



(ENDORSED)
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Clerk of the Court
Superior Court of CA County of Santa Clara
BY Britney Huebner DEPUTY

September 5, 2019

Via E-mail CGJ@scscourt.org and First-Class Mail

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

RE: Response to the 2018-19 Santa Clara County Civil Grand Jury Final Report titled, **“Inquiry into Governance of the Valley Transportation Authority”**

Dear Judge Ryan:

The Town of Los Altos Hills is providing its response to the to Santa Clara County Civil Grand Jury Final Report titled, **“Inquiry into the Governance of the Valley Transportation Authority.”** According to the report, the Town is required to respond to Findings 1 and to Recommendations 1c, 1d, and 1e.

As directed by the Civil Grand Jury, responses are provided in accordance with Section 933.05(a) and (b) of the California Penal Code. The responses are as follows:

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 the directors to devote to their duties to the VTA Board due to their primary focus on the demands on 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 Jose; 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.

The Town of Los Altos Hills agrees with this Finding.

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 elements listed in Recommendation 1a. These reports should be completed and delivered prior to December 31, 2019.

This recommendation has not yet been implemented but will be implemented prior to the December 31, 2019 due date. At the August 21, 2019 Special City Council Meeting direction was given by the City Council to respond to the County Board of Supervisors' letter to explain that Los Altos Hills agrees with its constituent agencies in the County and the fact that the VTA should improve its governance.

Recommendation 1d – Within six months following the completion of the studied 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 10063 of the California Public Utilities Code, to improve the governance structure of VTA (which potentially could include an increase in the director's term of service, the addition of term limitations, and the inclusion of appointed directors who are not currently serving elected officials).

This recommendation will not be implemented by the Town of Los Altos Hills because it is not warranted or reasonable. The Town has a population size of 8,500 with minimal knowledge on VTA transportation services. However, the Town believes it is more appropriate for a larger constituent agency to take the lead role of implementing legislation amending the California Code. The Town can offer its participation in the review of any proposed legislation at the time it is presented.

Recommendation 1e – In order to provide more continuity in the leadership of the VTA Board, within six months following the completion of the studied and reports specified in Recommendation 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.

This recommendation will not be implemented by the Town of Los Altos Hills because it is not warranted or reasonable. For the same reasons listed in the response to Recommendation 1d, due to the minimal knowledge on VTA transportation services, the Town believes it is more appropriate for a larger constituent agency to take the lead role of implementing legislation amending the California Code. The Town can offer its participation in the review of any proposed legislation at the time it is presented.

Honorable Deborah A. Ryan
September 5, 2019
Page 3

This concludes the Town's responses to the findings and recommendations in the Final Report. Please contact me at (650) 941-7222 if you have any questions or need any additional information related to this response.

Sincerely,

A handwritten signature in black ink that reads "Carl Cahill". The signature is written in a cursive style with a large, prominent "C" at the beginning.

Carl Cahill
City Manager
ccahill@losaltoshills.ca.gov

cc: Los Altos Hills City Council
Cody Einfalt, Management Analyst