

From: [Anita Enander](#)
To: [Dennis Hawkins](#)
Subject: Please distribute to Council for tonight
Date: Tuesday, September 10, 2019 9:51:09 AM
Attachments: [PA_VTA_responses.doc](#)
[MV_VTA-response.doc](#)

Both Palo Alto and Mountain View have replied to the Grand Jury report on VTA. Attached are extracted responses from each (excluding the introductions, repetitive Grand Jury recommendations, and closings).

Anita

Mountain View:

1 a, b, c Response: The recommendation will not be implemented because it is not reasonable. Recommendations 1a and 1b specify that the VTA and County Board of Supervisors will each commission separate studies of the governance structure of successful large city transportation agencies by December 31, 2019. Presumably, the individual reports from all 15 constituent cities due by December 31, 2019 as specified in Recommendation 1c are intended to provide input into these two studies. Recommendations 1a, 1b, and 1c combined fail to indicate a process by which the results of the two studies and 15 reports will be used to identify and develop consensus for potential changes to the governance structure. How will the constituent cities be engaged in the discussions about the governance structure after they have submitted their reports? Furthermore, cities are being asked to research and provide their views on the various elements of the VTA Board structure prior to seeing the results of the comparative study into the governance structures of successful large city transportation agencies. This is an inefficient use of scarce municipal resources. It will be more productive for the cities to provide their views after the comparative research is concluded and prior to any recommendations being made on changes to VTA's governance structure.

Consideration should be given to having an independent organization, such as the Cities Association of Santa Clara County, commission the recommended study with funding provided by the VTA. The Cities Association's study can either be in addition to studies conducted by VTA and/or the Board of Supervisors or in place of one or both of these studies. At a minimum, the Cities Association could take the results of the research into the governance structures of successful large city transportation agencies and of successful transit agencies whose service area spans multiple municipalities and lead a process to gather and document the perspectives of the 15 cities. In addition to the Board composition and selection process noted in Recommendation 1a, the study should also consider Board operations options such as higher voting thresholds for major expenditures. Once VTA funding is committed, at least 180 days will be needed to complete the study and ensuing discussion/documentation of perspectives and recommendations by all represented governing bodies to the VTA Board and County Board of Supervisors. This study should be completed prior to June 30, 2020.

1d Response: The recommendation requires further analysis.

While the County or one or more of the VTA's constituent agencies may ultimately propose amendments to Sections 100060 through 100063 to improve VTA's governance structure, it is premature to recommend such a proposal prior to the preparation and analysis of the study recommended in Recommendation 1a.

1 e Response: The recommendation requires further analysis.

Recommendation 1e presupposes that stronger leadership by the Chairperson of the VTA Board will improve the governance structure of the VTA. However, there is also the possibility that extending the term of the Chairperson to two years may only reinforce dominance of the Board by the larger agencies. The City of Mountain View considers this recommendation premature. After the comparative study recommended in Recommendation 1a is completed, a full range of governance structure options should be analyzed, including how the Chairperson is selected and the Chairperson's length of term.

Palo Alto:

1 a Response: The City of Palo Alto requests that the charge to VTA be clarified to include not only “large city” transportation agencies, but specifically metropolitan areas (such as Portland, Oregon) where transit agency service areas span multiple municipalities. It is also important that VTA engage all cities equally in this study, and not allow the current governance structure to limit the involvement of cities that do not currently have voting representatives on the VTA board.

1 b Response: The City of Palo Alto requests that the charge to the County of Santa Clara be clarified to specifically include metropolitan areas (such as Portland, Oregon) where transit agency service areas span multiple municipalities.

1 c Response: The City of Palo Alto appreciates the Civil Grand Jury’s recommendation that cities be directly and actively engaged in the discussion of alternative governance structures for VTA. Consistent with the circumstances described in the Civil Grand Jury’s report, however, smaller cities are not immediately positioned to engage and advance a consensus position on this issue. Meaningfully providing input to this process will require that cities without designated seats on the VTA Board be given the time and resources necessary to consider a consensus position.

Specifically, it may be necessary to evaluate the governance of VTA not only in terms of population distribution, but also factors such as employment and sales tax generation given that a majority of VTA’s revenues are generated from sales tax measures. As a major employment center and sales tax generator at the edge of VTA’s service territory, Palo Alto has historically been underrepresented in VTA policy decision in ways that do not serve the travelling public. How representation relates to communities of interest with shared permanent transportation issues, such as Caltrain and High Speed Rail interests may also be a consideration. Pending decisions on railroad grade separation funding under Measure B pose further risks to VTA’s ability to follow through on commitments made to Santa Clara voters, such that a thoughtful consideration of governance is particularly timely. The City of Palo Alto therefore requests that VTA provide funding to an appropriate fiscal agent, such as the Cities Association of Santa Clara County, to provide the resources needed for a thoughtful discussion of alternatives and positions by cities without designated seats on the VTA Board. This discussion should include the potential support for organizations similar to Councils of Governments that can sustainably represent the interests of multiple municipalities. Once this funding is committed, at least 120 days will be needed to complete the discussion and documentation of perspectives and recommendations to the VTA Board and County Board of Supervisors.

1 d Response: Per the response comments provided for Recommendation 1C, the City of Palo Alto is open to participating in the development of such legislation, assuming it addresses the root concerns that lead to underrepresentation of the smaller jurisdictions, particularly communities bordering other counties.

1 e Response: While continuity is very important for the functionality of the board, the continuity is only effective if it is fairly distributed among the constituent agencies. In other words, extending the term for chairpersons representing San Jose or Santa Clara County could actually exacerbate other issues discussed in the report. Given this, we believe it may be premature to commit to a specific action such as increasing the Chairperson’s term to two years. Palo Alto would prefer to hold this recommendation in abeyance in order to allow time for overall recommendations to be developed.