regarding the PAC Meeting on June 12, 2008 and the Workshop on July 10, 2008 highlighting the following: 1) City of Milpitas presentation on its transit needs; 2) Bus Rapid Transit Corridor Study and which corridors should get priority; 3) Governance issue and an update of 2 members of the PAC and 2 members from CAC being invited to attend the subcommittee meetings; 4) Full update and discussion of the governance issue; and, 5) Staff reported the latest

interpretation from VTA counsel on the City of San Jose's veto power on the governance proposals.

On Order of Vice Chairperson Sandoval, there being no objection, the Policy Advisory Committee (PAC) Chairperson's report was received.

CONSENT AGENDA

Pat Markovich, Chairperson of the City of Palo Alto Parks and Recreation Commission, indicated her approval of the bicycle and pedestrian bridge at Highway 101 and San Antonio and suggested it be combined with the Hwy 101 auxiliary lane construction project as part of 2008 Santa Clara Countywide Bicycle Plan.

Bruce England, Wisbon Station Board of Directors, indicated that there was no path to connect the Wisbon Community with Grant Road and El Camino in Mountain View, which is the major shopping area in the vicinity. Mr. England suggested that a path be added as a part of the 2008 Santa Clara Countywide Bicycle Plan.

Vice Chairperson Sandoval indicated that there was a request to remove an item from the Consent Agenda to the Regular Agenda; **Agenda Item #28.**, - Review and approve the scope of work for the Santa Clara Valley Transportation Authority (VTA) Auditor General.

Board Member Kishimoto suggested that the Citizens Advisory Committee review the Advisory Measure, and make a presentation to the Board to make it a more meaningful process.

9. Board of Directors Regular Meeting Minutes of June 5, 2008.

M/S/C (Williams/Reed) to approve the Board of Directors Regular Meeting Minutes of June 5, 2008.

10. Ratification of Citizens Advisory Committee Appointment

M/S/C (Williams/Reed) to ratify the appointment of Bena Chang to the Citizens Advisory Committee position representing the Silicon Valley Leadership Group.

11. Appointments to the Bicycle and Pedestrian Advisory Committee.

M/S/C (Williams/Reed) to ratify the appointments to the Bicycle & Pedestrian Advisory Committee of:

- Jerri-Ann Meyer, City of Mountain
- Nancy Ginzton, Town of Los Altos Hills
- Celia Chung, alternate member for the Silicon Valley Bicycle Coalition

These appointments are for the two-year term ending June 30, 2010.

12. Proactive CMP Reviewed and Approved Project Quarterly Status Report.

M/S/C (Williams/Reed) to receive the report entitled: Proactive CMP Reviewed and Approved Project Quarterly Status Report.

13. VTP Highway Program Semi-Annual Report

M/S/C (Williams/Reed) to receive the report entitled: VTP Highway Program Semi-Annual Report.

14. AB 3021 (Nava)

M/S/C (Williams/Reed) to adopt a support position for AB 3021 (Nava), which creates the California Transportation Financing Authority to assist local and regional agencies in obtaining financing through the issuance of revenue bonds to construct new publicly owned transportation projects. The bill also allows the authority to permit local and regional agencies, as part of the financing plan for their projects, to impose tolls for the use of the facilities constructed.

15. (Removed from the Consent Agenda and placed on the Regular Agenda.)

Approve Modified Vision and Mission Statements.

16. FY 2009 Congestion Management Program Work Program

M/S/C (Williams/Reed) to approve the Recommended Fiscal Year 2009 Congestion Management Program Work Program.

17. 2008 Santa Clara Countywide Bicycle Plan.

M/S/C (Williams/Reed) to adopt the 2008 Santa Clara Countywide Bicycle Plan.

18. Route 87 Highway Planting Project

M/S/C (Williams/Reed) to Authorize the General Manager to execute a contract with McGuire and Hester, the lowest responsible bidder, in the amount of \$3,113,520 for the Route 87 Highway Planting Project. This contract is 81% federally funded.

19. Congestion Mitigation and Air Quality (CMAQ) Funds

M/S/C (Williams/Reed) to approve the programming of approximately \$2.9 million in Congestion Mitigation and Air Quality (CMAQ) funds for three Bicycle Expenditure Program bicycle and pedestrian projects.

20. Light Rail Systems Analysis

M/S/C (Williams/Reed) to authorize the General Manager to execute a contract with URS Corporation for consulting services to complete a Light Rail System Analysis. The contract shall be for a three-year period for a total contract value not to exceed \$700,000.

21. Closed Circuit Television - Light Rail Stations Project

M/S/C (Williams/Reed) to authorize the General Manager to execute a contract with Siemens Technology, Inc., the lowest responsible bidder, in the amount of \$476,025 for the Closed Circuit Television - Light Rail Stations Project. This contract is 80% funded by the Federal Transit Security Grant Program.

22. Blossom Hill Pedestrian and Bicycle Overcrossing Project.

M/S/C (Williams/Reed) to authorize the General Manager to execute a Cooperative Agreement with the California Department of Transportation (Caltrans) for the environmental clearance, design, right-of-way and construction of the Blossom Hill Pedestrian and Bicycle Overcrossing Project.

23. San Martin Parking and Roadway Expansion

M/S/C (Williams/Reed) to authorize the General Manager to amend the Granite Rock Company DBA, Pavex Construction Division contract to accommodate the final contract close-out adjustments of the San Martin Parking and Roadway Expansion construction contract in an amount of \$300,000, for a new authorized amount of \$1,401,255.

24. Advanced Zero Emission Bus (ZEB) Demonstration Program

M/S/C (Williams/Reed) to adopt a strategy that authorizes the General Manager to enter into agreements with regional partners to designate AC Transit as the lead agency in the Advanced Zero Emission Bus (ZEB) Demonstration Program with the intent of satisfying the California Air Resources Board (CARB) requirement for zero emission bus (ZEB) demonstrations.

25. Advisory Measure for the November 4, 2008 Ballot

M/S/C (Williams/Reed) to adopt a resolution calling for a special election on November 4, 2008 to submit to the voters an Advisory Measure regarding the comprehensive transportation program identified in Valley Transportation Plan 2035 scheduled for adoption by the Board of Directors by December, 2008; and, Adopt a separate resolution calling for an additional measure on the November 4, 2008 ballot, delegating this responsibility in future years to the 2000 Measure A Citizens Watchdog Committee.

26. Dumbarton Rail Bridge Project

M/S/C (Williams/Reed) to approve the attached response to the 2007-08 Santa Clara Civil Grand Jury Final Report, *Dumbarton Rail Bridge Project - Do We Need It?*

27. VTA Rules of Procedure for the Audit Committee Meetings

M/S/C (Williams/Reed) to recommend approval of the indicated amendments to the VTA Rules of Procedure that govern the proceedings of Audit Committee meetings.

28. (Removed from the Consent Agenda and placed on the Regular Agenda.)

Review and approve the Scope of Work for the Santa Clara Valley Transportation Authority (VTA) Auditor General.

29. Purpose and Duties of the Audit Committee

M/S/C (Williams/Reed) to recommend approval of the indicated amendments to the VTA Administrative Code defining the purpose and duties of the Audit Committee.

REGULAR AGENDA

The Agenda was taken out of order.

32. Capitol Expressway Light Rail Extension to Eastridge Mall

Michael T. Burns, General Manager, provided information regarding the proceedings from the June 12, 2008 Downtown East Valley (DTEV) Policy Advisory Board (PAB) meeting, where the Committee received a report that the work was being suspended pending a review of the overall expenditure plan for Measure A. Mr. Burns indicated that the intent was to advise the Committee that the entire plan was being reviewed. Mr. Burns noted that the project has not been stopped, but that there is not enough money to complete all of the Measure A projects and the Board needs to prioritize and evaluate them. Mr. Burns indicated that staff concurs with the recommendation from the City of San Jose to continue with the planning and design activities of the Capitol Expressway Light Rail Extension.

Board Member Liccardo made a motion to move the memorandum from Mayor Reed dated August 6, 2008 and signed by the remaining four Board Members from San Jose. Board Member Liccardo indicated that the decision to suspend the project should be one made by the Board and vetted with the DTEV advisory board. He indicated that the issue was not brought to the Board for consideration and that any decisions would be made in a public setting. He noted that the firm commitment from San Jose is to move forward.

Board Member Campos indicated that this is an important issue for her constituents and it benefits the entire valley.

Board Member Kishimoto questioned if work would start immediately and what the difference is if the Board could allow the review of Measure A to be completed prior to taking action on the request.

Mr. Burns indicated that the project work will move forward in parallel to the review of the work and is not being held up pending the completion of the review.

Board Member Kishimoto noted that she was going to ask for a reaffirmation of the Caltrain Electrification Project but decided against it because the Board has not reviewed all of the projects yet.

Member Casas noted that fiscal discipline was being applied to the decision making process to remove the politics and questioned if this was still the plan for the transportation solutions.

Mr. Burns commented that decision of the stopping or suspending a project is a policy that should be made by the Board and in this case the particulars of this project have not been brought to the Board. Mr. Burns noted that this is consistent with the direction of moving other projects and indicated that the Board has not had the benefit of the discussion on this project.

Board Member Casas indicated that all projects should be evaluated fairly and questioned why Board direction was being sought to affirm the project if it was not sought to suspend the project.

Vice Chairperson Sandoval provided clarification on the motion and indicated that the community wants to be assured that the work will continue because staff suspended the work. Therefore, it is being brought before the Board as a matter of trust.

Board Member Campos explained that the DTEV PAB brought the issue forward because they were all taken by surprise when they heard that staff was suspending the project without direction. She indicated that the committee thought it best to bring it to the full Board so that there was no confusion that staff needed to move forward with the project.

Board Member Casas questioned if the new motion created the perception that this project has a different standing than any of the other Measure A projects.

Board Member Liccardo indicated that an even playing field was trying to be created for all of the projects. Board Member Liccardo noted that if the staff unilaterally decided to stop any other project, he hoped there would be Board direction to resume it to ensure the public that this agency is run by the Board.

Board Member McHugh indicated the importance of informing the community that all projects are moving forward until there is specific board action. He indicated that he is supportive of the motion.

Larry Braddock, Interested Citizen, expressed that East San Jose is looking forward to the Light Rail Extension and thanked the Board for its affirmation.

Diane Berger, Interested Citizen, thanked the Board for their affirmation and indicated that she could use the Light Rail if it is extended.

Vice Mayor David Cortese, Interested Citizen, indicated that this is a project that is needed and has met every criteria for funding and is basically project ready. He noted that the credibility of VTA is at stake.

Board Member Casas indicated that the project is at risk due to funding and asked Vice Mayor Cortese if he was aware that the affirmation did not change this.

Vice Mayor Cortese indicated that if the project is killed it will not balance the budget and it will not bring BART to San Jose.

Helen Garza, Interested Citizen, indicated that the Bus Rapid Transit will not meet the need and that the Light Rail Extension is needed.

Danny Garza, Interested Citizen, expressed concern that that CalTrans work was not suspended but work on the East Side of San Jose was, and indicated he would not support any tax measures for other projects unless the Light Rail Extension is completed.

Alofa Talivaa, Sierra Neighborhood Association, expressed concern with the suspension of the Light Rail project and indicated that there is a need for the extension to Eastridge.

Kevin Kittila, Interested Citizen, indicated he is not in favor of extending the Light Rail because there are plenty of buses that go to Eastridge.

Elsie Aranda, East Valley Neighborhood Action Committee, expressed concern with the suspension of the Light Rail and noted that it would serve to promote the green vision that we are all trying to achieve.

Eugene Bradley, Interested Citizen, questioned if the Board was affirming that there will be a Light Rail extension to the East Side, and indicated that the voters were promised the project.

Krisitna Cunningham, representing Supervisor Blanca Alvarado, indicated that Ms. Alvarado strongly supports the Board's reaffirmation to support the Light Rail extension, and requested the VTA Board honor promises to East Side residents for equal transit dollars and a modern public transit system.

Gustavo Gonzalez, Alum Rock School District, indicated his support for the project noting that students and parents need the extension to get around and indicated the north south and west lines were completed and wants to see the same for the East.

Carlos DaSilva, West Evergreen Neighborhood Action Committee, supports the reaffirmation of project and would like the Board to demand an explanation from staff indicating why they suspended work on the project.

Megan Williams, Interested Citizen, expressed concern on behalf of her Mother's ability to travel without waiting for a ride, and indicated she would like to see the extension of the Light Rail.

Margaret Okuzumi, Bay Rail Alliance, expressed concern with funds being taken from other projects to fund the BART project.

Steve Bennette, Interested Citizen, expressed concern with diverting funds to BART from the Light Rail Extension.

Robert Bronson, Interested Citizen, expressed concern with the project at one time being at the top of the list, designed, and funded but now it's in doubt.

Chris Clark, Park Pleasant Neighborhood Association, indicated that Light Rail should be extended to each district and the people that need it most should receive it to make life easier for them.

Michael Ludwig, Interested Citizen, indicated the extension should be completed because Eastridge is a major transit center and it should not end a couple of miles short of it.

Greg Perry, Interested Citizen, expressed concern with the lack of funds to make good on the promise to build the extension.

Helen Johnson, Interested Citizen, indicated that Eastridge is a major transit hub in the valley and the extension is really needed.

Ted Johnson, East Valley/680 Neighborhood Action Committee, indicated that the area should be covered by light rail which would bring more business to Eastridge and tax money into school systems.

Tom Paramo, Commissioner Select for District Eight, expressed concern with the veto of the project without Board authority.

Richard Zappelli, Willow Glen Neighborhood Association, expressed concern with seeing Measure A money going into the BART project and not carbon free buses or the Light Rail extension as promised.

M/S/C (Liccardo/Pyle) to reaffirm the VTA Board of Directors support for the Capitol Expressway Light Rail Extension to Eastridge Mall and recommend the continuation of planning and design activities in coordination with the review and approval of the Measure A Expenditure Plan Light Rail Systems Analysis.

30. Special Election One-Eighth Cent Sales Tax

Michael T. Burns, General Manager, provided background information regarding the proposed sales tax for the BART project. Mr. Burns noted that the funds could only be used to cover BART operating and maintenance and could not be applied to any other project. He indicated that taxpayers would not be responsible to pay the tax unless there was a fully funded project. The tax would be a 30 year tax and must be approved by a 2/3 vote of the electorate.

Mr. Burns indicated they had met with several business groups that raised issues about VTA's business efficiencies. Mr. Burns indicated that staff will work on a process with the Silicon Valley Chamber of Commerce to identify ways to improve. Mr. Burns noted that Staff recommends approval of the item and an affirmative vote to send it to the electorate.

Board Member Caserta questioned if there was anything in writing from the Federal Transit Administration (FTA) regarding the use of funds from federal dollars, as well as something in writing with BART.

Mr. Burns commented that the FTA has requirements that any expansion of service not take away operating funds of existing service, and they would not support a project if it does.

Mr. Burns noted that an analysis with estimates was provided to BART, but they had not yet responded.

Board Member Liccardo indicated that he strongly supports the motion. He noted that BART is an extraordinary means of transit, and an increase in Ridership would make the entire network made better. Comprehensive transit solution, reducing dependence on foreign oil, 1/8 cent price small to pay move toward future that is transit dependent critical for planet and community.

Board Member Reed questioned if VTA staff had calculated the cost on a per household basis. Board Member Reed asked staff to provide that information.

Kevin Kittila, Interested Citizen, expressed concern that BART to San Jose has taken too much of VTA's money already.

Lowell Grattan, American Dream Coalition, expressed concern that BART does not take cars off the road.

Eugene Bradley, Santa Clara VTA Riders Union, expressed concern with the need for additional sales tax to complete the BART project.

Rebecca Alcantar, Assembly Member Caballero Field Representative, expressed the support of BART on behalf of Assembly Member Caballero, noting that it is the missing link in the regional transportation system and the sales tax measure is important to push the project forward.

Margaret Okuzumi, Bay Rail Alliance, expressed concern with the calculation of the project including the 1/8 cent sales tax, and presented additional information to the Board.

Ira Ruskin, Assembly Member, indicated he supports putting the measure on the ballot and will support it when it is on there. He noted that the BART extension is critical to accomplishing certain environmental goals and gives people an option.

Greg Perry, Interested Citizen, expressed concern with the lack of an expenditure plan.

Michael Ludwig, Interested Citizen, expressed concern with the BART extension because they have historically had cost overruns.

Andrew Papon, Interested Citizen, expressed support for BART, noting it will boost economic vitality in the county because it will link it to other counties in the Bay Area.

Jody Hanson, San Jose Silicon Valley Chamber of Commerce, supports the BART extension to San Jose and indicated she is working with VTA on long term solutions to improve operating efficiencies to ensure there will be sufficient and sustainable funding to bring BART to San Jose.

Doug McNea, Silicon Valley Taxpayers Association, expressed concern that the tax measure will fail to relieve congestion, fail to reduce dependency on foreign oil, and fail to relieve gas prices and climate change.

Tom Sawyer, Interested Citizen, expressed concern that BART will be outdated by the time it is built.

Yolanda Reynolds, Interested Citizen, expressed concern with the project due to the lack of clarity and unfulfilled promises.

Norman Kline, Interested Citizen, supports putting the sales measure back on the ballot to let voters show if BART is still a priority.

Rod Diridon, Sr., Interested Citizen, supports putting the sales measure on the ballot and getting the public support for BART to move ahead one more step toward the completion of a sustainable transportation program.

Noel Tebo, Modern Transit Society, expressed concern with the current BART design and questioned how the funds will be used by VTA.

Jim Beall, Assembly Member, expressed his support for the proposal noting that it will create jobs and boost to the economy and the sales revenue into Santa Clara County at the completion of project.

Kerri Hamilton, Interested Citizen, supports putting the measure on the ballot to hear the debate from both sides and make an informed decision.

Neil Struthers, Building Trades Council, supports the BART measure creating jobs through the project.

Dr. Ola Robert Hassan, Interested Citizen, indicated he is in favor of letting the voters decide because BART is crucial and critical for the community, employment, and the reduction of gas emission.

Mary Creasman, South Bay Labor Council, indicated that BART was an important investment in community, environment, and workforce.

Dennis Wan, Chinese American Chamber of Commerce, supports the BART measure noting that it will connect the north and south and even San Mateo County which will be good for business and the future of San Jose.

Elizabeth Brierly, Interested Citizen, expressed concern with the BART measure noting that funds should be put into more flexible transportation options.

Richard Zappelli, Interested Citizen, expressed concern that this would not be the last BART tax.

Jim Stallman, Interested Citizen, expressed concern with taxes being collected before service starts, and the amount that VTA is paying for the project.

Dan Gordon, Gordon Biersch, supports the BART Measure noting that mass transit gets people everywhere in many parts of the world and this project is a step in that direction.

Jim Purcell, representing Santa Clara University President, Father Locatelli, supports putting the measure on the ballot noting the positive effects of cleaner air, cheaper energy, better transportation, and affordable housing along transit corridors.

Jason Simms, Carpenter's Local 405, supports bringing BART to San Jose to support the economy.

Joseph Corona, Laborers Local 270, supports the BART project as an investment which creates jobs for people in the short term and in the long term it creates a ride.

Carl Guardino, Silicon Valley Leadership Group, indicated he was firmly behind effort, noting the extension will be a more viable alternative to the automobile, higher gas prices, and dependence on foreign oil.

Dr. Peter Arellano, Interested Citizen, noted it was time to move forward and join the rest of the world with mass transit.

Board Member Kishimoto questioned the figures of the Bay Rail Alliance calculations in comparison to staff's analysis.

Mr. Burns commented that the figures from the Bay Rail analysis don't show that VTA will only pay the actual operating cost.

Board Member Kishimoto commented that there seems to be a clause that may require VTA to pay an extra 15 million. Board Member Kishimoto call into question whether the 1/8 cent sales tax will cover the cost. She noted that she would have to oppose the sales tax because other projects are getting pushed aside. Board Member Kishimoto indicated that the Board agreed on a process and it has not happened. She commented that true, informed choices have not been presented to the public. Board Member Kishimoto strongly recommended finishing the analysis on Measure A, looking at alternatives for all projects, choosing the best available technology, and seeking alternative ways for paying for transit.

Board Member Williams commented that the Board's job is to make a decision to put the measure on the ballot, and the voters will make final decision. He indicated that the real task is educating the voters. Board Member Williams noted that there were not enough funds to complete all of the Measure B projects but they found a way to make them happen and must do the same with Measure A projects.

Board Member Reed, commented that BART remains a very popular project with the voters and noted that there would be no Measure A money if it wasn't for the project. Board Member Reed indicated that this is a long term investment in the future and infrastructure and he is willing to pay 1/8 sales tax to make it happen.

Ex-Officio Board Member Yeager indicated his support for putting the measure on the ballot for voters to decide and noted that it is the real democratic process.

Alternate Board Member McHugh expressed his belief that the people of the county still want BART and will be supporting the motion.

Ex-Officio Board Member Chu commented that he is fully supportive of the BART project and it's time to let the voters say yes or no.

Board Member Casas expressed concern that the action to place a measure on the ballot was not the result of a well thought out process, and not the result of Standing Committees having done and completed due diligence. He noted that all previous financial analysis clearly stated that sales tax increase of this amount would not cover the gap.

Board Member Casas indicated that this would not be the last tax. He expressed concern that Measure A project assessment had not been completed and that BART and other projects may not make the cut. He indicated that the process should be followed and a complete assessment done before it goes to the voters to ask them to pay for something

that in their minds they have already paid for. Board Member Casas indicated he would not be supporting the motion.

Board Member Sellers indicated he was supportive of the motion noting it was a failure not extending BART earlier. Board Member Sellers commented that it needs to be done for subsequent generations.

Board Member Campos agreed that voters should be asked to reaffirm or not reaffirm the project, and noted she was supporting the measure.

Board Member Liccardo responded to Board Member Casas' concerns with the project not going through committees and noted that there has been no project that has been vetted more than BART. He noted that it has been discussed and analyzed in every possible detail. Board Member Liccardo indicated he was very confident that there would be a very open public conversation about this and no decision would be rushed.

Board Member Liccardo commented on the Bay Rail Alliance numbers. Board Member Liccardo noted discrepancies and stressed that it is very critical that they review the agreement before presenting information that is misleading to the public.

Vice Chairperson Sandoval thanked the audience members who provided comments. She indicated her support for the proposal to let voters decide.

M/S/C (Liccardo/McHugh) on a vote of 9 Ayes to 3 Noes to 0 Abstentions to adopt a resolution calling for a special election, to be consolidated with the statewide election to be held on November 4th, 2008, to authorize the Santa Clara Valley Transportation Authority (VTA) to enact a one-eighth cent (1/8 cent) sales and use tax limited to thirty years to provide the operating and maintenance expenses and capital reserve contribution for the Silicon Valley Rapid Transit Project Extension to Milpitas, San Jose and Santa Clara to take effect upon the receipt of appropriate funding assurances from the state and federal governments as outlined below.

31. VTA's Board Governance Structure

Jim Lawson, Government Affairs Officer, gave a brief background on the three Board approved concepts that came forward from the Governance Sub-Committee. Mr. Lawson announced the addition of Norman Kline, Margaret Okuzumi, Christopher Moylan, and Steve Glickman, four members from the advisory committees, who worked to look at alternatives and came up with an additional recommendation that they felt was a viable option.

Board Member Campos left her seat at 9:18 pm.
Ex-Officio Board Member Yeager left his seat at 9:18 pm.

Vice Chairperson Sandoval indicated that only two members of the Board and four members of the advisory committees had taken up the Governance item and indicated this is an item that should go to an official structure of the Board. Vice Chairperson Sandoval requested feedback from the Board on having the Administration and Finance

Committee (A&F) take up the Governance issue as an official structure of the Board and debate the proposed changes.

Member McHugh noted that he received information from the City of Campbell and the City of Mountain View requesting more time and indicated he was in favor of referring the item to the A&F Committee.

Eugene Bradley, Santa Clara VTA Riders Union, expressed concern with the voters not electing the officials that sit on the Board.

Kevin Kittila, Interested Citizen, expressed concern that the Board is not elected by the people.

Margaret Okuzumi, Bay Rail Alliance, expressed concern with the VTA not taking the advice of its Advisory Committees.

Norman Kline, VTA Citizens Advisory Committee, expressed his gratitude for being selected to advise the Governance Committee and indicated his trust that the Board will be fair and do what's right.

Christopher Moylan, VTA Policy Advisory Committee, expressed concern with the Board option of doing nothing to the governance structure, and requested the advisory committee's recommendation be endorsed and changes in state law be pursued.

Board Member Casas thanked the advisory committee members and Board Member Sellers for the hard work done on the governance item. Board Member Casas noted that although Board Member Sellers did not support the alternative, he worked to make it the best alternative. Board Member Casas indicated that he supports the motion to give the task to A&F.

Board Member Kishimoto thanked the committee members for working on the item. Board Member Kishimoto indicated her preference for the initial proposal, however, she noted that the choices that came from the process were good and that she was intrigued by the PAC alternative, and indicated proportionate voting should also be kept on the table.

Board Member Reed noted he was in favor of the original proposal by Board Member Sellers, but that he would like to make a decision when it's known what other cities think is in their best interest. Board Member Reed indicated his approval for the item to go to A&F. Board Member Reed noted that he would like to see if the Audit made any changes in the recommendation that might affect the discussion.

Board Member Williams noted that the purpose for this needs to be clearly stated in order to apply solutions to the problem.

Board Member Liccardo questioned if multiple votes for each member allocated in a way that you could get proportional voting was considered as an option.

Board Member Sellers indicated that it was considered early on as an option but the primary concern was the practicality, noting the difficulty of the tabulation.

Board Member Sellers thanked all of those who expressed appreciation for his efforts. He reassured the Board that the goal from the beginning was trying to improve the governance structure. Board Member Sellers indicated that all of those invited to participate on the committee had expressed opposition to his proposal but he is a strong believer in the public process and wanted everything to be fully considered. Board Member Sellers requested clarity on what his role might be in the future, and indicated he would like to be given the opportunity to write out some concerns about proposals that were brought forth.

M/S/C (Liccardo/Williams) to appoint the Administration and Finance Committee (A&F) to take up the Governance issue as an official structure of the Board, and debate the proposed changes to VTA's governance structure.

Board Member Gage left his seat at 9:50 pm

33. Valley Transportation Plan (VTP) 2035 Review: Expressways

John Ristow, Chief CMA Officer, gave a brief overview of the list of projects and programmatic areas for the VTP 2035. Mr. Ristow indicated that 25 projects were selected for the Expressways and \$263 million was allocated.

On order of Vice Chairperson Sandoval, there being no objection, the Valley Transportation Plan (VTP) 2035 - Program Area Review: Expressways was received.

34. Valley Transportation Plan (VTP) 2035 Review: Local Streets and County Roads

John Ristow, Chief CMA Officer, gave a brief overview of the list of projects and programmatic areas for the VTP 2035. Mr. Ristow indicated 42 projects were incorporated for the Local Streets and County Roads and \$590 million was allocated.

On order of Vice Chairperson Sandoval, there being no objection, the Valley Transportation Plan (VTP) 2035 - Program Area Review: Local Streets and County Roads was received.

35. Long Range Transportation Plan (LRTP)

Tom Fitzwater, Environmental Planning Manager, gave an overview of the Long Range Transportation Plan, noting that 300 transit, highway, bicycle, pedestrian, and intelligent transportation system improvements were included. Mr. Fitzwater indicated that 14 comments were received during the planning stage, and the final Environmental Impact Report (EIR) responds to all of those concerns. He noted that the document identifies a number of significant environmental impacts because the projects are not specific enough to say there is less of an impact. Mr. Fitzwater indicated the report also noted substantial benefits in area of vehicle miles traveled. Mr. Fitzwater noted that each project will require its own environmental analysis at a future date.

Board Member Kishimoto expressed her appreciation for all work done but noted her frustration with the analysis because useful alternatives were not really presented. Board Member Kishimoto noted that she may not support the motion for that reason, but not because she did not support the work that staff has done.

Board Member Williams thanked staff for their work on the project and suggested that they make the comparisons and assess what think is best. He commented that there were a number of alternatives and the Board is looking for their professional judgment.

M/S/C (Pyle/Caserta) on a vote of 9 Ayes to 1 Noes to 0 Abstentions to approve the Long Range Transportation Plan (LRTP) through the following actions:

1. Certify that the Final Program Environmental Impact Report (PEIR):
 - a. Meets the requirements of California Environmental Quality Act (CEQA);
 - b. Represents the independent judgment of VTA as the Lead Agency; and
 - c. Was presented to the VTA Board of Directors for review and consideration.
2. Adopt the Findings, including the following:
 - a. Findings;
 - b. Facts in Support of Findings; and
 - c. Statement of Overriding Considerations
3. Adopt a Mitigation Monitoring and Reporting Program (MMRP)

15. Modified Vision and Mission Statements

Board Member Kishimoto indicated that to be consistent with her vote at the Committee of the Whole meeting she would vote against, the modified statements.

M/S/C (Williams/Reed) on a vote of 11 Ayes to 1 Noes to 0 Abstentions to approve the modified Vision and Mission Statements.

28. Scope of Work for the VTA Auditor General

Alternate Board Member McHugh referenced the memo dated July 30, 2008 noting that it states that the Auditor General would report directly to the Audit Committee, but that the second page of the Scope of Work, states that the Auditor General would have a direct reporting relationship to the Audit Committee Chair. Alternate Board Member McHugh indicated that the Auditor should report to the entire Committee and not the Chair.

Michael T. Burns, General Manager, indicated the change would be made and the Auditor would report to the Audit Committee.

Board Member Kishimoto questioned if the Auditor would report to the entire Board or just to the Audit Committee.

Mr. Burns noted that the Auditor would report to the Audit Committee and the Committee would report to the Board.

Board Member Kishimoto noted there wasn't any indication of performance audits and wanted to clarify that these would be done in addition to financial audits.

M/S/C (McHugh/Casas) to Review and approve the Scope of Work for the Santa Clara Valley Transportation Authority (VTA) Auditor General.

OTHER ITEMS

36. ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION

Board Member Reed questioned if the State Audit would be put on the Agenda for Board Discussion.

Jim Lawson, Senior Policy Advisor, noted that it was currently going through the advisory committee process and would be forwarded to the Board.

Board Member Reed noted there was a comment regarding staff working on a Business Advisor Committee with the Chamber of Commerce on the sales tax item and indicated that progress needed to be made on getting that process moving and requested a report back to the Board.

Board Member Kishimoto requested an update on the Caltrain Electrification Project including funding status and time table.

37. Monthly Legislative History Matrix

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

38. REPORTS (UNAPPROVED MINUTES) FROM STANDING COMMITTEES

A. Board of Directors Committee of the Whole

On Order of Vice Chairperson Sandoval, there being no objection, the July 17, 2008 Minutes were accepted as contained on the dais.

B. Administration and Finance Committee

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

C. Congestion Management Program and Planning Committee

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

D. Transit Planning and Operations Committee

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

E. Audit Committee

On Order of Vice Chairperson Sandoval, there being no objection, the June 5, 2008 Minutes were accepted as contained in the Agenda Packet.

39. REPORTS (UNAPPROVED MINUTES) FROM ADVISORY COMMITTEES

A. Committee for Transit Accessibility (CTA)

On order of Vice Chairperson Sandoval, there being no objection, the July 9, 2008 Minutes were accepted as contained on the dais.

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

On order of Vice Chairperson Sandoval, there being no objection, the June 11, 2008 Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC) Minutes were accepted as contained in the Agenda Packet.

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 Vice Chairperson Sandoval, there being no objection, the July 10, 2008 Technical Advisory Committee (TAC) Minutes were accepted as contained on the dais.

E. Policy Advisory Committee (PAC)

On order of Vice Chairperson Sandoval, there being no objection, the June 12, 2008 Policy Advisory Committee (PAC) Minutes were accepted as contained on the dais.

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

Vice Chairperson Sandoval 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 Vice Chairperson Sandoval, there being no objection, the August 7, 2008 Peninsula Corridor JPB report was accepted as contained on the dais.

B. Capitol Corridor JPB

On order of Vice Chairperson Sandoval, there being no objection, the June 18, 2008 Capitol Corridor JPB report was accepted as contained on the dais.

C. Dumbarton Rail Corridor Policy Advisory Committee

On order of Vice Chairperson Sandoval, there being no objection, the July 22, 2008 Dumbarton Rail Corridor Policy Advisory Committee report was accepted as contained on the dais.

D. Metropolitan Transportation Commission (MTC)

On order of Vice Chairperson Sandoval, there being no objection, the June 25, 2008 and the July 23, 2008 Metropolitan Transportation Commission (MTC) reports were accepted as contained on the dais.

E. Sunol SMART Carpool Lane Joint Powers Authority

There was no report from the Sunol SMART Carpool Lane Joint Powers Authority.

41. 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

On order of Vice Chairperson Sandoval, there being no objection, the July 2, 2008 Silicon Valley Rapid Transit Corridor PAB Minutes were accepted as contained on the dais.

C. Downtown East Valley PAB

On order of Vice Chairperson Sandoval, there being no objection, the June 12, 2008 Downtown East Valley PAB Minutes were accepted as contained in the Agenda packet.

D. Highway PAB – South

There was no report from the Highway PAB – South.

42. PUBLIC PRESENTATIONS

Kai Wetlesvn, Line 51 advocates, expressed concern that services on bus line 51 were unfairly cut. Mr. Wetlesvn requested additional hours and frequency.

Vice Chairperson Sandoval referred the item to Jim Lawson, Senior Policy Advisor, to follow up on the concerns and report back to Transit Planning and Operations Committee.

Tim L. Ranz, Interested Citizen, expressed concern with a driver's refusal to pick him up, due to the inability to operate the wheelchair lift at that particular stop. Mr. Ranz indicated that he had to argue with the driver, who eventually let him onboard. He noted that he did not appreciate the level of service he received.

Vice Chairperson Sandoval referred the item to Mr. Lawson to provide a response to Mr. Ranz and copy the Board.

Arthur Hernaez, Line 51 advocates, expressed concern with the cuts on bus line 51. He noted that nearly 1000 signatures were received to support an increase in service and suggested the morning routes be increased.

Vice Chairperson Sandoval referred the item to Jim Lawson, Senior Policy Advisor, to also send Mr. Hernaez his response on the line 51 concerns.

43. ANNOUNCEMENTS

Vice Chairperson Sandoval announced that the two towers which will support the Merry Avenue bicycle and pedestrian bridge have been erected.

Board Member Casas requested that the Public Presentation item be moved back to the beginning of the Agenda so that the public does not have to sit through the entire meeting just to be heard.

Board Member Casas expressed concern with several Outreach vehicles which he has witnessed exceeding the speed limit. Board Member Casas suggested that VTA staff have a conversation with Outreach to have them retrain drivers or put speed bushings on the vehicles so that they do not exceed 65 mph. Board Member Casas noted that the VTA brand is displayed on the cars and drivers need to act appropriately in the community.

44. ADJOURNMENT

On order of Vice Chairperson Sandoval, there being no objection, the meeting was adjourned at 10:13 p.m. in memory of three valued VTA employees; Kim Petterson, Joyce Stewart-Cook, and Julianne Simpson.

Respectfully Submitted,

Menominee L. McCarter, Board Assistant
VTA Board of Directors