



BOARD OF DIRECTORS MEETING

Thursday, June 4, 2009

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 Sandoval at 5:33 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
Nora Campos	Board Member	Absent
Dean Chu	Ex-Officio Board Member	Present
Don Gage	Board Member	Present
Liz Kniss	Board Member	Present
Dolly Sandoval	Chairperson	Present
Sam Liccardo	Vice Chairperson	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	Absent
Greg Sellers	Board Member	Present
Chuck Page	Alternate Board Member	Absent
Rose Herrera	Board Member	Present
Ash Kalra	Board Member	Present
George Shirakawa	Alternate Board Member	Absent
Ken Yeager	Ex-Officio Board Member	Absent

* Alternates do not serve unless participating as a Member.

A quorum was present.

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

Board Member Kishimoto arrived at the meeting and entered Closed Session at 5:46 p.m.

Conference with Labor Negotiators
[Government Code Section 54957.6]

VTA Designated Representatives:

Joseph Smith, Chief Financial Officer
Bill Lopez, Chief Administrative Officer
Robert L. Escobar, Human Resources Manager

Employee Organizations:

American Federation of State, County and Municipal Employees (AFSCME)
Amalgamated Transit Union (ATU), Local 265
Service Employees International Union (SEIU), Local 521
Transportation Authority Engineers and Architects Association (TAEA), Local 21

RECONVENED TO OPEN SESSION at 5:56 p.m.

3. CLOSED SESSION REPORT

Conference with Labor Negotiators
[Government Code Section 54957.6]

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Transportation Authority Engineers and Architects Association (TAEA), Local 21

There were no reportable actions taken during Closed Session.

4. ORDERS OF THE DAY

There were no Orders of the Day.

5. AWARDS AND COMMENDATIONS

A. Employees of the Month for June 2009

Chairperson Sandoval recognized and presented an award to Hanh Tran, Project Controls Specialist II Engineering & Construction Division at River Oaks, Administration Employee of the month for June. Alexander Chrisoulis, Cerone Division Bus dispatcher, was the June Operations Employee of the month. Everett Jackman II, Transit Foreperson at Cerone was the Maintenance Employee of the month.

6. PUBLIC PRESENTATIONS

Jim Fink, Interested Citizen, expressed his concern regarding the cancellation of Bus Line # 15 and recommended restoring Bus Line # 27.

Jerry Grace, Interested Citizen, expressed concern with the California legal voting age.

Ross Signorino, Interested Citizen, recommended terminating BART at the San Jose Airport instead of Downtown San Jose and recommended the Citizen Advisory Committee (CAC) reevaluate the 2000 Measure A projects. Mr. Signorino requested staff provide a cost comparison between Bus Rapid Transit (BRT) and Light Rail Transit (LRT).

Torrance Phillips, Interested Citizen, requested staff provide information about VTA's responsibilities with regard to the Americans with Disabilities Act (ADA) and Paratransit operating hours.

Michael, Ludwig, Interested Citizen, discussed Light Rail restructuring.

Eugene Bradley, Santa Clara VTA Riders Union, expressed concern with service reductions and station closings.

7. REPORT FROM THE GENERAL MANAGER

Michael T. Burns, General Manager, reported the following:

- VTA systemwide ridership for the month of April 2009 decreased due to downturn in the economy. System wide average weekday ridership decreased by 1 percent. Bus average weekday ridership decreased by 1.5 percent and light rail average weekday ridership increased by .7 percent when compared to April 2008. However, 3 stations were closed during April 2008 due to the retrofit project.
- With regards to VTA's partners, decreases were seen on Caltrain (4.9 percent), Altamont Commuter Express (16.4 percent) and Capitol Corridor (4.6 percent) trains in terms of average weekday ridership.
- Board of Directors received the Santa Clara County Civil Grand Jury Report. VTA staff is preparing a draft response to be presented to the Citizens Watchdog Committee (CWC) for review July 2009 and the report will be provided to the full Board at the August 2009 meeting. Mr. Burns noted there is a 90-day time period to prepare and submit VTA's response to the Grand Jury.
- Update on BART project: VTA is working with the Federal Transportation Administration (FTA) to meet requirements to re-enter the New Starts Program and move the BART project forward. The Federal Environmental Impact Report (FEIR) is scheduled to be submitted by November 2009 and a Record of Decision (ROD) is expected by February 2010.

- In partnership with Skyline Solar on May 15, 2009, VTA unveiled a 27-kilowatt high beam solar power system at Cerone Division in San Jose. This is an 18-month pilot program.
- In response to VTA rider Alice Frayne, car cards will be displayed in VTA vehicles reminding riders of cell phone etiquette and consideration of others when riding VTA.
- Introduced Bernice Alaniz, Deputy Director Marketing and Publications, provided an overview of various major marketing campaigns and partnerships. She indicated VTA collaborated with other Bay Area transportation agencies: San Francisco Muni, SamTrans, and AC Transit, in a regional campaign with an environmental message theme, “Healthier Planet Healthier You.” She indicated resources were pulled together to create commercials which were broadcasted on KPIX, ABC, Comcast and local television stations. A joint website was also created. VTA was the lead designer of the “Low Car Diet” and “Answer the Call” ads. Ms. Alaniz indicated the plan is to continue the partnerships with the agencies.

Eugene Bradley, Santa Clara VTA Riders Union, expressed concern regarding the Long Term Transit Plan and proposed service reductions.

Jerry Grace, Interested Citizen, congratulated staff for the entertaining television commercial.

8. REPORT FROM THE CHAIRPERSON

Chairperson Sandoval commented on her recent visit to Washington, D.C. and meetings with Kurt Evans Government Affairs Manager, Michael T. Burns, Congressmen Mike Honda and Jerry McNerney. She reported they also met with staff representatives from the offices of Congresswomen Anna Eshoo and Zoe Lofgren, and the offices of United States Senators Barbara Boxer and Diane Feinstein.

The meetings provided an opportunity to brief the congressional delegation on the progress on the BART project, as well as other VTA priorities.

9. Citizens Advisory Committee (CAC) Chairperson’s Report

Noel Tebo, CAC Chairperson, provided a report highlighting the following: 1) Introduced CAC Vice Chairperson Robert Jacobvitz; and 2) Announced the 2000 Measure A Citizens Watchdog Committee (CWC) invitation to the community to attend a public hearing to discuss the 2000 Measure A Program to be held Wednesday, June 10, 2009, at the County Government Center, 70 West Hedding, Room 157 at 6:00 p.m.

10. Policy Advisory Committee (PAC) Chairperson’s Report

Margaret Abe-Koga, PAC Chairperson, provided a report regarding the PAC Meeting held May 14, 2009, highlighting the following: 1) Reviewed the Fiscal Years 2010 and

2011 Budget; 2) Recommended the Board approve the Fiscal Year 2010 Congestion Management Work Program; 3) Recommended the Board approve the 2009 Bicycle Expenditure Program and the project priorities for the FY 2009/10 Countywide Transportation Development Act Article 3 Program.

Ms. Abe-Koga stated the Committee recommended: 1) The Board implement fare increases as soon as possible; 2) Reevaluate Eco Pass pay structure to ensure VTA is collecting sufficient revenue; 3) Reinstate the Vasona extension and move the Eastridge and Vasona extensions on a parallel schedule to identify any cost savings; and 4) Consider freezing employee pension contributions for 2010 and 2011.

CONSENT AGENDA

Chairperson Sandoval noted the following: 1) Deferral of Item #19 – Lifeline Transportation Program – Supplemental Call for Projects – Cycle 2; 2) Correction on Item #11 – Approve Board of Directors Workshop Minutes of April 24, 2009, Page 7 is available on the dais.

At the request of the public, the following items were removed from the Consent Agenda and placed on the Regular Agenda:

Item # 27 - On-Call Consultant Lists for Transit Planning Services.

Item #28 - Conveyance of Property Interests to Peninsula Corridor Joint Powers Board (JPB).

Item #30 - Mission Warren Truck Rail Program – Amendment to the Right-of-Way Acquisition and Utility Relocation Agreement with Alameda County Transportation Authority and City of Fremont; Adoption of Resolution to Hear Resolutions of Necessity

Item #31 - On-Call Consultant Lists for BRT Planning & Design Engineering Services.

Board Member Reed recused himself from Consent Agenda items due to Government Section Code 84308.

Board Member Sellers recused himself from Item #17 - Santa Clara Valley Habitat Conservation Plan/Natural Community Conservation Plan due to Government Section Code 84308.

Vice Chairperson Liccardo recused himself from Item #27 On-Call Consultant Lists for Transit Planning Services, and Item # 31 - On-Call Consultant Lists for BRT Planning & Design Engineering Services due to Government Section Code 84308.

Board Member Reed left his seat at 6:45 p.m.

11. Workshop Meeting Minutes of April 24, 2009

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to approve the Revised Workshop Meeting Minutes of April 29, 2009. Board Member Reed recused.

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

12. Regular Meeting Minutes of May 7, 2009

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to approve the Regular Meeting Minutes of May 7, 2009. Board Member Reed recused.

13. Proactive Development Review Program Enhancements and the Quarterly Report

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to receive a presentation on the Proactive Development Review Program Enhancements and the Quarterly Report. Board Member Reed recused.

14. Programmed Projects Quarterly Monitoring Report for January-March 2009

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to receive the Programmed Projects Quarterly Monitoring Report for January-March 2009. Board Member Reed recused.

15. Adopt 2009 Bicycle Expenditure Program Project List

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to adopt the 2009 Bicycle Expenditure Program project list. Board Member Reed recused.

16. 2008 Monitoring and Conformance Report

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to approve the Draft 2008 Monitoring and Conformance Report. Board Member Reed recused.

17. HCP Cost Allocation and Budget Approval

M/S/C (Gage/Pyle) on a vote of 9 ayes and 2 recusals to approve the cost allocation and budget for the Santa Clara Valley Habitat Conservation Plan/Natural Community Conservation Plan. Board Members Reed and Sellers recused.

18. Execution of Purchase, Possession and Use Agreements for Various Highway Projects and Blossom Hill Road Pedestrian Overcrossing Project

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to authorize the General Manager to execute real property acquisition agreements required for the specific capital projects listed below, where the purchase price equals the statutory offer of just compensation established for the parcel, or where the negotiated purchase price does not exceed \$150,000, and with the exception that when any acquisition exceeds \$2,000,000, it will require separate Board approval. Further, authorize the General Manager to execute possession and use agreements for these projects. The specific projects are the following:

- US 101 Improvements (I-280 to Yerba Buena Road)
- US 101 Auxiliary Lanes (SR 85 to Embarcadero Road)
- I-880 HOV Lane Widening (SR 237 to US 101)
- I-280/I-880/Stevens Creek Boulevard Improvements
- Blossom Hill Road Pedestrian Overcrossing

Board Member Reed recused.

19. (Deferred to the August 6, 2009 Board of Directors' Regular Meeting)

Approve the programming of FY 09/10/11 Lifeline Transportation Program funds as described in the memorandum and as presented in Attachment A.

20. FY 2009/10 TDA3 Project Priority

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to adopt a resolution approving the project priorities for the FY2009/10 Countywide Transportation Development Act Article 3 Program. Board Member Reed recused.

21. Transfer of Easement Parcels for SR 152/156 Project

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to authorize the General Manager to execute grants of fee parcels and utility easements for the SR 152/156 Interchange Improvement Project, at no cost, to Caltrans, the County of Santa Clara and various utility companies. Board Member Reed recused.

22. CMP Work Program

M/S/C (Gage/Pyle) on a vote of 10 ayes, and 1 recusal to approve the Fiscal Year 2010 Congestion Management Work Program. Board Member Reed recused.

23. Silicon Valley Express Lanes Program Update

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to receive information on the Silicon Valley Express Lanes Program. Board Member Reed recused.

24. Quarterly Revenue & Expense Statement

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to review and accept the Fiscal Year 2009 Quarterly Statement of Revenues and Expenses for the period ending March 31, 2009. Board Member Reed recused.

25. Bill Position: AB 610 (Caballero)

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to adopt a support position for AB 610 (Caballero), which requires the Office of Planning and Research to assist local agencies interested in pursuing public-private partnerships for local infrastructure projects. Board Member Reed recused.

26. Reimbursement Resolution-Express Lanes

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to adopt a resolution to preserve the right to use tax-exempt bond proceeds to reimburse the Santa Clara Valley Transportation Authority (VTA) for costs incurred for capital projects and equipment purchases related to Express Lane System, if VTA or a conduit issuer such as MTC/BATA, at a future date decides to issue bonds. Board Member Reed recused.

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

Approve the attached list of consultants, which will be valid for a five-year period. The list will create an eligible pool of consultants to perform transit planning services for a variety of projects in correlation with the 2000 Measure A Transit Improvement Program and other VTA planning activities.

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

Authorize the General Manager to execute a Real Property Transfer Agreement between VTA and the Peninsula Corridor Joint Powers Board (JPB) for the exchange of fee and easement rights for the Vasona Light Rail Project and the Station Platform Expansion Project, and execute all related transfer documents.

29. Cerone Operating Division High Security Fencing Improvements Contract Award

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to authorize the General Manager to execute a contract with Fence Corp, the lowest responsible bidder, in the amount of \$642,933 for construction of the Cerone Operating Division High Security Fencing Improvements. This contract is 93% funded by the FY07-08 California Transit Security Grant Program. Board Member Reed recused.

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

Authorize the General Manager to execute an amendment to a combined Right-of-Way Acquisition and Utility Relocation Agreement with the Alameda County Transportation Authority and City of Fremont for the Mission Warren Truck Rail (MWT) Program. The amendment will increase the VTA share of expenses by \$6,967,000 to \$15,167,000. Further, adopt a resolution electing to hear resolutions of necessity for the MWT Program, as required by State law.

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

Approve the attached list of consultants, which will be valid for a five-year period. The list will create an eligible pool of consultants and consultant teams for future contracts to perform planning and design engineering services for Bus Rapid Transit in correlation with the 2000 Measure A Transit Improvement Program and the Santa Clara County Bus Rapid Transit Strategic Plan.

32. Diridon Station Area Plan Cooperation and Funding Agreement

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to authorize the General Manager to enter into a cooperative agreement with the City of San Jose for the Diridon Station Area Plan that identifies roles and responsibilities of VTA and the City of San Jose in the plan and the contribution of \$100,000 from the 2000 Measure A Capital Program. Board Member Reed recused.

33. March 2009 Facilities Projects Semi-Annual Report

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to receive the Facilities Projects Semi-Annual Report ending March 31, 2009. Board Member Reed recused.

34. Review and Approve Annual Internal Audit Plan

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 recusal to authorize the General Manager to execute one or more task orders with Deloitte & Touche LLP, to conduct the Fiscal Year 2010 internal audit work plan, in an amount not to exceed \$225,000. Board Member Reed recused.

Board Member Reed took his seat at 6:52 p.m.

REGULAR AGENDA

35. Fare Increase Proposal

Michael T. Burns, General Manager, provided an overview regarding the Fiscal Years 2010 and 2011 Biennial Budget. Mr. Burns stated considerable work has been accomplished since the draft budget which was first presented to the Board Workshop on April 24, 2009. He stated budget updates and adjustments have been presented to the standing committees, at the May 2009 Board of Directors meeting, and public meetings held throughout the County.

Mr. Burns stated VTA continues to receive negative news regarding the State Budget. He commented the State projects an 18 percent reduction in sales tax receipts for the third quarter of this fiscal year which represents an 8 percent in VTA budget reductions. He noted VTA is striving to balance revenue shortfalls, cross savings and fare increases.

Mr. Burns stated the projected Biennial Budget strives to achieve objectives established at the outset including: 1) Maintain Core Services; 2) Preserve Jobs; 3) Continue to make infrastructure investments; 4) Advance the Capital Programs – Measure A Program priorities; and 5) Implement a balanced approach to achieve the goals, drawing on revenues and reserves to reduce expenditures and balance the budget for FY 2010 and FY 2011.

Mr. Burns stated not all components of the recommended budget have been achieved. He reported negotiations and discussions are ongoing with labor unions. He noted the Transportation Authority Engineers and Architects Union (TAEA) has reached and ratified an agreement that includes wage freezes and work furlough days. He further stated the American Federation of State, County and Municipal Employees Union (AFSME) have reached a tentative agreement. The non-represented employees will have 12 work furlough days a year and will not receive raises for 2 years. Negotiations and discussions continue with Service Employees International Union (SEIU) and the Amalgamated Transit Union (ATU). The recent actuarial analysis for the ATU

Retirement Program indicates an increase of \$3.7 million a year of expenses to cover contributions to the ATU retirement program.

Mr. Burns reported \$3 million in stimulus funds will be directed to the operating budget for preventative maintenance and \$500,000 from Measure A has been allocated back to the budget for design and development of the City of Mountain View parking structure. At the May 5, 2009 Board of Directors meeting, Chairperson Sandoval recommended the Board reduce their stipend by 20 percent. Mr. Burns thanked the Board for their consideration.

Joseph Smith, Chief Financial Officer, provided an overview regarding the Final Recommended Biennial Budget Fiscal Years 2010 and 2011. He reported public outreach meetings were held throughout the County and comments received from the community are included in the staff report.

Mr. Smith provided a PowerPoint presentation titled, "Final Recommended Biennial Budget Fiscal Years 2010 and 2011 highlighting: 1) Current Versus Proposed Fixed Route Fares; 2) Current Versus Proposed American Disability Act (ADA) Paratransit Fares; and 3) Current Versus Proposed Eco Pass Fares.

Mr. Smith provided Draft Budget updates including: 1) VTA Transit Fund; 2) Paratransit Services; 3) Contingency Plan for the Transit Fund; 4) Congestion Management Agency Revised Sources and Uses; 5) Updates from the Draft Budget regarding the VTP Highway Program; and 6) Final Recommended Biennial Budget Appropriation Summary.

Mr. Smith provided additional updates from the Draft Budget regarding the 2000 Measure A projects highlighting: 1) List of Projects, 2) Revised Total Available Appropriations Schedules; and 3) Revised Sources and Uses.

Jim Unites, Deputy Director Service Planning and Accessible Services, provided an update regarding the Paratransit proposals within the budget process. Mr. Unites stated an objective of the proposals is the alignment of Paratransit services with VTA fixed route buses and Light Rail service. He commented public meetings have been held and the community has provided suggestions and responses to the proposals. He stated VTA worked closely with the Paratransit Outreach broker to develop a plan which maintains premium services. Mr. Unites indicated the community wishes to maintain the option of premium services. Mr. Unites reported the premium service will be available at an increased rate. He noted service modifications and fare increases effective January 1, 2010.

Board Member Herrera expressed her support of the proposed budget. She referenced correspondence from Dave Cortese, County of Santa Clara Supervisor, District Three, supporting the 2000 Measure A funding for the construction of the Light Rail extension to the Eastridge Transit Center. She thanked staff for their hard work to move the project forward. She noted public outreach efforts resulted in informative feedback from the community. She expressed her support of the Highway 101 projects.

Board Member Kalra inquired if the fare increase implementation can be advanced to Fall 2009 instead of January 2010. Mr. Burns responded staff can certainly evaluate advancing the fare increase process but noted VTA must adhere to regulatory and environmental processes when implementing fare structure modifications.

Board Member Sellers requested clarification regarding the Lifeline South County Community Bus program grant. Mr. Unites clarified the Board approved grant will provide improvements to bus stops and community bus routes in the City of Gilroy.

Board Members Herrera and Gage left the meeting at 7:13 p.m.

Board Member Liccardo expressed his appreciation to the AFSCME and TAEA bargaining units for moving negotiations toward resolution. Board Member Liccardo inquired what type of service reductions would be implemented if resolutions could not be reached with ATU and SEIU bargaining units. Mr. Unites stated approximately 8-10 percent reduction of service could be expected.

Jerry Grace, Interested Citizen, expressed concern with the fare increase proposal.

Eugene Bradley, Santa Clara Valley Transportation Authority (VTA) Riders Union, expressed concern with the fare increase proposals and management salaries.

Jim Fink, Interested Citizen, expressed his support of fare increase proposals to meet inflation.

Eyedin Zonobi, representing San Jose State University, expressed concern regarding proposals to increase the Eco Pass fares for students at the University.

Michael Ludwig, Interested Citizen, expressed concern with the proposed fare increases.

Sarah Bronstein, representing the Associated Students of San Jose State University (SJSU), expressed her concern with Eco Pass fare increase proposals for students at the University. She suggested VTA reconsider the Eco Pass fee structure for SJSU students.

36. Approval of Recommended Biennial Budget for Fiscal Years 2010 and 2011

Mark Knollmueller, VTA Employee and Executive Board Member SEIU, expressed his concern with proposed budget cuts regarding employee salaries. He commented salary cuts should include upper management employees. He also commented consultants have no vested interest in public service and recommended consultants should be laid off before union employees.

Mark Gordon, VTA Employee, expressed his concern with employee lay offs. He recommended consultants be laid off before union employees.

Jose Padilla, VTA Employee and SEIU Negotiating Team Member, expressed his concern with off shore consultant firms doing business with VTA. He recommended using US firms as a tool to increase revenues and support our local economy.

Jennifer Stanislaw, VTA Employee, expressed concern regarding the proposed lay offs. She suggested VTA consider changing its business model in order to stabilize the agency against economic uncertainty.

Janet McCarthy, VTA Employee, expressed concern with the proposed SEIU lay off notices.

Maria Holman, VTA Employee, expressed concern with allocation of proposed funds for On Call consultant Lists for Transit Planning Services and Bus Rapid Transit (BRT) Planning and Design Engineering Services.

Maria Martinez, VTA Employee, expressed her concern regarding the Equal Employment Opportunity Commission (EEOC) rights violation. She commented consultants are given first opportunity for career advancements.

Lupe Medrano, Interested Citizen, expressed her concern with the Paratransit Premium Service fare increases.

Bonnie Gonzalez, VTA Employee, expressed her concern regarding the proposed lay offs. Ms. Gonzalez encouraged VTA and the SEIU Negotiating Team to continue meeting until a reasonable agreement is reached.

Ruth Farnsworth, VTA Employee, expressed concern regarding proposed employee lay offs and SEIU contract negotiations.

Phil Asgedom, Service Employees International Union (SEIU), Local 521 expressed concern with negotiations between VTA and SEIU.

Ralph Rapp VTA Employee, expressed concern with contract negotiations between VTA and the SEIU bargaining unit.

Karen Grimes, VTA Employee, read comments from an anonymous employee regarding consultants and temporary staff replacing SEIU employees.

Tammy Dhanota, Chief Steward, SEIU, Local 521, expressed concern with good faith bargaining between VTA and the SEIU negotiating team. She commented consultants and contract employees should be laid off before regular employees.

Miros Flores, VTA Employee, expressed concern with the good faith bargaining between VTA and SEIU

Ron Roberts, VTA Employee, expressed concern with good faith bargaining between VTA and the SEIU bargaining unit and recommended job cuts should first be given to consultants.

Donna Varga, VTA Employee, expressed concern consultants and contracted employees are replacing staff.

Patrick Riley, VTA Employee, expressed his concern regarding the proposed employee lay offs.

Pat Smith, Interested Citizen, read a document composed by his wife Judi Smith, VTA Employee. Mr. Smith expressed concern with VTA employee lay offs and the high ratio of management to staff.

Eugene Bradley, VTA's Riders Union, supports salary reductions for upper all staff.

Laleh Boroumand, VTA Employee, expressed concern with the proposed lay offs for employees.

Haniet Bourshrockn, VTA Employee, expressed concern with taxpayer monies used for off shore consulting firms. She further recommended consultants should remain at VTA for a specific amount of time to complete a project. She recommended VTA implement employee training programs.

Loretta Springer, Representing ATU, expressed her concern regarding employee lay offs, executive management benefit packages, and good faith bargaining between VTA and SEIU.

Gregory Beattie, VTA Employee, expressed concern with negotiations between the VTA collective bargaining unit and SEIU.

Board Member Pyle supports the fare increases and the proposed budget.

M/S/C (Pyle/Kniss) to adopt a finding that a fare increase is necessary to meet operating expenses, including employee wages and fringe benefits and purchasing or leasing supplies, equipment, or materials; 2) Invoke a Statutory Exemption under CEQA, P.R.C. §21080(b)(8) and CEQA Guidelines, 14CCR Section 15273(a) (Rates, Tolls, Fares and Charges) for the purpose of modifying and increasing fares; and 3) Adopt a resolution establishing new rates and fares for VTA bus, light rail, and paratransit services effective January 1, 2010.

Board Member Casas supports the fare increases and the proposed budget.

Board Member Kalra requested clarification regarding the employment of consultants. Mr. Burns responded discussions have ensued with the bargaining units regarding the hiring of consultants.

Board Member Kalra expressed his concern with level of service to customers and loss of jobs. Board Member Kalra urged VTA staff to continue good faith bargaining with SEIU.

Board Member Sellers thanked Board Member Gage for his leadership regarding Caltrain. He commented regarding challenges in the current economy and noted loss of service in areas of South County. He expressed concern with reserve levels and recommended the consideration of alternate reserve policies. He noted the

recommendation of reduction of the stipend to Board Members is a good faith effort. He recommended the use of in house employees rather than outside contractors whenever possible.

Board Member Kishimoto asked if management would also partake in furlough days. Mr. Burns answered management will receive no wage increases for 2 years and must take 12 furlough days per year. Mr. Burns commented consultants would not receive wage increases for 2 years. Board Member Kishimoto requested staff summarize any service changes by regions.

Ex-Officio Board Member Dean Chu expressed kudos to staff for their hard work on the proposed budget and fare increases. He stated his support of Attachment B of the staff report. He commented in regards to State funding cuts many transportation agencies are raising fares and reducing service.

M/S/C (Kniss/Casas) to adopt a Resolution of the Board of Directors of the Santa Clara Valley Transportation Authority adopting a Biennial Budget for the period July 1, 2009 through June 30, 2011.

Board Member Kniss expressed her concern regarding reserve levels and the importance of maintaining favorable bond ratings.

Board Member Reed expressed his appreciation to non-represented employees and other unions who have agreed to wage freezes and furlough days. He recommended VTA resume negotiations and continue good faith bargaining. He stated assumptions may be worst in the coming years.

Board Member Liccardo encouraged labor negotiations to continue good faith bargaining.

Board Member Pyle thanked everyone for attending the meeting. Board Member Pyle noted the passion and compassion demonstrated by the audience and the Board. She encouraged the SEIU bargaining unit and staff work together toward solidarity.

Chairperson Sandoval thanked the speakers and audience for their attendance and concern regarding the propped budget and fare increases. Chairperson Sandoval stated the Board recognizes the economic hardships facing the community. She commented processes and procedures will be evaluated and assessed. Chairperson Sandoval stated she supports the fare increases and Biennial Budget proposals. She urged the bargaining units and staff to move toward a more unified commitment and voice.

37. Kato Road Flood Control Improvements Contract Award

Mark S. Robinson, Chief Engineering and Construction Officer, provided an overview of the Kato Road Flood Control Improvements Contract Award stating the staff report has been revised to reflect relieving the lowest bidder, McGuire & Hester from its bid

because of an error, and authorize the General Manager to execute a contract with Gordon Ball, the lowest responsible bidder.

M/S/C (Liccardo/Pyle) The Board consent to relieving the lowest bidder, McGuire & Hester, from its bid because of a mistake, and authorize the General Manager to execute a contract with Gordon Ball, the lowest responsible bidder, on the amount of \$2,096,031 for the construction of the Kato Road Flood Control Improvements.

38. Competitive Negotiation Resolution for Procurement of Electronic Validating Fareboxes and Associated Revenue Transfer Equipment and Data Processing Systems

Ali Hudda, Deputy Director of Accounting, provided an overview regarding procurement of electronic validating fareboxes and associated revenue transfer equipment and data processing systems.

Mr. Hudda stated VTA's bus fareboxes are 20 years old and obsolete. He reported the fareboxes do not provide accurate data and are the main cause of bus road calls.

Ex-Officio Board Member Chu inquired if the new fareboxes would be compatible with the Translink system. Michael T. Burns, General Manager, answered in the affirmative.

Jerry Grace, Interested Citizen, expressed his approval of the new fareboxes.

Michael Ludwig, Interest citizen, expressed his support of electronic fareboxes.

M/S/C (Pyle/Sellers) adopt a Resolution upon a two-thirds vote by the Board of Directors finding that a competitive sealed bid process does not constitute a method of procurement adequate for VTA's needs and directing the use of competitive negotiation for the purchase of up to 500 validating electronic fareboxes and associated revenue transfer equipment and data processing systems, as required by Public Contract Code Section 20306.

Board Member Reed left the meeting at 9:07 p.m.

The Agenda was taken out of order.

27. On-Call Consultant Lists for Transit Planning Services

M/S/C (Pyle/Sellers) on a vote of 7 ayes and 1 recusal to approve the attached list of consultants, which will be valid for a five-year period. The list will create an eligible pool of consultants to perform transit planning services for a variety of projects in correlation with the 2000 Measure A Transit Improvement Program and other VTA planning activities. Board Member Liccardo recused.

28. Conveyance of Property Interests to JPB

M/S/C (Casas/Sellers) on a vote of 8 ayes to authorize the General Manager to execute a Real Property Transfer Agreement between VTA and the Peninsula Corridor Joint

Powers Board (JPB) for the exchange of fee and easement rights for the Vasona Light Rail Project and the Station Platform Expansion Project, and execute all related transfer documents.

30. **Mission Warren Truck Rail Program – Amendment to the Right-of-Way Acquisition and Utility Relocation Agreement with Alameda County Transportation Authority and City of Fremont; Adoption of Resolution to Hear Resolutions of Necessity**

M/S/C (Casas/Pyle) on a vote of 8 ayes, to authorize the General Manager to execute an amendment to a combined Right-of-Way Acquisition and Utility Relocation Agreement with the Alameda County Transportation Authority and City of Fremont for the Mission Warren Truck Rail (MWT) Program. The amendment will increase the VTA share of expenses by \$6,967,000 to \$15,167,000.

Note: The Board deferred the resolution electing to hear resolutions of necessity for the MWT Program as required by State law, to the next regular Board of Directors meeting on August 6, 2009.

Board Member Liccardo left the meeting at 9:12 p.m.

31. **On-Call Consultant Lists for BRT Planning & Design Engineering Services**

M/S/C (Sellers/Kniss) on a vote of 7 ayes, to approve the attached list of consultants, which will be valid for a five-year period. The list will create an eligible pool of consultants and consultant teams for future contracts to perform planning and design engineering services for Bus Rapid Transit in correlation with the 2000 Measure A Transit Improvement Program and the Santa Clara County Bus Rapid Transit Strategic Plan.

OTHER ITEMS

39. **ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION**

There were no Items of Concern and Referral to Administration.

40. **MONTHLY LEGISLATIVE HISTORY MATRIX**

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

41. **REPORTS (UNAPPROVED MINUTES) FROM STANDING COMMITTEES**

A. **Administration and Finance Committee**

On order of Chairperson Sandoval and there being no objection, the May 21, 2009 Administration and Finance (A&F) Committee Minutes were accepted as contained in the Agenda packet.

B. Congestion Management Program and Planning Committee

On order of Chairperson Sandoval and there being no objection, the May 21, 2009 Congestion Management Program and Planning (CMPP) Committee Minutes were accepted as contained in the Agenda packet.

C. Transit Planning and Operations Committee

On order of Chairperson Sandoval and there being no objection, the May 21, 2009 Transit Planning and Operations (TP&O) Committee Minutes were accepted as contained in the Agenda packet.

D. Audit Committee

On order of Chairperson Sandoval and there being no objection, the May 7, 2009 Audit Committee Minutes were accepted as contained in the Agenda packet.

42. REPORTS (UNAPPROVED MINUTES) FROM ADVISORY COMMITTEES

A. Committee for Transit Accessibility (CTA)

On order of Chairperson Sandoval and there being no objection, the May 13, 2009 Committee for Transit Accessibility (CTA) 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 Sandoval and there being no objection, the May 13, 2009 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)

On order of Chairperson Sandoval and there being no objection, the May 13, 2009 Bicycle & Pedestrian Advisory Committee (BPAC) Minutes were accepted as contained in the Agenda packet.

D. Technical Advisory Committee (TAC)

On order of Chairperson Sandoval and there being no objection, the May 14, 2009 Technical Advisory Committee (TAC) Minutes were accepted as contained in the Agenda packet.

E. Policy Advisory Committee (PAC)

On order of Chairperson Sandoval and there being no objection, the May 14, 2009 Policy Advisory Committee (PAC) Minutes were accepted as contained in the Agenda packet.

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

A. Peninsula Corridor JPB

On order of Chairperson Sandoval and there being no objection, the June 4, 2009 Summary Notes from the Peninsula Corridor Joint Powers Board were accepted as contained on the dais.

B. Capitol Corridor JPB

There was no report from the Capitol Corridor JPB.

C. Dumbarton Rail Corridor Policy Committee

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

D. Metropolitan Transportation Commission (MTC)

On order of Chairperson Sandoval and there being no objection, the May 27, 2009 Summary Notes from the Metropolitan Transportation Commission (MTC) were accepted as contained on the dais.

E. Sunol Smart Carpool Lane Joint Powers Authority

On order of Chairperson Sandoval and there being no objection, the May 11, 2009 Summary Notes from the Sunol Smart Carpool Lane Joint Powers Authority. were accepted as contained on the dais.

44. 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 and BART Warm Springs Extension PAB

On order of Chairperson Sandoval and there being no objection, the April 29, 2009 Minutes from the Silicon Valley Rapid Transit Corridor and BART Warm Springs Extension PAB were accepted as contained on the dais.

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.

45. ANNOUNCEMENTS

Board Member Casas expressed support of household composting to save the environment.

46. ADJOURNMENT

On order of Chairperson Sandoval and there being no objection, the meeting was adjourned at 9:18 p.m.

Respectfully Submitted,

Jacqueline Golzio, Board Assistant
VTA Board of Directors