



POLICY AND SERVICES COMMITTEE FINAL MINUTES

Special Meeting
February 26, 2019

Mayor Filseth called the meeting to order at 6:03 P.M. in the Community Meeting Room, 250 Hamilton Avenue, Palo Alto, California.

Present: Filseth, Kou, Tanaka

Absent: Kniss

Oral Communications

None.

Agenda Items

1. Presentation From, and Discussion With, Santa Clara Valley Transportation Authority (VTA) Staff Regarding the 2019 new Transit Service Plan, Including Proposed Reductions in bus Service to Palo Alto.

Adam Burger, VTA Senior Transportation Planner, VTA introduced Carol Lawson who answered the Policy and Services Committee's (Committee) questions regarding Valley Transportation Authority's (VTA) budget.

Carol Lawson, VTA Fiscal Resource Manager, VTA announced that the underlying problem for VTA's \$50 million structural deficit was that expenses were growing faster than revenues and sales tax growth had slowed. In January 2018, the VTA Board of Directors formed an Ad Hoc Financial Stability Committee to brainstorm ideas to solve the deficit problem. The Ad Hoc Financial Stability Committee presented three recommendations to the VTA Board of Directors in December 2018. One recommendation was to revisit the service delivery levels, look at indexing their fares to inflation, and offer a voluntary retirement program. The second recommendation was to have key policy discussions around areas where they could improve their sustainability. The third recommendation was to find additional funding sources. Due to funds coming in from Senate Bill (SB)-1, State Transit

FINAL MINUTES

Authority (STA), and online sale taxes, they were able to drop their \$50 million deficit to \$25 million. They found the other \$25 million in the areas of service delivery, indexing fares, a voluntary retirement incentive and optimizing operating efficiencies. They believed that in the short term, budgets for Fiscal Year (FY) 2020 and FY 2021 were balanced. They had a Sales Tax Stabilization Fund Reserve and an Operating Reserve set aside in case there were major changes in the economy.

Mr. Burger articulated that he participated in the design of the Transit Service Plan. The Transit Service Plan determined where bus routes went, how frequently they operated, which days of the week they operated, and how many hours of the day they operated. Frequency was a major driving factor for transit ridership. Three benefits of increased frequency included reduced waiting times, easier connections between routes, and improved reliability. The 2008 Transit Plan employed a 70/30 ridership coverage balance; 70 percent of the budget was spent on ridership purpose routes and 30 percent was spent on coverage purpose routes. In December 2019, the VTA Board of Directors directed that a new Transit Plan be drafted that was more aligned with a 90 percent to 10 percent ridership coverage balance. The plan was to emphasize protection to transit riders that came from the southern region of Santa Clara County (County). VTA was seeking public input on the draft 2019 Transit Plan and they planned to start implementation, if the Plan was adopted in May by the VTA Board of Directors, of the new Transit Plan in the summer and fall of 2019. VTA had a 15 boarding per hour minimum standard and if any route fell below that, those routes were considered for modification or discontinued. Proposed changes to the bus routes in Palo Alto (City) included Route 35 and Route 32 merging to make a new route, Route 21. Route 22 was the only route in the City that operated for 24-hours but VTA Staff was recommending that services be discontinued from 1:00 AM to 4:00 AM. Route 88 was solely used by Gunn High School students and so VTA Staff was proposing to use that route for students but eliminate all other times when the buses were not being used by students. In terms of the Express Routes that served the City, the proposed changes included discontinuing Express 101, reduce Express 102's trips from 7 to 5, reduce Express 103's trips from 4 to 3, and discontinue Express 182. VTA Staff proposed to increase evening services for Route 522. With all the proposed reductions VTA Staff estimated there was a \$120,000 reduction in the services within the City.

Winter Dellenbach requested more information on Bus Route 88. She wanted to know the number of riders on the routes that go to the Stanford Research Park. She was concerned about the decrease in hours for Route

FINAL MINUTES

22. She advised that the City would be responsible for mitigating any impacts to Stanford Research Park if those bus routes were cut.

Pria Graves concurred that Route 22 needed to stay running 24-hours. She suggested that the 522 spines be connected to San Mateo better. She was also concerned about the discontinuation of the bus routes into Stanford Research Park.

MaryAnn Michel explained that she was representing several people who lived at Channing House and used Route 35. She suggested that improvements needed to be made to Palo Alto Transit Center in order to accommodate older people and mobility equipment more easily. She noted that in terms of bus stop placement throughout the City, there needed to be a reduction in walking distance from bus stops to destinations. For more funding she suggested that ads for stores be posted in the empty slots above the bus windows.

Barbara Bowden disclosed that she lived at Channing House. She wanted to see more transportation services for the northern region of the County instead of the southern region of the County.

Kay Schauer was happy to see the proposed combination of Route 35 and Route 32. She wanted to see a change made to the bus route that ran from Channing House to the train station so that the bus arrived before the train left.

Patty Irish advocated for larger amounts of public transportation for the senior population in the City.

Arthur Keller stated that he was the Gunn High School Public Transit Coordinator and worked with VTA on routes to and from the High School. He wanted to see the City have a discussion about using the Palo Alto Shuttle as back-up for the loss of the two routes for Route 88. He suggested using a subsidized Lyft service and he wanted to see action taken to make Stanford pay for bus routes to the Stanford Research Park. He stated that structural ideas were needed to be explored in order to make VTA more sustainable.

Public – No Name asked if VTA Staff could do anything with the connection between the 21 bus and Caltrain's schedule.

FINAL MINUTES

Mr. Burger confirmed that he planned to investigate that matter and make changes to the times.

Council Member Kou advised that a top priority for the VTA Board of Directors should be to comply with the Sustainability Plan for the City and the State of California. She requested how many ballot measures VTA was using in order to receive funds.

Ms. Lawson answered 1976 Sale Tax Proposition and Measure A were the state funds received. In terms of Palo Alto's ballot funds, that included 2008 Measure B and 2016 Measure B funds that supported public transportation. Measure A, 2008 Measure B, and 2016 Measure B had a 30-year life span.

Council Member Kou articulated that there would be no bus routes between Charleston Road to the railroad with the proposed changes for Route 88.

Mr. Burger confirmed that was correct, that there would be no VTA service in that area.

Council Member Kou questioned if there was a Palo Alto Shuttle Service in the area between Alma Street and the Charleston Shopping Center that would mitigate the impact of the bus routes being discontinued.

Sylvia Star-Lack, Manager Transportation Planning noted that the Shuttle Service went from Jane Lathrop Stanford Middle School (JLS) through South Port, and to Stevenson House, then back up to Middlefield Road and the Transit Center. There would be no Shuttle Service that went towards El Camino Real.

Council Member Kou asked the frequency of the Shuttle.

Ms. Star-Lack explained sometimes during the day it was up to a 1-hour waiting periods but during school times it was less.

Council Member Kou voiced she was concerned about the discontinuation of a bus route in the section from Charleston Road to the railroad tracks. She requested more information about what services were provided for disabled persons.

Mr. Burger declared that the Transit Service Plan did not affect any special efforts that VTA provided for disabled persons.

FINAL MINUTES

Council Member Tanaka wanted to know how much the City contributed dollar wise to VTA every year.

Ms. Lawson reported that there was no documentation of where the sales tax was coming from within the County so VTA could not name a dollar amount for how much the City contributed.

Mayor Filseth summarized that there was a pool of countywide taxes that were not documented where they specifically came from. He wanted to know if it was a good assumption that 7 percent of taxes were coming from Palo Alto.

Ms. Lawson answered that could be used as a proxy but with a lot of caveats.

Council Member Tanaka wanted to know how much VTA spent on Palo Alto.

Mr. Burger responded that he did not know that answer.

Council Member Tanaka restated that there was ample coverage with bus routes in the southern portion of the County but not in the northern portion of the county. He stated that it did not seem like Palo Alto was receiving their fair share of transit services.

Mr. Burger emphasized that it was difficult to determine if specific areas matched their tax input with provided transit services.

Council Member Tanaka noted that Palo Alto did not have good representation with VTA and it did not receive good service as other larger cities did in the County.

Mr. Burger reiterated that routes were located where there were strong transit markets.

Council Member Tanaka disclosed that it would be fairer if the allocation of transit was by contribution.

Mr. Burger disclosed that on the Board of Directors for VTA there was a rotating seat in which the City shared a role. Any concerns the Committee had could be voiced there as well about allocation of services.

FINAL MINUTES

Ed Shikada, City Manager articulated that there were some policy questions that were being raised in terms of representation at VTA and some of the underlying service goals for VTA.

Mayor Filseth added that there were suggestions on the balance of revenues and expenditures that needed to be verbalized to the VTA Board of Directors.

Council Member Tanaka agreed with the public speaker that it was more cost-effective and faster for someone to use a car share than to use the buses.

Mr. Burger explained that around 2014 the revenue stream from the federal government that encouraged larger numbers of people to ride buses stopped. VTA had since taken up the slack and subsidies were much higher than they were in previous years.

Council Member Tanaka suggested that the City pay car share companies for rides to the City instead of running long bus service routes.

Mayor Filseth agreed with Council Member Tanaka's suggestion.

Council Member Tanaka requested how much it costs to have a bus driver. He noted that it may be cheaper to have autonomous buses and eliminate the expense of paying for a bus driver.

Mr. Burger agreed that if there were autonomous buses, that would greatly reduce the labor costs. In terms of an overall hourly cost for a bus to run, he stated that was roughly \$180.00, with 85 percent of that being labor costs.

Council Member Tanaka suggested to restart the local Palo Alto bus service and discontinue using services with VTA.

Council Member Kou confirmed that VTA also ran Bay Area Rapid Transit (BART).

Mr. Burger clarified that BART was its own independent transit agency but VTA raised funds to pay for the extension and some of the operating assistance for the BART extension down into Santa Clara County.

FINAL MINUTES

Council Member Kou wanted to know if VTA was collaborating with San Mateo County Transit District (SamTrans).

Mr. Burger articulated that VTA had a professional relationship with SamTrans but neither agency worked in the other's jurisdiction.

Council Member Kou asked how far apart the bus stations were if someone was traveling from Palo Alto to Menlo Park.

Mr. Burger disclosed that SamTrans buses met VTA buses at the Palo Alto Transit Station.

Council Member Kou questioned the life span of a bus.

Mr. Burger announced that a bus could last roughly 12 years.

Mayor Filseth summarized that VTA was looking for \$7 million in cost savings and the labor costs for a \$500 million budget was roughly 2/3's of that budget.

Ms. Lawson concurred that was correct.

Mayor Filseth questioned if VTA planned to hold the 3 percent cost increase, including cutting 2 percent in labor costs.

Ms. Lawson noted that they were including the service changes too and there would be more revenues in FY 2020 and FY 2021.

Mayor Filseth wanted to know if VTA was a California Public Employees Retirement System (CalPERS) agency.

Ms. Lawson stated part of VTA participated in CalPERS. The drivers had their own pension plan, but the other three bargaining units and non-represented employees were in CalPERS.

Mayor Filseth advised that CalPERS numbers were wrong and that VTA needed to be aware of that when projecting their budgets for future years. He asked for more details about the Gunn High School bus routes.

Mr. Keller interjected that there was a suggestion of having a fourth bus route for Gunn High School.

FINAL MINUTES

Mr. Burger stated that the fourth route did not make it into the proposed changes.

Ms. Dellenbach noted that VTA Board Member John McAlister articulated there was to be a fourth bus route running after bell time from Gunn High School.

Mr. Burger stated he would check and confirm that information for the Committee.

Mayor Filseth requested how many riders rode the express routes.

Mr. Burger stated it was between 200 to 400 riders.

Ms. Dellenbach asked if that was round trip.

Mr. Burger explained that the number was for a one-way trip for a person.

Mayor Filseth questioned what public transit alternative options VTA was suggesting for the northern region of the county.

Ms. Dellenbach disclosed that in Measure B there was \$1.5 million a year grant devoted to first and last mile innovated transit solutions. VTA was drafting the framework for an application that Cities could use to then apply for that grant in order to pay for alternative public transit options. Eligible service options included car shares, city-owned shuttles, and taxis.

Mayor Filseth emphasized that there was a need for public transit in the northern region of the County. He was concerned about Route 22 and the express routes that were being discontinued.

Ms. Bowden declared that cutting the routes and decreasing frequency would result in fewer riders. She was concerned about the City pushing for high-density housing and there be an increase in traffic because there was not a strong public transportation system.

Mr. Keller agreed that discontinuing the express routes would increase traffic on local streets. He explained that in a network system the edges of the network tended to have lower ridership and VTA should allocate funds to outlying cities for transit purposes. He asked if there was to be an increase of bus routes if the population doubled in surrounding cities.

FINAL MINUTES

Ms. Lawson responded that VTA updated their Transit Service Plan every 2-years. Any changes were in response to changes in demand where there was higher density justifying greater service.

Mr. Keller noted that Los Angeles County gave every local municipality a small amount of funds to run their own public transportation and he suggested VTA consider doing that.

Ms. Dellenbach inquired how the public was going to discover the answers to the questions that were posed during public comment.

Mr. Burger announced that VTA planned to be as transparent as possible when the final Transit Service Plan was released in April.

Mayor Filseth added that one outstanding question; what was the ridership on the express routes.

Ms. Dellenbach clarified that one question was about ridership for the Research Park and the other was to confirm if there were to be three or four buses in the evening for Gunn High School.

Mr. Burger requested of Mayor Filseth what the best way was to contact the City to relay those answers.

Mayor Filseth stated to send it to the City Manager and copy him on the email.

Mr. Burger answered that for how many riders were traveling into the Stanford Research Park on the express routes, the total was 504 total boarding's.

NO ACTION TAKEN.

ADJOURNMENT: The meeting was adjourned at 8:04 P.M.