



VTA board members support shake-up after scathing grand jury report

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If VTA board members can agree on one thing, it's that something needs to change.

A new VTA subcommittee began discussions on potential tweaks to the governing board that would improve effectiveness at the beleaguered agency at a meeting last Friday.

Overshadowing these talks was a scathing grand jury report released in June that called out VTA as one of the most inefficient transit agencies in the U.S. That report noted that operating costs had skyrocketed while ridership was dwindling, yet the board seemed intent on expansion.

In particular, the report took aim at the county's light rail system, which it proposed dismantling entirely.

Much of the blame for these cost overruns was placed on the 12-member VTA board of directors. Among the problems, the grand jury members found the transit agency's board suffered from a lack of training, time and experience. The VTA board consists entirely of appointed elected leaders from city or county governments in Santa Clara County.

On Aug. 9, a recently appointed VTA Board Enhancement Committee took up the grand jury report, and members discussed how to respond to the grand jury's conclusions. VTA board Chairwoman Teresa O'Neill proposed some kind of screening process before someone can join the VTA board. Appointees should know in advance what kind of commitment it would take, she said.

"We should be asking people 'Do you have the bandwidth?' she said. "Can you spend 10 hours a month related to this board assignment?"

San Jose City Councilman Chappie Jones suggested VTA staff needed to make it easier to digest complicated board packets, which routinely exceed 300 pages. Other committee members proposed some kind of boot camp orientation to bring new members up to speed.

It was clear that committee members had some specific individuals in mind when they discussed board members who lacked training or interest in VTA business, although they made it a point not to call out anyone by name. When he was a member of the Santa Clara County Board of Supervisors, Ken Yeager missed five of VTA's monthly board meetings just in 2018, according to the meeting minutes. County Supervisor Cindy Chavez, Morgan Hill Councilman Larry Carr and San Jose Councilman Johnny Khamis each skipped at least three board meetings over the last two years. Most VTA board seats have a designated alternate member to fill in if the regular

appointee can't make a meeting, but this substitute is typically less familiar with the agency's operations.

But just looking at meeting attendance doesn't really convey the scope of the problem, said Mountain View Councilman John McAlister, who chairs the VTA Board Enhancement Committee. A subset of VTA members will routinely leave meetings early, barely participate in discussions and basically phone it in, he said.

"Some board members just sit there, and you can't tell if they're participating or not," he said. "VTA is only as good as the people who get appointed to its board."

O'Neill described it as a twin-headed problem. Professional politicians appointed to the VTA board from the county and San Jose have greater institutional knowledge and experience, but they are juggling a wide range of priorities, she said. Meanwhile, representatives from smaller cities are constantly being swapped out, making them less effective in the long run. For the most part, committee members agreed with the grand jury's findings that politics were at the core of VTA's dysfunction.

To fix this problem, the grand jury report proposed restructuring the agency's governance by having VTA board members directly elected by voters. VTA officials are already planning to commission an independent study to evaluate its governing system and how it compares to other transit agencies.

In contrast to the proposed governance changes, VTA officials were more defensive toward their management of light rail service and its future expansion. The grand jury report implied that transit should operate like a business, and that was misleading, said Jim Lawson, VTA chief of external affairs. He blamed conservative think tanks such as the Heritage Foundation and Cato Institute for spreading the idea that transit was too reliant on subsidies. By its very nature, mass transit requires public money and would never break even financially, he said.

"If you won't support transit because it costs taxpayers money, then you'll never do it," Lawson said. "It ain't easy to do without subsidies. The cost is a deliberate decision that taxpayers made."

His argument touched on the tight corner that the VTA board finds itself in when it comes to light rail. During the 2000 election, voters approved a sales tax to pay for expanding light-rail service to East San Jose, San Jose International Airport and other areas.

This Monday, Aug. 19, Palo Alto is scheduled to review and vote on a letter signed by Mayor Eric Filseth to the VTA that seeks to change how board seats are meted out. The city letter seeks to base the board's governance on not just cities' populations, which is the case today, but also employment and sales-tax generation.

Nearly 20 years later, VTA is almost ready to begin construction on a \$450 million line to the East San Jose even though ridership projections are pretty dismal. To the grand jury's criticism of East San Jose expansion, committee members kept their response concise: It was a voter-approved project, they noted.

Yet VTA officials say they are also on the hunt for new transit technologies that could be used to upgrade the aging light rail system. In particular, the transit agency is pinning its hopes that it can find what might be called a holy grail for transit: a cutting-edge system that can be built

above roadways for a low cost. The agency's staff say they are currently preparing a request for proposals that should be ready by next month.

The full VTA board of director is expected to approve a final response to the county grand jury report by early September.