



COUNCIL OF SAN BENITO COUNTY GOVERNMENTS  
SOCIAL SERVICES TRANSPORTATION  
ADVISORY COUNCIL  
REGULAR MEETING AGENDA

**DATE:** Friday, March 27, 2026  
10:00 a.m.

**LOCATION:** Council of San Benito County Governments  
650 San Benito St., Ste. 120  
Hollister, CA 95023

**MEMBERS:** Shawna Freels, Chair  
Zuleima Gonzalez, Vice Chair  
Joshua Mercier  
Paulette Cobb  
Clay Kempf  
Tami Aviles  
Samuel Borick  
Greshawn Miles  
Wayne Norton  
Sandy Castro

- 
1. Call to Order
  2. Roll Call
  3. Verification of Certificate of Posting
  4. **Public Comment:** *(Opportunity to address the committee on items of interest not appearing on the agenda. No action may be taken unless provided by Govt. Code Sec. 56954.2. Speakers are limited to 3 minutes.)*
  5. Member Announcements

**CONSENT AGENDA:**

*(These matters shall be considered as a whole and without discussion unless a particular item is removed from the Consent Agenda. Members of the public who wish to speak on a Consent Agenda item must submit a Speaker Card to the Clerk and wait for recognition from the Chairperson. Approval of a consent item means approval as recommended on the Staff Report.)*

6. APPROVE Social Services Transportation Advisory Council Meeting Minutes dated January 23, 2026 – Gomez

**ACTION ITEMS:**

7. 2026 Unmet Transit Needs Process – Borick
  - a. COMMENT on the Public Feedback Received during the 2026 Unmet Transit Needs Process.
  - b. RECOMMEND to the Council of San Benito County Governments Board the Unmet Transit Needs Found Reasonable to Meet for Implementation in Fiscal Year 2026/2027 by the San Benito County Local Transportation Authority.

**INFORMATION ITEMS:**

8. Executive Director Report/Announcements (Verbal Report) – Abraham

**Adjourn to SSTAC Meeting of June 26, 2026 at 10:00 A.M.**

*In compliance with the Americans with Disabilities Act (ADA), if requested, the Agenda can be made available in appropriate alternative formats to persons with a disability. If an individual wishes to request an alternative agenda format, please contact the Clerk of the Council four (4) days prior to the meeting at (831) 637-7665. The Council of Governments Board of Directors meeting facility is accessible to persons with disabilities. If you need special assistance to participate in this meeting, please contact the Clerk of the Board's office at (831) 637-7665 at least 48 hours before the meeting to enable the Council of Governments to make reasonable arrangements to ensure accessibility.*

## CERTIFICATE OF POSTING

Pursuant to Government Code Section #54954.2(a) the Regular Meeting Agenda for the Council of San Benito County Governments Social Services Transportation Advisory Council on March 27, 2026, at 10:00 a.m. was posted at the following locations freely accessible to the public:

The front entrance of the San Benito County Administration Building, 481 Fourth Street, Hollister, CA 95023, and the Council of San Benito County Governments Office, 650 San Benito St., Ste. 120, Hollister, CA 95023, at the following date and time:

On the 20th day of March 2026, on or before 5:00 p.m.

The meeting agenda was also posted on the Council of San Benito County Governments website, [www.sanbenitocog.org](http://www.sanbenitocog.org), under Meetings, SSTAC, 2026 Meeting Schedule.

I, Monica Gomez, swear under penalty of perjury that the foregoing is true and correct.

Monica Gomez

BY: \_\_\_\_\_

Monica Gomez, Secretary II  
Council of San Benito County Governments

**COUNCIL OF SAN BENITO COUNTY GOVERNMENTS  
SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL**

**REGULAR MEETING**

**MINUTES**

**DATE:** Friday, January 23, 2026  
10:00 AM

**LOCATION:** Council of San Benito County Governments  
650 San Benito St., Ste. 120  
Hollister, CA 95023

**1. CALL TO ORDER:**

Chair Shawna Freels called the meeting to order at 10:03 A.M.

**2. ROLL CALL MEMBERS PRESENT:**

Chair Shawna Freels, Tami Aviles, Samuel Borick, Grewshawn Miles, Wayne Norton, Zuleima Gonzalez, Clay Kempf (arrived at 10:12 a.m.).

**MEMBERS ABSENT:**

Joshua Mercier, Paulette Cobb, Sandy Castro.

**STAFF PRESENT:**

Executive Director; Binu Abraham, Administrative Services Specialist; Norma Aceves, Transportation Planner; Myranda Arreola, Secretary; Monica Gomez.

**OTHERS PRESENT:**

None.

**3. CERTIFICATE OF POSTING**

Motion made to acknowledge Certificate of Posting:

Motion: Samuel Borick                      Second: Wayne Norton

Motion carried: 6/0

Yes:                      Freels, Aviles, Borick, Miles, Norton, Gonzalez

No:                      None

Abstention:        None

**4. PUBLIC COMMENT:**

None.

**5. MEMBER ANNOUNCEMENTS:**

Member Aviles reported that she attended the January 15, 2026 Council of San Benito County Governments Board meeting, where she spoke during public comment to promote the Social Services

Transportation Advisory Committee. She also highlighted its connection to the San Benito County Master Plan for Aging Local Playbook, emphasizing how transportation supports all five of its goals.

**ACTION ITEMS:**

**6. ELECT SSTAC Chair and Vice-Chair for 2026**

Members nominated Shawna Freels as SSTAC Chairperson and Zuleima Gonzalez as SSTAC Vice Chairperson for 2026.

There was no public comment.

Motion made to elect Shawna Freels as SSTAC Chairperson for 2026:

Motion: Tami Aviles                      Second: Wayne Norton

Motion carried: 6/0

Yes:                      Freels, Aviles, Borick, Miles, Norton, Gonzalez

No:                      None

Abstention:        None

Motion made to elect Zuleima Gonzalez as SSTAC Vice Chairperson for 2026:

Motion: Greshawn Miles              Second: Wayne Norton

Motion carried: 6/0

Yes:                      Freels, Aviles, Borick, Miles, Norton, Gonzalez

No:                      None

Abstention:        None

Absent:                None

**CONSENT AGENDA:**

*(These matters shall be considered as a whole and without discussion unless a particular item is removed from the consent agenda. A member of the public should seek recognition by the Chair if comment is desired. Approval of a consent item means approval of recommended as specified on the Staff Report.)*

**7. APPROVE Social Services Transportation Advisory Council Meeting Minutes dated September 26, 2025 – Gomez**

**8. RECEIVE the 2026 Social Services Transportation Advisory Council Meeting Calendar**

Chair Freels pulled item 7 from Consent.

There was no public comment on the Consent Agenda.

Motion made to approve Item 8 from the Consent Agenda:

Motion: Wayne Norton              Second: Samuel Borick

Motion carried: 6/0

Yes:                      Freels, Aviles, Borick, Miles, Norton, Gonzalez

No:                      None

Abstention:        None

Regarding Item 7, Executive Director Abraham provided an update on the committee's request to revise the minutes policy. She reported that after discussing the recommendation with the SBCOG Chair, he

confirmed the Board will continue using action-style minutes to ensure consistency across all committees and is not considering any changes to the format at this time.

Motion made to approve Item 7 from the Consent Agenda:

Motion: Samuel Borick                      Second: Greshawn Miles

Motion carried: 7/0

Yes:                      Freels, Aviles, Borick, Miles, Norton, Gonzalez, Kempf

No:                      None

Abstention:          None

**INFORMATION ITEMS:**

**9. Receive Information on the Roles and Responsibility of the Council of San Benito County Governments Social Services Transportation Advisory Council (SSTAC) – Borick**

Member Borick provided a presentation on the roles and responsibility of the Council of San Benito County Governments Social Services Transportation Advisory Council (SSTAC) and answered questions from members.

There was discussion on improving distribution of the Unmet Transit Needs survey and public hearing process to better reach residents, particularly in South County rural areas. SSTAC members requested notification when the survey is available so they can assist with outreach.

Executive Director Abraham confirmed that staff will share the Unmet Transit Needs survey flyer with SSTAC members to assist with outreach efforts. Member Borick noted that the public hearing will be held during the SBCOG Board meeting on March 19, 2026, at 4:00 p.m.

There was no public comment.

**10. Receive Information on the San Benito County Master Plan for Aging Local Playbook 2024-2025 – Borick/ Kempf**

Member Kempf provided a presentation on the San Benito County Master Plan for Aging Local Playbook 2024-2025, highlighting its five key goals and the role of transportation in supporting them.

Member Kempf encouraged members to learn more about the Master Plan for Aging Local Playbook by visiting the Seniors Council website: [www.seniorscouncil.org](http://www.seniorscouncil.org), and attending Aging & Long-Term Care Commission meetings.

There was no public comment.

**11. Executive Director Report/Announcements (Verbal Report) – Abraham**

The Executive Director gauged SSTAC members' interest in extending Chair and Vice-Chair terms to two years, and after discussion, members reached consensus to keep the current one-year terms.

SSTAC members requested that staff share the SSTAC Orientation and Master Plan for Aging Local Playbook presentations from the meeting with them.

Executive Director Abraham confirmed that staff will share the presentations with SSTAC members.

There was no public comment.

There being no further business to discuss, Member Borick motioned to adjourn the Social Services Transportation Advisory Council meeting at 11:37 a.m. Motion seconded by Member Miles.

Motion carried: 7/0

Yes: Freels, Kempf, Aviles, Borick, Miles, Norton, Gonzalez

No: None

Recused: None

Abstention: None

The next regularly scheduled SSTAC meeting date is March 27, 2026.



## STAFF REPORT

**Action**

**Prepared By:** Samuel Borick, Transportation Planner

**Subject:** 2026 Unmet Transit Needs Process

**Agenda Item No. 7**

**Approved By:** Binu Abraham, Executive Director

**Meeting Date:** March 27, 2026

**Recommendation**

- a. COMMENT on the public feedback received during the 2026 Unmet Transit Needs Process.
- b. RECOMMEND to the Council of San Benito County Governments Board the Unmet Transit Needs found Reasonable to Meet for implementation in Fiscal Year 2026/2027 by the San Benito County Local Transportation Authority.

**Summary:**

The Council of San Benito County Governments (SBCOG) conducts an annual Unmet Transit Needs process to identify gaps in existing transit services by gathering input from residents, transit users, and community members throughout San Benito County.

**Background/ Discussion:**

SBCOG receives an annual allocation of Transportation Development Act (TDA) funds to support public transit services within the San Benito region. As a recipient of TDA funds, SBCOG is required to conduct an annual Unmet Transit Needs process to identify and evaluate any potential transportation needs that are not being met through existing public transit services.

The Unmet Transit Need process consists of the following three steps:

1. SBCOG staff solicits testimony from the public on the Unmet Transit Needs of the community. A public hearing on the Unmet Transit Needs was held by the SBCOG Board at their regularly scheduled meeting of Thursday, March 19, 2026, at 4:00 p.m. Opportunity to participate in the Unmet Transit Needs process was provided through the following options: public hearing, email, social media, telephone, letter, online survey, and by comment cards made available onboard all transit buses. SBCOG received a total of 14 comments from the public.

2. SBCOG staff then analyzes comments received during the Unmet Transit Needs process in accordance with SBCOG's adopted definitions of an Unmet Transit Need and the Reasonable to Meet criteria (Attachment 1). All comments received are reviewed and discussed with the Social Services Transportation Advisory Council (SSTAC), which provides feedback and recommendations to the SBCOG Board of Directors regarding the community's Unmet Transit Needs. SBCOG staff has prepared responses to all comments received for SSTAC's review and input (Attachment 2). The purpose of SSTAC is to evaluate the transit needs of transit-dependent and transit disadvantaged populations, including the elderly, persons with disabilities, low-income individuals, and youths within the San Benito region.
3. The SBCOG Board of Directors then adopts the final Unmet Transit Needs report, which includes all comments received and identifies which Unmet Transit Needs were classified as Reasonable to Meet for implementation in the upcoming fiscal year by the San Benito County Local Transportation Authority.

The final Unmet Transit Needs report will be presented to the SBCOG Board at their April 16, 2026, meeting for adoption. The final report is then submitted to Caltrans by the August 15, 2026, deadline.

**Financial Impact:**

Without an approved Unmet Transit Needs Report, SBCOG will not be eligible to receive TDA funds, resulting in a significant reduction in existing transit services.

**Attachments:**

1. SBCOG Adopted Unmet Transit Needs Process Definitions and Procedures
2. 2026 Public Comments and SBCOG Responses

## ADOPTED DEFINITIONS AND PROCEDURES FOR NOTICING AND CONDUCTING THE ANNUAL UNMET TRANSIT NEEDS HEARING

---



As required by PUC section 9940 1.5, the Council of San Benito County Governments must adopt formal definitions of "unmet transit need" and "reasonable to meet." The first definition is the primary tool used to evaluate the public testimony received during the initial hearing.

The second definition is used to evaluate the reasonableness of meeting those requests. State law (PUC Section 994015(c)) has been modified to clarify that..."the fact that an identified transit need cannot fully be met based on available resources shall not be the sole reason for finding that a transit need is not reasonable to meet."

Additionally, the Act specifies that..." An agency's determination of needs that are reasonable to meet shall not be made by comparing unmet transit needs with the need of streets and roads. "

### I. The "unmet needs" definition adopted by Council of San Benito County Governments:

"Unmet needs are defined as expressed or identified needs of a significant segment of the community for public transportation services to meet basic mobility needs which are not currently being met through existing transit services or other means of transportation.

Included, at a minimum, are those public transportation or specialized services that are identified in the Regional Transportation Plan, Short Range Transit Plan and/or Transit Development Plan, which have not been implemented or funded."

### II. The "unmet needs" threshold criteria adopted by the Council of San Benito County Governments:

The following criteria must be true for the COG to consider a request an "unmet need". If a request **fails** to satisfy any of the criteria below, the request is **not** an unmet need.

1. The request fills a gap in transit service, or is identified as a deficiency in the Regional Transportation Plan.
2. Sufficient *broad-based* community support exists.
3. Request is a *current* rather than *future* need.
4. Request is not operational in nature (i.e. minor route change, bus stop change, etc.)

### III. Adopted Definition of "Transit Needs That Are Reasonable To Meet Determination."

In making the reasonableness determination, an analysis will be conducted on existing transit services, available options, likely demand and general costs based on similar services in the area and available studies. Once completed, the following criteria shall be considered.

## REASONABLE TO MEET CRITERIA

In making a reasonableness determination, an analysis will be conducted on existing transit services, available options, likely demand and general costs based on similar services in the area and available studies. An Unmet Transit Need would be considered reasonable to meet if the proposed service is in general compliance with the following criteria:

### A. EQUITY

The proposed service would:

1. Benefit the general public.
2. Not unreasonably discriminate against nor favor any particular area or segment of the community at the exclusion of any other.
3. Not result in adversely affect existing services in other parts of the transit system that have an equal or higher priority immediately or within the foreseeable future.
4. Require a subsidy per passenger generally equivalent to other parts of the transit system, unless overriding reasons so justify.

### B. TIMING

The proposed service would:

1. Be in response to an existing rather than a future need.
2. Be implemented consistent with federal, state, or regional funding approval schedules, if such funds are the most appropriate primary method of funding.

### C. COST EFFECTIVENESS

The proposed service would:

1. Not cause the responsible operator or service claimant to incur expenses in excess of the maximum allocated funds.
2. Not set a precedent for other service expansions without a reasonable expectation of available funding.
3. Have available funding on a long-term basis to maintain the service.

### D. SYSTEM PERFORMANCE

1. The efficiency of the new, expanded or revised transit service, excluding specialized transportation services, shall be measured on efficiency, such as:
  - Cost per passenger trip,
  - Cost per vehicle service hour,
  - Passenger trips per vehicle service hour,
  - Passenger trips per service mile,
  - On-time performance.
2. The proposed service would have a reasonable expectation of future increase in ridership.

#### **E. OPERATIONAL FEASIBILITY**

1. The new, expanded or revised transit service must be safe to operate and there must be adequate roadways and turnouts for transit vehicles.
2. The new service would be provided with the existing vehicle fleet or with vehicles that can be acquired with available funds.
3. The new service would have the available maintenance staff to cover the additional vehicle maintenance hours incurred as a result of the proposed service.

#### **F. COMMUNITY ACCEPTANCE**

A significant level of community support exists for the public subsidy of transit services designed to address the unmet transit need. Including but not limited to, community groups, community leaders, and community meetings reflecting support for the unmet transit need.

#### **G. ADA CONFORMITY**

The new, expanded or modified service, excluding specialized transportation services, would conform to the requirements of the Americans with Disabilities Act. The COG shall consider the financial impact on the TDA claimant if complementary paratransit services are required as a result of the new, expanded, or modified service.

#### **H. OTHER FACTORS**

Other specific, formulated components that COG determines to affect the reasonableness of meeting an unmet transit need.

## 2026 Unmet Transit Needs Report Feedback

No.	Media	Language	Service	Comment Category	Public Comment	Translation	Can we contact?	Contact Info	Determination	Reasonable To Meet Criteria	SBCOG Response
1	Comment Card	English	County Express	Operational	For people who need to transfer to get to there destination (2) hour free transfer. A way to use a bank card or bus besides the app on the phone	N/A	Yes	831-253-5205	Not an Unmet Transit Need	Not applicable	The comment is operational in nature, and therefore does not meet the criteria to be considered an unmet transit needs.
2	Comment Card	English	County Express	Gap in Service	24-7 or 4am to 10pm	N/A	Yes	831-313-7905	Not an Unmet Transit Need	Not applicable	There is insufficient community support for 24 hour / 7 day a week transit service. The San Benito County Local Transportation Authority's Short Range Transit Plan identifies extended service hours as a part of future County Express improvements. While suggestions such as 24-hour service or operations from 4:00 a.m. to 10:00 p.m. reflect a desire for increased availability, specific service spans will be evaluated through ongoing planning efforts to ensure they are operationally feasible and aligned with community needs. Implementation of expanded service hours is dependent on available drivers and funding.
3	Comment Card	English	N/A	Customer Service	Everything is okay with me, very satisfied with the service	N/A	No	N/A	Not an Unmet Transit Need	Not applicable	Thank you for your comment.
4	Online Survey	English	County Express & Specialized Transportation	Gap in Service	Fixed Route	N/A	No	N/A	Unmet Transit Need: Reasonable to Meet	Not applicable	Currently, the San Benito County Local Transportation Authority provides one fixed route service, The Tripper, within the City of Hollister. The Short Range Transit Plan identifies the restoration of the Hollister Fixed Route service. Future services outlined in the Short Range Transit Plan may be implemented dependent on available drivers and funding.
5	Online Survey	English	County Express	Operational	All of my needs are being met although it seems like all bus fare should be whole dollars instead of using change. It would make the accounting much easier and the penny's to be some day eliminated.	N/A	Yes	831-524-8088	Not an Unmet Transit Need	Not applicable	The comment is operational in nature, and therefore does not meet the criteria to be considered an unmet transit needs.
6	Online Survey	English	County Express	Gap in Service	More frequent service during early mornings and late nights. Many people work or attend school outside of regular business hours and limited schedules make it harder to get to work or return home safely. Weekend services is also limited in some areas which affects people who rely on the bus for errands, jobs, and family responsibilities.	N/A	No	N/A	Unmet Transit Need: Reasonable to Meet	Not applicable	The San Benito County Local Transportation Authority's Short Range Transit Plan identifies increased service frequency and extended service hours as a part of future County Express improvements. Specific service spans will be evaluated through ongoing planning efforts to ensure they are operationally feasible and aligned with community needs. Implementation of expanded hours and frequency is dependent on available drivers and funding.
7	Online Survey	English	County Express	Operational	women only busses, busses that go straight from hollister to gilroy, less time waiting at Caltrain station like maybe switch drivers, less waiting time at random stops.	N/A	Yes	831-265-1365	Not an Unmet Transit Need	Not applicable	The comment is operational in nature and refers to services already provided by the San Benito Local Transportation Authority. It does not meet the criteria to be considered an unmet transit need.
8	Online Survey	English	County Express	Operational	Allowing people to stay on the bus while it is parked at the Caltrain station. There have been many times where passengers have been kicked off the bus while it waits at the station even in extremely hot, cold, or rainy weather. Not only that, but some drivers force passengers to bring their stuff down with them, causing many to lose their seats when new people get on.	N/A	No	N/A	Not an Unmet Transit Need	Not applicable	Being an operational request, this is not an unmet transit need. Thank you for your comment.
9	Online Survey	English	County Express	Gap in Service	Bring back Local transportation or more stops in the intercounty bus	N/A	Yes	831-297-4029	Unmet Transit Need: Reasonable to Meet (Partial)	Equity	The San Benito County Local Transportation Authority's Short Range Transit Plan identifies the restoration of the Hollister Fixed Route service. Future services outlined in the Short Range Transit Plan may be implemented dependent on available drivers and funding. The Intercounty Service is designed as a commuter-oriented route that provides efficient connections to Caltrain in Gilroy. Adding additional stops would increase travel times and could reduce the reliability of these regional connections, creating equity concerns for riders who rely on the service for timely access.

10	Online Survey	English	County Express	Gap in Service	Local bus or more stops in the intercounty transportation.	N/A	No	N/A	Unmet Transit Need: Reasonable to Meet (Partial)	Equity	The San Benito County Local Transportation Authority's Short Range Transit Plan identifies the restoration of the Hollister Fixed Route service. Future services outlined in the Short Range Transit Plan may be implemented dependent on available drivers and funding. The Intercounty Service is designed as a commuter-oriented route that provides efficient connections to Caltrain in Gilroy. Adding additional stops would increase travel times and could reduce the reliability of these regional connections, creating equity concerns for riders who rely on the service for timely access.
11	Online Survey	English	County Express	Gap in Service	Route to Salinas	N/A	No	N/A	Transit Need: Not Reasonable	Cost Effectiveness	The Short Range Transit Plan analyzed the feasibility of services to Salinas. The Plan does not identify services to the City of Salinas as a feasible option for services expansion due to the LTA's available and projected revenue sources.
12	Online Survey	English	County Express	Operational	Would highly benefit a Intercounty Express bus to align with the 7:30am CalTrain departure at Gilroy! The only train that departs early enough for the South County Connector is at 5:30am.	N/A	Yes	831-801-2303	Not an Unmet Transit Need	Not applicable	Being an operational request, this is not an unmet transit need. Thank you for your comment.
13	Online Survey	Spanish	County Express	Customer Service	Todo esta bien al momento	"All is good for now"	No	N/A	Not an Unmet Transit Need	Not applicable	Thank you for your comment
14	Public Comment	English	County Express	Other	PDF Comment (See Exhibit A)	N/A	No	N/A	Not an Unmet Transit Need	Not applicable	Thank you for your comment

**Remarks to the Council of Governments of San Benito County  
by**

**Joseph P. Thompson, Esq.**

[SAME PUBLIC COMMENT EVERY YEAR 2006-2025]

***Unmet Needs Hearing 2024: Emperor Transit First is Stark Naked-  
COG is Taking us Places That we Don't Want to go, While  
Making our County Unlivable & Unaffordable, and the  
Small Business Killing Fields-***

***COG's Directors Refuse to Make Highway Safety COG's Top Priority-  
While "partnering" with VTA & TAMC & AMBAG to Ruin the Region,  
but they Refuse to Abolish COG, Remove the Malignant Cancer, and will  
Not Even Consider Reform by Privatization and Free Enterprise Solutions***

***COG's Directors, Like the Bell, California City Council, Ought  
to be Prosecuted for Fraud and Violation of their Fiduciary Duty  
to the Taxpayers of San Benito County***

\*\*\*\*\*

Mr. Chairman, and Directors, ladies & gentlemen, thank you for allowing me to address the Joint Powers Authority (unelected and unresponsive and unaccountable to the voters) on the subject of unmet needs of the residents of our community for transportation services. My name is Joe Thompson. I am here volunteering my time to help you with this important issue. I am not here on behalf of any clients. I am not being paid. I have no ulterior motive or hidden agenda. I am here because I promised you that I would give you the benefit of my small sum of transportation experience and knowledge to help you achieve the right answers for our transportation needs.

I am attaching my previous remarks for previous years for your shameful ugly dog and pony show you, like the hypocrites you are, describe as the "unmet transit needs" hearing, another indication of why California is bankrupt, its Counties are bankrupt, and its Cities and Towns are bankrupt. Your policy was conceived insolvent and born bankrupt, but you all pat yourselves on the back proclaiming "success" and watch as COG gives itself "A" on its "report card" (Baloney-BS). While you cling to your radical socialist policy, we have become the worst State, and one of the worst Counties in the worst State, in America, and you'll continue to make this County unlivable for our children and grandchildren. Your "success" is our ruin. Why aren't you ashamed of yourselves? How can we get you out of office ASAP?

I am a former charter member of COG's Transit Task Force, COG's

Citizens Rail Advisory Committee, Citizens for Reliable and Safe Highways, and I served on the executive committee of the debtor-creditor-commercial law section of the SCCBA. I am also a member of the Association for Transportation Law Logistics & Policy, the legislation (Past-Chair), arbitration, intermodal, freight claims and bankruptcy committees of the Transportation Lawyers Assn., and a candidate for the American Society of Transportation & Logistics. I have also been a member of Gavilan Employers Advisory Council and am founder of the SBC Small Business Incubator. I have given you a copies of my petitions, position papers and letters, including the transportation infrastructure proposal for restoration of intermodal facilities for the Central California Coast Region, and my various letters regarding the amendments and revisions to the Regional Transportation Plan service to Hollister. I have also provided you with a copy of my paper, "ISTEA Reauthorization and the National Transportation Policy," which was published by the *Transportation Law Journal* and in *Transportation Lawyer* in 1997.

### **Summary of Petition to COG for Strategic Transportation Planning**

COG's unconstitutional Directors' conduct has sold-out the County's taxpayers and citizens so that they can curry favor with their special interests, e.g., public sector union employees, subsidy recipients, and the employees of the Joint Power Authority who reward themselves with taxpayers' money to feather their nest, and plump their salaries, benefits and pensions, lying all the way and laughing at anyone who begs for truth in transport.

Our local government's growing reliance on our taxes and the ever-increasing number of tax-based districts, authorities, joint powers boards, agencies, etc., combined with the imposition of new taxes, fees, assessments, grants, subsidies, premiums, surcharges, bonds, etc., falls especially hard on small businesses. As a result, the small business failure rate (4 out of 5 in the first five years, up 81% over the previous year, and the family farmers and personal bankruptcy rates (dramatically higher) are increasing, destroying jobs, investments, savings and lives. Hopelessly oppressed small business owners cannot pay their rent and their mortgage payments. Families are torn asunder by the emotional turmoil of foreclosures and evictions which accompany their failed businesses. The victims of the failed businesses and destroyed families become more dependent on local government for assistance. Thus, a spiraling effect grows in our community like a Black Hole or a malignant tumor. It is time to break this cycle and halt Black Hole Government before it is too late. The growth of the public sector tumor must be eradicated if we hope to survive to compete in the global economy of the coming new century. We must take back our government

from the bureaucrats and Soviet-style planners who feast off OPM (other people's money). We must bring an end to the creeping socialism that breeds in out-of-control government and its dependence upon money from taxpayers. Otherwise, our fate will be the same as the USSR. When government is the largest employer in the county, the burden on small business and families is fatal. We must demand a return to private sector solutions with user-fees replacing taxpayers' dollars, and thereby reduce government's excesses before we kill-off all small businesses and ruin the capitalistic formula of America's successful past. This petition raises issues which must be addressed by our elected representatives before undertaking further strategic transportation planning for our County. This is a "reality check" and may require a "paradigm shift."

### **Definitions Previously Adopted by COG**

Transportation needs of a community always have, and always will, exceed the community's resources. Defining the terms, e.g., "unmet needs," "transit," "reasonable," "cost," "benefit," establishes both the target of our efforts and their scope. For example, if you include a resident's need to travel to Hawaii for his vacation as an "unmet need" for his transit convenience, then the target becomes much larger. There is a direct correlation between the target we define and the cost of meeting the goal. The broader you define the "unmet needs," the greater will be the need for money to pay for the transportation services you decide to offer. This is true for all modes of transportation, air, water, rail and highway.

There is no "free" transportation in any mode; a cost must be borne to provide the service. How to pay for the inevitable cost is the problem once you determine what service you will provide. Who should pay? Whether the transportation service is owned by private investors or the public, this funding issue is inescapable. Equipment, labor, fuel, supplies, insurance, maintenance, administration, etc., all must be paid or else no service can be offered by the carrier. COG recognized this when it voted unanimously to privatize County Transit.

The truth in transportation costs and benefits must be disclosed to both those who use the service and those who pay for the service. Concealing or distorting costs and benefits is unacceptable policy, especially when the taxation power of government is employed to subsidize insolvent transportation operations.

COG's definitions are unsound and irrational because they do not result in a

reasonable burden on those who pay for the service compared with the benefit to the user of the service. COG's definitions are not based on truth in transportation costs. For example, "unmet needs" is defined by excluding the needs of those who pay for the service. It is illogical to define society's needs by excluding the needs of those who make it possible for a service to be provided. Furthermore, it is unreasonable to require the taxpayers to furnish 98% of the funds (fully-amortized amount) while the user of the service pays only a 2% "co-pay." The layers of government overhead deflect the money paid by the taxpayers from reaching the goal, so it has been said that for every \$100 of federal taxes paid, only \$5 is returned to local government to fund transit services. This increases the insolvency, bankruptcy and small business failure rate in the community, which causes an increase in "unmet needs" for transportation. This vicious cycle kills the goose that lays the "Golden Egg." In other words, by adopting a model of government-ownership of transportation services, the source of the subsidies is diminished as the service increases. Eventually, there is too much for the middle-class taxpayer to bear, paying for both his own transportation, and the riders on government-owned transportation service. Amtrak is a perfect example, and application of this model to Amtrak has resulted in its collapse, and caused the \$2 billion re-bailout by Congress. Recent decisions by Congress and the Surface Transportation Board to allow Amtrak to haul freight reveal how the genesis of the revenue issue brings us back to the truth in transportation costs. But think of the social costs that society had to endure between 1970, when Amtrak was formed, to the future when it is hoped that it will become "self-sufficient." You can better meet the "unmet needs" of the community if you adopt a private-sector model for transportation solutions. Instead of killing the Goose That Lays the Golden Egg, the taxpayers will be better able to assist local government in its effort to address all the "unmet needs" of the community you serve. The federal government's decision to privatize Amtrak is a lesson for local governments like ours. We must now implement COG's decision.

### **Proposed Redrafting of Definitions**

I believe that we ought to redraft the definitions that the COG Board previously adopted to reflect the truth about transportation costs and benefits. Fairness to the taxpayers requires it; history of public sector transportation fiascoes demands it. COG's transportation definitions ought to adhere to the California Transportation Commission's mandate to local governments to plan future transportation infrastructure improvements on "user fees" rather than on higher taxes. I again refer you to the study by the Harvard University Professors,

José A. Gómez-Ibáñez and John R. Meyer, *Going Private: The International Experience with Transport Privatization* (Wash, D.C.: Brookings Institution, 1993), which I mentioned in my letter to you and which I have shown you at previous COG Board meetings. The revised definitions ought to be based on a full disclosure of all the costs that public-ownership of transportation services imposes on the largest segment of the population. It must include the personal insolvencies, bankruptcies, and business failures that excessive and abusive taxation causes. I believe that we ought to be guided in our effort by studies that have shown us the most efficient methods of providing vital services to our community, e.g., John D. Donahue, *The Privatization Decision: Public Ends, Private Means* (New York: Basic Books, 1989), which I have also shown you at previous COG meetings. If you ignore the truth about transportation costs and benefits in your transportation definitions, then you will condemn future generations to certain failure of the infrastructure so vital to success of our economy. We must not tolerate those who would conceal the truth from the public, or seek to mislead the taxpayers, without whom your effort to satisfy “unmet needs” would be futile.

#### Conclusion

I support your efforts to help our residents satisfy as many of their “unmet needs” as is feasible, while not undermining the work by utilizing the wrong tools for the job. You would not perform a surgery with a dirty scalpel. You would not fight an epidemic by spraying Ebola Virus in the air. You would not throw gasoline on a fire to extinguish it. So why try to satisfy “unmet needs” with socialism. History has shown that it will not work; it will backfire on you, and then we will have more “unmet needs” than before you started. Remember, there are no “Welfare-to-Work” trains running in the USSR today. We are creating “unmet needs” with the socialist transit policy of urban counties, when we should be following COG’s unanimous decision to privatize passenger bus transportation. We will only worsen budget deficits with the socialist system.

I’ve said this over and over again each passing year, yet COG’s Directors do absolutely nothing to reform and change the sick, unsound, unsustainable transport policy that dooms the future of our County. History will condemn our memories for this failure, while the mass transit radicals will proclaim your “success” right up to the collapse of our government. Shame on the COG Directors for their steadfast refusal to change and restore our free-enterprise roots in transport that helped make America great. It is a sad, despicable thing to see ones friends and neighbors kow-towing to Emperor Transit First, while sacrificing the health and safety of more than 99% of the County’s residents. Shame.

Joe Thompson

**FINANCING ALTERNATIVE “A” FOR PASSENGER (BUS & TRAIN)  
SERVICE**

(Santa Clara County & VTA & COG & TAMC & AMBAG, Etc., Model-Soviet  
Style)

**EXCESS TAXATION → →  
INSOLVENCY & BANKRUPTCY & SMALL BUSINESS FAILURES &  
HIGHER TRAFFIC IMPACT FEES & MORE UNAFFORDABLE  
HOUSING → →  
UNMET NEEDS → → HIGHER TAXES**

**FINANCING ALTERNATIVE “B” FOR PASSENGER (BUS & TRAIN)  
SERVICE**

(Taxpayer-Friendly Model-Capitalism)

**INCREASED RELIANCE ON FREE ENTERPRISE → →  
LOWER TAXES & TRAFFIC IMPACT FEES &  
MORE AFFORDABLE HOUSING, FEWER BANKRUPTCIES & SMALL  
BUSINESS FAILURES → →  
FEWER UNMET NEEDS → → LOWER TAXES → →  
MORE BUSINESS ENTERPRISE → →**

**Why COG won't make highway safety our top transport priority? Here in this statute they have discretion to do so, but they refuse to do it. Why?**

**Section 99401.5 of the California Public Utilities Code:**

Prior to making any allocation not directly related to public transportation services, specialized transportation services, or facilities provided for the exclusive use of pedestrians and bicycles, the TPA shall annually do all of the following:

- a. Consult with SSTAC
- b. Identify the transit needs of the jurisdiction . . .

c. Identify the unmet transit needs of the jurisdiction and those needs that are reasonable to meet. . . . The definition adopted by the TPA for the terms "**unmet transit needs**" and "**reasonable to meet**" shall be documented by resolution or in the minutes of the agency. The fact that an identified transit need cannot be fully met based on available resources shall not be the sole reason for finding that a transit need is not reasonable to meet. An agency's determination of needs that are reasonable to meet shall not be made by comparing unmet transit needs with the need for streets and roads.

- d. Adopt by resolution a finding for the jurisdiction . . The finding shall be that
  - (1) there are no unmet transit needs,
  - (2) there are no unmet transit needs that are reasonable to meet, or
  - (3) there are unmet transit needs, including needs that are reasonable to meet.

e. If the TPA adopts a finding that there are unmet transit needs, including needs that are reasonable to meet, **then the unmet transit needs shall be funded before any allocation is made for streets and roads within the jurisdiction.**

[So, why don't COG's Directors define "reasonable" in terms of millions of dollars of subsidies. For example, they could limit the subsidies to \$9 million (level in 2001), or today's level (how many millions of dollars?), and say NO to any more wasteful deficit spending. In that way COG's Directors could place a cap, a ceiling on the waste. If they don't, where will it end?]

jpt

## Analysis of County Transit Primary Effects on San Benito County

### Pros:

- Subsidy recipients get welfare (minimal fares)
- COG employees get salaries and benefits (99% from taxes)
- MV Transportation, Inc.'s shareholders get profits (ditto)
- “”“”“ employees get union wages & benefits (ditto)

### Cons:

- Taxpayers pay 99% of all transit riders' costs
- Air pollution from empty buses (98% of seats move empty)
- Congestion added to highways and streets for no benefit
- Road surface maintenance costs increased for no benefit
- Private sector carriers put out of business, by COG's uncompetitive business practices of setting fares lower than total costs in violation of the Unfair Business Practices Act, which deters other carriers from entering the marketplace for carriage of passengers
- Conceals massive deficit spending with non-GAAP accounting methods (same as those used by Enron's executives)
- Hides taxpayers tax subsidies under "other revenue" in their financial statements
- Causes gas prices to be higher by robbing gas taxes from motorists to pay for mass transit boondoggles
- Undermines economy of the County by adding confiscatory levels of taxes&fees to pay for socialist mass transit, destroying the small and very small business owners' livelihoods, making housing unaffordable, and the County unlivable for tax payers (while subsidy recipients and trough feeders thrive under the current socialist policy)

JPT