SANTA CLARA Valley Transportation Authority

GOVERNANCE AND AUDIT COMMITTEE

Thursday, January 7, 2016

MINUTES

CALL TO ORDER

The Regular Meeting of the Governance and Audit Committee ("Committee") was called to order at 4:05 p.m. by Chairperson Chavez in Conference Room 157, County Government Center, 70 West Hedding Street, San José, California.

1. ROLL CALL

Attendee Name	Title	Status
Jason Baker	Member	Present
Jeannie Bruins	Vice Chairperson	Present
Cindy Chavez	Chairperson	Present
Rose Herrera	Member	Present
Johnny Khamis	Member	Present

A quorum was present.

2. PUBLIC PRESENTATIONS

There were no Public Presentations.

3. ORDERS OF THE DAY

M/S/C (Herrera/Baker) to accept the Orders of the Day and approve the Consent Agenda.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Rose Herrera, Member
SECONDER:	Jason Baker, Member
AYES:	Baker, Bruins, Chavez, Herrera, Khamis
NOES:	None
ABSENT:	None

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

CONSENT AGENDA

4. Regular Meeting Minutes of December 14, 2015

M/S/C (Herrera/Baker) to approve the Regular Meeting Minutes of December 14, 2015.

The Agenda was taken out of order.

REGULAR AGENDA

6. Governing Board and Standing Committee Meeting Best Practices

Jim Lawson, Director of Government Affairs and Executive Policy Advisor, assisted by Elaine Baltao, Board Secretary, and Stephen Flynn, Senior Management Analyst, provided a brief overview of the report and staff recommendations.

Members of the Committee provided comments on the following topics:

- Electronic Agenda Distribution – The Committee expressed support for the staff recommendations, and added the following: 1) offer both electronic packet and paper copy during the transition period; 2) continue to provide paper copies of agendas and other supplemental materials on the dais; 3) examine technology that is user friendly both Board members and members of the public, and solicit feedback to identify issues; 4) make the process as transparent as possible; and 5) offer technical training to Board members as needed.

  Staff noted they will reach out to Board members during this transition period to determine their preferred media, and will provide an update to the Committee at a future meeting.

- Standing Committee Meeting Schedule – The Committee expressed support for the staff recommendation, noting the Board chairperson and vice chairperson should be kept informed about committee attendance issues and changes in committee meeting dates/times.

- Standing Committee Meeting Frequency – Members of the Committee were generally supportive of staff recommendations, though they advised against bi-monthly meetings for the Congestion Management Program and Planning (CMPP) Committee. The Committee recommended evaluating the committee work plans and make appropriate adjustments.

- Topics pertaining to agenda structure, agenda format, and Board Rules of Procedure – The Committee made the following comments: 1) make board reports as easy to understand as possible; 2) keep all committee meeting minutes in the Board agenda packets; and 3) minor changes to Consent Agenda items may remain on Consent at the board or committee chairperson's discretion.

- Formation of Policy Advisory Boards versus Utilizing the Policy Advisory Committee (PAC) - The Committee expressed support for staff recommendation and highlighted the importance of the PAC. They encouraged an open dialogue between the PAC chairperson and the Board chairperson as issues come up.

Staff thanked the Governance and Audit Committee for their input, noting a revised set of recommendations, where applicable, will be brought back to the Committee at a future

meeting for their consideration and recommendation to the Board of Directors for formal adoption.

On order of Chairperson Chavez and there being no objection, the Committee reviewed the current VTA Board and committee processes and practices and the staff recommended changes, and provided direction to staff on modifications.

5. 2016 Governance and Audit Committee Meeting Schedule

M/S/C (Khamis/Herrera) to approve the 2016 Governance and Audit Committee Meeting Schedule.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Johnny Khamis, Member
SECONDER:	Rose Herrera, Member
AYES:	Baker, Bruins, Chavez, Herrera, Khamis
NOES:	None
ABSENT:	None

7. Request for Delegation to General Manager or Her Designee of Authority under Public Contract Code § 20250 to Take Actions and Expend Funds in the Event of an Emergency

Greg Pustelnik, Manager of Procurement, Contracts and Materials, provided an overview of the staff report.

Nuria I. Fernandez, General Manager and Chief Executive Officer, added a brief context for the resolution, highlighting the need to allow for immediate action in a variety of emergency situations to safeguard lives and/or critical community infrastructure.

Members of the Committee expressed general support for the policy and noted the importance of ensuring the General Manager has the proper authority to do what is necessary in the event of an emergency. The Committee added the following comments: 1) asked about dollar limit for contract expenditure and length of time; 2) expressed the need for a formal process for emergencies, including identifying the role of the Board of Directors; 3) benchmark VTA policy against other operating agency policies, noting limitations on authority; 4) the Board chairperson and/or vice chairperson should be notified within twenty-four hours of the emergency; and 5) the resolution should highlight state laws.

Staff noted Committee's concerns and will provide an update at the February 4, 2016, Board of Directors meeting based on Committee feedback.

M/S/C (Herrera/Baker) to recommend that the Board adopt a resolution delegating to the General Manager or her designee the authority to, in the case of an emergency, repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts, subject to and under Public Contract Code section 22050 (Section 22050), with amendments.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Rose Herrera, Member
SECONDER:	Jason Baker, Member
AYES:	Baker, Bruins, Chavez, Herrera, Khamis
NOES:	None
ABSENT:	None

8. VTA's Strategic Plan Process Update

Scott Haywood, Transportation Planning Manager, provided a brief update of VTA's Strategic Plan process, noting an Executive Retreat to focus on this effort is planned for February 2016. Under the Committee's guidance, staff's goal is to complete a draft Strategic Plan by May 2016, with a final plan anticipated for Board adoption by late Summer/early Fall 2016. Staff will provide further update on this process at the March 3, 2016, Governance and Audit Committee meeting.

Chairperson Chavez requested that staff provide a diagram or chart of VTA's efforts and how they relate with one another.

On order of Chairperson Chavez and there being no objection, the Committee received an update on VTA's Strategic Plan process.

OTHER ITEMS

9. Items of Concern and Referral to Administration

There were no Items of Concern and Referral to Administration.

10. Governance & Audit Committee Work Plan

Ms. Fernandez noted the next Committee meeting is scheduled for March 3, 2016. The Auditor General assessment of the Alum Rock/Santa Clara Bus Rapid Transit Project is scheduled to be presented at the Committee's May 5, 2016 meeting.

On order of Chairperson Chavez and there being no objection, the Committee reviewed the Committee Work Plan.

11. Committee Staff Report

Ms. Fernandez noted Governance and Audit Committee items scheduled for the January 7, 2016, Board of Directors meeting, including the approval of 2016 Board member appointments to various VTA committees.

12. Chairperson's Report

Chairperson Chavez encouraged Board members to respond to the Board Self-assessment survey.

13. Determine Items for the Consent Agenda for future Board of Directors' Meetings.

CONSENT:

None.

REGULAR:

Agenda Item #7 - Recommend that the Board adopt a resolution delegating to the General Manager or her designee the authority to, in the case of an emergency, repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts, subject to and under Public Contract Code section 22050 (Section 22050), with amendments.

14. ANNOUNCEMENTS

There were no Announcements.

15. RECESSED TO CLOSED SESSION at 5:05 p.m.

A. Public Employee Performance Evaluation
[Government Code Section 54957]

Title: General Manager

B. Conference with Labor Negotiators
[Government Code Section 54957.6]

VTA Designated Representatives:

Perry Woodward, Board Chairperson
Alberto Lara, Chief Administrative Officer

Unrepresented Employee:

General Counsel

16. RECONVENED TO OPEN SESSION at 5:29 p.m.

17. CLOSED SESSION REPORT

A. Public Employee Performance Evaluation
[Government Code Section 54957]

Title: General Manager

Chairperson Chavez noted that no reportable action was taken during Closed Session.

B. Conference with Labor Negotiators
[Government Code Section 54957.6]

VTA Designated Representatives:

Perry Woodward, Board Chairperson
Alberto Lara, Chief Administrative Officer

Unrepresented Employee:

General Counsel

Chairperson Chavez noted that no reportable action was taken during Closed Session.

18. ADJOURNMENT

On order of Chairperson Chavez and there being no objection, the Committee was adjourned at 5:30 p.m.

Respectfully submitted,

Michelle Oblena, Board Assistant
VTA Office of the Board Secretary