



**SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
AD-HOC FINANCIAL RECOVERY COMMITTEE**

Wednesday, February 24, 2010

MEETING RECORD

1. CALL TO ORDER

The Santa Clara Valley Transportation Authority's (VTA) Ad-Hoc Financial Recovery Committee meeting was called to order by Chairperson Gage at 3:02 p.m., in Building A - Auditorium, VTA River Oaks Campus, 3331 North First Street, San Jose, California.

ROLL CALL

Attendee Name	Represents	Status
<u>Recovery Committee Members</u>		
Don Gage	VTA Board of Directors	Present
Rose Herrera	VTA Board of Directors	Present
Margaret Abe-Koga	VTA Board of Directors	Present
<u>Recovery Committee Stakeholders</u>		
Robert Jacobvitz	Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC)	Present
Aaron Morrow	Committee for Transit Accessibility (CTA)	Present
Joe Pirzynski	Policy Advisory Committee (PAC)	Present
Tom Williams	Santa Clara County City Managers Association	Absent
Gaye Morando	Santa Clara County Coalition of Chamber of Commerce	Absent
TBD	Silicon Valley Leadership Group (SVLG)	Absent
Cindy Chavez	South Bay AF of L/CIO Labor Council	Present
Loretta Springer	Amalgamated Transit Union (ATU)	Present
John Carlson	American Federation of State County and Municipal Employees (AFSCME)	Present
Tammy Dhanota	Service Employees International Union (SEIU)	Present
Raj Sedhev	Transportation Authority Engineers & Architects Association (TAEA)	Present
Marc Delong	Transportation Authority Engineers & Architects Association (TAEA), Alternate	Present

A quorum was present.

The Agenda was taken out of order.

3. CHAIRPERSON'S REPORT

Chairperson Gage referenced the Memorandum from Jim Lawson, Staff Liaison and Senior Policy Advisor, responding to the inquiries of the Committee Members and Stakeholders at the January 27 and February 10, 2010, Ad-Hoc Financial Recovery Committee meetings. He noted responses to other inquiries will be forthcoming.

Chairperson Gage emphasized the Committee is on a strict timeline, because VTA has a \$30 million shortfall this year, noting the issue is being addressed at the Administration and Finance Committee. He noted in addition to the \$30 million shortfall, VTA has a \$40 million shortfall that is going to happen year after year. Chairperson Gage indicated the Committee and Stakeholders are here to address the ongoing \$40 million shortfall and asked everyone to think outside the box and to think of ways to identify reductions to equal \$40 million.

2. PUBLIC PRESENTATIONS

There were no Public Presentations.

4. Short Range Transit Plan

Kevin Connolly, Transportation Planning Manager, reported the Short Range Transit Plan (SRTP) was adopted by the VTA Board of Directors at their February 4, 2010 meeting.

Mr. Connolly provided a Presentation entitled, VTA Short Range Transit Plan, FY 2010-2019, highlighting: 1) SRTP Context: a. SRTP is VTA's short-term plan for transit service, covering ten fiscal years; b. SRTP is guided by VTA's long-term plan and the Metropolitan Transportation Commission's (MTC's) regional plan; and c. Serves as a basis for development of VTA's two-year budget, noting the next budget cycle will be fiscal years 2011-2012; 2) VTA is required by the Federal Government to produce an SRTP and has to show a balanced operating budget over the ten year period when given grant funding; 3) Structure of the document; 4) Operating Forecast: Service Changes; 5) Operating Forecast: Sales Tax Revenue Projection; 6) Operating Forecast: Critical Components; 7) Focus Areas; 8) Growing Fare Revenue; 9) Improving Farebox Recovery; 10) Resources, Ridership and Routes-Bus; 11) Capital Improvement Program (CIP); 12) Highlighted Projects in CIP; 13) Fleet Management Plan: FY 2009-2024; and 14) SRTP Status.

He reported on the following Possible Cost Savings Measures to be discussed today and in the future:

- **Labor savings**
- **Organizational Structure Change**
- **Competitive Bid Services**
- **Expansion with design, build, operate models**
- **Phase out financial support for inter-regional services**
- **Major Service Cuts**

Chairperson Gage inquired about using money from the capital budget for operations. Kevin Allmand, General Counsel, responded that funding sources have use restrictions that may not allow that transfer.

The Committee discussed the elements of Mr. Connolly's presentation and focused on the proposed Possible Cost Savings Measures.

The Committee recommended the following:

- Use opportunities for public input, social networks, Twitter for example;
- Evaluate public/private partnerships' impacts on VTA's ability to compete for funding on a national level;
- Ask VTA's contractors to come back with a ten percent savings; if ten percent is not attainable, what amount is? This should include all contracts VTA has, not just procurements;
- Explore the potential for VTA to become its own Metropolitan Planning Organization (MPO);
- Provide the Committee with dollar amounts as it relates to the Possible Cost Savings Measures;
- Requested staff provide a game plan for each of these measures;
- Recommended adding "New Service Strategies" and Evaluating Contracts" to the Possible Cost Savings Measures;
- Recommended use of public sector in-sourcing to do jobs that have been traditionally out-sourced;
- Expressed concern about non-attendance of the two stakeholders representing business; and
- Requested staff investigate Temporary Assistance to Needy Families (TANF) program to see if VTA qualifies.

Chairperson Gage noted the next Ad-Hoc Financial Recovery Committee meeting is on Wednesday, March 10, 2010.

5. ADJOURN

On order of Chairperson Gage and there being no objection, the Ad-Hoc Financial Recovery Committee meeting adjourned at 4:27 p.m.

Respectfully submitted,

Tracene Y. Crenshaw, Board Assistant
VTA Office of the Board Secretary