

**METROPOLITAN  
TRANSPORTATION  
COMMISSION**  
**Meeting Transcript**



MAY 22, 2026

1 **SB 63 FINANCIAL EFFICIENCY REVIEW INDEPENDENT OVERSIGHT**

2 **COMMITTEE**

3 **FRIDAY, MAY 22, 2026, 1:00 PM**

4

5 **CLERK, KIMBERLY WARD:** GOOD AFTERNOON. CHAIR NOACK?

6

7 **CHAIR, SUE NOACK:** HERE.

8

9 **CLERK, KIMBERLY WARD:** VICE CHAIR GEE?

10

11 **V. CHAIR, JEFF GEE:** PRESENT.

12

13 **CLERK, KIMBERLY WARD:** TECHNICAL DIFFICULTY. NON-VOTING MEMBER

14 CALVERT?

15

16 **SPEAKER:** SGH TERESA CALVERT: PRESENT.

17

18 **CLERK, KIMBERLY WARD:** HACKER?

19

20 **JAMES HACKER:** PRESENT.

21

22 **CLERK, KIMBERLY WARD:** HEMINGER IS NOT AT A NOTICED LOCATION.

23 HEMINGER? THOMPSON?

24

25 **LOU THOMPSON:** JOHNSON? MCCALLEY? RINN? ROSENFELD? THOMPSON?



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1 WHELAN? QUORUM IS PRESENT.

2

3 **V. CHAIR, JEFF GEE:** THANK YOU FOR CONFIRMING QUORUM AND THANK  
4 YOU ALL FOR THE GIFT OF YOUR TIME ON A LONG WEEKEND. I WANT TO  
5 CHECK, WE'RE GOING TO 5:00?

6

7 **CLERK, KIMBERLY WARD:** ACTUALLY 6:00.

8

9 **V. CHAIR, JEFF GEE:** THANK YOU FOR THAT I APPRECIATE IT.  
10 EASTERN TIME. IS THAT CORRECT?

11

12 **CHAIR, SUE NOACK:** YES, THAT'S ME. [LAUGHTER]

13

14 **V. CHAIR, JEFF GEE:** WE'LL MOVE ON TO AGENDA ITEM NUMBER THREE,  
15 THE CHAIR'S REPORT. WOULD YOU LIKE TO DO THAT OR SHOULD I DO  
16 THE CHAIR'S REPORT.

17

18 **CHAIR, SUE NOACK:** PLEASE DO THANK YOU FOR CHAIRING THE MEETING  
19 TODAY I'M SPENDING TIME WITH MY 94-YEAR-OLD DAD WHILE ON THE  
20 EAST COAST I APPRECIATE YOU HANDLING THE MEETING TODAY AND THE  
21 CHAIR'S COMMENTS.

22

23 **V. CHAIR, JEFF GEE:** THANK YOU. PLEASE GIVE OUR -- WELCOME TO  
24 TODAY MEETING OF THE FINANCIAL EFFICIENCY REVIEW OVERSIGHT  
25 COMMITTEE MEETING. TODAY MARKS AN IMPORTANT MILESTONE IN PHASE



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1 ONE, IN THE PHASE ONE PROCESS UNDER SB63, AT OUR APRIL  
2 MEETING, THE COMMITTEE PROVIDED EXTENSIVE AND CONSTRUCTIVE  
3 FEEDBACK ON THE DRAFT REPORT. SINCE THEN, THE CONSULTANT TEAM  
4 AND MTC STAFF HAVE WORKED TO INCORPORATE THAT DIRECTION INTO  
5 THE PROPOSED FINAL PHASE ONE FINANCIAL EFFICIENCY REVIEW NOW  
6 BEFORE US. BOTH ON BEHALF OF THE CHAIR AND MYSELF, AND THE  
7 COMMITTEE MEMBERS, I WANT TO THANK ALL OF YOU, THE OPERATOR  
8 STAFFS, THE MTC STAFF, AND THE CONSULTANT TEAM FOR THIS  
9 SIGNIFICANT AMOUNT OF WORK THAT WAS COMPLETED UNDER A VERY  
10 COMPRESSED STATUTORY TIMELINE. I ALSO WANT TO THEY THINK THOSE  
11 FROM THE PUBLIC AND OTHER BODIES WHO PROVIDED INPUT. YOUR  
12 COMMENTS WERE INVALUABLE AND CONTRIBUTED TO THE FINAL PRODUCT  
13 TODAY. AS A REMINDER PHASE ONE IS FOCUSED ON DOCUMENTING THE  
14 ACTIONS OPERATORS HAVE ALREADY TAKEN TO REDUCE COSTS AND  
15 IDENTIFYING NEAR-TERM STRATEGIES THAT CAN IMPROVE THE  
16 EFFICIENCY AND CUSTOMER EXPERIENCE WITHIN EXISTING RESOURCES.  
17 TODAY'S ACTION IS IMPORTANT BECAUSE UNDER SB63 FOLLOWING  
18 COMMITTEE CONSIDERATION OF THIS REPORT OPERATORS WILL MOVE  
19 TOWARD IDENTIFYING AND ADOPTING THEIR RESPECTIVE EARLY ACTION  
20 STRATEGIES BY THE JULY 1, 2026 DEADLINE. ACCORDINGLY OUR FOCUS  
21 TODAY SHOULD BE ON FOCUSED ENSURING FINAL REPORT ACCURATELY  
22 REFLECT THE COMMITTEE'S DIRECTION TODAY AFTER WE HEAR THE  
23 PRESENTATION AND PUBLIC COMMENT I ASK ANY REMAINING FEEDBACK  
24 BE FOCUSED ON SPECIFIC REFINEMENTS ON OR CLARIFICATIONS THAT  
25 CAN BE INCORPORATED BY THE CONSULTANT AND STAFF AS PART OF A



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1 MOTION TO ADOPT THE FINAL REPORT. AS WITH OUR PRIOR MEETING  
2 WE'LL ASK MEMBERS TO HOLD BROADER DISCUSSION UNTIL AFTER THE  
3 PRESENTATION AND PUBLIC COMMENT. WITH THAT WE'LL GO TO AGENDA  
4 ITEM NUMBER THREE OUR CONSENT CALENDAR WHICH IS THE MINUTES OF  
5 APRIL 17TH, 2026. I DO I HAVE A MOTION AND SECOND TO APPROVE  
6 THE CONSENT CALENDAR?

7

8 **SPEAKER:** SO MOVED, JOHNSON.

9

10 **V. CHAIR, JEFF GEE:** THANK YOU.

11

12 **LOU THOMPSON:** SECOND, THOMPSON. IS THERE ANY COMMITTEE MEMBERS  
13 THAT WOULD LIKE TO HAVE A COMMENT ON THIS ITEM? SEEING NONE.  
14 IS THERE PUBLIC COMMENT ON THE MEETING CONSENT ITEM FOR THIS  
15 ITEM, AND THERE NO MEMBERS IN THE BOARDROOM OR ZOOM WISHING TO  
16 SPEAK ON THIS ITEM.

17

18 **V. CHAIR, JEFF GEE:** THANK YOU CLERK ROLL CALL VOTE PLEASE.

19

20 **CLERK, KIMBERLY WARD:** MOTION BY JOHNSON, SECOND MEMBER  
21 THOMPSON. PARDON ME. CHAIR NOACK?

22

23 **CHAIR, SUE NOACK:** YES.

24

25 **CLERK, KIMBERLY WARD:** VICE CHAIR GEE?



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1

2 **V. CHAIR, JEFF GEE:** YES.

3

4 **CLERK, KIMBERLY WARD:** MEMBER HEMINGER?

5

6 **STEVE HEMINGER:** AYE.

7

8 **CLERK, KIMBERLY WARD:** JOHNSON.

9

10 **SPEAKER:** AYE.

11

12 **CLERK, KIMBERLY WARD:** MCCALLEY? WHELAN? ROSENFELD? ABSENT.

13 THOMPSON? MOTION PASSES UNANIMOUSLY BY ALL MEMBERS PRESENT.

14

15 **V. CHAIR, JEFF GEE:** THANK YOU WE'LL MOVE TO AGENDA ITEM NUMBER

16 FOUR ADOPTION OF FINAL PHASE ONE FINANCIAL EFFICIENCY REVIEW

17 MTC STAFF SHRUTI HARI ALONG WITH NELSON/NYGAARD CONSULTANT

18 TEAM WILL NOW WALK US THROUGH THE FINAL PHASE ONE FINANCIAL

19 EFFICIENCY REVIEW.

20

21 **SHRUTI HARI:** GOOD AFTERNOON COMPLETED MEMBERS I'M SHRUTI HARI

22 MTC. THANK YOU FOR JOINING US TODAY THE FINANCIAL EFFICIENCY

23 REVIEW INDEPENDENT OVERSIGHT COMMITTEE AS VICE CHAIR MENTIONED

24 TODAY MARKS IMPORTANT MILESTONE IN FINANCIAL EFFICIENCY REVIEW

25 PHASE ONE PROCESS AROUND SB63 BECAUSE THE ACTION IN FRONT OF



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1 THE COMMITTEE TODAY IS TO CONSIDER ADOPTION OF THE PROPOSED  
2 FINAL PHASE FINANCIAL EFFICIENCY REVIEW NOTE THE PROPOSED  
3 FINAL REPORT WAS TRANSMITTED TO THE COMMITTEE PUBLICLY POSTED  
4 A FEW DAYS IN ADVANCE OF TODAY MEETING TO SUPPORT MEMBER AND  
5 PUBLIC REVIEW AHEAD OF TODAY'S DISCUSSION NOW THIS REPORT IS  
6 THE PRODUCT OF SEVERAL MONTHS OF INTENSIVE WORK BY CONSULTANT  
7 TEAM TRANSIT OPERATOR STAFF MTC STAFF AND THIS COMMITTEE UNDER  
8 THE COMPRESSED STATUTORY TIMELINE AS HIGH-LEVEL AS DISCUSSED  
9 IN THE LAST MEETING THE REPORT DOCUMENTS MORE THAN A BILLION  
10 DOLLAR IN OPERATING COST SAVINGS ACHIEVED COLLECTIVELY BY AC  
11 TRANSIT, BART, CALTRAIN, AND SFMTA SINCE THE START OF THE  
12 PANDEMIC IT IDENTIFIES NEAR-TERM STRATEGIES TO IMPROVE NEAR  
13 RIDERSHIP AND CUSTOMER EXPERIENCE THAT AGENCIES CAN IMPLEMENT  
14 IN NEAR-TERM WITHIN EXISTING RESOURCES AND EXAMINES HIGH-LEVEL  
15 LONG-TERM OPPORTUNITIES TO LEVERAGE TRANSIT REAL ESTATE  
16 ASSETS. NEXT SLIDE. THE COMMITTEE MEMBERS PURPOSE OF TODAY'S  
17 PRESENTATION IS STATE FORWARD WE'LL PRESENT THE PROPOSED FINAL  
18 PHASE ONE FINANCIAL EFFICIENCY REVIEW OUR PRESENTATION TODAY  
19 WILL FOCUS MAINLY ON SUMMARIZING HOW THE REPORT HAS BEEN  
20 REVISED IN RESPONSE TO FEEDBACK FROM THE COMMITTEE AND MEMBERS  
21 OF THE PUBLIC AT LEAST LAST MEETING HAD YOU THE REPORT TO  
22 REVIEW OVER THE LAST FEW DAYS SECOND WE'RE ASKING THE  
23 INDEPENDENT OVERSIGHT COMMITTEE TO TAKE ACTION TO ADOPT THE  
24 FINAL PHASE ONE ANALYSIS COMMITTEE ADOPTION IS AN IMPORTANT  
25 STATUTORY STEP BECAUSE IT ENABLES TRANSIT OPERATORS TO MOVE



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1 FORWARD WITH IDENTIFYING AND FORMALLY ADOPTING THEIR EARLY  
2 ACTION STRATEGIES BY JULY 1ST, 2026 DEADLINE ESTABLISHED IN  
3 SB63. NEXT SLIDE. THIS HIGHLIGHTS THE COMMITTEE'S SPECIFIC  
4 RESPONSIBILITIES UNDER PHASE ONE ASSIGNED BY STATUTE THE  
5 COMMITTEE WAS RESPONSIBLE FOR REVIEWING ANALYSIS DIRECTING  
6 REVISIONS AND ADOPTING FINAL PHASE ONE ANALYSIS THIS COMMITTEE  
7 COMPLETED THE FIRST TWO STEPS IN OUR APRIL MEETING WHERE  
8 MEMBERS PROVIDED EXTENSIVE HELPFUL FEEDBACK ON THE DRAFT  
9 REPORT AND TODAY'S REPRESENTS FINAL PHASE ONE STEP ADOPTION OF  
10 THE REPORT SO MTC IS THEN TRANSMIT TO THE CALIFORNIA  
11 LEGISLATURE AND OPERATORS CAN PROCEED WITH THEIR REQUIRED  
12 BOARD ACTIONS. NEXT SLIDE PLEASE. AT THE APRIL MEETING THE  
13 COMMITTEE MEMBERS AND PUBLIC PROVIDED THOUGHTFUL CONSTRUCTIVE  
14 FEEDBACK THE KEY THEMES INCLUDED STRENGTHEN THE EX-PLANATION  
15 OF COST SAVINGS METHODOLOGY ADDING DETAIL ON STAFFING AND  
16 RESERVES FOR THE FOUR TRANSIT AGENCIES INCREASING SPECIFICITY  
17 OF EARLY ACTION STRATEGIES AND ADDING THEMATIC DESCRIPTIONS  
18 ACROSS THE FOUR OPERATORS AND PROVIDING ADDITIONAL CONTEXT ON  
19 REAL ESTATE OPPORTUNITIES AND CONSTRAINT. WE ALSO RECEIVED  
20 SEVERAL THOUGHTFUL SUGGESTIONS FROM THE PUBLIC REGARDING  
21 POTENTIAL COST SAVINGS AND REVENUE ENHANCING IDEAS SOME WHICH  
22 WERE INCORPORATED WHERE THEY FIT WITHIN THE PHASE ONE SCOPE  
23 THE CONSULTANT TEAM AND MTC STAFF WORKED CLOSELY WITH THE  
24 OPERATORS TO INCORPORATE HAD TO INPUT INTO THE FINAL REPORT  
25 THAT IS NOW BEFORE YOU WITH THAT I'LL TURN IT OVER TO STEPHEN



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1 NEWHOUSE FROM NELSON/NYGAARD TO WALK THROUGH THE SUBSTANTIVE  
2 REVISIONS IN RESPONSE TO THIS FEEDBACK IN MORE DETAIL.

3

4 **STEPHEN NEWHOUSE:** THANK YOU SCHRUTI. LIKE SCHRUTI SAID WE MADE  
5 SEVERAL REVISIONS TO THE REPORT IN RESPONSE TO THE FEEDBACK WE  
6 RECEIVED THE FEEDBACK FELL INTO THE CATEGORIES OF COST  
7 SAVINGS, DATA WORKFORCE LABOR COST RESERVES EARLY ACTION  
8 STRATEGIES REAL ESTATE THEN SOME ADDITIONAL POTENTIAL BUDGET  
9 MANAGEMENT STRATEGIES THE CHANGES WE MADE ARE SUMMARIZED IN  
10 THIS SLIDE BUT I'LL GO INTO MORE DETAIL ON THE FOLLOWING  
11 SLIDES. THERE ARE SOME THINGS WE DID NOT CHANGE. WE DID NOT  
12 CHANGE THE FOCUS OF THE PHASE ONE FINANCIAL EFFICIENCY REVIEW.  
13 IT REMAINS FOCUSED ON DOCUMENTING THE COST SAVING MEASURES  
14 IMPLEMENTED SINCE FISCAL YEAR 2020, IDENTIFYING EARLY ACTION  
15 STRATEGIES THAT CAN BE IMPLEMENTED WITHIN 1 TO 3 YEARS USING  
16 EXISTING RESOURCES AND REDEVELOPMENT OPPORTUNITIES ON AGENCY  
17 ON LAND. WE DID NOT CONSIDER STRUCTURAL OR POLICY CHANGES TO  
18 THE AGENCIES, AS THIS IS OUTSIDE THE SCOPE OF PHASE ONE. AND  
19 PHASE TWO IS RESERVED FOR SOME OF THE BROADER COST  
20 RESTRUCTURING AND REGIONAL STRATEGIES IN THE NEXT FEW SLIDES  
21 I'LL PROVIDE OVERVIEW OF REVISIONS THAT WE MADE TO THIS  
22 REPORT. NEXT SLIDE. AS REQUESTED WE ADDED INFORMATION ABOUT  
23 WORKFORCE TRENDS INCLUDING NUMBER OF FULL-TIME EQUIVALENTS AND  
24 OVERTIME WAGES IN GENERAL THESE FIGURES ARE HOLDING STEADY  
25 WITHIN PLUS OR MINUS 10% OF FISCAL YEAR 2020 LEVELS AND WE



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1 HAVE SEEN SOME GROWTH IN OPERATING STAFF AND REDUCTION IN  
2 CAPITAL STAFF WHERE THOSE DIFFERENCES ARE AVAILABLE. WE ADDED  
3 PERCENTAGE OF OPERATING COST SAVED THROUGH AGENCY ACTIONS TO  
4 CONTEXTUALIZE THE FIGURES AND FINDINGS ON AVERAGE ACROSS ALL  
5 FOUR AGENCIES SAVING BETWEEN 4 TO 9% DURING THE REPORTING  
6 PERIOD. OF COURSE, THAT VARIES BY YEAR. WE HAVE ADDED  
7 INFORMATION ABOUT LEVELS OF RESERVES IN GENERAL RESERVES FOR  
8 THE AGENCIES ARE HOLDING STEADY AND I THINK IT'S IMPORTANT TO  
9 NOTE THAT THE RESERVES WOULD BE ONLY SUFFICIENT TO COVERING  
10 THE OPERATING DEFICITS FOR A FEW YEARS, AND WOULD LEAVE THE  
11 RESERVES DEPLETED AND THEREFORE LEAVE THE AGENCIES VULNERABLE  
12 TO ANY FINANCIAL CHALLENGES, SHOULD THEY DIP INTO THOSE TO  
13 COVER THE DEFICITS. AND WE EXPANDED THE ROLE OF EMERGENCY  
14 FUNDING WHICH WAS DESIGNED TO AVOID SERVICE CUTS AND LAYOFFS  
15 AND WE SEE THAT REFLECTED IN THE NUMBER OF FTE'S. WE CAN GO TO  
16 THE NEXT SLIDE. WE ADDED THE MOST CONTENT TO THE EARLY ACTION  
17 STRATEGIES SECTION. WE EXPANDED THE MIDDLE OF THIS CHAPTER TO  
18 MORE CLEARLY LINK THE METHODOLOGIES TO THE ULTIMATE  
19 RECOMMENDATIONS FOR EACH AGENCY. WE DID THIS BY IDENTIFYING  
20 SETS OF EARLY ACTION STRATEGIES AROUND THE BROAD CATEGORIES OF  
21 CONTAINING COST, GENERATING REVENUE, AND INCREASING RIDERSHIP  
22 OR ENHANCING CUSTOMER EXPERIENCE. WE EXPANDED THE DESCRIPTIONS  
23 OF EACH OF THE ACTION STRATEGIES TO EXPLAIN ITS SIGNIFICANCE  
24 IN GENERAL AS WELL AS TO THE INDIVIDUAL AGENCIES AND WE ADDED  
25 MANUFACTURE SPECIFIC DESCRIPTION TO THE EARLY ACTION



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1 STRATEGIES RECOMMENDED FOR EACH AGENCY. WE ALSO EXPANDED MANY  
2 OF THE PERSONNEL MANAGEMENT AND REVENUE GENERATING STRATEGIES  
3 TO ALL OF THE AGENCIES. AS YOU WILL NOTE WE INITIALLY  
4 IDENTIFIED SOME SPECIFIC OPPORTUNITIES FOR A THE HANDFUL OF  
5 AGENCIES, WE HAVE EXPANDED THESE TO ALL THE AGENCIES WHERE  
6 THEY'RE REASONABLY APPLICABLE. BUT THERE ARE STILL SOME  
7 DIFFERENCES BASED ON THE MODES THAT THEY OPERATE, OR THEIR  
8 REAL ESTATE PORTFOLIO. NEXT SLIDE. WE ALSO ADDED CONTENT TO  
9 THE REAL ESTATE SECTION. NEXT SLIDE. WE ADDED CONTENT TO THE  
10 REAL ESTATE SECTION. WE ADDED NEAR-TERM OPPORTUNITIES TO  
11 GENERATE MORE REVENUE OR IMPROVE CUSTOMER EXPERIENCE THROUGH  
12 ADVERTISING, STATION ACTIVATION, AND SO ON. WE ALSO PROVIDED  
13 SOME ADDITIONAL INFORMATION ABOUT THE CONSTRAINTS ON  
14 DEVELOPMENT BASED ON FUNDING SOURCES, POLICIES, OR OTHER  
15 REGULATORY BARRIERS, AND A NEXT STEP COULD BE TO ANALYZE THESE  
16 CONSTRAINTS AS THEY APPLY TO SPECIFIC PARCELS THAT HAVE BEEN  
17 IDENTIFIED AS CANDIDATES FOR REDEVELOPMENT. NEXT SLIDE. SO,  
18 THE EARLY ACTION STRATEGIES THAT WE IDENTIFIED CAN ALL BE  
19 ACCOMPLISHED WITHIN 1 TO 3 YEARS WITH EXISTING RESOURCES AND  
20 ARE LARGELY WITHIN THE CONTROL OF THE TRANSIT AGENCIES  
21 THEMSELVES. WE DID NOT IDENTIFY SOME LONG-TERM OPPORTUNITIES  
22 THAT REQUIRE MORE TIME OR MORE RESOURCES OR MORE COORDINATION  
23 ACROSS AGENCIES. SO SOME OF THOSE EXAMPLES INCLUDE SHARED  
24 PROCUREMENT PROCESSES OR CONSOLIDATING OR COLOCATING SHARED  
25 FUNCTIONS ACROSS AGENCIES. EVALUATING ALTERNATIVE SERVICE



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1 MODELS OR EXPLORING ADDITIONAL OPPORTUNITIES FOR TRANSIT  
2 ORIENTED DEVELOPMENT. WE HAVE IDENTIFIED THESE OPPORTUNITIES  
3 AND FLAGGED FOR CONSIDERATION IN PHASE TWO. BUT I WANT TO NOTE  
4 THAT THE LIST AT THE END OF THE REPORT IS NEITHER PRESCRIPTIVE  
5 NOR EXHAUSTIVE. WE GO TO THE NEXT SLIDE.

6

7 **SHRUTI HARI:** THANK YOU, STEVEN. SO THIS SLIDE SUMMARIZES WHAT  
8 FINAL PHASE ONE ANALYSIS DELIVERS THE REPORT DOCUMENTS COST  
9 SAVING MEASURES OPERATORS HAVE IMPLEMENTED SINCE 2020  
10 IDENTIFIES EARLY ACTION STRATEGIES THAT CAN IMPROVE RIDERSHIP  
11 CUSTOMER EXPERIENCE AND EFFICIENCY WITHIN EXISTING RESOURCES  
12 AND EXAMINES TRANSIT REAL ESTATE ASSETS AND POTENTIAL  
13 REDEVELOPMENT OPPORTUNITIES IT ALSO ESTABLISHES FOUNDATION FOR  
14 POTENTIAL PHASE TWO WORK IF THE REGIONAL TRANSPORTATION  
15 MEASURE IS APPROVED. THEREFORE IN OUR VIEW THE REPORT IS  
16 RESPONSIVE TO THE PHASE ONE SCOPE AND REQUIREMENTS ESTABLISHED  
17 UNDER SB63. NEXT SLIDE PLEASE. SO, I WANT TO LAY OUT SOME NEXT  
18 STEPS REQUIRED BY SB63, IF ADOPTED BY THE COMMITTEE TODAY, MTC  
19 WOULD NEED TO FORMALLY TRANSMIT THE FINAL PHASE ONE REPORT TO  
20 THE CALIFORNIA LEGISLATURE, THE TRANSIT OPERATORS, CALSTA, AND  
21 THE PARTICIPATING COUNTY TRANSPORTATION AUTHORITIES, AND AS I  
22 MENTIONED EARLIER, BY JULY 1ST, EACH OPERATOR BOARD MUST  
23 IDENTIFY THE EARLY ACTION STRATEGIES IT COMMITS TO  
24 IMPLEMENTING AND ADOPT THOSE STRATEGIES THROUGH FORMAL POLICY  
25 OR BUDGET ACTIONS. TODAY'S ACTION IS THEREFORE A NECESSARY



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1 REREQUISITE FOR OPERATORS TO MEET THE STATUTORY DEADLINE. NEXT  
2 SLIDE PLEASE. SO, I WANTED TO INCLUDE THIS SLIDE BRIEFLY TO  
3 PROVIDE CONTEXT ON WHAT WOULD OCCUR IF THE REGIONAL  
4 TRANSPORTATION MEASURE QUALIFIES FOR THE BALLOT AND IS  
5 APPROVED BY THE VOTERS. NOTE THAT PHASE TWO OF THE FINANCIAL  
6 EFFICIENCY REVIEW IS NOT BEFORE THE COMMITTEE TODAY, BUT  
7 SEVERAL OF THE LONGER TERM IDEAS IDENTIFIED DURING PHASE ONE  
8 WOULD BE MORE APPROPRIATELY CONSIDERED AS PART OF THAT FUTURE  
9 EFFORT. NOW, PHASE TWO WOULD INVOLVE A DEEPER ANALYSIS OF  
10 LONGER TERM AND POTENTIALLY MORE STRUCTURAL COST SAVING  
11 OPPORTUNITIES ALONG WITH THE DEVELOPMENT OF IMPLEMENTATION  
12 PLANS. IT ALSO INCLUDES MORE ACCOUNTABILITY. IF THE MEASURE IS  
13 APPROVED, MTC WOULD INITIATE A SEPARATE PROCUREMENT SHORTLY  
14 AFTER THE ELECTION IS FINALIZED, AND WE'RE HOPING -- AND THIS  
15 IS AN AMBITIOUS PLAN, THAT PHASE TWO WOULD BEGIN IN EARLY 2027  
16 AND CULMINATE IN OPERATOR ADOPTION OF FORMAL IMPLEMENTATION  
17 PLANS IN RESPONSE TO THE PHASE TWO REPORT IN AUGUST OF 2028.  
18 NOW, THE MILESTONES NOTED ON THIS SLIDE IN ASTERISKS ARE  
19 STATUTORILY PRESCRIBED DEADLINES UNDER SB63. AND WITH THAT,  
20 THAT BRINGS ME TO THE FINAL SLIDE, IF YOU COULD MOVE ON TO THE  
21 NEXT SLIDE, AND WITH THAT MTC STAFF RECOMMEND THAT THE  
22 INDEPENDENT OVERSIGHT COMMITTEE ADOPT THE PHASE ONE FINANCIAL  
23 EFFICIENCY REVIEW. IN OUR VIEW, THE REPORT IS RESPONSIVE TO  
24 THE COMMITTEE'S DIRECTION AND THE PHASE ONE REQUIREMENTS  
25 ESTABLISHED UNDER SB63. WE APPRECIATE THE COMMITTEE'S



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1 ENGAGEMENT THROUGHOUT THIS REALLY TIGHT TIMELINE AND THIS  
2 PROCESS, AND WE'RE HAPPY TO ANSWER ANY QUESTIONS. THANK YOU.

3

4 **V. CHAIR, JEFF GEE:** SCHRUTI AND STEPHEN, THANK YOU, I THINK  
5 THIS IS AN UNDERSTATEMENT, TO SAY COMPRESSED TIMELINE, I MEAN  
6 WHEN WE LOOK AT WHERE WE ARE TODAY AND THE TRANSIT OPERATORS  
7 HAVE ONLY ONE CHANCE WE'RE MEETING IN JUNE THIS HAS GOT TO BE  
8 DONE BY JULY 1ST. THERE IS NO EXTRA TIME HERE. SO THANK YOU  
9 EVERYBODY FOR ALL THE WORK. BEFORE WE HAVE THE COMMITTEE  
10 DISCUSS THIS, IS THERE ANY PUBLIC COMMENT?

11

12 **CLERK, KIMBERLY WARD:** YES THERE ARE. BEFORE WE ROLL INTO THAT,  
13 HOW MUCH TIME WOULD YOU LIKE TO GIVE THEM?

14

15 **V. CHAIR, JEFF GEE:** WE CAN GIVE TWO MINUTES.

16

17 **CLERK, KIMBERLY WARD:** YOU GOT IT. BEFORE WE CALL ON THE PUBLIC  
18 COMMENTERS IN THE ZOOM SPACE WE DID RECEIVE CORRESPONDENCE  
19 FROM COMMISSIONER MTC COMMISSIONER GINA PAPAN AND COMMITTEE  
20 MEMBER ALLOW THOMPSON AND THOSE WERE POSTED TO THE ONLINE  
21 AGENDA SITTING AT YOUR PLACE SETTING. SO WE'LL GO INTO THE  
22 ZOOM SPACE FIRST UP WE HAVE ALETA DUPREE, GO AHEAD AND UNMUTE  
23 YOURSELF MISS DUPREE, I WILL START THE CLOCK FOR YOU.

24

25 **SPEAKER:** GOOD AFTERNOON CHAIR JEFF GEE AND MEMBERS. ALETA



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1 DUPREE FOR THE RECORD SHE AND HER WITH TEAM FOLDS. I NEED NEW  
2 LOCK HERE. THIS IS MY FIRST TIME COMING TO ONE OF THESE  
3 MEETINGS. I WANT THIS MEASURE TO PASS. THAT BEING SAID, THERE  
4 IS MORE WE CAN DO WITH EFFICIENCY, FARE COMPLIANCE IS AN  
5 ESSENTIAL PART OF THAT AND I JUST SPENT THREE WEEKS IN NEW  
6 YORK CITY AND THREE DAYS IN DENVER AND THERE IS A LOT OF WORK  
7 IN NEW YORK GOING ON WITH RAILROAD FARE PROTOCOLS ON THE TRAIN  
8 TIME APP TO ENSURE COMPLIANCE WITH THE NEW FARE GATES GOING UP  
9 IN THE FAMOUS SUBWAY SYSTEM. OVERTIME IS AN ISSUE THAT NEEDS  
10 TO BE EXAMINED. THERE WAS JUST A THREE-DAY STRIKE ON THE LONG  
11 ISLAND RAILROAD A FEW DAYS AGO, AND CERTAINLY OVERTIME WAS AN  
12 ISSUE THAT CAME UP. SOME OF THAT OVERTIME ISSUE HAS TO DO WITH  
13 OUR ARCHAIC WORK RULES THEY RESULT IN DOUBLE AND TRIPLE  
14 OVERTIME OPERATING DIFFERENT KINDS OF EQUIPMENT IN THE COURSE  
15 OF A DAY. DO OUR AGENCY STRUGGLE WITH WORK RULES THAT COULD GO  
16 BACK AS FAR AS 100 YEARS. BUT SOME HAVE SAID IT'S CHEAPER TO  
17 PAY OVERTIME THAN HIRE MORE PEOPLE AND PAY MORE FRINGE  
18 BENEFITS. THIS IS MORE COMPLICATED THAN IT APPEARS. AND, SO,  
19 HOW DO WE MAKE SURE THAT ALL OF THESE OPERATORS ARE BEING  
20 EFFICIENT WHEN SOMETIMES THERE ARE STRUCTURAL ISSUES THAT  
21 COULD IMPEDE THAT. WE WANT TO GET THE MOST FOR OUR MONEY WHICH  
22 IS GOING TO COME FROM SB63. I CAN'T VOTE FOR IT BECAUSE I  
23 DON'T LIVE IN THE AREA. BUT, ANYWAY, I LOOK FORWARD TO US  
24 PASSING SOMETHING TODAY. THANK YOU.

25



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1 **CLERK, KIMBERLY WARD:** THANK YOU. NEXT UP IS SEBASTIAN PETTY.

2 GO AHEAD AND UNMUTE YOURSELF. WE'LL START YOUR TWO MINUTES.

3

4 **SPEAKER:** GOOD AFTERNOON CHAIR NOACK, VICE CHAIR GEE THIS IS

5 SEBASTIAN PETTY WITH SPUR. WANT TO ECHO COMMENTS, REALLY

6 APPRECIATING THE SIGNIFICANT AMOUNT OF WORK BY CONSULTANT TEAM

7 MTC STAFF AND STAFF FROM TRANSIT OPERATORS WOULD ALSO AGREE

8 THAT THIS REPORT REALLY REFLECTS BOTH THE REQUIREMENTS OF THE

9 LEGISLATION AND INCLUDES A LOT OF JUST VERY THOROUGH AND

10 HELPFUL INFORMATION ABOUT WHAT OPERATORS HAVE DONE TO DATE, AS

11 WELL AS WHAT THEY'RE CURRENTLY WORKING ON AND CAN WORK ON IN

12 THE NEAR FUTURE. FINALLY I JUST WANT TO UNDERSCORE THE

13 IMPORTANCE OF THIS OVERALL CONVERSATION TO TRANSIT IN THE BAY

14 AREA, AS WE START TO THINK ABOUT A PHASE TWO REPORT, THE ISSUE

15 OF TRANSIT EFFICIENCY, AND THE CHALLENGE FOR TRANSIT OF BEING

16 ABLE TO PROVIDE IMPROVED SERVICE IN A LIMITED ENVELOPE OF

17 RESOURCES IS JUST NOT GOING TO GO AWAY. THIS IS AN ISSUE WE'RE

18 GOING TO HAVE TO TACKLE AND IT'S GOING TO GET HARDER AND MORE

19 COMPLEX AS WE GO. SO, AGAIN, APPRECIATE THE WORK OF EVERYONE,

20 I THINK WE'RE OFF TO A SOLID START HERE, AND THIS IS AN ISSUE

21 THAT WE AT SPUR WILL BE FOLLOWING CLOSELY FOR YEARS TO COME.

22 THANK YOU.

23

24 **CLERK, KIMBERLY WARD:** THANK YOU. THERE ARE NO ADDITIONAL

25 PUBLIC COMMENTS.



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1

2 **V. CHAIR, JEFF GEE:** THANK YOU, CLERK. AND THANK YOU TO THE  
3 PUBLIC DECK, JOINED FOR PUBLIC COMMENT. AND I REALLY ALSO WANT  
4 TO THEY THINK THOSE THAT PROVIDE WRITTEN COMMENTS BEFORE IT'S  
5 EASIER TO DIGEST AHEAD OF TIME RATHER THAN ON THE FLY UP AT  
6 THE DAIS. SO I WOULD LIKE TO BRING THE CONVERSATION TO THE  
7 COMMITTEE FOR THE ITEM BEFORE US. WHO WOULD LIKE TO START US  
8 OFF? LOOKS LIKE CHAIR NOACK, I'LL GO WITH YOU FIRST, THEN  
9 COMMITTEE MEMBER THOMPSON.

10

11 **CHAIR, SUE NOACK:** I JUST HAD A REALLY QUICK QUESTION. FIRST,  
12 THANK YOU FOR THE PRESENTATION, AND THANKS FOR ADDING ALL OF  
13 THE INPUT THIS WE GAVE TO YOU DURING THE APRIL MEETING. I  
14 REALLY APPRECIATE IT. ON THE SLIDES WHERE YOU SHOW TRANSIT  
15 RESERVES OPERATING COSTS, IT ALSO INDICATES IN THE TITLE OF  
16 THOSE CHARTS THAT THE PROJECTED DEFICITS WERE SUPPOSED TO  
17 NUMBER THERE. AND I WANT TO SEE THAT ANYWHERE SO I DON'T KNOW  
18 WHETHER THAT SHOULD BE REMOVED FROM THE HEADING ON THE CHARTS?  
19 OR WHETHER THAT INFORMATION IS SUPPOSED TO BE ADDED?

20

21 **SHRUTI HARI:** THAT IS A REALLY GOOD POINT. IT DOES NEED TO BE -  
22 - YES, WE WILL GO AHEAD AND DELETE THAT AND WE'LL ADD THAT TO  
23 THE MOTION TODAY AS WE DO THAT.

24

25 **CHAIR, SUE NOACK:** OKAY. THANK YOU. YES, THANK YOU. I



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1 APPRECIATE THAT. IT WAS JUST CONFUSING I KEPT LOOKING FOR DATA  
2 THAT WASN'T THERE. SO I APPRECIATE THAT.

3

4 **V. CHAIR, JEFF GEE:** THANK YOU CHAIR NOACK. COMMITTEE MEMBER  
5 THOMPSON?

6

7 **LOU THOMPSON:** THANK YOU. FIRST, I WOULD LIKE TO SAY THAT I  
8 THINK THIS IS A GOOD REPORT, FIT FOR PURPOSE, AND I WOULD VOTE  
9 FOR IT AS IT STANDS. HOWEVER, I DID HAVE THREE SHORT COMMENTS  
10 TO MAKE. ONE IS A TECHNICAL ISSUE ABOUT PRICE INDICES, AND I  
11 DISCUSS THAT WITH THE CONSULTANTS, AND I THINK THAT'S EASILY  
12 RECTIFIABLE. THE SECOND ONE IS DATA. THERE IS TRADEOFF HERE  
13 BETWEEN THE AMOUNT OF DATA IN THIS REPORT AND THE PURPOSES OF  
14 THIS REPORT AND THE DATA THAT WILL BE REQUIRED IN PHASE TWO.  
15 SEBASTIAN PETTY MADE THIS POINT, AND I WANT TO EMPHASIZE IT  
16 THAT THE ANALYSIS OF EFFICIENCY IN PHASE TWO IS GOING TO  
17 REQUIRE A LOT MORE EFFORT AND A LOT MORE ANALYSIS THAN THIS  
18 REPORT HAS, BUT THAT'S FINE. THE PURPOSE OF THIS REPORT IS  
19 MET. THE THIRD POINT I THINK IT TAKES A VERY DEFENSIVE  
20 ATTITUDE TOWARD THE ZEB REQUIREMENTS AND I DON'T THINK  
21 THATTATE APPROACH IT SHOULD TAKE. THE APPROACH SHOULD BE THAT  
22 ZEB IS A LEGISLATIVE PRIORITY, AND WE DON'T CONFORM TO IT.  
23 HOWEVER, IT'S AN UNFUNDED MANDATE, AND IT IS SOMETHING THIS WE  
24 HAVE DO OUR BEST TO LIVE WITH BUT THE PROPER ANSWER WOULD BE  
25 MORE MONEY FROM LEGISLATURE DO WE IMPLEMENT IT NOT AN ANSWER



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1 OF TRYING TO AVOID IT AND I THINK THE DEFENSIVE ATTITUDE CAN  
2 BE FIXED. FINAL POINT I WOULD MAKE THAT I DIDN'T WRITE DOWN  
3 THAT BASED ON MY EXPERIENCE I HOPE WE DON'T PUT TOO MUCH  
4 EMPHASIS ON THE VALUE OF REAL ESTATE DEVELOPMENT BECAUSE I  
5 THINK IT NEVER TURNS OUT THE WAY PEOPLE THINK IT'S GOING TO. I  
6 DON'T THINK THERE IS THAT MUCH VALUE IT'S WORTH IT IT'S A  
7 POSITIVE NUMBER BUT WILL NOT BE ANYTHING LIKE A PANACEA IN  
8 THIS EXERCISE THE KEY ISSUE IN THIS EXERCISE LATER IS GOING TO  
9 BE ON OPERATING EFFICIENCY AND COST MANAGEMENT AS WELL AS  
10 REVENUE INCREASES BUT REAL ESTATE DEVELOPMENT IS A GOOD IDEA  
11 BUT THAT'S NOT GOING TO SOLVE THE PROBLEM.

12

13 **V. CHAIR, JEFF GEE:** THANK YOU COMMITTEE MEMBER FOR THOSE GOOD  
14 POINTS. COMMITTEE MEMBER HEMINGER.

15

16 **STEVE HEMINGER:** THANK YOU MR. CHAIRMAN. FIRST OF ALL, I AGREE  
17 WITH LOU ABOUT THE ZEB MANDATE. I MEAN, ODDLY ENOUGH, THE  
18 BIGGEST ENVIRONMENTAL BENEFIT THAT THE BAY AREA HAS COMMITTED  
19 TO IS THE VERY TRANSIT SYSTEM THAT WE'RE TALKING ABOUT TODAY.  
20 AND WITHOUT IT, WE WOULD BE STARTING IN A DEEP DARK HOLE.  
21 SCOTT, ARE YOU OUR LAWYER?

22

23 **COUNSEL:** I AM.

24

25 **STEVE HEMINGER:** OKAY LET ME RUN A COUPLE OF SCENARIOS BY YOU



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1 JUST SO THAT I UNDERSTAND WHAT HAPPENS IF, WHAT HAPPENS IF.  
2 SO, WHAT HAPPENS IF THE REVENUE MEASURE PASSES, BUT IS  
3 CHALLENGED IN COURT? AND THAT CHALLENGE RESULTS IN AN ESCROW  
4 OR SOMETHING SIMILAR TO WHAT WE HAD WITH REGIONAL MEASURE  
5 THREE? SO NO ONE IS GETTING THIS HANDS ON THE MONEY, BUT THE  
6 MEASURE DID PASS. SO, WHAT HAPPENS HERE IF THAT DOES HAPPEN?  
7 AND DOES THAT RELIEVE THE OPERATORS OF THE REQUIREMENT, THAT  
8 THEY CARRY OUT THE PHASE TWO WORK?

9

10 **COUNSEL:** SO I'LL DO MY BEST TO ANSWER AND MAY HAVE TO DEFER  
11 THE SECOND HALF OF THE QUESTION AND FOLLOW UP WITH YOU AFTER  
12 THE FACT. FOR THE FIRST PART YOU'RE ABSOLUTELY RIGHT THE  
13 REVENUE AND TAX CODE DOES HAVE A REQUIREMENT THAT WE ENTER  
14 INTO AN AGREEMENT WITH CBTF, AND IF THERE IS A LEGAL  
15 CHALLENGE, THAT MONEY WOULD BE IMPOUNDED OR ESCROWED UP UNTIL  
16 THAT LEGAL CHALLENGE IS, YOU KNOW, MET WITH A POSITIVE RESULT  
17 THAT'S NO LONGER APPEALABLE. SO, THAT IS SOMETHING THAT WOULD  
18 HAPPEN THAT, WE WOULD BE REQUIRED TO DO. IN TERMS OF THE  
19 OBLIGATION PRESIDENCY THAT'S SOMETHING WE CAN STUDY AND  
20 CERTAINLY REPORT-OUT ON I DON'T HAVE THE ANSWER TODAY BUT WE  
21 WILL CERTAINLY REACH THAT.

22

23 **STEVE HEMINGER:** OKAY. THE SECOND ONE, AND I SHUTTER EVEN TO  
24 UTTER THE WORDS, BUT IF THE MEASURE WERE TO FAIL, ARE THE  
25 OPERATORS RELIEVED OF THE OBLIGATION OF DOING ANY FURTHER



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1 WORK? THAT WAS MY UNDERSTANDING.

2

3 **COUNSEL:** YES THAT, IS CORRECT.

4

5 **STEVE HEMINGER:** AND THE ODDITY THERE IS IF THE MEASURE FAILS,  
6 WE'RE GOING TO NEED THIS WHOLE REPORT, PROBABLY PLUS 20 OTHER  
7 ONES [LAUGHTER] TO IDENTIFY AS MANY COST EFFICIENCIES AS WE  
8 CAN. SO, I'LL JUST CHALK THAT UP TO A NICE LITTLE BIT OF  
9 IRONY. WELL, I WOULD ALSO, JUST IN CONCLUSION, LIKE TO ECHO  
10 LOU'S POINT ABOUT THE QUALITY AND CALIBER OF THE WORK, WHICH  
11 IS REALLY OUTSTANDING, ESPECIALLY GIVEN THE TIME PRESSURE. SO,  
12 CONGRATULATIONS, AND THANK YOU.

13

14 **V. CHAIR, JEFF GEE:** THANK YOU COMMITTEE MEMBER. ANY OTHER  
15 COMMITTEE MEMBERS LIKE TO -- YES, PLEASE?

16

17 **SPEAKER:** THANK YOU SO MUCH I WANT TO AMPLIFY THE WORK THAT'S  
18 BEEN DONE. IT'S BEEN DONE IN AN EXPEDITIOUSLY FORM. AND  
19 CONSIDERING THE COMPRESS SAID TIMELINE, YOU HAVE DONE YEOMAN'S  
20 WORK AND I SAY THAT IF SOMEBODY WHO OFTENTIMES UNDER STRICT  
21 DEADLINES AS WELL SO THANK YOU FOR YOUR DUE DILIGENCE AND  
22 THANKS FOR HEARING US RELATIVE TO COMMENTS THAT ENSUED AT THE  
23 APRIL MEETING. JUST WANTED TO SHARE THAT.

24

25 **V. CHAIR, JEFF GEE:** THANK YOU COMMITTEE MEMBER JOHNSON. TO



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1 COMMITTEE MEMBER MCCALLEY.

2

3 **SPEAKER:** THANK YOU I WANT TO THANK THE CONSULTANTS AND STAFF  
4 FOR THIS REPORT PARTICULARLY GIVEN COMPRESSED TIMELINE. JUST  
5 HAVE A COUPLE COMMENTS FIRST I WANT TO ECHO WHAT MEMBER  
6 THOMPSON MENTIONED ABOUT ZEB, BUT ONE COMMENT I WOULD LIKE TO  
7 MAKE IS THAT IN ADDITION TO THE STATE PROVIDING CAPITAL FOR  
8 ZEB BUT THEY ALSO CONTINUE TO PROVIDE OPERATING AS WELL  
9 BECAUSE WE AGAIN AT LEAST IN THE CASE OF HYDROGEN WERE COST A  
10 LOT TO OPERATE AS COMPARED TO DIESEL SO THERE IS -- STILL NEED  
11 HELP UNDER THE ZEB ENVIRONMENT BUT WE'RE ALL IN AND WANTING TO  
12 COMPLETE IT BUT WE'RE GOING TO NEED SOME HELP. WITH RESPECT TO  
13 AC TRANSIT I HAD A COUPLE QUESTIONS UNDER THE SECTION WE'RE  
14 TALKING ABOUT CONTAIN COST AND MENTION OF THE INCENTIVE  
15 PROGRAM THAT WE IMPLEMENTED A PILOT PROGRAM TO HELP WITH OUR  
16 ABSENTEEISM ALSO TRY TO IMPROVE AVAILABILITY OF OPERATORS TO  
17 OPERATE PARTICULARLY IN OUR TRUNK LINES JUST WE SHOULD -- IT  
18 WOULDN'T HURT TO MENTION ALSO NEGOTIATING WORK RULES THAT  
19 PROVIDE US WITH ADDITIONAL EFFICIENCIES AS WELL AND DEPENDING  
20 ON WHERE PEOPLE ARE WHEN THOSE CONTRACTSES ARE UP BUT JUST  
21 THINK THAT'S A POINT SHOULD NOT BE LOST THE NOTION WE NEED TO  
22 BE DILIGENT ABOUT MAKING SURE WE HAVE GOOD WORK RULES THAT  
23 MAKE SURE WE CAN CONTINUE TO PROVIDE EFFICIENT SERVICES TO OUR  
24 RIDERS. AND THE OTHER QUESTION, EXPECTED TO TAKE UP THIS  
25 REPORT ON JUNE 10TH AC TRANSIT IS RATHER -- WE HAD OUR JUNE



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1 10TH BOARD MEETING TO THE EXTENT THAT THERE IS COMMENTS FROM  
2 THE THE AGENCIES HOW WOULD THAT GET INCORPORATED INTO THE  
3 FINAL REPORT OR IS IT TOO LATE?

4

5 **SHRUTI HARI:** I THINK TODAY WITH THE ADOPTION OF THE REPORT MTC  
6 ANDY WILL SEND IT OFF TO THE LEGISLATURE AT WHICH POINT IT  
7 WILL BE CONSIDERED FINAL BUT THEN TRANSIT AGENCIES BOARDS HAVE  
8 PREROGATIVE TO CHOOSE WHICH EARLY ACTION STRATEGIES YOU COMMIT  
9 TO IMPLEMENTING BUT ADDITIONAL COMMENTS AT THE BOARD MEETING  
10 MAY NOT GET INCORPORATED INTO THE FINAL PHASE ONE REPORT BUT  
11 COULD BE SOMETHING WE CAN CONSIDER IN PHASE TWO.

12

13 **SPEAKER:** OKAY BECAUSE PHASE ONE ACTION THAT WE HAVE BEEN  
14 DISCUSSING AT AC TRANSIT IS WAYS THAT WE CAN EXPANDS OUR  
15 EZPASS PROGRAM AND ONE OF THE EARLY ITEMS UNDER DISCUSSION IS  
16 THAT WE WANT TO HAVE CONDUCTED A MARKET STUDY TO DETERMINE  
17 WHAT POTENTIAL IS FOR EXPANDING OUR EZPASS PROGRAM THAT'S  
18 LOOKING AT HOUSING LARGE EMPLOYERS AND WHAT YOU HAVE IN  
19 SERVICE AREA AND SEEING WHERE WE MIGHT HAVE OPPORTUNITIES TO  
20 EXPAND THAT PROGRAM I THINK THIS IS A LOT OF PROMISE THERE  
21 THIS'S EARLY ACTION WE WOULD LIKE TO SEE INCLUDED.

22

23 **SHRUTI HARI:** I THINK COMMITTEE MEMBER THIS'S INCLUDED IN ONE  
24 OF OUR EARLY ACTION STRATEGIES FOR AC TRANSIT AND WE MENTION  
25 INSIDE CONSULTANT WITH MTC STAFF SO WE'RE HAPPY TO WORK WITH



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1 YOU ON THAT.

2

3 **SPEAKER:** GREAT. THANK YOU.

4

5 **V. CHAIR, JEFF GEE:** THANK YOU. COMMITTEE MEMBER CHAIR NOACK.

6

7 **CHAIR, SUE NOACK:** I WANT TO FOLLOW UP AND COMMITTEE MEMBER  
8 MCCALLEY MENTIONED A PART OF MY COMMENT ON ZEB, I THINK  
9 EVERYBODY KNOWS HOW IMPORTANT THAT IS FOR THE ENVIRONMENTAL  
10 CONCERNS WE HAVE IN THE BAY AREA. HOWEVER, THE OPERATING  
11 SUPPORT, I THINK, IS GOING TO BE NECESSARY. MANY OF THE  
12 TRANSIT AGENCIES HAVE TAKEN ON SOME OF THE ZEB VEHICLES, AND  
13 THERE IS SIGNIFICANT INCREASED COST. AND ALSO CHALLENGES WITH  
14 SOME OF THAT, WITH THE REDUCTION AND -- WITH THE CHARGING  
15 SYSTEMS AND SO ON AND SO FORTH THERE HAS BEEN A CHALLENGE  
16 ACROSS THE BOARD IN THIS AREA. AND I THINK WE WANT TO MAKE  
17 SURE THAT WE DO SUPPORT ZEB'S DOWN THE ROAD BUT WE NEED TO  
18 MAKE SURE THEY CAN BE OPERATED AND SUPPORTED IN AN EFFICIENT  
19 MANNER. SO I DON'T KNOW WHETHER WE ADD THAT HERE OR ADD THAT  
20 LATER. BUT I THINK THAT SLIGHT 2050 NEEDS TO BE INCORPORATED.

21

22 **V. CHAIR, JEFF GEE:** THANK YOU, CHAIR SCHRUTI WOULD THAT BE  
23 APPROPRIATE TO ADD IN THE PHASE RUN IN THE CONTEXT OF THE ZEB  
24 PART OF THE REPORT?

25



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1 **SHRUTI HARI:** YES, VICE CHAIR.

2

3 **V. CHAIR, JEFF GEE:** OKAY THANK YOU CHAIR. I'M LOOKING TO OTHER  
4 COMMITTEE MEMBERS ANY OTHER THOUGHTS OR COMMENTS? AGAIN, THANK  
5 YOU TO THE STAFF AND TO THE CONSULTANT TEAM AND EVERYONE AND  
6 THE OPERATORS AND THEIR STAFF. TIME IS SO CRITICAL AND WE  
7 DIDN'T HAVE ENOUGH HERE TO REALLY GET TOO FAR AND I  
8 AWKWARDNESS IS THERE IS A LOT OF US WHO WANTED TO DIVE INTO  
9 GREATER DETAIL BUT WE HAVE TO WAIT UNTIL PHASE TWO. WE WANT TO  
10 WE WANT TO GO NOW. BUT WE'RE NOT READY. I CAN SEE EVERYONE IS  
11 READY TO GO INTO PHASE TWO. I THINK IT'S APPROPRIATE TO PUT A  
12 BOW ON THIS AND GET IT MOVING BECAUSE THE OPERATOR BOARDS ARE  
13 ALL MEETING IN JUNE TO MOVE THIS FORWARD. AS CHAIR NOACK  
14 MENTIONED OTHERS COMMITTEE MEMBERS WHEN WE TALK ABOUT ZEB IT'S  
15 NOT JUST THE VEHICLES IT'S TRAINING, INFRASTRUCTURE, AND FOR  
16 THOSE OF US THAT ARE GOING TO HYDROGEN THAT'S A BIG DEAL RIGHT  
17 NOW PARTICULARLY WITH REDUCTION OF ARCHES FUNDING SO THAT'S  
18 THE CONTEXT FOR THAT AND AS WE GO INTO PHASE TWO, HOPEFULLY,  
19 WE ALL READY TO ROLL UP OUR SLEEVES AND GET INTO THE DETAILS,  
20 LIKE THE ADMIT, REAL ESTATE, AND COMMITTEE MEMBER THOMPSON,  
21 YOUR COMMENTS REMINDED ME ABOUT HOW EXCITED EVERYBODY GOT WITH  
22 THE POTENTIAL LEGALIZING CANNIBIS IN THE STATE AND THE  
23 WITHSTAND FALL WE'RE ALL GOING TO GET. SO THE CAUTION ABOUT  
24 REAL ESTATE BEING THE SAVIOR FOR OUR BUDGETS IS A GOOD NOTE  
25 THAT IT MAY NOT BE AND PROBABLY WON'T BE, BUT IT DOES PLAY AN



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1 IMPORTANT ROLE. SO, WHAT I WOULD LIKE TO DO IS PROPOSE A  
2 MOTION IF THERE ARE NOT ANOTHER COMMENTS, THAT WE APPROVE THE  
3 FINAL -- I'LL PUT THAT IN QUOTATION, FINAL PHASE ONE  
4 EFFICIENCY REVIEW SUBJECT TO STAFF MAKING THE FOLLOWING  
5 CHANGES AND THAT THE EXECUTIVE DIRECTORS DELEGATED AUTHORITY  
6 TO TAKE THE ACTIONS NECESSARY TO INCORPORATE AND IMPROVE THESE  
7 CHANGES TO THE FINAL REPORT. THERE IS, I THINK, FOUR OF THEM  
8 THAT I HAVE WRITTEN DOWN, I THINK. ONE IS ADD A BASE YEAR TO  
9 THE CPI INDEX MENTIONED BY MEMBER THOMPSON. I THINK THERE IS  
10 ENOUGH COLOR TO JUST MODIFY A LITTLE BIT THE COMMENTARY ABOUT  
11 THE ZEB CONTEXT. COMMISSIONER PAPAN'S COMMENTS ABOUT, SORT OF,  
12 RETAIL AND STATION ACTIVATION, PERHAPS IT'S CONDUCT A STUDY TO  
13 ASSESS THE BENEFITS CHALLENGES AND OPPORTUNITIES ABOUT  
14 EXPANDING RETAIL AND AMENITY PARTNERSHIPS, AND ALSO THE  
15 CORRECTION THAT CHAIR NOACK MENTIONED. I THINK IS ONE OF THE  
16 TABLES OR SLIDES. SO, I THINK THAT -- I HOPE THAT CATCHES --  
17 CAPTURES EVERYTHING.

18

19 **CHAIR, SUE NOACK:** I THINK SO I'M HAPPY TO MAKE THE MOTION.

20

21 **V. CHAIR, JEFF GEE:** THANK YOU CHAIR NOACK. IS THERE A SECONDS?

22

23 **SPEAKER:** SECOND.

24

25 **V. CHAIR, JEFF GEE:** THANK YOU COMMITTEE MEMBER MCCALLEY. IS



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1 THERE ANY PUBLIC COMMENT?

2

3 **CLERK, KIMBERLY WARD:** NO ADDITIONAL PUBLIC COMMENT IN THE ZOOM  
4 SPACE NOR IN THE BOARDROOM. THANK YOU.

5

6 **V. CHAIR, JEFF GEE:** THANK YOU. SEEING NO PUBLIC COMMENT, AND  
7 LAST CALL FOR COMMITTEE MEMBER, COLLEAGUES? NO? ARE YOU READY?  
8 WE'RE READY TO GET TO PHASE TWO. [LAUGHTER] CLERK, COULD YOU  
9 CALL THE ROLL, THE VOTE, PLEASE.

10

11 **CLERK, KIMBERLY WARD:** GLADLY, WITH A MOTION BY CHAIR NOACK,  
12 SECONDED BY MEMBER MCCALLEY. CHAIR NOACK?

13

14 **CHAIR, SUE NOACK:** YES.

15

16 **CLERK, KIMBERLY WARD:** VICE CHAIR GEE?

17

18 **V. CHAIR, JEFF GEE:** YES.

19

20 **CLERK, KIMBERLY WARD:** HEMINGER?

21

22 **STEVE HEMINGER:** AYE.

23

24 **CLERK, KIMBERLY WARD:** MEMBER --

25



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1 **SPEAKER:** AYE.

2

3 **CLERK, KIMBERLY WARD:** MCCALLEY?

4

5 **SPEAKER:** YES.

6

7 **CLERK, KIMBERLY WARD:** ROSEN?

8

9 **SPEAKER:** YES.

10

11 **CLERK, KIMBERLY WARD:** COMPARISON? WHELAN? IS ABSENT. MOTION  
12 PASSES UNANIMOUSLY BY ALL MEMBERS PRESENT.

13

14 **V. CHAIR, JEFF GEE:** GREAT, COMMITTEE, THANK YOU, STAFF, THANK  
15 YOU TO CONSULTANT TEAM, THANK YOU OPERATOR STAFF. THANK YOU.  
16 THIS IS A BIG MILESTONE WE NEED TO MOVE ON AND CONTINUE  
17 HOPEFULLY MEETING IN THE FALL. SO THE NEXT REGULAR MEETING OF  
18 THE SB63 FINANCIAL EFFICIENCY REVIEW INDEPENDENT OVERSIGHT  
19 COMMITTEE -- WE HAVE TO FIND A SHORTER TITLE THAT'S A LOT OF  
20 WORDS.

21

22 **CLERK, KIMBERLY WARD:** MR. VICE CHAIR WE DO NEED TO GO TO ITEM  
23 FIVE GENERAL PUBLIC COMMENT.

24

25 **V. CHAIR, JEFF GEE:** GENERAL PUBLIC COMMENT I'M SORRY. BEFORE



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1 WE CONCLUDE I WAS TRYING TO GIVE THE GIFT OF TIME. LET'S DO  
2 GENERAL PUBLIC COMMENT BEFORE WE WRAP UP.

3

4 **CLERK, KIMBERLY WARD:** THANK YOU. WE DID NOT RECEIVE ANYTHING  
5 IN TRYING FOR THIS ITEM THERE ARE A COUPLE OF MEMBERS IN THE  
6 ZOOM SPACE ALETA DUPREE GO AHEAD AND UNMUTE YOURSELF I'LL  
7 SHARE MY CLOCK IN A MOMENT IF YOU WOULD LIKE TO GO AHEAD AND  
8 GET STARTED.

9

10 **SPEAKER:** THANKS AGAIN VICE CHAIR JEFF GEE, ALETA DUPREE FOR  
11 THE RECORD, SHE AND HER WITH TEAM FOLDS. AT WHAT POINT CAN WE  
12 HAVE TRULY SUSTAINABLE TRANSIT FUNDING? THAT NUMBER IS HARD TO  
13 FIND. CERTAINLY I DO BELIEVE THIS MEASURE WILL HELP, BUT AGAIN  
14 AT WHAT POINT IS THE NUMBER WHERE WE CANNOT WORRY ABOUT  
15 STRUCTURAL DISADVANTAGE. I HAVE BEEN ON A NUMBER OF SYSTEMS  
16 AROUND THE COUNTRY, AND THEY HAVE DIFFERENT MECHANISMS OF  
17 FUNDING TRANSIT. I AM FAMILIAR WITH MANY PROGRAMS, RTC LAS  
18 VEGAS HAS A TRANSIT TAX OF 3.8%, DENVER HAS FASTRAK PROGRAM  
19 NEW YORK HAS ALL KIND OF TRANSIT TAXES AND SEATTLE, I THINK IS  
20 LIKE ONE AND A HALF%. WHAT NUMBER WILL THAT BE FOR US? SEE, I  
21 CAN RIDE THE NEW YORK CITY SUBWAY UNLIMITED FOR A WEEK FOR  
22 \$17.50. WHICH I DID DURING MY TIME IN NEW YORK. I THINK MY  
23 TIME IN DENVER, I ONLY SPENT \$2.75 A DAY USING THE RTD APP.  
24 AND GRANTED I GET REDUCED FARES, BECAUSE I'M A PERSON WITH  
25 DISABILITIES AND I JUST TURNED 60. I AM WILLING TO PAY THESE



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1 MODEST TAXES, BECAUSE REALLY WHEN IT COMES TO ME GOING OUT FOR  
2 A MEAL, I'M TALKING PENNIES HERE. I HAVEN'T HAD A CAR IN 17  
3 YEARS, I THINK. IT HAS ITS CHALLENGES BUT IT'S MUCH CHEAPER  
4 FOR MEAL TO USE PUBLIC TRANSPORTATION. AND IN SOME  
5 JURISDICTIONS I CAN USE IT FOR FREE. AND I WANT THE BEST FOR  
6 BAY AREA PUBLIC TRANSPORTATION. BUT BECAUSE I DON'T LIVE IN  
7 THE DISTRICT, I COUNTY VOTE FOR IT. I CAN'T EVEN SIGN A  
8 PETITION. ALL I CAN DO IS LEAVE IT TO THOSE WHO CAN IN THE  
9 HOPES THAT THIS WILL PASS. THANK YOU.

10

11 **CLERK, KIMBERLY WARD:** THANK YOU. ROLL ANTIDEPRESSANT LEBRUN.  
12 GO AHEAD AND UNMUTE YOURSELF. YOU WILL HAVE TWO MINUTES.

13

14 **SPEAKER:** THANK YOU, AND I APOLOGIZE IF I'M SPEAKING OUT OF  
15 LINE. WITH REGARDS TO PHASE TWO, THERE IS ONE THING I WOULD  
16 LIKE THE STUDY TO LOOK AT, IF THE CALTRAIN, SO-CALLED FIBER  
17 OPTION THAT WAS EXERCISED, WHICH IS A 51 MILE FIBER OPTIC  
18 BACKBONE IN CAPACITY BETWEEN SAN FRANCISCO AND SAN JOSE. AND  
19 THE PAST IT WAS APPROVED ON APRIL 26TH, 2012 WHICH IS 14 YEARS  
20 AGO, AND AT THE COST AT THE TIME WAS \$14 MILLION. AND IT'S  
21 UNCLEAR WHAT THE POTENTIAL REVENUE COULD BE, BECAUSE ONE OF  
22 THE FIBERS IS RESERVED FOR COMMERCIAL USE. AND I'M GETTING  
23 EITHER BETWEEN 10,200,000, OR BETWEEN 10,200,000 PER PAY,  
24 WHICH IS SIGNIFICANTS ARE BECAUSE THE COMMERCIAL FIBER HAS GOT  
25 140 PAIRS, SO THAT COULD BE LOOKED INTO, THAT WOULD BE MUCH



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1 APPRECIATED. THANK YOU.

2

3 **CLERK, KIMBERLY WARD:** THANK YOU. THERE ARE NO ADDITIONAL  
4 PUBLIC COMMENTS.

5

6 **V. CHAIR, JEFF GEE:** THANK YOU. AND THANK YOU FOR CATCHING  
7 THOSE PUBLIC COMMENTS BEFORE I WRAPPED UP.

8

9 **CLERK, KIMBERLY WARD:** THANK YOU.

10

11 **V. CHAIR, JEFF GEE:** SO, THE NEXT MEETING WILL BE HELD AT A  
12 DATE AND TIME TO BE DULY NOTICED IN THE FALL, HOPEFULLY. UNTIL  
13 THEN, THANK YOU FOR YOUR COMMITMENT AND YOUR TIME TODAY. HAVE  
14 A GREAT MEMORIAL DAY WEEKEND. YES, MEMBER?

15

16 **SPEAKER:** I WANT TO CLARIFY, THERE WILL BE NO MEETING UNTIL THE  
17 FALL THEN, IS THAT CORRECT? NO MEETING IN JUNE OR JULY?

18

19 **LOU THOMPSON:** OKAY.

20

21 **COUNSEL:** THERE IS NO CURRENTLY REGULARLY SCHEDULED MEETING  
22 UNTIL THE FALL.

23

24 **V. CHAIR, JEFF GEE:** SO YOU CAN HAVE THE SUMMER OFF. VERY GOOD.  
25 ENJOY THE MEMORIAL DAY WEEKEND, THANK YOU TO ALL THOSE THAT



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1 SERVED AND THAT HAVE SERVED IN THE PAST. THE GIFT OF TIME IS  
2 GIVEN. MEETING ADJOURNED. THANK YOU. AND CHAIR NOACK IN  
3 REGARDS TO YOUR FATHER ENJOY YOUR TIME TOGETHER. BE WELL.  
4  
5 **CHAIR, SUE NOACK:** THANK YOU SO MUCH. [ADJOURNED]