



BOARD OF DIRECTORS MEETING

Thursday, January 7, 2010

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 Liccardo at 5:40 p.m. in the Board of Supervisors’ Chambers, County Government Center, 70 West Hedding Street, San Jose, California.

1. ADMINISTER OATHS OF OFFICE

Sandra A. Weymouth, VTA Board Secretary, administered the Oath of Office to newly appointed Board Members Margaret Abe-Koga, representing City of Mountain View; Rich Larsen, representing the Town of Los Altos Hills; Jamie Matthews, representing the City of Santa Clara; Pete McHugh, representing the City of Milpitas; and Perry Woodward, representing the City of Gilroy.

2. ROLL CALL

Attendee Name	Title	Status
Margaret Abe-Koga	Board Member	Present
Nora Campos	Alternate Board Member	Absent
Dean Chu	Ex-Officio Board Member	Present
Don Gage	Board Member	Present
Rose Herrera	Board Member	Present
Ash Kalra	Board Member	Present
Liz Kniss	Board Member	Absent
Rich Larsen	Board Member	Present
Sam Liccardo	Chairperson	Present
Jamie Matthews	Alternate Board Member	Present
Pete McHugh	Alternate Board Member	Present
Chris Moylan	Board Member	Present
Chuck Page	Board Member	Present
Nancy Pyle	Board Member	Present
Chuck Reed	Board Member	Present
George Shirakawa	Alternate Member	Absent
Perry Woodward	Board Member	Present
Ken Yeager	Ex-Officio Board Member	Present

* Alternates do not serve unless participating as a Member.

A quorum was present.

3. RECESSED TO CLOSED SESSION at 5:44 p.m.

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

Name of Case: Tarik Isani v. Santa Clara Valley Transportation Authority
[Santa Clara Superior Court Case No. 1-08-CV-115577]

RECONVENED TO OPEN SESSION at 5:55 p.m.**4. CLOSED SESSION REPORT**

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

Name of Case: Tarik Isani v. Santa Clara Valley Transportation Authority
[Santa Clara Superior Court Case No. 1-08-CV-115577]

There was no reportable action taken during Closed Session.

5. ORDERS OF THE DAY

Chairperson Liccardo noted the following Agenda Items would be presented by Current Vice Chairperson Gage: **Agenda Item #6.** Report from the Nominating Committee and **Agenda Item #7.** Election of Chairperson and Vice Chairperson for a term extending from January 2010 through December 2010.

Chairperson Liccardo moved the following Agenda Items from the Regular Agenda to the Consent Agenda: **Agenda Item # 23.** Adopt a resolution certifying that VTA is an eligible and responsible sponsor for the US 101/Capitol Expressway/Yerba Buena Interchange Modifications project, authorize the General Manager to submit an application for \$5,000,000 of 2009 American Recovery and Reinvestment Act (ARRA) funding for this project and authorize the General Manager to execute an agreement with Caltrans as necessary to receive this grant;

Agenda Item # 24. Receive a report on three regional land use-related initiatives: SB375, ABAG FOCUS Program, and Air District Indirect Source Rule; and

Agenda Item # 25. Receive the VTP Highway Program Semi-Annual Report - October 2009.

Chairperson Liccardo moved the following Agenda Item from the Consent Agenda to the Regular Agenda: **Agenda Item #17.** Silicon Valley Rapid Transit Program – SVBX Utility Relocation Agreements with Utility Owners.

Chairperson Liccardo deferred the following Item from the Board Agenda, noting the Item will be forwarded back through the Standing Committee process and directed to VTA's Ad-Hoc Financial Recovery Committee: **Agenda Item # 21.** Senate Bill 83 – Implementation Actions.

M/S/C (Pyle/Herrera) to accept the Orders of the Day.

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

Chairperson Liccardo relinquished his seat as Chairperson at 5:58 p.m., and
Current Vice Chairperson Gage presided over the meeting.

Current Vice Chairperson Gage noted upon direction from Kevin Allmand, General Counsel, the election of Chairperson and Vice Chairperson will be conducted separately.

6. REPORT FROM THE NOMINATING COMMITTEE

Current Vice Chairperson Gage reported the VTA Board of Directors appointed Board Members Sellers, Pyle, and himself to serve as the Nominating Committee for the selection of the 2010 Board of Directors Chairperson and Vice Chairperson. The Nominating Committee proposed Sam Liccardo as Chairperson for 2010.

VTA's Board of Directors accepted the report from the Nominating Committee.

Current Vice Chairperson Gage opened the nominations from the floor for the position of Chairperson for 2010.

Hearing no further nominations from the Board, Current Vice Chairperson Gage closed the nominations for Chairperson.

M/S/C (Abe-Koga/Page) to close the nominations for Chairperson.

7. ELECTION OF CHAIRPERSON FOR A TERM EXTENDING FROM JANUARY 2010 THROUGH DECEMBER 2010

M/S/C (Abe-Koga/Page) to elect Sam Liccardo as VTA Board of Directors Chairperson for a term extending from January 2010 through December 2010.

6. REPORT FROM THE NOMINATING COMMITTEE (continued)

Current Vice Chairperson Gage reported the Nominating Committee proposed Perry Woodward as Vice Chairperson for 2010.

Board Member Pyle reported the Nomination Committee reviewed and discussed the nominations received, noting all the candidates displayed significant qualities. Board Member Pyle stated the Nomination Committee discussed the impact on VTA since the candidate would have a two year commitment.

Board Member Pyle noted Board Member Gage will be leaving VTA's Board of Directors next year; therefore, VTA's Board will have only one Board Member representing the South County. The Nominating Committee reviewed the city groupings that have held the Vice Chairperson position in the past, noting the West Valley Grouping has held the seat two out of three times.

Board Member Pyle stated the goal of the Nominating Committee was to be logical as well as considerate and proposed Perry Woodward as Vice Chairperson for 2010.

Current Vice Chairperson Gage opened the nominations from the floor for the position of Vice Chairperson for 2010.

Board Member Larsen nominated Board Member Margaret Abe-Koga as Vice Chairperson for 2010.

Hearing no further nominations from the Board, Current Vice Chairperson Gage closed the nominations for Vice Chairperson.

M/S/C (Herrera/Page) to close the nominations for Vice Chairperson.

M/S/C (Abe-Koga/Page) to approve the slate of nominees for Vice Chairperson.

7. ELECTION OF VICE CHAIRPERSON FOR A TERM EXTENDING FROM JANUARY 2010 THROUGH DECEMBER 2010 (continued)

Current Vice Chairperson Gage stated since the election of Vice Chairperson has more than one nominee then the method of voting would be conducted using a Roll Call Vote, noting each Board Member would be asked to name the nominee they are casting their vote for Vice Chairperson 2010. A nominee must receive the vote of seven directors to be elected.

Current Vice Chairperson Gage asked if there was any discussion regarding the slate of nominees.

Hearing no further discussion from the Board, Current Vice Chairperson Gage asked Sandra A. Weymouth, VTA Board Secretary, to read the slate of nominees then proceed with the Roll Call Vote.

Ms. Weymouth stated for the record, Board Member Perry Woodward was put forth by the Nominating Committee and Board Member Margaret Abe-Koga was put forth by Board Member Larsen.

Board Member	Name of Nominee
Margaret Abe-Koga	Abe-Koga
Don Gage	Woodward
Rose Herrera	Abe-Koga
Ash Kalra	Abe-Koga
Rich Larsen	Abe-Koga
Sam Liccardo	Woodward
Chris Moylan	Abe-Koga
Chuck Page	Abe-Koga
Nancy Pyle	Woodward
Chuck Reed	Woodward
Perry Woodward	Woodward

M/S/F on a Roll Call Vote to elect the candidate for VTA Board of Directors Vice Chairperson for 2010. Board Member Woodward received 5 votes and Board Member Abe-Koga received 6 votes.

Current Vice Chairperson Gage stated that a Roll Call Vote will continue until one of the nominees received a vote of seven directors to be elected.

Ms. Weymouth stated Board Member Perry Woodward was put forth by the Nominating Committee and Board Member Margaret Abe-Koga was put forth by Board Member Larsen.

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

Board Member	Name of Nominee
Margaret Abe-Koga	Abe-Koga
Don Gage	Woodward
Rose Herrera	Abe-Koga
Ash Kalra	Abe-Koga
Rich Larsen	Abe-Koga
Sam Liccardo	Abe-Koga
Chris Moylan	Abe-Koga
Chuck Page	Abe-Koga
Nancy Pyle	Woodward
Chuck Reed	Woodward
Perry Woodward	Woodward

M/S/C on a Roll Call Vote to elect the candidate for VTA Board of Directors Vice Chairperson for 2010. Board Member Woodward received 4 votes and Board Member Abe-Koga received 7 votes.

Ms. Weymouth stated the motion to elect the candidate for VTA Board of Directors Vice Chairperson for 2010 passed in favor of Board Member Abe-Koga.

M/S/C (Pyle/Page) to elect Margaret Abe-Koga as VTA Board of Directors Vice Chairperson for a term extending from January 2010 through December 2010.

Chairperson Liccardo returned to his seat at 6:28 p.m.,
 Vice Chairperson Gage relinquished his seat,
 Chairperson Liccardo presided for the remainder of the meeting; and
 Vice Chairperson Abe-Koga assumed her seat.

Chairperson Liccardo expressed his appreciation for the opportunity to serve as VTA’s Board of Directors Chairperson for 2010. Chairperson Liccardo stated he looks forward to working collaboratively with the Board Members and VTA staff.

Chairperson Liccardo referenced **Agenda Item #8.B**. Resolution for Retiring VTA Employee Doug Willis, noting Mr. Willis was unable to attend and would be recognized at the February 4, 2010 Board of Directors Regular Meeting.

8. AWARDS AND COMMENDATIONS

A. Employees of the Month for December 2009 and January 2010

Chairperson Liccardo recognized and presented an award to Norma Kwan, Programmer Analyst III, River Oaks Administration; Jill Peterson, Coach Operator, Cerone Division; and Mike Crofts, Transit Mechanic, Cerone Maintenance Division, as Employees of the Month for December 2009.

Chairperson Liccardo recognized and presented an award to Everley Tejamo, Programmer Analyst II, River Oaks Administration; Tom Milanowski, Light Rail Dispatcher, Guadalupe Operations; Jay Operario, Service Mechanic, North Maintenance Division, as Employees of the Month for January 2010.

Dawn Wright, Office Support Supervisor, Cerone Division, as Supervisor of the Quarter for the First Quarter of 2010 was unable to attend.

B. (Deferred to the February 4, 2010 Board of Directors Regular Meeting.)

Adopt a resolution recognizing Doug Willis, Assistant Superintendent of Field Operations, for 38 years of service.

C. Resolution for Retiring VTA Employee Sally Massen

Chairperson Liccardo recognized and presented an award to Sally Massen, Transportation Supervisor, for 33 years of dedicated public service. Vice Chairperson Abe-Koga read the Resolution to Ms. Massen giving special tribute, honor, and recognition for her outstanding effort and dedication at VTA.

M/S/C (Page/Herrera) to adopt a **Resolution No. 2010.01.01** recognizing Sally Massen, Transportation Supervisor, for 33 years of service.

9. PUBLIC PRESENTATIONS

Joyce Weissman, Interested Citizen, referenced the November 5, 2009 Board of Directors Regular Meeting when a petition with 303 signatures was presented along with the request to add a 10:00 p.m. southbound trip to Bus Route 63 from downtown San Jose to Almaden Expressway/Camden.

Ms. Weissman referenced 2008, where drastic service changes were implemented during the coldest weather timeframe and urged the Board of Directors to defer these types of drastic service changes until the summer when the weather is warmer.

Alice Frayne, Interested Citizen, referenced the November 5, 2009 Board of Directors Regular Meeting and expressed concern that VTA's disabled customers appeared to be demeaned, while at the podium.

Mike Ludwig, Interested Citizen, referenced the route switch between Bus Routes 57 and 60 at Old Ironsides and Tasman Drive, noting the automatic announcement is not working properly. Mr. Ludwig expressed concern that the automatic announcement is providing incorrect bus route and destination information, noting the importance to correct the matter as soon as possible.

Mr. Ludwig referenced an article in the Los Angeles Times regarding Governor Arnold Schwarzenegger attempt to take away funding for public transportation and urged the Board of Directors to do everything within their power to oppose the decision.

James Wightman, Interested Citizen, queried when light rail service would travel to the Eastridge Transit Center. Michael T. Burns, General Manager, responded VTA is currently completing improvements on Capitol Expressway and working in conjunction with VTA's Board of Directors and Downtown East Valley (DTEV) Policy Advisory Board (PAB) approval will work in increments to advance pedestrian and safety improvements associated with the light rail service.

Mr. Burns stated the intent is to initially advance the Bus Rapid Transit (BRT) project, noting there is no definitive time table at this point when there will be light rail service to the Eastridge Transit Center.

Mr. Wightman expressed concern and stressed the importance for VTA to install surveillance cameras at the light rail stations to address vandalism concerns.

10. REPORT FROM THE GENERAL MANAGER

Michael T. Burns, General Manager, wished everyone a Happy New Year and congratulated Chairperson Liccardo and Vice Chairperson Abe-Koga, and welcomed the newly appointed Board Members.

Mr. Burns referenced the Board Orientation for the newly appointed Board Members, noting staff will work with their calendars to schedule the orientation. Mr. Burns noted his schedule to meet with the newly appointed Board Members over the next two weeks. Mr. Burns stated he looks forward to the opportunity to work with the Board Members over the years.

Mr. Burns provided a brief report, highlighting the following:

- VTA systemwide ridership continues to decline for the month of November 2009 when compared to November 2008. VTA systemwide average weekday ridership declined by 7.9 percent. Bus average weekday ridership declined by 7.5 percent and light rail average weekday declined by 9.3 percent.
- VTA's interagency partners are experiencing significant ridership decreases, such as the Dumbarton Express, which has declined 11.5 percent; Caltrain, which has declined 7.3 percent; and the Altamont Commuter Express (ACE) has declined 21 percent.
- Mr. Burns referenced Board Member Gage's request to include the impact on revenue with the ridership report, noting it will be consolidated into one report. Mr. Burns reported a revenue increase in 2009 when compared to 2008 largely due to the fare increase implemented in October 2009. Mr. Burns stressed that VTA is still tracking below budget projections for fare revenue by 3 percent.
- Mr. Burns reported on the success of VTA's free bus and light rail transit service provided on New Year's Eve, noting a significant increase in light rail ridership, which is a good indication of a positive trend in light rail transit service.
- Mr. Burns reported VTA received a letter on December 17, 2009 from the Federal Transit Administration (FTA) regarding acceptance of the BART project into the New Starts Federal Process, which allows VTA to compete on federal funding and is a prerequisite to proceed with the Final Environmental Impact Statement (EIS). The FTA is scheduled to publish the Notice of Availability on January 15, 2010, which opens the public comment period for the Record of Decision, the federal environmental approval for the project. It will be available in the March or April timeframe. VTA will continue to work with the FTA to move through the process to get to final project design and secure full funding for the project.
- Mr. Burns stated Senator Barbara Boxer will visit VTA's Cerone facility on Friday, January 15, 2010 to discuss the use of the federal stimulus funding and other federal funding. Mr. Burns extended an invitation to the Board Members to attend the event, noting Chairperson Liccardo and Mayor Reed will participate on behalf of VTA.
- Mr. Burns noted the implementation of VTA's Service Reductions effective on Monday, January 11, 2010.

Jim Unites, Operations Deputy Director, reported VTA's Service Reductions are scheduled for implementation on January 11, 2010, which is an overall 8 percent reduction in transit service with most of the changes in service frequencies with some

service route changes, which is estimated to save VTA approximately \$6.4 million annually in operating costs with a 2 percent loss in ridership. Some service changes may impact paratransit customers, but paratransit services are aligned with VTA's fixed route bus and light rail services and OUTREACH Paratransit Services is working with clients to address transit options.

Staff originally anticipated laying off between 70 to 80 operators, but due to recent retirements and vacancies 25 employees are scheduled to be laid off; hopefully, they may return as additional employees retire and vacancies occur within the organization.

Greta Helm, Chief External Affairs Officer, stated VTA conducted comprehensive outreach to ensure the public was aware and prepared for the service changes, which was designed to reach both current customers and the general public.

The outreach efforts included material translations, targeted community organizations, and media outlets. VTA utilized various forms of communication regarding the service changes, such as service change notices displayed in the vehicles as well as at the stations, car cards, Take-One brochures, newsletters, new system maps and schedules, announcements, website banners, Google Trip Planner available on VTA's website, VTA's Customer Service Information Service Representatives (ISRs), as well as VTA Employee Ambassadors deployed to various strategic locations affected by the service changes.

Ms. Helm continued that subscribers to VTA's GovDelivery Service were notified of the service changes, specifically if they subscribed to the routes that had service changes. VTA placed paid advertisements in 15 community newspapers and sent out 9 media releases, which generated 17 stories carried by television, radio, and print media.

VTA staff attended 19 community gatherings and events at libraries, senior centers, and homeowner's association meetings. Electronic notices were distributed to Eco Pass partners as well as San Jose State University students and major providers within the community. Ms. Helm stated both Yahoo and Mercury News sent out email notifications to individuals who subscribe to their services.

Ms. Helm stated that the initial feedback received by VTA's Customer Service is that the public appreciates the efforts set forth by VTA to ensure the community is informed regarding the service changes.

Mr. Burns referenced Governor Arnold Schwarzenegger's budget presentation is scheduled for submittal to the legislature on Friday, January 8, 2010. Mr. Burns reported Governor Schwarzenegger's budget presentation includes a proposal to eliminate the Public Transportation Account. The budget proposal plans to eliminate the sales tax on gas and diesel fuel and replace the sales tax with a fee; therefore, eradicate the Public Transportation Account from the State budget.

Kurt Evans, Government Affairs Manager, reported California is still currently facing financial challenges even with all the implementations to address the original financial challenges, noting California has a new \$21 billion shortfall to address over the next 18 months. It is anticipated that Governor Schwarzenegger will put forth a major restructuring of State funding sources for transportation in a way to benefit the State General Fund, but ultimately disadvantage transportation, particularly transit.

Mr. Evans reported consumers pay two types of State taxes when they purchase gasoline, an 18 cent State axis tax and a transaction sales tax, which serve as the foundation for funding the State Transportation Programs. It is expected that the Governor's budget proposal will eliminate one of the gasoline sales tax revenue resources.

The Governor's proposal would be a creative way to acquire transportation funds to pay debt service on General Obligation Bonds, which historically have been covered by the General Fund; therefore, transit would be severely negatively impacted.

Mr. Evans expressed appreciation for Mr. Ludwig's comments, noting the importance to do everything within our ability to protect State funding for public transit.

Mr. Burns noted the Governor's budget proposal is the first in a number of steps required to move toward a final adopted budget. Mr. Burns referenced the California Transit Association (CTA) lawsuit regarding the State Transit Assistance (STA) funding, noting the lawsuit addressed Fiscal Year 2008. Mr. Burns stated VTA will be working with the State to achieve the judgment payment obligated to the transit agencies.

Mr. Burns stated staff will continue to make updates to the Board of Directors on the status of VTA's budget as well as the CTA lawsuit judgment payment.

Ms. Weissman expressed concern regarding the lack of system route schedules available for the public on the bus vehicles. Ms. Weissman stressed the importance for VTA to have the schedules available for the public for the New Year, especially with the service changes being implemented.

Chairperson Liccardo request Mr. Burns send an email to the Board of Directors regarding the situation.

Patrick Griffin, Public Affairs and Customer Information Manager, responded that VTA's Downtown Customer Service Center and many transit centers have schedules available for the public. During the early stages of service changes keeping inventories supplied is a challenge. He noted staff closely monitors route schedules inventories and would speak with Ms. Weissman to obtain details about her observation and experience.

11. REPORT FROM THE CHAIRPERSON

Chairperson Liccardo referenced VTA's current financial concerns, noting the difficult decisions implemented by the Board of Directors to address the budget constraints, such as reductions in transit service, programs, and employees. Chairperson Liccardo stated the decisions implemented were difficult, distressing, and impacted the organization as well as the community.

Chairperson Liccardo stressed the importance for VTA's Board of Directors to integrate a few minutes of discussion at each regular meeting as a way to be innovative to address VTA's financial concerns. Chairperson Liccardo noted the importance for the Board Members to work collaboratively with individuals who have expertise and experience working with specific issues and topics to assist VTA during this critical situation.

Chairperson Liccardo noted the intent of the addition of the discussion period at each regular meeting is to educate the Board on key issues, which makes it possible to address specific concerns; therefore, alleviate the necessity to schedule Board Workshops.

Chairperson Liccardo recommended the cancellation of the March 26, 2010 Board of Directors Workshop.

A. Approve Appointments to Board Standing Committees and Joint Powers Boards and Regional Commissions for 2010

Chairperson Liccardo stressed the importance and noted the vital role of the Board Members who serve on VTA's Standing Committees and Joint Powers Boards and Regional Commissions.

Board Member Larsen requested Board Member Moylan be reassigned to serve as a Member on the Administration and Finance (A&F) Committee.

Chairperson Liccardo stated the A&F Committee has four Members designated to serve; however, queried if an A&F Committee Member wanted to switch their assigned Committee with Board Member Moylan.

Board Member Moylan noted a conflict with serving on the A&F Committee due to obligations associated with his employment. Michael T. Burns, General Manger, noted the Committees have some flexibility of perhaps changing the Committee meeting time.

Hearing no request from the Board Members to switch their assigned Committee, Chairperson Liccardo queried if Board Member Larsen wanted to withdraw his request to reassign Board Member Moylan to the A&F Committee.

Board Member Larsen responded in the affirmative, noting his intent to withdraw his request.

M/S/C (Pyle/Herrera) to approve appointments to Board Standing Committees and Joint Powers Boards and Regional Commissions for 2010.

B. Approve Appointments to Ad-Hoc Financial Recovery Committee

Chairperson Liccardo reported at the December 10, 2009 Board of Directors Regular Meeting, the Board approved four strategies relating to VTA's budget and structural deficit.

Chairperson Liccardo stated one strategy was the creation of an Ad-Hoc Committee to develop recommendations to address VTA's structural deficit beyond Fiscal Year 2011. The Ad-Hoc Financial Recovery Committee recommendations will be focused on the sustainability of transit services in Santa Clara County and will be utilized to develop future VTA budgets beginning with Fiscal Year 2012. The intent of the Ad-Hoc Committee will be to utilize community stakeholders, such as labor, business, and customers.

Chairperson Liccardo noted the following three Committee Member appointments and nine Key Stakeholders designated to the Ad-Hoc Financial Recovery Committee:

Committee Members

- Board Member Gage;
- Board Member Herrera; and
- Vice Chairperson Abe-Koga;

Key Stakeholders**Chairperson or designee from the following VTA Advisory Committees:**

- VTA's Committee for Transit Accessibility (CTA);
- VTA Citizens Advisory Committee and 2000 Measure A Citizens Watchdog Committee (CAC/CWC); and
- VTA's Policy Advisory Committee (PAC).

(1) Representative from each of the following organizations designated by that organization:

- Santa Clara County city Managers Association;
- Silicon Valley Leadership Group (SVLG); and
- Santa Clara County Chambers of Commerce.

(3) Representative of organized labor designated as follows:

- (1) Amalgamated Transit Union (ATU);
- (1) Other VTA Unions; and
- (1) South Bay AF of L/CIO Labor Council.

M/S (Gage/Pyle) to approve appointments to Ad-Hoc Financial Recovery Committee.

Steve Barber, Technical Project Manager, expressed opposition regarding the merging of Service Employees International Union (SEIU), Transportation Authority Engineers & Architects Association (TAEA), and American Federation of State, County, and Municipal Employees (AFSCME) together and designating only one representative to speak on their behalf on the Ad-Hoc Financial Recovery Committee.

Mr. Barber stressed the importance for fair and reasonable representation of all VTA's unions, noting that VTA's unions do work together, but each has its own interests that are not necessarily the same as the other union's interests.

Mr. Barber stated the union representatives could play a vital role within the Ad-Hoc Committee since they are VTA employees and are aware of the problems that exist within the organization and could have useful information to address the concerns. Mr. Barber urged the Board to allow each union a representative on the Ad-Hoc Financial Recovery Committee.

Marc Delong, Assistant Transportation Engineer and TAEA member, spoke on behalf of the TAEA and expressed support for the Ad-Hoc Committee designating organized labor representation as key stakeholders, but urged the Board to include two additional seats to ensure all VTA unions would have direct representation as well as the opportunity to participate and contribute.

Mr. Delong noted the importance to utilize the labor union representation since they have good insight into the organization from the inside out and would contribute meaningful suggestions to the Ad-Hoc Financial Recovery Committee.

Tammy Dhanota, SEIU Chief Steward, Local 521, welcomed the newly appointed Board Members and congratulated Chairperson Liccardo and Vice Chairperson Abe-Koga.

Ms. Dhanota noted SEIU, TAEA, AFSCME, and ATU have worked diligently together to ensure VTA continues to stay afloat, noting the union's prior requests for VTA to establish an Ad-Hoc Committee to address VTA's budget and structural concerns.

Ms. Dhanota stressed the importance that all VTA's unions have designated representation on the Ad-Hoc Committee from the beginning in order to provide vital contribution.

Ms. Dhanota stated SEIU membership consists of both blue and white collar employees, such as Bus Stop Maintenance, Information Technology (IT), Marketing, Signal Operators, Board Assistants, and Finance Administrative Accounts and urged the Board to include the two additional seats to provide all of VTA's unions the opportunity to participate and contribute in the Ad-Hoc Committee.

John Carlson, AFSCME President, expressed opposition to the recommended makeup of the key stakeholders having one representative designated for VTA's other unions. Mr. Carlson stated a third of a voice is not a real voice and urged the Board to include the two additional seats to allow full participation and contribution from the organized union labor stakeholders.

Board Member Moylan noted if the key stakeholder's main function is to provide input to the Ad-Hoc Financial Recovery Committee then the addition of two seats to the Committee should be considered.

Board Member Herrera concurred with Board Member Moylan, noting the importance for the Committee to receive more input from the key stakeholders from the beginning.

Board Member Herrera noted from her experience VTA's union representation provides valid input and will play a vital role within the Committee.

Board Member Kalra stated the purpose of the key stakeholders is to provide input to the Ad-Hoc Committee, which would assist to develop suggestions and solutions to address VTA's budget and structural concerns.

Board Member Kalra noted VTA's unions have different interests and labor contracts; therefore, he expressed support to allow each union representation on the Ad-Hoc Committee to ensure they have the opportunity to voice their interests.

Board Member Kalra stressed the importance for the Committee and Board of Directors to have all relevant information available to make prudent decisions and noted his support to amend the appointments to the key stakeholders group by two seats to ensure each union had a seat and voice on the Ad-Hoc Committee.

M/S (Kalra/Herrera) to amend the appointments to the Ad-Hoc Financial Recovery Committee to add two seats to the Organized Labor Union Stakeholder group representation.

Board Member Gage noted the meetings are open to the public; therefore, individuals have the opportunity to attend, participate, and provide input to the Ad-Hoc Committee.

Board Member Gage noted his opposition to add two additional seats to the key stakeholders group, noting the time constraints for the Ad-Hoc Committee to work on VTA's budget and structural issues. Board Member Gage stressed the importance for the Committee and key stakeholders to work collaboratively and identify the common problems in order to address VTA's budget and structural issues in a timely manner.

Board Member Gage noted the Ad-Hoc Committee is an advisory committee to the Board and; therefore, will not take any action, but will forward suggestions and recommendations to the Board of Directors for discussion and consideration.

Michael T. Burns, General Manager, stated the Ad-Hoc Financial Recovery Committee was based on the previous Ad-Hoc Financial Stability Committee structure, noting the opportunity for individuals as well as the key stakeholders to participate and provide input to the Ad-Hoc Committee.

Vice Chairperson Abe-Koga expressed support to allow additional key stakeholder representatives the opportunity to participate and provide different perspectives from the beginning of the process. She stressed the importance to gather as much information and input in the beginning due to the time constraints for the Ad-Hoc Committee to work to identify and address the common issues of concern.

Board Member Larsen expressed support to include two additional seats to the key stakeholder group, noting the importance to gather additional input from a larger group to identify solutions to assist the Ad-Hoc Financial Recovery Committee.

Board Member Moylan expressed support to include two additional seats, noting VTA's employees and unions have made prior sacrifices to assist with VTA's budget concerns. Board Member Moylan referenced VTA's union's track record, adding that they would provide valuable input to the Ad-Hoc Committee discussions.

Board Member Page concurred with Board Member Moylan's comments, noting the unions are experts in representing individuals and would play an important role in the process. Board Member Page noted the importance to allow two additional representatives the opportunity to participation in the Ad-Hoc Committee.

Board Member Kalra referenced VTA's unions, noting the employee's previous contributions and cooperation to assist VTA's budget crisis.

Board Member Kalra stressed the importance to include the additional seats and to allow VTA's union representatives an opportunity to provide vital input in the Ad-Hoc Committee discussions.

Mr. Burns stated the Ad-Hoc Committee will look at VTA's expenses and revenues, noting more than 70 percent of VTA's revenues are from sales taxes; therefore, stressed the importance to ensure there is balance in the makeup of the Ad-Hoc Committee Key Stakeholder Groups.

Chairperson Liccardo referenced the strong support to include two seats to the key stakeholder group, noting his support as well, but with the understanding that there is not an allocation of one vote one stakeholder. He stated the intent of the Ad-Hoc Committee is to obtain input to develop suggestions and proposals to address VTA's budget and structural deficit.

Board Member Herrera stated if the Ad-Hoc Committee requires additional input then the Committee would solicit input from businesses and allow these opportunities to obtain the information.

Kevin Allmand, General Counsel, noted the immediate pending motion on the floor is to amend the motion to increase the key stakeholder group with representatives of the unions. Mr. Allmand continued if the amendment passes then the Board of Directors would vote on the main motion.

M/S/C (Moylan/Page) on a vote of 10 ayes and 1 noes to amend the appointments to the Ad-Hoc Financial Recovery Committee to add two seats to the Organized Labor Union Stakeholder group representation. The representation for the Organized Labor Union Stakeholder group will be as follows:

- Amalgamated Transit Union (ATU) – 1 representative;
- Service Employees International Union (SEIU) – 1 representative;
- Transportation Authority Engineers & Architects Association (TAEA) – 1 representative;
- American Federation of State, County, and Municipal Employees (AFSCME) – 1 representative; and
- South Bay AFL-CIO Labor Council – 1 representative.

Board Member Woodward opposed.

M/S/C (Herrera/Page) to approve appointments to Ad-Hoc Financial Recovery Committee.

Terrence Philips, Interested Citizen, stated if the Ad-Hoc Committee required the employment of consultants then the Committee should solicit consultants working on successful transportation projects outside of the country. Mr. Philips noted it is important for VTA to implement innovation and development in order to obtain successful changes.

12. Citizens Advisory Committee (CAC) Chairperson's Report

There was no Citizens Advisory Committee (CAC) Chairperson's Report.

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

Margaret Abe-Koga, PAC Chairperson, provided a report from the December 10, 2009 Meeting, highlighting the following:

- The PAC Committee recommended the Board approve the implementation actions regarding Senate Bill (SB 83). PAC Members provided comments reflected in the Board memorandum, and requested staff report back to the PAC with the analysis once it was completed;
- Appointed a PAC Nominating Committee to identify members interested in serving as PAC Chairperson and Vice Chairperson for 2010. The PAC Nominating Committee was comprised of Members Abe-Koga, Anstandig, and Satterlee. The PAC Nominating Committee is scheduled to receive information at the January 14, 2010 PAC meeting; and
- The PAC Committee received information on the Silicon Valley Rapid Transit (SVRT) Project; Regional Land Use Initiatives including Senate Bill (SB 375), Association of Bay Area Governments (ABAG) FOCUS Program, and the Air District's Indirect Source Rule; and Transportation Systems Monitoring Program Progress Report.

Board Member Moylan queried if the Nominating Committee was aware of the member nominees for the PAC Chairperson and Vice Chairperson for 2010. Board Member Moylan noted concern regarding PAC chair and vice chair.

Board Member Reed indicated he would abstain from the Consent Agenda.

Board Member Reed left his seat at 7:14 p.m.

Board Member Herrera expressed appreciation and thanked VTA staff for their diligent work and effort on **Agenda Item #23**. Resolution for 2009 American Recovery and Reinvestment Act Funds.

CONSENT AGENDA

14. Regular Meeting Minutes of December 10, 2009

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 abstention to approve the Board of Directors Regular Meeting Minutes of December 10, 2009. Board Member Reed abstained.

15. Citizens Advisory Committee (CAC) Appointment

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 abstention to ratify the nomination of Bruce Liedstrand to the Citizens Advisory Committee, representing the North County Cities. Board Member Reed abstained.

16. Bicycle and Pedestrian Advisory Committee (BPAC) Member Appointments

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 abstention to ratify the following new appointment and re-appointments to the Bicycle & Pedestrian Advisory Committee to a six-month term commencing January 2010 and ending June 30, 2010. Board Member Reed abstained.

New Appointment

- Ray Cosyn, City of Saratoga

Re-appointment

- Thomas Muniz, City of Gilroy
- John Sullivan, City of Santa Clara
- Richard Swent, City of Palo Alto.

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

Authorize the General Manager to execute master utility relocation agreements with utility owners in order to support the Silicon Valley Berryessa Extension Project (SVBX). These utilities include PG&E, San Jose Water Company, Santa Clara Valley Water District, Milpitas Public Works, Verizon, Air Products, Comcast, AT&T, and others. These agreements may include provisions for design and construction of utility relocation (e.g. determination of percentage cost share liability), but authorization for expenditure commitment is limited to design only; and further; authorize the General Manager's expenditure commitment authority for SVBX utility relocation advanced design in an amount not to exceed \$8.4 million for both preliminary and advanced design effort.

18. Federal Advocacy Consultant Services Contract

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 abstention to authorize the General Manager to execute a contract with Van Scoyoc Associates for federal advocacy consultant services for a period of three years in the amount of \$456,000. The term of the contract would be from January 1, 2010, to December 31, 2012. The fixed monthly retainer for this contract would be \$12,500 for the first two years and \$13,000 for the third year. Further authorize the General Manager, at his discretion, to extend this contract after December 31, 2012, for two additional one-year periods at a fixed retainer rate to be negotiated. Board Member Reed abstained.

19. 2010 Legislative Program

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 abstention to recommend that the Board of Directors approve the 2010 Legislative Program for the Santa Clara Valley Transportation Authority (VTA). Board Member Reed abstained.

20. Advisory Committee Enhancement Process Recommendations

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 abstention to approve the indicated modifications to the Advisory Committee Process. Board Member Reed abstained.

23. Resolution for 2009 American Recovery and Reinvestment Act Funds

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 abstention to adopt a **Resolution No. 2010.01.02** certifying that VTA is an eligible and responsible sponsor for the US 101/Capitol Expressway/Yerba Buena Interchange Modifications project, authorize the General Manager to submit an application for \$5,000,000 of 2009 American Recovery and Reinvestment Act (ARRA) funding for this project and authorize the General Manager to execute an agreement with Caltrans as necessary to receive this grant. Board Member Reed abstained.

24. Regional Land Use – Related Initiatives

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 abstention to receive a report on three regional land use-related initiatives: SB375, ABAG FOCUS Program, and Air District Indirect Source Rule. Board Member Reed abstained.

25. Valley Transportation Plan (VTP) Highway Program Semi-Annual Report – October 2009

M/S/C (Gage/Pyle) on a vote of 10 ayes and 1 abstention to receive the VTP Highway Program Semi-Annual Report - October 2009. Board Member Reed abstained.

REGULAR AGENDA**21. (Removed from the Board of Directors Agenda.)****Senate Bill 83 – Implementation Actions**

Recommend that the VTA Board of Directors approve the following tasks relating to SB 83: 1) Authorize the expenditure of up to \$30,000 to perform polling in order to determine the feasibility of placing a \$10 vehicle registration fee on the ballot for residents of Santa Clara County; 2) Direct staff to develop an expenditure plan to detail the programs and projects that would be developed through the potential vehicle registration fee; and further; 3) Return to the Board in mid 2010 with the draft expenditure plan and the polling results to determine whether or not to place the vehicle registration fee on the November 2010 ballot.

Board Member Reed returned to his seat at 7:17 p.m.

22. Santa Clara – Alum Rock Bus Rapid Transit Project Agreement

John Ristow, Chief CMA Officer, reported on the Santa Clara – Alum Rock Bus Rapid Transit (BRT) Project Agreement between the City of San Jose and VTA, which is VTA's first BRT project. The intent of the agreement is to define the project and provide both technical and policy direction as the project moves forward through the development phases.

Mr. Ristow noted the project agreement was presented and approved at the December 17, 2009 Downtown East Valley (DTEV) Policy Advisory Board (PAB) by the PAB Members. Mr. Ristow stated the project design contract will be forwarded for consideration to the April 1, 2010 Board of Directors Regular meeting.

M/S/C (Page/Herrera) to recommend approval of the Santa Clara-Alum Rock Bus Rapid Transit (BRT) Project Agreement between the City of San Jose and VTA establishing a project description and vision statement for the project.

17. Silicon Valley Rapid Transit Program – SVBX Utility Relocation Agreements with Utility Owners

Carolyn M. Gonot, Chief SVRT Program Officer, reported the recommendation is to authorize the General Manager to execute master utility relocation agreements with utility owners in order to support the Silicon Valley Berryessa Extension Project (SVBX), which is required as VTA moves the project forward towards final design.

Ms. Gonot stated VTA is working collaboratively with the City of Milpitas to remove Milpitas Public Works from the recommendation and utility relocation agreement. Ms. Gonot noted staff will continue to work together with the City of Milpitas to finalize a master agreement and utility agreement, which will be forwarded for consideration to a future Board of Directors Regular Meeting.

M/S/C (Herrera/Gage) to authorize the General Manager to execute master utility relocation agreements with utility owners in order to support the Silicon Valley Berryessa Extension Project (SVBX). These utilities include PG&E, San Jose Water Company, Santa Clara Valley Water District, Verizon, Air Products, Comcast, AT&T, and others. These agreements may include provisions for design and construction of utility relocation (e.g. determination of percentage cost share liability), but authorization for expenditure commitment is limited to design only; and further; authorize the General Manager's expenditure commitment authority for SVBX utility relocation advanced design in an amount not to exceed \$8.4 million for both preliminary and advanced design effort.

OTHER ITEMS

26. ITEMS OF CONCERN AND REFERRAL TO ADMINISTRATION

There were no Items of Concern and Referral to Administration.

27. MONTHLY LEGISLATIVE HISTORY MATRIX

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

28. REPORTS (UNAPPROVED MINUTES) FROM STANDING COMMITTEES

A. Administration and Finance Committee

On order of Chairperson Liccardo and there being no objection, the December 17, 2009 Administration and Finance (A&F) Committee Minutes was accepted as contained on the dais.

B. Congestion Management Program and Planning Committee

On order of Chairperson Liccardo and there being no objection, the December 17, 2009 Congestion Management Program and Planning (CMPP) Committee Cancellation Notice was accepted as contained in the Agenda packet.

C. Transit Planning and Operations Committee

On order of Chairperson Liccardo and there being no objection, the December 17, 2009 Transit Planning and Operations (TP&O) Committee Cancellation Notice was accepted as contained in the Agenda packet.

D. Audit Committee

On order of Chairperson Liccardo and there being no objection, the December 10, 2009 Audit Committee Cancellation Notice was accepted as contained in the Agenda packet.

29. REPORTS (UNAPPROVED MINUTES) FROM ADVISORY COMMITTEES

A. Committee for Transit Accessibility (CTA)

On order of Chairperson Liccardo and there being no objection, the December 9, 2009 Committee for Transit Accessibility (CTA) Cancellation Notice was accepted as contained in the Agenda packet.

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

On order of Chairperson Liccardo and there being no objection, the December 9, 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 Liccardo and there being no objection, the December 9, 2009 Bicycle & Pedestrian Advisory Committee (BPAC) Cancellation Notice was accepted as contained in the Agenda packet.

D. Technical Advisory Committee (TAC)

On order of Chairperson Liccardo and there being no objection, the December 10, 2009 Technical Advisory Committee (TAC) Minutes were accepted as contained in the Agenda packet.

E. Policy Advisory Committee (PAC)

On order of Chairperson Liccardo and there being no objection, the December 10, 2009 Policy Advisory Committee (PAC) Minutes were accepted as contained in the Agenda packet.

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

A. Peninsula Corridor JPB

On order of Chairperson Liccardo and there being no objection, the January 7, 2010 Summary Notes from the Peninsula Corridor Joint Powers Board were accepted as contained on the dais.

Ex-Officio Board Member Yeager referenced the January 7, 2010 Peninsula Corridor JPB meeting, noting it was the last meeting Board Member Gage presided over as the Chairperson. Ex-Officio Board Member Yeager expressed appreciation and thanked Board Member Gage for his diligent work, service, and dedication to Caltrain.

B. Capitol Corridor JPB

There was no report from the Capitol Corridor JPB.

C. Dumbarton Rail Corridor Policy Committee

On order of Chairperson Liccardo and there being no objection, the December 18, 2009 Summary Notes from the Dumbarton Rail Corridor Policy Committee.

Chairperson Liccardo expressed appreciation and thanked Ex-Officio Board Members Chu and Yeager for their diligent work serving on the Metropolitan Transportation Commission (MTC).

D. Metropolitan Transportation Commission (MTC)

On order of Chairperson Liccardo and there being no objection, the December 16, 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 Liccardo and there being no objection, the December 14, 2009 Summary Notes from the Sunol Smart Carpool Lane Joint Powers Authority were accepted as contained on the dais.

31. 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

There was no report from the Silicon Valley Rapid Transit Corridor and BART Warm Springs Extension PAB.

C. Downtown East Valley PAB

On order of Chairperson Liccardo and there being no objection, the December 17, 2009 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.

32. ANNOUNCEMENTS

There were no Announcements.

33. ADJOURNMENT

On order of Chairperson Liccardo and there being no objection, the meeting was adjourned at 7:33 p.m.

Respectfully Submitted,

Michelle M. Garza, Board Assistant
VTA Office of the Board Secretary