

**Council Meeting: September 27, 2011****SUBJECT: Selection of a Council Representative to Negotiate Representation on the Santa Clara Valley Transportation Authority (VTA) Board of Directors****BACKGROUND**

In November, 2009, the Santa Clara Valley Transportation Authority (VTA) took action to reorganize its Board of Directors structure, effective January, 2011. Reorganization of the VTA Board representation structure was the result of an audit of Board representation. The audit concluded that the Board structure resulted in members lacking in experience and continuity. When approving the new VTA Board representation order, the VTA Board of Directors indicated that they desired representation formulas that encouraged incumbency, and avoided strict formulaic rotations.

EXISTING POLICY

Land Use and Transportation Element R1, Protect and sustain a high quality of life in Sunnyvale by participating in coordinated land use and transportation planning in the region.

DISCUSSION

In April, 2010, the Santa Clara Valley Transportation Authority Board approved a new grouping of smaller cities within Santa Clara County for Representation on the VTA Board. The new representation will be effective January, 2012. The City of Sunnyvale is now grouped with the cities of Milpitas and Santa Clara. This group, called the North East Group, will have two seats on the Board with one alternative, whereas, the other three groups will have one seat and one alternative each. City groupings are presented in Attachment A. San Jose will continue to have five seats with one alternative and the County of Santa Clara will continue to have two seats with one alternate for a total of 12 members of the Board.

Santa Clara, Sunnyvale, and Milpitas need to decide by the end of October how they would be represented on the VTA Board by two representatives and one alternate. Staff of the three cities is recommending that a representative from each City Council of the three cities be designated and meet to reach consensus on a representation approach for the North East Group. The City Council may elect to give direction on preferences for a VTA representation formula to address issues raised by the audit of the VTA Board. Staff will be

available to brief Sunnyvale's representative on representation alternatives that have been considered to date.

FISCAL IMPACT

There is no direct fiscal impact from selecting a representative to negotiate a VTA Board representation scheme.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center, and Department of Public Safety; posting the agenda and report on the City's Web site; and making the report available at the Library and Office of the City Clerk.

ALTERNATIVES

1. Select a representative from the City Council to meet with Santa Clara and Milpitas representatives to select a VTA representation option.
2. Approve another means for indicating the City's preference for VTA Board of Directors representation.

RECOMMENDATION

Staff recommends that the City Council select a representative from the City Council to meet with Santa Clara and Milpitas representatives to select a VTA representation option.

Reviewed by:

Kent Steffens, Director of Public Works

Prepared by: Jack Witthaus, Transportation and Traffic Manager

Approved by:

Gary M. Luebbbers
City Manager

ATTACHMENTS

- A. City Groupings - Background

City Groupings – Background

In 2007, VTA authorized the HayGroup to conduct a comprehensive Organizational and Financial Assessment, which produced a number of recommendations regarding VTA's governance, financial management and organizational effectiveness.

The report found that high Board turnover posed a challenge to VTA's governance, particularly for the small city groupings. Members of several cities also had expressed concern about the configuration and mutual interests of these groups.

In response, the Board of Directors appointed a subcommittee to study the issue, and in November 2009, after extensive review by the subcommittee, the Board of Directors voted to reconfigure the small city groupings and establish a new group comprising Sunnyvale, Santa Clara and Milpitas, and referred to as the "Northeast Cities." This group would appoint two Board members and one alternate to the Board of Directors.

A necessary step to make the changes to the governance structure required a vote in favor of amending the 1994 joint powers agreement for the administration of VTA. By spring of 2010, the VTA Board of Directors, County Board of Supervisors and a majority of the cities in the county representing a majority of the population had done just that.

These new groupings are effective January 1, 2012, and they do not affect the other groupings (San Jose – 5 seats, 1 alternate; County of Santa Clara – 2 seats; 1 alternate).

The current small city groupings are as follows:

<u>North County – 3 Seats</u>	<u>West Valley – 1 Seat</u>	<u>MGM – 1 Seat</u>
Palo Alto	Cupertino	Milpitas
Los Altos	Saratoga	Morgan Hill
Los Altos Hills	Monte Sereno	Gilroy
Mountain View	Campbell	
Santa Clara	Los Gatos	
Sunnyvale		

The new small city groupings are as follows:

<u>North County – 1 Seat</u>	<u>North East – 2 Seats</u>
Los Altos	Milpitas
Los Altos Hills	Santa Clara
Mountain View	Sunnyvale
Palo Alto	
<u>South County – 1 Seat</u>	<u>West Valley – 1 Seat</u>
Gilroy	Campbell
Morgan Hill	Cupertino
	Los Gatos
	Saratoga
	Monte Sereno