



CITY OF MOUNTAIN VIEW

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September 3, 2019

Honorable Deborah A. Ryan
Presiding Judge
Santa Clara County Superior Court
191 North First Street
San Jose, CA 95113

Dear Judge Ryan:

Thank you for your letter dated June 18, 2019, transmitting the Santa Clara County Civil Grand Jury's final report, "Inquiry into the Governance of the Valley Transportation Authority." Our City Council concurs that a change in VTA's governance structure may be desirable to better serve the transportation needs in the City of Mountain View and all of Santa Clara County; however, the City has concerns that the Grand Jury's recommendations do not fully engage the constituent cities in a collaborative process and assume certain changes before the governance structure options are fully analyzed and discussed by all constituent agencies of the VTA.

In accordance with California Penal Code §§ 933.05 (a) and 933.05 (b), enclosed are the City of Mountain View's responses to the findings and recommendations contained in the Grand Jury's final report. The City of Mountain View appreciates the opportunity to respond to the Grand Jury's final report and the work of the Grand Jury members.

Sincerely,

Lisa Matichak
Mayor

LM/TS/6/PWK
001-09-03-19L

Enclosure



**CITY OF MOUNTAIN VIEW RESPONSES TO THE
SANTA CLARA COUNTY CIVIL GRAND JURY REPORT:
INQUIRY INTO THE 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 Jose, and the other smaller cities in the County, suffers from:

- *A lack of experience, continuity, and leadership;*
- *Inadequate time for 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 the 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 Jose; and*
- *Frequent tension between the director's fiduciary duties to the VTA and its regional role on the one hand and the political demands of their local elected positions on the other.*

Response: The City of Mountain View agrees with this finding.

Recommendation 1c

As constituent agencies of the VTA, each of the cities in the County should prepare and deliver to the 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: The recommendation will not be implemented because it is not reasonable.

Recommendations 1a and 1b specify that the VTA and County Board of Supervisors will each commission separate studies of the governance structure of successful large city transportation agencies by December 31, 2019. Presumably, the individual reports

from all 15 constituent cities due by December 31, 2019 as specified in Recommendation 1c are intended to provide input into these two studies. Recommendations 1a, 1b, and 1c combined fail to indicate a process by which the results of the two studies and 15 reports will be used to identify and develop consensus for potential changes to the governance structure. How will the constituent cities be engaged in the discussions about the governance structure after they have submitted their reports?

Furthermore, cities are being asked to research and provide their views on the various elements of the VTA Board structure prior to seeing the results of the comparative study into the governance structures of successful large city transportation agencies. This is an inefficient use of scarce municipal resources. It will be more productive for the cities to provide their views after the comparative research is concluded and prior to any recommendations being made on changes to VTA's governance structure.

Consideration should be given to having an independent organization, such as the Cities Association of Santa Clara County, commission the recommended study with funding provided by the VTA. The Cities Association's study can either be in addition to studies conducted by VTA and/or the Board of Supervisors or in place of one or both of these studies. At a minimum, the Cities Association could take the results of the research into the governance structures of successful large city transportation agencies and of successful transit agencies whose service area spans multiple municipalities and lead a process to gather and document the perspectives of the 15 cities. In addition to the Board composition and selection process noted in Recommendation 1a, the study should also consider Board operations options such as higher voting thresholds for major expenditures. Once VTA funding is committed, at least 180 days will be needed to complete the study and ensuing discussion/documentation of perspectives and recommendations by all represented governing bodies to the VTA Board and County Board of Supervisors. This study should be completed prior to June 30, 2020.

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 the 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: The recommendation requires further analysis.

While the County or one or more of the VTA's constituent agencies may ultimately propose amendments to Sections 100060 through 100063 to improve VTA's governance

structure, it is premature to recommend such a proposal prior to the preparation and analysis of the study recommended in Recommendation 1a.

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 the 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: The recommendation requires further analysis.

Recommendation 1e presupposes that stronger leadership by the Chairperson of the VTA Board will improve the governance structure of the VTA. However, there is also the possibility that extending the term of the Chairperson to two years may only reinforce dominance of the Board by the larger agencies. The City of Mountain View considers this recommendation premature. After the comparative study recommended in Recommendation 1a is completed, a full range of governance structure options should be analyzed, including how the Chairperson is selected and the Chairperson's length of term.