



Incorporated October 22, 1956

CITY OF SARATOGA

13777 FRUITVALE AVENUE • SARATOGA, CALIFORNIA 95070 • www.saratoga.ca.us

COUNCIL MEMBERS:

Mary-Lynne Bernald
Manny Cappello
Rishi Kumar
Howard Miller
Yan Zhao

September 4, 2019

Honorable Deborah A. Ryan
Presiding Judge
Office of the Civil Grand Jury
Santa Clara County Superior Court
191 North First Street
San Jose, CA 95113

(ENDORSED)
FILED
SEP - 5 2019
Clerk of the Court
Superior Court of CA County of Santa Clara
BY Antney Huebig DEPUTY

Re: Response to 2018-19 Civil Grand Jury of Santa Clara County Report
"Inquiry into Governance of the Valley Transportation Authority"

Dear Judge Ryan,

Thank you for the opportunity to review and respond to the 2018-19 Civil Grand Jury of Santa Clara County Report "Inquiry into Governance of the Valley Transportation Authority" dated June 18, 2019. Please find the enclosed responses to the findings and recommendations in the report on Valley Transportation Authority (VTA) governance. The responses were approved by the City Council at the September 4, 2019 City Council Meeting.

Sincerely,

E. Manny Cappello, Mayor
City of Saratoga

**City of Saratoga Response to Findings & Recommendations
2018-19 Civil Grand Jury of Santa Clara County Report
“Inquiry into Governance of the Valley Transportation Authority”**

Finding 1

The VTA Board, currently made up exclusively of elected officials from the Santa Clara County,

Board of Supervisors, the City of San José and the other smaller cities in the County, suffers from:

- A lack of experience, continuity and leadership;
- Inadequate time for the directors to devote to their duties to the VTA Board due to their primary focus on the demands of their elected positions;
- A lack of engagement on the part of some directors, fostered in part by the committee system, resulting in VTA functioning largely as a staff-driven organization;
- Domination, in terms of numbers, seniority and influence, by representatives of the Santa Clara County Board of Supervisors and the City of San José; and
- Frequent tension between the director’s fiduciary duties to VTA and its regional role, on the one hand, and the political demands of their local elected positions, on the other.

Response: Agree

The Civil Grand Jury identified a number of concerns associated with the governance and structure of the VTA Board, However, the concerns are not universally applicable among Board Members nor unique to VTA. Many large regionally appointed boards suffer similar issues.

Recommendation 1c

As constituent agencies of VTA, each of the cities in the County should prepare and deliver to VTA and the County Board of Supervisors a written report setting forth its views regarding VTA governance, with specific reference to the elements listed in Recommendation 1a. These reports should be completed and delivered prior to December 31, 2019.

Response: Will not be implemented

The City feels that jurisdiction-specific reports are not warranted. A collection of independently prepared reports will require considerable effort and may do little to develop a consensus on appropriate next steps. Additionally, the City of Saratoga feels that the Civil Grand Jury has prepared a thorough and objective analysis of the VTA governance and structure. If further analysis is to be conducted, the City of Saratoga recommends that the study be prepared by a neutral, independent organization, and explore successful transportation agencies that serve a major metropolitan area consisting of multiple municipalities, such as Portland, Oregon. The City of Saratoga would support

such an effort but is not in a position to commit that it would happen or specify a time frame.

Recommendation 1d

Within six months following the completion of the studies and reports specified in Recommendations 1a, 1b and 1c, the County of Santa Clara and/or one or more of VTA's other constituent agencies, should propose enabling legislation, including appropriate amendments to Sections 100060 through 100063 of the California Public Utilities Code, to improve the governance structure of VTA (which potentially could include an increase in the directors' term of service, the addition of term limitations and the inclusion of appointed directors who are not currently serving elected officials).

Response: Will not be implemented

The City of Saratoga believes that it is premature to anticipate the results of studies and reports and that, accordingly, a commitment to propose enabling legislation is not warranted at this time. The City recommends that each city in Santa Clara County retain the discretion to recommend legislative changes that will impact VTA governance, as desired and regardless of follow up studies. Any discussion on potential legislative changes would be scheduled for Saratoga City Council consideration at the request of the Mayor or City Council.

Recommendation 1e

In order to provide more continuity in the leadership of the VTA Board, within six months following the completion of the studies and reports specified in Recommendations 1a, 1b and 1c, the County of Santa Clara and/or one or more of VTA's other constituent agencies, should propose enabling legislation amending Section 100061 of the California Public Utilities code to provide that the Chairperson of the VTA Board shall be elected for a term of two years rather than one.

Response: Will not be implemented

The City of Saratoga believes that it is premature to anticipate the results of studies and reports and that, accordingly, a commitment to propose enabling legislation is not warranted at this time. The City recommends that each city in Santa Clara County retain the discretion to recommend legislative changes that will impact VTA leadership, as desired and regardless of follow up studies. Any discussion on potential legislative changes would be scheduled for Saratoga City Council consideration at the request of the Mayor or City Council.