



BOARD OF DIRECTORS WORKSHOP MEETING

Friday, May 1, 2015

MINUTES

1. CALL TO ORDER AND ROLL CALL

The Regular Meeting of the Santa Clara Valley Transportation Authority's (VTA) Board of Directors was called to order by Chairperson Woodward at 8:36 a.m. in the Board of Supervisors' Chambers, County Government Center, 70 West Hedding Street, San José, California.

1.1. ROLL CALL

Attendee Name	Title	Status
Jason Baker	Board Member	Present
Jeannie Bruins	Alternate Board Member	Present
Larry Carr	Alternate Board Member	Absent
Magdalena Carrasco	Board Member	Present
Cindy Chavez	Vice Chairperson	Present
Dave Cortese	Alternate Board Member	Absent
Jose Esteves	Board Member	Present
Rose Herrera	Board Member	Present
Ash Kalra	Board Member	Present
Johnny Khamis	Board Member	Absent
Rich Larsen	Board Member	Absent
Sam Liccardo	Board Member	Present
Jamie Matthews	Alternate Board Member	Absent
Howard Miller	Alternate Board Member	Absent
Raul Peralez	Alternate Board Member	Present
David Whittum	Board Member	Present
Perry Woodward	Chairperson	Present
Ken Yeager	Board Member	Present

A quorum was present.

2. CLOSED SESSION

2.1. Recessed to Closed Session at 8:37 a.m.

Conference with Legal Counsel: Anticipated Litigation

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9.

Number of Cases: 1

Board Member Liccardo arrived at the meeting at 8:41 a.m.

Board Member Yeager arrived at the meeting at 8:48 a.m.

Board Member Herrera arrived at the meeting at 8:50 a.m.

Board Member Peralez arrived at the meeting at 8:59 a.m.

Board Member Kalra arrived at the meeting at 9:06 a.m.

2.2. Reconvened to Open Session at 9:44 a.m.

2.3. Closed Session Report

Conference with Legal Counsel: Anticipated Litigation

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9.

Number of Cases: 1

Rob Fabela, General Counsel, reported that no reportable action was taken during Closed Session.

3. PUBLIC COMMENT

Edward Mason, Interested Citizen, asked for clarification of “No Smoking” signs at transit stations/shelters and recommended public education on the policy.

Marie Bernard, Sunnyvale Community Services Executive Director, commented on the success of VTA’s Transit Assistance Program (TAP) and urged the Board to continue funding the program, including the associated administrative costs. She also expressed concern about the lack of transit service to their office.

Nuria I. Fernandez, General Manager and CEO, offered clarification that the TAP was initially a pilot program and has been approved for an extension by the Board through 2017.

Margaret Okuzumi, Interested Citizen, provided suggestions regarding the Envision Silicon Valley goals, noting: 1) include reduction of vehicle miles traveled (VMT) within Santa Clara County (County); 2) conduct California Environmental Quality Act (CEQA) analysis of projects to determine worthiness; and 3) align with State transportation plan.

Tammy Dhanota, Chairperson, Service Employees International Union (SEIU) Local 521 – VTA Chapter, introduced members of the SEIU negotiating team and urged the Board to “invest in VTA’s employees, envision equality, and envision livable wages.”

4. WORKSHOP ITEMS

4.1. FY 2016 and 2017 Proposed Biennial Budget

Ms. Fernandez provided a brief introduction of the staff presentation.

Raj Srinath, Chief Financial Officer, provided the staff report, noting: 1) key elements of the proposed biennial budget; 2) brief overview of cost cutting measures; 3) overview of VTA transit operating budget; and 4) overview of sales tax revenues and growth rate scenarios.

Jim Unites, Deputy Director of Service and Operations Planning, provided a presentation on major VTA transit operating assumptions, highlighting: 1) overview of proposed service levels and service changes; and 2) projected ridership for bus and light rail.

Board Member Liccardo expressed concern on budget assumptions related to sales tax projections and urged the Board to lean towards conservative figures.

Mr. Srinath noted that the proposed budget used the “Most Likely” scenario, and that high technology companies in the region are doing well overall.

Board Member Liccardo left the meeting at 10:16 a.m.

Vice Chairperson Chavez made the following recommendations: 1) asked that MuniServices provide a presentation on how the assumptions were derived; 2) consider ranges to allow for flexibility; and 3) lay out reserves policy relative to budget recommendations.

Board Member Whittum expressed a similar concern to Board Member Liccardo, noting it would be helpful to understand where growth is happening in the region.

Board Member Herrera asked if there was a mechanism to revisit the budget assumptions based on how the economy may change. She also expressed concern on the volatility of sales tax revenues and suggested to consider expansion of the base tax to improve revenue stream.

Board Member Kalra noted VTA’s Sales Tax Stabilization Fund could be used to manage fluctuations in sales tax receipts. He further commented the importance of VTA providing vital services throughout the County, and a budget approach that is too conservative could limit VTA’s role in offering, or effectively expanding, those services.

Mr. Srinath noted that the “Pessimistic” scenario in the proposed budget could lead to a 1.7% reduction in services offered.

Members of the Board and staff continued the discussion regarding capital budget and how it is reflected in the budget documents. Vice Chairperson Chavez requested additional information on ending fund balance relative to the operating budget.

Upon query of Members of the Board, Ms. Fernandez noted that periodic reports on expenses and revenues are presented to VTA’s Administration and Finance (A&F) Committee. If there is a dramatic decrease, staff would propose budget adjustments to the Board for approval.

Ali Hudda, Deputy Director of Accounting, offered clarification on the administrative support costs of emergency assistance network (EAN) providers.

He noted that the TAP, administered by EAN providers, is funded through a combination of grant programs and subsidies. Support costs to administer the TAP are paid for by VTA through the County, and VTA's proposed budget supports this program through Fiscal Year 2017.

Carol Lawson, Fiscal Resources Manager, provided a presentation on proposed changes to fare policies.

Discussion ensued on the following topics: 1) financial impact of the BART Transfer Policy; 2) ways to recover VTA costs of providing transit service to Levi's Stadium events, including third-party subsidies and increase in express bus fares through the charter service process; and 3) farebox recovery.

Board Member Whittum noted that a price-demand analysis could be helpful in determining express bus fares for special events. He also requested additional information outlining VTA's costs associated with supporting events at Levi's Stadium.

Board Member Carrasco left the meeting at 10:43 a.m.

Vice Chairperson Chavez left the meeting at 10:48 a.m.

Ms. Lawson continued with the staff presentation noting the following: 1) overview of major operating assumptions concerning labor and benefits, diesel fuel, paratransit, and contribution to regional partners; 2) debt portfolio for bonds secured by 1976 sales tax; and 3) overview of transit operating assumption risks and transit capital budget.

Mr. Hudda provided an overview of VTA transit unrestricted net assets, including impact of Governmental Accounting Standards Board Statement 68 (GASB 68).

Board Member Esteves recommended that staff include goals and actuals for the reserves in future reports.

Ms. Lawson proceeded with the staff report, covering an overview of the 2000 Measure A Program operating and capital budget, and debt portfolio for bonds secured by 2000 Measure A.

Board Member Herrera requested additional information concerning funding status projections for the pension funds as it relates to GASB 68.

John Ristow, Director of Planning and Program Development, provided an overview of the following: 1) Congestion Management Program budget projections, noting revenue sources, expense categories, and work program elements; 2) Valley Transportation Plan (VTP) Highway Improvement Program, noting appropriations by funding source and project category; and 3) Silicon Valley Express Lanes Program, noting proposed designated reserves.

Board Member Kalra left the meeting at 11:09 a.m.

Board Member Esteves expressed concern on the impact of express lanes to local traffic.

Board Member Whittum referred to Board Member Esteves' comments and noted a request by member of the Congestion Management Program and Planning (CMPP) Committee to bring back a discussion on revenues and impacts of the 237 Express Lanes to a future CMPP meeting.

Ms. Lawson concluded the staff presentation, noting scheduled community outreach and committee meetings to discuss the proposed budget.

Upon query of Alternate Board Member Bruins, Ms. Fernandez suggested MuniServices could provide a presentation at the May 21, 2015, A&F Committee Meeting, and subsequently at the June 4, 2015, Board of Directors Meeting, to respond to questions or concerns.

Board Member Whittum expressed support for the TAP and funding allocation for the EAN providers. He requested that any issues related to the TAP funding be brought to the Board for discussion.

On order of Chairperson Woodward and there being no objection, the Board of Directors reviewed and discussed the Fiscal Years 2016 and 2017 Proposed Biennial Budget.

4.2. El Camino Real BRT Project

Board Member Whittum provided written comments concerning El Camino Real Bus Rapid Transit (BRT), which included questions to staff, project alternatives, and myths of El Camino Real BRT.

John Ristow, Director of Planning and Program Development, provided a brief overview of the El Camino Real BRT Project and proceeded with the presentation, highlighting: 1) work to date; 2) project alternatives and summary of the benefits of BRT; 3) overview of traffic analysis conducted; and 4) next steps, noting independent peer review of the travel demand model used in the traffic analysis.

Mr. Ristow added that staff is in the process of drafting a technical memorandum in response to formal comments received on the project's Draft Environmental Impact Report/Environmental Assessment (DEIR).

Public Comment

Cam Acker, Interested Citizen and VTA Committee for Transit Accessibility (CTA) Member, provided the following comments: 1) expressed concern on safety and station accessibility for disabled passengers with the dedicated BRT lane alternative; and 2) expressed support for the mixed-flow alternative.

Calum You, Interested Citizen, expressed support for BRT with dedicated lanes to address mobility issues of students and the transit-dependent community.

John Zhao, Interested Citizen, expressed concern on climate change issues and expressed support for appealing public transportation options and dedicated BRT lanes.

Bret Andersen, Interested Citizen, provided the following comments: 1) expressed concern on the project's impact to local traffic; 2) expressed support for dedicated lane alternative and noted importance of integrating BRT with local and regional transportation improvement efforts; and 3) urged staff to continue community outreach efforts.

Chris Lepe, TransForm, noted outreach efforts by many advocacy groups in support of the El Camino Real BRT Project and provided suggestions to enhance project concepts to ensure it meets the needs of the community.

Charisse Ma Lebron, Working Partnership USA, commented that BRT with dedicated lanes could support growth along the corridor and support low income workers who rely on public transportation.

Ms. Okuzumi expressed concern on how the El Camino Real BRT Project might affect VTA bus line 22. She suggested combining line 22 with BRT on dedicated lanes with more frequency and service.

Alternate Board Member Peralez left the meeting at 11:33 a.m.

Greg Coladonato, Interested Citizen, provided the following comments: 1) expressed support for efficient mass transit along El Camino Real; 2) expressed concern on cost-benefit of dedicated BRT lanes and its effects to Mountain View residents; and 3) offered the following suggestions for project alternatives: a) convert El Camino Real's right-hand lanes to high-occupancy vehicle (HOV) lanes during rush hours; and b) use cutouts instead of bulbouts.

Board Member Esteves left the meeting at 11:45 a.m., the quorum was lost, and a Committee of the Whole was declared.

Board Member Whittum offered the following comments: 1) suggested a process adjustment to study different or modified alternatives; 2) suggested to consider "restriction" on travel lanes, similar to the HOV lane concept; 3) noted that bus frequency is as important as travel time savings; 4) noted the City of Sunnyvale's opposition to dedicated lanes and its support for mixed-flow and cutouts; 5) expressed concern that the El Camino Real Rapid Transit Policy Advisory Board did not meet in the last two years and was not able to weigh in on the project alternatives; and 6) stated north/south transit improvements along El Camino Real is important for the cities along the corridor.

Upon query of Members of the Board, Mr. Ristow provided a brief overview of the process in which project alternatives in the DEIR were considered and farebox recovery relative to ridership and the dedicated lane alternative.

Board Member Herrera commented that El Camino Real presents the best opportunity for dedicated lane BRT due to high ridership along the corridor, and noted the importance of understanding rider demographics and travel patterns to ensure people are connected to where they need to go. She further noted the importance of addressing concerns raised by cities along the corridor.

Board Member Baker expressed concern on cost-benefit of project alternatives as opposed to a “full BRT” implementation.

Alternate Board Member Bruins expressed support for continued collaborative discussions between VTA and local agencies along El Camino Real, and asked how VTA could maximize relevant Advisory Committees and Advisory Boards to address inquiries and concerns.

Board Member Whittum suggested further discussion on this item.

On order of Chairperson Woodward, the Board of Directors received findings from the Draft Environmental Impact Report/Environmental Analysis and discussed next steps for the El Camino Real Bus Rapid Transit Project.

5. OTHER ITEMS

5.1. ANNOUNCEMENTS

There were no Announcements.

6. ADJOURNMENT

On order of Chairperson Woodward and there being no objection, the Board of Directors Workshop Meeting was adjourned at 12:01 p.m.

Respectfully submitted,

Michelle Oblena, Board Assistant
VTA Office of the Board Secretary