



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

Wednesday, March 24, 2010

**MEETING RECORD**

**1. CALL TO ORDER**

The Santa Clara Valley Transportation Authority's (VTA's) Ad-Hoc Financial Recovery Committee meeting was called to order by Chairperson Gage at 3:04 p.m., in Building A - Auditorium, VTA River Oaks Campus, 3331 North First Street, San Jose, California.

**ROLL CALL**

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

**A quorum was present.**

## 2. **PUBLIC PRESENTATIONS**

There were no Public Presentations.

## 3. **CHAIRPERSON'S REPORT**

Chairperson Gage noted there has been considerable input on: 1) budget projections and the structural shortfalls VTA is facing; 2) information on contracting out, and 3) potential strategy to control escalating costs.

Chairperson Gage reported the Governor agreed to the Gas Tax Swap. VTA will receive approximately \$15 million for the current year's budget and approximately \$13 million per year moving forward. He noted this good news does not solve VTA's structural deficit problem.

Vice Chairperson Herrera took her seat at 3:09 p.m.

Chairperson Gage noted concerns had been voiced that solutions are not being reached quickly enough.

Chairperson Gage provided a handout entitled "Financial Stability Ideas for Consideration," including information on: 1) Revenues; 2) Transit Service; and 3) Cost Structure. He reviewed points listed on the handout and requested that Committee Members and Stakeholders be prepared to discuss these items at the April 7, 2010, Ad-Hoc Financial Recovery Committee Meeting. He noted he had reviewed this list of suggestions with Michael T. Burns, General Manager, who encouraged its distribution.

Chairperson Gage noted: 1) The work at VTA is well-served by dedicated men and women; 2) VTA has a deficit that must be addressed; 3) An outside source will not be bailing VTA out; and 4) Sacrifices should be addressed from the top down.

Chairperson Gage encouraged Committee Members and Stakeholders to add to the items listed on the handout, noting he wants input from everyone.

Chairperson Gage defined his plan to present the list of ideas to the Board, following the April 7, 2010, Ad-Hoc FRC meeting, to see if there are any short-term solutions that could be worked on and to let the Board know the Committee is working on the long-term solutions.

The Committee requested staff identify the value of the items on Chairperson Gage's list. They also requested clarification of the impact to VTA of the recently signed Gas Tax Swap Legislation.

**The Agenda was taken out of order.**

## 5. **Federal Funding**

Kimberly Koenig, Fiscal Resources Manager, provided a presentation entitled, Major Funding Sources (Except Sales Tax) – Transit System, highlighting: 1) Federal Grant

5307, distributed based on urbanized area formula and may be used for transit capital purposes; and 2) Federal Grant 5309, distributed based on urbanized area formula for capital projects such as: a) replacement or expansion of bus or bus facilities; and b) new rail, bus rapid transit, or extensions to existing systems.

**4. State Funding**

Kimberly Koenig, Fiscal Resources Manager, provided a presentation entitled, Major Funding Sources (Except Sales Tax) – Transit System, highlighting: 1) State Transit Assistance; and 2) Proposition 42.

**6. Fare Revenue**

Kimberly Koenig, Fiscal Resources Manager, provided a presentation entitled, Major Funding Sources (Except Sales Tax) – Transit System, highlighting: 1) Influenced by Board Policy; and 2) Ridership.

Ms. Koenig referenced the forecasted fare revenue of approximately \$33 million per year based upon the historical ridership number of 42 million per year. Mr. Lawson emphasized that this is a very aggressive ridership number and encouraged the Committee to keep that information in mind during deliberations. He noted it is based upon projections, but is an almost 100 percent increase over current ridership.

Ms. Koenig noted over the next few meetings staff plans to address service delivery, with the major cost of service delivery being labor.

**7. ADJOURN**

**On order of Chairperson Gage** and there being no objection, the Ad-Hoc Financial Recovery Committee meeting adjourned at 4:05 p.m.

Respectfully submitted,

Susan E. Garcia, Board Assistant  
VTA Office of the Board Secretary