

## BOARD OF DIRECTORS MEETING

Thursday, June 1, 2017

### MINUTES

#### 1. CALL TO ORDER AND ROLL CALL

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The Regular Meeting of the Santa Clara Valley Transportation Authority's (VTA) Board of Directors (Board) was called to order by Chairperson Bruins at 5:32 p.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
Jeannie Bruins	Chairperson	Present
Larry Carr	Board Member	Present
Cindy Chavez	Board Member	Present
David Cortese	Alternate Board Member	Absent
Dev Davis	Alternate Board Member	Absent
Lan Diep	Board Member	Present
Daniel Harney	Alternate Board Member	Absent
Glenn Hendricks	Board Member	Present
Chappie Jones	Board Member	Present
Johnny Khamis	Board Member	Present
Sam Liccardo	Vice Chairperson	Present
John McAlister	Alternate Board Member	Absent
Bob Nunez	Alternate Board Member	Present
Teresa O'Neill	Board Member	Present
Raul Peralez	Board Member	Present
Rob Rennie	Alternate Board Member	Present
Savita Vaidhyanathan	Board Member	Absent
Ken Yeager	Board Member	Present

\* Alternates do not serve unless participating as a Member.

**A quorum was present.**

##### 1.2. Orders of the Day

Chairperson Bruins noted staff's request to hear **Regular Agenda Item #7.1** - Approval of Biennial Budget for Fiscal Years 2018 and 2019; and **Regular Agenda Item #7.2** - Fare Policy Review, together. Chairperson Bruins noted the Board would take separate actions for the items, considering Item #7.2 before Item #7.1.

Vice Chairperson Liccardo arrived at the meeting and took his seat at 5:33 p.m.

Board Members Khamis and Chavez requested deferring **Consent Agenda Item #6.17** - 2016 Measure B Program Category Guidelines, to the August 2017 Board meeting.

Board Member Diep arrived at the meeting and took his seat at 5:34 p.m.

**M/S/C (Hendricks/Chavez)** to approve the Orders of the Day.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS] – Orders of the Day</b>
<b>MOVER:</b>	Glenn Hendricks, Board Member
<b>SECONDER:</b>	Cindy Chavez, Board Member
<b>AYES:</b>	Bruins, Carr, Chavez, Diep, Hendricks, Jones, Khamis, Liccardo, O'Neill, Peralez, Rennie (Alt.), Yeager
<b>NOES:</b>	None
<b>ABSENT:</b>	None

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## 2. AWARDS AND COMMENDATION

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### 2.1. Resolution of Commendation for the Silicon Valley Leadership Group (SVLG)

The Board recognized the Silicon Valley Leadership Group (SVLG) for their work on a wide range of issues in the region, especially transportation, and expressed appreciation for their efforts in the successful passage of the 2016 Measure B.

Carl Guardino, SVLG President and CEO, thanked the Board for their partnership and entrusting the SVLG on behalf of residents and voters of Santa Clara County.

**M/S/C (Carr/Chavez)** to adopt **Resolution of Commendation No. 2017.06.16** for the Silicon Valley Leadership Group (SVLG).

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS] – Agenda Item #2.1</b>
<b>MOVER:</b>	Larry Carr, Board Member
<b>SECONDER:</b>	Cindy Chavez, Board Member
<b>AYES:</b>	Bruins, Carr, Chavez, Diep, Hendricks, Jones, Khamis, Liccardo, O'Neill, Peralez, Rennie (Alt.), Yeager
<b>NOES:</b>	None
<b>ABSENT:</b>	None

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

**2.2. Cristo Rey Corporate Work Study Program Intern Commendation**

The Board recognized Cristo Rey San José Jesuit High School students - Jennifer Cardona-Chavez, Baltazar Esquivel, Yvette Ross, Jonathan Rubio, and Oziel Reyes-Cruz for their outstanding service.

Cristo Rey San José Jesuit High School students Francis Tran and Alfredo Valencia were not in attendance but were recognized for their outstanding service.

Vice Chairperson Liccardo noted the internship program's success and expressed his warm appreciation to VTA for continuing to offer the program.

**3. PUBLIC COMMENT**

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Karen Becker, Interested Citizen, commented about a labor-related matter concerning VTA.

Earl Kaing, Interested Citizen, announced the San Joaquin Regional Rail Commission's (SJRRRC) release of the Draft Environmental Impact Report (DEIR) for *ACEforward*. The comment period is open until July 31, 2017. Additional information on the project and public meetings are available at [www.aceforward.com](http://www.aceforward.com).

Troy Hernandez, Interested Citizen, expressed concern about changes to Bus Route 54 and urged the Board to keep the route and consider increased frequency.

John Pospishek, Amalgamated Transit Union (ATU) Local 265, expressed concern about a plan for on-demand service to replace Bus Route 63, noting limitation for non-smart phone users. He asked if there has been health studies related to the operation of electric buses.

James Wightman, Interested Citizen, asked when the July Service Changes will take effect and asked about the impacts to Bus Route 11 under the Final Transit Service Plan. He expressed concern about pedestrian safety around light rail tracks and suggested monitors at light rail stations feature warnings and safety advisories.

**4. PUBLIC HEARINGS**

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There were no Public Hearings.

**5. COMMITTEE REPORTS**

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**5.1. Citizens Advisory Committee (CAC) Chairperson's Report**

Chairperson Bruins noted that the Citizens Advisory Committee (CAC) Chairperson's report was contained in the Board Members' reading folders.

**5.2. Policy Advisory Committee (PAC) Chairperson's Report**

Chairperson Bruins noted that the Policy Advisory Committee (PAC) Chairperson's report was contained in the Board Members' reading folders.

**5.3. Policy Advisory Board Chairpersons' Report**

Chairperson Bruins noted that the State Route (SR) 85 Corridor Policy Advisory Board Chairperson's report was contained in the Board Members' reading folders.

**6. CONSENT AGENDA**

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Vice Chairperson Liccardo recused himself from the following:

- **Consent Agenda Item #6.7** - Approval of On Call Consultant List for Real Estate Services;
- **Consent Agenda Item #6.9** - De Anza College Stelling Road Bus Stop Improvement Contract;
- **Consent Agenda Item #6.10** - Construction Contract Award Contract C650 (C16349) SVBX Sitework;
- **Consent Agenda Item #6.12** - Amend the C836 Alum Rock Avenue Roadway, Busway and Station Improvements Contract for Alum Rock - Santa Clara Bus Rapid Transit Project with Ghilotti Construction Company; and
- **Consent Agenda Item #6.13** - Radio Equipment and Services for SVRCS and CAD/AVL.

Board Member Chavez recused herself from **Consent Agenda Item #6.15** - Technology Maintenance & Support Contracts and **Consent Agenda Item #6.25** - IT Development and Project Management Assessment.

**Public Comment**

Colin Heyne, Silicon Valley Bicycle Coalition (SVBC), referred to **Consent Agenda Item #6.18** - 2016 Measure B Complete Streets Reporting Requirements, and commended VTA staff for their work on the Complete Streets guidelines. He suggested the reporting requirements incorporate a more robust technical assistance element.

Alternate Board Member Rennie highlighted **Consent Agenda Item #6.29** - 2016 Sustainability Program Report, and commended staff for their work. He encouraged VTA to find ways to transition to electric buses, possibly through local partnerships.

Board Member Diep referenced **Consent Agenda Item #6.18** and asked for further information regarding allocation strategies to address impacts to the Local Streets & Roads Program Area should there be a discrepancy between actual sales tax receipts and projected revenue.

Board Member Chavez referred to **Consent Agenda Item #6.8** - Authorization of Developer Solicitation for Evelyn Joint Development Site, and asked for an off-agenda update on solicitation timeline, noting there could be an opportunity to do entitlement in-house.

**6.1. Board of Directors Workshop/Special Meeting Minutes of April 21, 2017**

M/S/C (Hendricks/Yeager) to approve the Board of Directors Workshop/Special Meeting Minutes of April 21, 2017.

**6.2. Board of Directors Regular Meeting Minutes of May 4, 2017**

M/S/C (Hendricks/Yeager) to approve the Board of Directors Regular Meeting Minutes of May 4, 2017.

**6.3. Fiscal Year (FY) 2017 Statement of Revenues and Expenses for the Period Ending March 31, 2017**

M/S/C (Hendricks/Yeager) to review and accept the Fiscal Year 2017 Statement of Revenues and Expenses for the period ending March 31, 2017.

**6.4. Casualty Property Operations Insurance Program for July 1, 2017 to July 1, 2018**

M/S/C (Hendricks/Yeager) to authorize the General Manager to purchase Property and Casualty insurance coverage for General and Auto Liability, Public Officials & Employment Practices Liability, Cyber Liability, Environmental Impairment & Pollution Liability, Crime, Blanket Railroad Protective Liability, and Property Insurance renewing the annual Operations Insurance Program for Fiscal Year 2018 for an amount not to exceed \$3,500,000.

**6.5. Workers' Compensation Third Party Claims Administrator Contract Award - S16353**

M/S/C (Hendricks/Yeager) to authorize the General Manager to execute a fixed fee contract with Tristar Risk Management for Workers' Compensation Third Party Claims Administrator (TPA) for a five year term, from July 1, 2017 through June 30, 2022. The total five-year contract cost for claims services will not exceed \$5,260,100.

**6.6. Contract for Workers' Compensation Managed Care Services**

M/S/C (Hendricks/Yeager) to authorize the General Manager to execute a contract with EK Health for Workers' Compensation Managed Care Services for a five-year term, from July 1, 2017 through June 30, 2022 for a total cost not to exceed \$1,400,000.

**6.7. Approval of On Call Consultant List for Real Estate Services**

M/S/C (Hendricks/Yeager) on a vote of 11 ayes, 0 no, and 1 recusal, to authorize the General Manager to establish an on-call list of qualified firms for the following real estate consultant services: relocation assistance, appraisal, appraisal review, furniture/fixtures/equipment appraisal, goodwill valuation, title and escrow, and general real estate services. The General Manager will be authorized to negotiate and execute service contracts with the firms for a term of five years and a value not to exceed \$11,000,000 for all firms combined. The contracts will have an option for an additional two-year term, at a combined value not to exceed \$4,400,000 for the option term. Vice Chairperson Liccardo recused.

**6.8. Authorization of Developer Solicitation for Evelyn Joint Development Site**

M/S/C (Hendricks/Yeager) to authorize the General Manager to issue a developer solicitation for the Evelyn Joint Development site for the purpose of identifying a developer to recommend to the Board of Directors for an Exclusive Negotiations Agreement. The solicitation will seek developers to design, finance, build, and operate a 100% affordable housing development pursuant to a long-term ground lease from VTA.

**6.9. De Anza College Stelling Road Bus Stop Improvement Contract**

M/S/C (Hendricks/Yeager) on a vote of 11 ayes, 0 no, and 1 refusal, to authorize the General Manager to execute a contract with George Bianchi Construction, Inc., the lowest responsive and responsible bidder, in the amount of \$1,102,257 for the construction of the De Anza College Stelling Road Bus Stop Improvement. Vice Chairperson Liccardo refused.

**6.10. Construction Contract Award Contract C650 (C16349) SVBX Sitework**

M/S/C (Hendricks/Yeager) on a vote of 11 ayes, 0 no, and 1 refusal, to authorize the General Manager to execute a contract with Granite Rock Company, the lowest responsive and responsible bidder, in the amount of \$3,743,468 for the construction of SVBX Sitework plus a contingency amount of \$1,310,214 (35% of the contract value) to address unforeseen and unforeseeable conditions due to the nature of the work. Vice Chairperson Liccardo refused.

**6.11. Project Labor Agreement for C650 SVBX Sitework**

M/S/C (Hendricks/Yeager) to adopt **Resolution No. 2017.06.17** of findings that use of a Project Labor Agreement (PLA) in the C650 SVBX Sitework Contract will ensure the availability and stability of labor resources throughout the duration of construction.

**6.12. Amend the C836 Alum Rock Avenue Roadway, Busway and Station Improvements Contract for Alum Rock - Santa Clara Bus Rapid Transit Project with Ghilotti Construction Company**

M/S/C (Hendricks/Yeager) on a vote of 11 ayes, 0 no, and 1 refusal, to authorize the General Manager to amend the C836 Alum Rock Avenue Roadway, Busway and Station Improvements Contract with Ghilotti Construction Company by an amount of \$2,663,038 for additional electrical and communications work for the Alum Rock - Santa Clara Bus Rapid Transit Project, increasing the total contract amount to \$23,218,312. Vice Chairperson Liccardo refused.

**6.13. Radio Equipment and Services for SVRCS and CAD/AVL**

M/S/C (Hendricks/Yeager) on a vote of 11 ayes, 0 no, and 1 refusal, to authorize the General Manager to execute a purchase order, in an amount not to exceed \$5,965,276 for console radios, subscriber radios and related equipment and professional services from Motorola Solutions, Inc., under the pricing terms and conditions obtained through the cooperative agreement dated September 25, 2012, between the County of Santa Clara and Motorola Solutions, Inc., for goods and related services for use on the Silicon Valley Regional Communications System (SVRCS) and the CAD/AVL (Computer Aided Dispatching-Automatic Vehicle Location) system. Vice Chairperson Liccardo refused.

**6.14. Procurement of Three Position Exterior Bike Racks**

M/S/C (Hendricks/Yeager) to authorize the General Manager to execute a contract with Sportworks Northwest Inc. of Woodinville, Washington for the purchase of 391 three-position exterior bike racks in the amount of \$654,925.

**6.15. Technology Maintenance & Support Contracts**

M/S/C (Hendricks/Yeager) on a vote of 11 ayes, 0 no, and 1 refusal, to authorize the General Manager to approve technology maintenance and support agreements with the specified technology firms for software and hardware support services. Each contract shall be for a maximum three-year period, with an option for two additional years, with an aggregate value not to exceed \$5,500,000 for all agreements in the first three years and \$3,850,000 for all agreements in years four and five. Board Member Chavez refused.

**6.16. Fiscal Year 2018 & Fiscal Year 2019 Congestion Management Work Program**

M/S/C (Hendricks/Yeager) to approve the Fiscal Year 2018 and Fiscal Year 2019 Congestion Management Work Program and budget.

**6.17. (Deferred to the August 3, 2017, VTA Board of Directors Meeting.)**

1) Adopt a Resolution, establishing the 2016 Measure B Program; and 2) adopt the 2016 Measure B Program Category Guidelines.

**6.18. Measure B Complete Streets Reporting Requirements**

M/S/C (Hendricks/Yeager) to approve the proposed 2016 Measure B Complete Streets reporting requirements.

**6.19. 2017/18 TFCA Program Manager Fund**

M/S/C (Hendricks/Yeager) to approve the programming of FY 2017/18 Transportation Fund for Clean Air Program Manager (TFCA 40%) funds to projects.

**6.20. FY2017/18 TDA3 Project Priorities**

M/S/C (Hendricks/Yeager) to adopt **Resolution No. 2017.06.18** approving the project priorities for the FY 2017/18 Countywide Transportation Development Act (TDA) Article 3 program.

**6.21. San Jose Transportation Facilities Master Plan**

M/S/C (Hendricks/Yeager) to approve the programming of \$492,508 federal Surface Transportation Program (STP) funds under the Priority Development Area Planning Grant program to the San Jose Diridon Transportation Facilities Master Plan, Phase 2.

**6.22. Resolution to Support Certifications and Assurances for 2017 - 2019 Low Carbon Transit Operations Program (LCTOP)**

M/S/C (Hendricks/Yeager) to adopt **Resolution No. 2017.06.19** authorizing the General Manager or Designee to file and execute grant applications, agreements, and certifications and assurances with the California Department of Transportation (Caltrans) for all current and future funds available through the Greenhouse Gas Reduction Fund (GGRF), Low Carbon Transit Operations Program (LCTOP).

**6.23. Resolution to Commit Low Carbon Transit Operations Program (LCTOP) Funds to the Purchase of Zero Emission Electric Buses**

M/S/C (Hendricks/Yeager) to adopt program **Resolution No. 2017.06.20** for VTA's 2017 through 2019 Low Carbon Transit Operations Program (LCTOP) for the VTA Zero Emission Bus project.

**6.24. On-call Stormwater Consultant Services**

M/S/C (Hendricks/Yeager) to approve an eligible list of three stormwater consultants to provide professional services on projects/programs that include, but are not limited to, the following categories: Phase II Small MS4 Permit, Industrial General Permit, Utility Vault and Underground Structures Permit, and Construction General Permit for stormwater consultant services with Engeo, Haley and Aldrich, and Keish Environmental; and authorize the General Manager to execute contracts with firms on this list. The list will be valid for a five-year period. The total amount of all contracts shall not exceed \$4,000,000.

**6.25. IT Development and Project Management Assessment**

M/S/C (Hendricks/Yeager) on a vote of 11 ayes, 0 no, and 1 recusal, to review and receive the Auditor General's report on the IT Development and Project Management Assessment. Board Member Chavez recused.



**6.26. Recommended FY 2018 & FY 2019 Internal Audit Work Plans**

M/S/C (Hendricks/Yeager) to approve the Auditor General's recommended Internal Audit Work Plans for the next two fiscal years (FY) for a maximum amount of \$465,000 for FY 2018 and \$465,000 for FY 2019.

**6.27. Investment Program Controls Internal Audit -- FY 2017**

M/S/C (Hendricks/Yeager) to review and receive the Auditor General's report on the Investment Program Controls Internal Audit performed during Fiscal Year 2017.

**6.28. Amend the VTA Administrative Code to Establish the 2016 Measure B Citizens Oversight Committee and Approve the Committee Bylaws**

M/S/C (Hendricks/Yeager) to adopt **Resolution No. 2017.06.21** amending the VTA Administrative Code to establish the 2016 Measure B Citizens' Oversight Committee and approve the bylaws for that committee.

**6.29. 2016 Sustainability Program Report**

M/S/C (Hendricks/Yeager) to receive the 2016 Sustainability Report.

**6.30. VTA Three-Year (FYs 2018-2020) Project Initiation Document Work Plan**

M/S/C (Hendricks/Yeager) to receive an update on VTA's Three-Year Project Initiation Document Work Plan for Santa Clara County.

**6.31. Development Review Quarterly Report for January-Mar 2017**

M/S/C (Hendricks/Yeager) to receive the Development Review Quarterly Report for January to March 2017.

**6.32. Transit Service Changes - July 3, 2017**

M/S/C (Hendricks/Yeager) to receive a report on the July 3, 2017 Transit Service Changes.

**6.33. Legislative Update Matrix**

M/S/C (Hendricks/Yeager) to review the Legislative Update Matrix.

**RESULT:**      **ADOPTED [UNANIMOUS] – Consent Agenda Items #6.1 - #6.6, #6.8, #6.11, #6.14, #6.16 - #6.24, #6.26 - #6.33**

**MOVER:**        Glenn Hendricks, Board Member

**SECONDER:**   Ken Yeager, Board Member

**AYES:**         Bruins, Carr, Chavez, Diep, Hendricks, Jones, Khamis, Liccardo, O'Neill, Peralez, Rennie (Alt.), Yeager

**NOES:**          None

**ABSENT:**        None

**RESULT:**      **ADOPTED [UNANIMOUS] – Consent Agenda Items #6.7, #6.9, #6.10, #6.12, #6.13**

**MOVER:**        Glenn Hendricks, Board Member

**SECONDER:**   Ken Yeager, Board Member

**AYES:**         Bruins, Carr, Chavez, Diep, Hendricks, Jones, Khamis, O'Neill, Peralez, Rennie (Alt.), Yeager

**NOES:**          None

**ABSENT:**        None

**RECUSAL:**     Liccardo

**RESULT:**      **ADOPTED [UNANIMOUS] – Consent Agenda Items #6.15 and #6.25**

**MOVER:**        Glenn Hendricks, Board Member

**SECONDER:**   Ken Yeager, Board Member

**AYES:**         Bruins, Carr, Diep, Hendricks, Jones, Khamis, Liccardo, O'Neill, Peralez, Rennie (Alt.), Yeager

**NOES:**          None

**ABSENT:**        None

**RECUSAL:**     Chavez

## **7. REGULAR AGENDA**

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### *Administration and Finance Committee*

#### **Agenda Items #7.1 and #7.2 were heard together.**

#### **7.1.    Approval of Biennial Budget for Fiscal Years 2018 and 2019**

#### **7.2.    Fare Policy Review**

Raj Srinath, Chief Financial Officer, introduced Carol Lawson, Fiscal Resources Manager; Ali Hudda, Deputy Director of Accounting; and Jeffery C. Cleveland, Principal, Payden & Rygel.

Mr. Srinath provided a brief overview of Mr. Cleveland's professional background.

Mr. Cleveland provided a presentation on economic outlook for California and the United States, noting factors influencing forecast trends and business cycle indicators.

Members of the Board discussed the following: 1) economic impacts of federal policies, politics, and regulations; 2) global economic trends; 3) corporate and personal debts; and 4) shift to more service-related jobs.

Ms. Lawson proceeded with an overview of the Biennial Budget for FY 2018 and 2019, highlighting the following: 1) additional \$10 million in FY 2018 Local Streets & Roads Program Area for a one-time advance of FY 2017 fourth quarter receipts; 2) overview of budget impact from the adopted Final Transit Service Plan (Next Network); and 3) proposed funding for bus and light rail enhancements from 2016 Measure B and 2000 Measure A.

Mr. Hudda provided a summary of changes to the fare structure, noting: 1) changes to SmartPass (formerly Eco Pass), including consolidation of tiers; 2) staff concerns about the current Eco Pass program; 3) overview of fare-related concerns from the community; and 4) revenue impact of proposed Fare Policy changes.

Ms. Lawson continued the presentation, noting: 1) overview of projected operating deficit and deficit management strategies; and 2) summary of Board actions, including the review and approval of the Title VI Fare Equity Analysis, and next steps.

Members of the Board expressed appreciation to staff for their work on the budget and fare policy review. A robust discussion ensued on the following: 1) impacts of the proposed Fare Policy changes; 2) comparison of revenues and expenses from previous fiscal years; 3) possible short-term and long-term strategies to address operating and maintenance needs, including consideration of changes to reserve policies; and 4) reasons behind fare categories and consolidation of tiers.

Board Member Chavez offered the following comments: 1) asked how 2016 Measure B funds would be used to expand service and programs that support the youth, senior, disabled, and low income population; 2) ensure appropriate allocation of 2016 Measure B funds for long-term operations and maintenance; 3) asked if the Transit Assistance Program (TAP) could consider low income students who already participate in low income programs through their school; and 4) engage the County to explore improvements in business and financial processes.

Board Member Jones noted the City of San Jose requests developers and employers to consider implementation of Transportation Demand Management (TDM) programs. This could incentivize participation in the Eco Pass program. He requested staff further analyze how local agency policies could be leveraged to increase revenues.

Upon query of Board Member Jones, staff acknowledged receipt of the De Anza Associated Student Body's "Alternative Collegiate Pass Proposal."

**Public Comments**

John Courtney, ATU Local 265, noted the labor union's support of 2016 Measure B and expressed concern about the consideration of Transportation Network Companies (TNC) to provide first/last mile connections, citing regulatory and compliance issues.

Joe Young, Sacred Heart Community Service, advocated for fair share allocation of 2016 Measure B funds to expanding mobility programs and affordable fares for seniors.

Matthew Reed, Sacred Heart Community Service, noted the organization's support of 2016 Measure B and expressed concern about the proposed fare increase for seniors and low-income community.

Tom Tanner, Interested Citizen, expressed concern about the fare increase for Corporate Passes and how it might impact ridership and participation by his employer, Cisco Systems, Inc. (Cisco). He noted VTA Express Bus 121 is a great service and he is an avid user of the service.

Adina Levin, Friends of Caltrain, noted budget challenges at Caltrain's Member Agencies could affect Caltrain's overall funding. She urged VTA to work with its partners to come up with creative solutions to Caltrain's funding structure issues.

The following Interested Citizens/De Anza College students expressed opposition to the proposed increase for Collegiate Passes, noting equity issues, affordability issues, and the importance of access to education and sustainable transportation options. They offered clarification on administrative fees imposed by the college to students and highlighted the De Anza Associated Student Body's alternative fare proposal. They urged the Board to defer changes to the fare policy pending further review and discussion:

- Neil McClintick
- Elias Kamal
- April Nicholson
- Riley Vance-Gydesen
- Antonio Castillo
- David Mostoufi, read comments from student, Yvette
- Ryan Neil
- Jacob Gonzalez
- Tasha Gonzalez
- Zachary Yan
- Aleksandra Niewczas
- Gurkiran Dhaliwal
- Austin Cheng
- Ankur Banerjee
- Sara Elzeiny
- Keerthana Muthukrishnan
- Raphael Villagracia

- Amanda Le
- Chi Tran
- Eddie Cisneros

The following Interested Citizens/San Jose State University (SJSU) students expressed concern of the proposed fare structure changes and increase to Eco Pass. They advocated for sustainable transportation options and consideration of the senior, disabled, and student population:

- Nicholas Danty
- Jack Spica
- Sybil Leonard

Sandy Perry, Interested Citizen, expressed concern of the proposed increase for Eco Pass and advocated for fair policies that reduce equality gap.

Mr. Wightman expressed concern of the proposed increase for Eco Pass and asked if there are fare increases for Clipper card users.

Cody Mowbray, Interested Citizen, commented that although San Jose City College now utilizes Eco Pass, he expressed concern the fare increase could impact students' access to the college.

Satnam Gill, Interested Citizen, made the following comments: 1) asked how Senate Bill (SB) 1 would impact revenues; 2) VTA is a non-profit entity that should serve the public; and 3) expressed concern union jobs could be affected by TNCs.

Diana Hermone, Interested Citizen, expressed concern about autonomous vehicles. She noted VTA should provide public service and support the community, highlighting efforts made through the Joint Workforce Investment (JWI).

Aboubacar Ndiaye, Working Partnerships USA, commented that increasing fares could impact ridership, local economic activity, and transit accessibility of the low-income community. He suggested the Board consider lowering the fare increase for adults and seniors/disabled.

Howard Miller, Interested Citizen and VTA PAC Chairperson, noted a summary of the PAC's recommendations pertaining to the Fare Policy, highlighting: 1) extension of the free VTA-to-VTA transfer to a two-hour window; 2) inclusion of the Express Pass in the Corporate Pass base fare; and 3) need for robust Eco Pass marketing and outreach to all schools.

Board Member Hendricks thanked the public speakers for their engagement and provided a brief summary of discussions from the VTA Administration and Finance (A&F) Committee. He noted the following: 1) proposed Fare Policy incorporates free transfers on the VTA network and does not change the current paratransit fee structure; 2) structural changes in the proposed budget recognizes the anticipated increase in service hours from the adopted Final Transit Service Plan (Next Network); and

3) farebox recovery is still low and there are more needs than resources. He emphasized the changes and challenges ahead, noting the Board should adhere to the budget and exercise fiscal responsibility.

Alternate Board Member Rennie asked if there could be considerations to lessen the impact of a fare increase to the Collegiate Pass for community colleges by making adjustments in the Youth Single Ride Cash fares.

Chairperson Bruins noted the challenge involved with providing excellent service and having the resources to do so. She highlighted the phased implementation of the changes to some of the fares and the comprehensive work and analysis staff has done to review and update the Fare Policy.

Board Member Yeager proposed changes to staff recommendations pertaining to the Senior/Disabled fare category and Collegiate Pass for community colleges.

Board Member Chavez proposed extending the VTA-to-VTA transfer window to two hours.

Discussion ensued about how the changes to staff recommendation on fares might affect the overall budget and service revenue hours. There was a concern these could lead to further deficit. The Board requested staff provide further information on overall budget impact of amendments to the Senior/Disabled fare and community college Collegiate Pass at a future meeting.

Vice Chairperson Liccardo noted there is opportunity to revisit the budget in the near future and make appropriate changes should analysis reveal substantial negative gap in revenues. He also requested staff engage Cisco to address their concerns and provide further information about the Corporate Pass.

Board Member Carr expressed concern that exclusion of the Express option under the Corporate Pass base fare could negatively impact ridership. He requested staff consider the impacts of the fare structure change in the forthcoming Express Bus Study.

Upon query of Members of the Board, staff provided an overview of economics concerning Corporate Pass, Express Pass option, and fares per boarding. Staff noted the Clipper Direct option for employees to purchase transit passes on a tax-deferred basis.

Board Members Peralez and Jones highlighted the need for more robust outreach to employers to increase awareness of available transit pass options, particularly the Clipper Direct option. Board Member Jones suggested re-evaluating the Corporate Pass structure for maximum revenue potential and to provide an update to the Board at a future meeting.

Board Member Hendricks expressed concern regarding the impacts of the policy decision the Board was making to future Boards. Rob Fabela, General Counsel, noted future Boards are not bound by the actions of the current Board and that the future Boards have the ability to change policy direction.

**7.2. M/S/C (Yeager /Liccardo) on a vote of 11 ayes and 1 no, to:**

1. Adopt a finding that a fare increase is necessary to meet operating expenses, including employee wages and fringe benefits and purchasing or leasing supplies, equipment, or materials.
2. Invoke a Statutory Exemption under CEQA, P. R.C. §21080(b)(8) and CEQA Guidelines Section 15273(a) (Rates, Tolls, Fares and Charges) for the purpose of modifying and increasing fares.
3. Consider and approve VTA's Title VI Fare Equity Analysis.
4. Adopt **Resolution No. 2017.06.24** establishing rates and fares for VTA bus, light rail, and paratransit services effective January 1, 2018.
5. Adopt **Resolution No. 2017.06.23** establishing rates and fares for VTA bus, light rail, and paratransit services effective January 1, 2019.

With the following changes:

1. Approve Senior/Disabled fares for 2018, no recommendation for Senior/Disabled fares for 2019 until it is revisited at a later date;
2. Change the Eco Pass rate for all Community Colleges (Collegiate Pass) to \$20 per student per year for the next four years;
3. Increase transfer period time to two hours; and
4. Approve the Corporate Pass rate increase with the request to assess Eco Pass to determine if there are ways to increase revenues.

Board Member Chavez opposed.

<b>RESULT:</b>	<b>ADOPTED [Adopted as Amended] – Agenda Item #7.2</b>
<b>MOVER:</b>	Ken Yeager, Board Member
<b>SECONDER:</b>	Sam Liccardo, Vice Chairperson
<b>AYES:</b>	Bruins, Carr, Diep, Hendricks, Jones, Khamis, Liccardo, O'Neill, Peralez, Rennie (Alt.), Yeager
<b>NOES:</b>	Chavez
<b>ABSENT:</b>	None

**7.1. M/S/C (Liccardo/Hendricks)** on a vote of 11 ayes and 1 no, to adopt **Resolution No. 2017.06.22** approving the Fiscal Years 2018 and 2019 Biennial Budget for the period July 1, 2017 through June 30, 2019, with the conditions that:

1. The General Manager shall return to the Board by June 2018, or 6 months after the commencement of the Next Network service, whichever comes later, with an analysis of ridership and revenues relative to budgeted estimates;
2. Where that analysis reveals a substantial negative gap in revenues, the General Manager shall concurrently present options including, but not limited to, a list of proposed reductions of service or other cost savings that will enable VTA to operate in a fiscally sustainable manner.

Board Member Chavez opposed.

<b>RESULT:</b>	<b>ADOPTED [Adopted as Amended] – Agenda Item #7.1</b>
<b>MOVER:</b>	Sam Liccardo, Vice Chairperson
<b>SECONDER:</b>	Glenn Hendricks, Board Member
<b>AYES:</b>	Bruins, Carr, Diep, Hendricks, Jones, Khamis, Liccardo, O'Neill, Peralez, Rennie (Alt.), Yeager
<b>NOES:</b>	Chavez
<b>ABSENT:</b>	None

**7.3. Special Event Service Policy**

Inez Evans, Chief Operating Officer, provided an overview of the staff report.

Mr. Srinath provided an overview of costs pertaining to augmented services, including additional personnel, security, and wear-and-tear of vehicles.

Vice Chairperson Liccardo expressed concern the policy specifies the venue as the funding party without consideration for other cost recovery options that might be proposed, such as an event surcharge for attendees. He suggested VTA consider accommodations for funding options the venue might propose that do not impose additional costs to VTA.

Nuria I. Fernandez, General Manager and CEO, noted the importance of a framework for providing augmented services. She emphasized VTA is an open system and there is a need for consideration of service management and cost recovery.

Board Member O'Neill thanked staff for their attendance at a recent City of Santa Clara's Stadium Authority Board meeting, noting the Stadium Authority is considering surcharge options, such as additional fees on parking.

Members of the Board concurred with a proposal from Board Member Peralez, suggesting a modification to the policy language to emphasize that funding for any additional service requested be the responsibility of the venue.



Board Member Hendricks noted he is comfortable with the policy as written, adding VTA should have a strong policy that underscores each party's responsibilities.

**Public Comment**

Kermit Cuff, VTA Transit Service Development Supervisor, noted the importance of VTA's role as the transportation authority and expressed concern about how the policy may reflect negatively on VTA, particularly if an augmented service agreement is not reached between parties. He suggested VTA continue to work cooperatively with venues to explore creative solutions for cost recovery.

Roland Lebrun, Interested Citizen, suggested VTA could consider lobbying for legislation that will address this issue, similar to existing legislation in other states.

**M/S/C (Liccardo/Chavez)** on a vote of 11 ayes and 1 no, to approve the Special Event Service Policy. Further, the Board directed staff to: 1) update the language in Section 4.0 of the policy (Document Number OPS-PL-0004, Version Number 01) to note, "it is VTA's policy to require funding for any additional service requested be the responsibility of the venue" using VTA service for such event; and 2) provide accommodations for funding options the venue might propose that do not impose an additional cost to VTA. Board Member Hendricks opposed.

<b>RESULT:</b>	<b>ADOPTED [Adopted as Amended] – Agenda Item #7.3</b>
<b>MOVER:</b>	Sam Liccardo, Vice Chairperson
<b>SECONDER:</b>	Cindy Chavez, Board Member
<b>AYES:</b>	Bruins, Carr, Chavez, Diep, Jones, Khamis, Liccardo, O'Neill, Peralez, Rennie (Alt.), Yeager
<b>NOES:</b>	Hendricks
<b>ABSENT:</b>	None

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## **8. OTHER ITEMS**

### **8.1. General Manager's Report**

Ms. Fernandez noted the General Manager's Report was contained in the Board Members' reading folders and placed on the Public Table. She highlighted the following:

- Project of the Year Award (more than \$25 Million Category) by the American Public Works Association Silicon Valley Chapter for VTA's Mountain View Double Track Project;
- Announced the 2017 Summer Youth Pass is now available for sale, noting validity for unlimited rides on VTA light rail and buses from June 1 through August 31;
- Announced VTA's Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ) Pride Month Symposium on June 22, 2017, at VTA's River Oaks Auditorium; and

- Announced the Santa Clara Caltrain Undercrossing ribbon-cutting event on June 30, 2017.

**8.1.A. Government Affairs Update**

Ms. Fernandez noted the Government Affairs Update was contained in the Board Members' reading folders and placed on the Public Table. She briefly highlighted the President's proposed FY 2018 federal budget.

**On order of Chairperson Bruins** and there being no objection, the Board received the Government Affairs Update.

**8.1.B. Silicon Valley Rapid Transit (SVRT) Program Update**

Dennis Ratcliffe, Interim Director of Engineering & Transportation Infrastructure Development, provided an overview of VTA's BART Silicon Valley Extension Phase I schedule, noting critical activities remaining.

Upon query of Vice Chairperson Liccardo, staff noted revenue service by December 2017 for the Berryessa Extension is highly unlikely due to train control system issues at the Warm Springs station.

Ms. Fernandez noted any reconfigurations must follow BART's standards and staff will provide an update on impacts to schedule and supporting activities after installation and testing of the Warm Springs track control system.

**Public Comment**

Mr. Lebrun queried about the following: 1) how the revised timeline would affect Next Network implementation and 2) if joint testing of the Warm Springs Extension and Berryessa Extension train control systems can be revisited.

Board Member Hendricks expressed concern about the requirements changes and requested further information pertaining to requirements lock in timing and additional work hours that might be involved.

**On order of Chairperson Bruins** and there being no objection, the Board received the Silicon Valley Rapid Transit (SVRT) Program Update.

**8.2. Chairperson's Report**

Chairperson Bruins indicated the June 23, 2017, Board meeting has been cancelled, noting the Office of the Board Secretary would send out the official notification on Friday, June 2, 2017.

**8.3. Items of Concern and Referral to Administration**

There were no Items of Concern and Referral to Administration.

**8.4. Unapproved Minutes/Summary Reports from VTA Committees, Joint Powers Boards (JPB), and Regional Commissions**

**8.4.A. VTA Standing Committees**

- Governance and Audit Committee - The May 4, 2017, Minutes were accepted as contained in the Agenda Packet.
- Congestion Management Program & Planning (CMPP) Committee - The May 18, 2017, Minutes were accepted as contained in the Agenda Packet.
- Safety, Security, and Transit Planning & Operations (SSTP&O) Committee - The May 19, 2017, Minutes were accepted as contained in the reading folder.
- Administration & Finance (A&F) Committee - There was no report.

**8.4.B. VTA Advisory Committees**

- Technical Advisory Committee (TAC) - The May 10, 2017, Minutes were accepted as contained in the Agenda Packet.
- Citizens Advisory Committee (CAC) and 2000 Measure A Citizens Watchdog Committee (CWC) - The May 10, 2017, Minutes were accepted as contained in the Agenda Packet.
- Bicycle & Pedestrian Advisory Committee (BPAC) – The May 10, 2017, Minutes were accepted as contained in the Agenda Packet.
- Committee for Transportation Mobility and Accessibility (CTMA) - The May 11, 2017, Minutes were accepted as contained in the Agenda Packet.
- Policy Advisory Committee (PAC) - The May 11, 2017, Minutes were accepted as contained in the Agenda Packet.

**8.4.C. VTA Policy Advisory Boards (PAB)**

- Eastridge to BART Regional Connector PAB (formerly Downtown East Valley PAB) – The April 27, 2017, Minutes were accepted as contained in the Agenda Packet.
- State Route 85 Corridor PAB – The May 22, 2017, Minutes were accepted as contained in the reading folder.
- Downtown East Valley Policy Advisory Board – There was no report.
- Diridon Station Joint Policy Advisory Board – There was no report.
- El Camino Real Rapid Transit PAB – There was no report.

**8.4.D. Joint Powers Boards and Regional Commissions**

- Caltrain Peninsula Corridor Joint Powers Board – The June 1, 2017, Summary Notes were accepted as contained in the reading folder.
- Capitol Corridor Joint Powers Authority – There was no report.
- Dumbarton Rail Corridor Policy Committee – There was no report.
- Metropolitan Transportation Commission (MTC) – There was no report.
- Sunol Smart Carpool Lane Joint Powers Authority – There was no report.
- Sunol SR 152 Mobility Partnership – There was no report.

**8.5. ANNOUNCEMENTS**

There were no Announcements.

**9. CLOSED SESSION**

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**9.1. Recessed to Closed Session at 9:47 p.m.**

Alternate Board Member Rennie recused himself from Closed Session.

**A. Conference with Legal Counsel - Existing Litigation**  
[Government Code Section 54956.9(d)(1)]

Name of Case: City of Saratoga; City of Cupertino; Town of Los Gatos v. California Department of Transportation [Santa Clara Valley Transportation Authority, Real Parties in Interest] (Santa Clara County Superior Court Case No.: 115CV281214)

Board Member Peralez left the meeting at 9:47 p.m.

Vice Chairperson Liccardo left the meeting at 9:48 p.m.

**9.2. Reconvened to Open Session at 10:04 p.m.**

**9.3. Closed Session Report**

**A. Conference with Legal Counsel - Existing Litigation**  
[Government Code Section 54956.9(d)(1)]

Name of Case: City of Saratoga; City of Cupertino; Town of Los Gatos v. California Department of Transportation [Santa Clara Valley Transportation Authority, Real Parties in Interest] (Santa Clara County Superior Court Case No.: 115CV281214)

Mr. Fabela noted no reportable action was taken during Closed Session.

**10. ADJOURN**

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**On order of Chairperson Bruins** and there being no objection, the meeting was adjourned at 10:04 p.m.

Respectfully submitted,

Michelle Oblena, Board Assistant  
VTA Office of the Board Secretary