



DRAFT

Adrienne J. Tissier, Chair
San Mateo County

Amy Rein Worth, Vice Chair
Cities of Contra Costa County

Tom Azumbrado
U.S. Department of Housing
and Urban Development

Tom Bates
Cities of Alameda County

David Campos
City and County of San Francisco

Dave Cortese
Santa Clara County

Bill Dodd
Napa County and Cities

Dorene M. Giacopini
U.S. Department of Transportation

Federal D. Glover
Contra Costa County

Mark Green
Association of Bay Area Governments

Scott Haggerty
Alameda County

Anne W. Halsted
San Francisco Bay Conservation
and Development Commission

Steve Kinsey
Marin County and Cities

Sam Liccardo
Cities of Santa Clara County

Jake Mackenzie
Sonoma County and Cities

Kevin Mullin
Cities of San Mateo County

Bijan Sartipi
State Business, Transportation
and Housing Agency

James P. Spering
Solano County and Cities

Scott Wiener
San Francisco Mayor's Appointee

Steve Heminger
Executive Director

Ann Flemer
Deputy Executive Director, Policy

Andrew B. Fremier
Deputy Executive Director, Operations

**Transit Sustainability Project
Select Committee Meeting
April 11, 2012
Minutes**

1. Call to Order

Chair Bill Dodd called the meeting to order at approximately 10:46 a.m.

2. Minutes of February 22, 2012 meeting

Minutes of the February 22, 2012 meetings were approved after a motion by Commissioner Jake Mackenzie and a second by Commissioner Tom Bates.

3. Regional Gas Tax Polling Results Update

Randy Rentschler, MTC Legislation and Public Affairs Section, and Ruth Bernstein and Sarah LaBatt of EMC Research, Inc. presented a summary of the recent regional gas tax telephone poll results.

Commissioner Scott Wiener requested the results at the county level. Mr. Rentschler will provide Commissioners with county level data.

Commissioner Mark Green commented that a merger of transit agencies in the nine counties needs to take place to show the general public that adjustments are being made and that business is being done differently. A ten-cent regional gas tax could be problematic for the 2012 elections but a two-cent tax may be achievable.

Commissioner Scott Haggerty commented that it is important that the public be educated on the benefits of having a gas tax because if the voters have a better idea of what the benefits are they will be more inclined to vote for it. He also commented that consideration should be made to re-naming the gas tax and that some thought should be given to approaching the legislature regarding the implementation of a regional sales tax measure and work together as a group to determine how the money would be spent.

Commissioner Amy Rein-Worth asked what priorities were identified in the poll results being presented. Ms. Bernstein explained that some of the broad elements that voters responded to included reforms, improving efficiency, improving service and saving money, filling potholes, and making it easier for the public to get around without their cars. Commissioner Rein-Worth asked if the survey results were consistent between the nine bay area counties. Ms. Bernstein responded that the results were fairly similar across the counties.

TSP Select Committee Meeting

April 11, 2012

Page 2 of 5

Commissioner Jake Mackenzie agreed with comments made by Commissioner Green and Commissioner Haggerty. He noted the change in travel patterns for people over sixty-five who no longer have their driver's licenses and are no longer driving and that this population will continue to increase and they tend to vote more frequently than others.

Commissioner Tom Bates commented that results of a poll conducted in Berkeley concluded that results are a result of the economy. When the economy is good, people are willing to spend money and will vote for the tax. Commissioner Bates further commented that staff should further explore the possibility of improving coordination of local transportation issues and transportation agencies.

Commissioner Dave Cortese commented that the public seems to support a tax when related to the repair of potholes; however a two-cent tax would not go very far given the size of the funding shortfall for this purpose. He further commented that he believes the issue is that this type of tax has been stigmatized over the years.

Commissioner Scott Wiener commented that he would like to see more work done to promote a gas tax measure and to not just revert to a sales tax measure because sales tax can discourage good behavior in terms of spending money and supporting the economy, whereas a gas tax can encourage people to drive less or have more fuel efficient vehicles. He further commented that there should be much more diversity in terms of revenue sources.

Commissioner Tom Bates clarified his earlier comments by stating that he supports option number one (using the tax revenue to support transit coordination) because with two cents not much can be done but with the money directed to transit coordination a difference could be made. Commissioner Haggerty commented that he thought option one is what is being worked on currently through the Transit Sustainability Project. Mr. Heminger explained that the next agenda item proposes an investment that would speed up transit service and that the tax would be used to expand on those investments.

Public Comments:

Pat Piras spoke as a member of the public and supported comments made by Commissioner Green and Commissioner Haggerty and urged MTC not to proceed with a regional gas tax that could interfere with reauthorization of the Alameda County sales tax measure. Additionally, Ms. Piras requested a 30-day public comment period regarding the Transit Sustainability Project recommendations being heard under agenda item 5.

Commissioner Mark Green asked if the Committee is considering letting the measure die, moving forward with the two-cent gas tax measure, or looking for something more comprehensive.

Mr. Heminger explained that based on the discussion today there is no reason to proceed with a ballot measure this November. However, with respect to Alameda County, there is a provision

in the law that authorizes MTC to put this measure on the ballot and all nine counties would be required to do so unless they have their own measure on the ballot for transportation funding in which case they are not obligated. Additionally, MTC would be obligated under the law to pay for the election and if the measure failed the expense would come out of MTC's budget. It would be in MTC's best interest to have a good shot at a two thirds vote before the decision to move forward is made.

4. Transit Performance Initiative – Major Corridors

Shruti Hari, MTC Programming and Allocations Section, presented recommendations for programming approximately \$28 million to five projects with the balance held in reserve for future programming.

The Committee, upon the motion of Commissioner Tom Bates with a second by Commissioner Scott Wiener, unanimously approved the referral of Transit Performance Initiative to the Commission for approval.

5. Proposed TSP Final Recommendations – MTC Resolution No. 4060

Kenneth Folan, MTC Programming and Allocations Section, presented the final TSP recommendations, including performance measures and targets, an investment and incentive approach to improving transit service, and additional service and institutional recommendations, for referral to the Commission for adoption at its April 25 meeting.

Public Comments:

Bill Churchill, County Connection, commented that small operators are not opposed to an incentive program but are concerned with where the funds would come from and whether or not any funds that they have been receiving historically by formula would be used in the incentive program. Mr. Churchill proposed that the small operators be held harmless from the existing formulas that they have been receiving and that existing formula funds not go towards incentive programs for the large operators.

Cory LaVigne, AC Transit, commented that the Transit Sustainability Project has been very informative and helpful.

Daryl Halls, Solano Transportation Authority, commented that half of Solano County transit services consolidated when SolTrans was formed and MTC has been very helpful in directing resources to assist in the SolTrans transition. In its first nine months, the merger has already saved \$1 million and has the potential to save a similar amount next year. Mr. Halls recognized the contentious nature of the cost containment proposal and encouraged the Commission to deliberate this issue carefully.

Manolo Gonzalez-Estay, TransForm, spoke in support of staff's recommendations and cautioned to make sure that riders are not impacted.

TSP Select Committee Meeting

April 11, 2012

Page 4 of 5

Tony Withington, Amalgamated Transit Union, expressed concern regarding some of staff's recommendations because they affect work rules that are required by law.

Ed Reiskin, San Francisco MTA, commented that from a large operator standpoint, he supports the majority of staff's recommendations which is a great progress that will help move transit forward in the Bay Area. He expressed concern with putting existing funds at risk for the performance program but has conceded to the five percent cost containment goal.

Pat Piras commented that there is an APTA draft standards report that has been recently published called Quantifying and Reporting Transit Sustainability Metrics. It includes things such as reducing Green House Gas Emissions and she urged that staff take the time to review it and incorporate it into a meaningful program for the region. Ms. Piras also commented that the recommendations regarding Paratransit are unimaginative and timid because every transit system that she knows of within the region and around the country is already doing most of what is being proposed. There were other suggestions that were brought forward that would address coming "baby boom" ridership that she would like to see implemented.

Commissioner Comments:

Commissioner Haggerty commented that small operators are concerned that if they draw from the same incentive funding source as the large operators there will be nothing left for the small operators. Mr. Heminger explained that the incentive pool is from something called the flexible set aside that is in the federally-funded transit capital program and historically both small and large operators have drawn from it. He stated that staff will return at the end of the year with some options that will include at least one option that would hold the small operators harmless, but it is worth seeing other options that do not have this constraint because the idea behind the incentive approach is to drive productivity and reward those operators that increase ridership. He noted that while big operators have more riders than the small operators, there could be ways to develop the proposal so that a percentage of ridership is looked at allowing an opportunity for small operators to receive funding incentives. Commissioner Haggerty agreed that if that is a part of the motion he would be agreeable.

Commissioner Mark Green commented that it is imperative that this Commission do everything that it can to promote the concepts of improving service and saving money because in order to get the public to support a regional measure it will be necessary to make a bold statement of commitment. He further commented that in terms of merging transit operators, perhaps the "Big Seven" need to be consolidated into one agency in an effort to save more money.

Commissioner Federal Glover commented that he is concerned about the small operators and looks forward to seeing an option that would hold them harmless.

Commissioner Scott Wiener commented that in the realities of running a transit agency there are many pressures to do the wrong things in terms of operational costs and it will do good to finally have a counter-balance to reducing costs.

TSP Select Committee Meeting

April 11, 2012

Page 5 of 5

Commissioner Jake Mackenzie commented that he is in favor of adopting the recommendations as discussed.

Commissioner Amy Rein Worth commented that she agrees that every transit agency in the Bay Area needs an incentive to cut costs because cutting service is the last thing she would like to see happen. She has been concerned in the past that the way agencies approach reductions is by cutting the service and more than ever service is important whether a small or large operator. She further commented that integration of computer systems between transit agencies will be important to interagency communication to increase service levels.

Commissioner Haggerty made a motion to approve the proposal with the caveat that staff return with an option to hold small operators harmless in the incentives program proposal and that there be a thirty day period to receive public comments. Commissioner Mackenzie seconded the motion.

The Committee voted unanimously to refer Resolution No. 4060 to the Commission for approval in May.

6. Public Comments

There were no additional public comments.

The meeting was adjourned at approximately 12:30 p.m.