



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

Agenda

**** JOINT MEETING AND FINANCE WORKSHOP****

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

May 22, 2008

▶▶ 8:00 a.m. ◀◀

James R. Mills Building
Board Meeting Room, 10th Floor
1255 Imperial Avenue, San Diego

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please call the Clerk of the Board at least five working days prior to the meeting to ensure availability. Assistive Listening Devices (ADLs) are available from the Clerk of the Board/Assistant Clerk of the Board prior to the meeting and are to be returned at the end of the meeting.

FINANCE WORKSHOP - 8:00 a.m.

**ACTION
RECOMMENDED**

1. Roll Call
2. MTS: Fiscal Year 2009 Budget Development
Action would receive a report on FY 2009 budget development and provide guidance.
3. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.
4. Adjournment

Receive

Please turn off cell phones and pagers
during the meeting



BOARD MEETING - Meeting will begin when the Finance Workshop ends.

4. a. Roll Call
- b. Approval of Minutes - May 8, 2008 Approve
- c. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please furnish a copy to the Clerk of the Board.

CONSENT ITEMS

6. MTS: San Diego and Arizona Eastern (SD&AE) Railway Company Quarterly Reports and Ratification of Actions Taken by the SD&AE Board of Directors at its April 29, 2008, Meeting Ratify
Action would: (1) receive the San Diego and Imperial Valley (SD&IV), Pacific Southwest Railway Museum Association (Museum), and Carrizo Gorge Railway, Inc. (Carrizo) quarterly reports; and (2) ratify actions taken by the San Diego and Arizona Eastern (SD&AE) Railway Company Board of Directors at its meeting on April 29, 2008.
7. MTS: Workers' Compensation Claims Administration Services Approve
Action would authorize the CEO to temporarily extend the contract period of CorVel Enterprise Comp, Inc. d/b/a HRMS (MTS Doc. No. G0843.3-03) through September 1, 2008. During the extended contract period, MTS anticipates issuing a new Request for Proposals (RFP) for Third-Party Administration Services for Workers' Compensation and awarding and executing a new services contract.
8. MTS: Transit Security Grant Program Approve
Action would approve Resolution No. 08-7 authorizing the CEO to submit applications for transit security grants funded by the federal Department of Homeland Security and administered through the State Office of Homeland Security.
9. MTS: ADA Paratransit Vehicle Acquisition Approve
Action would authorize the CEO to execute MTS Doc. No. B0499.0-08 with BusWest to purchase 50 Americans with Disabilities Act (ADA) paratransit vehicles utilizing the public agency/state contract with BusWest (Type II Specification of State of California Contract No. 1-06-23-15).
10. MTS: Regional Transit Management System - Contract Amendment Approve
Action would authorize the CEO to: (1) execute MTS Doc. No. G0867.5-03 with Motorola, Inc. for Regional Transit Management System (RTMS) warranty support services; and (2) MTS Doc. No. G0868.3-03 for reimbursement from North County Transit District (NCTD).

CLOSED SESSION

24. a. SDTC: CONFERENCE WITH LABOR NEGOTIATORS Possible Action
Pursuant to California Government Code Section 54957.6
Agency-Designated Representative - Jeff Stumbo
Employee Organizations - Amalgamated Transit Union Local 1309
and International Brotherhood of Electrical Workers Local 465
- b. MTS: CONFERENCE WITH LEGAL COUNSEL - EXISTING Possible Action
LITIGATION Pursuant to California Government Code section 54956.9(a)
MTDB v. RV Communities (California Supreme Court Case No. S133786)

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. MTS: Public Hearing on FY 2009 Budget-Related Service Changes Approve
Action would: (1) conduct a public hearing on the recommended budget-related
service changes for FY 2009; and (2) approve the changes for implementation in
June or September 2008.

DISCUSSION ITEMS

30. MTS: Automobile Leasing Services Approve
Action would authorize the CEO to award a contract (MTS Doc. No. G1146.0-08) to
Enterprise Fleet Services for nonrevenue automobile leasing services.

REPORT ITEMS

45. MTS: Year-to-Date Operations Budget Status Report Through March 2008 Receive
Action would receive the MTS Year-to-Date Operations Budget Status Report
through March 2008.
60. Chairman's Report Information
61. Audit Oversight Committee Chairman's Report Information
62. Chief Executive Officer's Report Information
63. Board Member Communications
64. Additional Public Comments Not on the Agenda
If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this
agenda, additional speakers will be taken at this time. If you have a report to
present, please furnish a copy to the Clerk of the Board. Subjects of previous
hearings or agenda items may not again be addressed under Public Comments.
65. Next Meeting Date: June 12, 2008
66. Adjournment

METROPOLITAN TRANSIT DEVELOPMENT BOARD
FINANCE WORKSHOP

ROLL CALL

MEETING OF (DATE): 5/22/08

CALL TO ORDER (TIME): 8:03 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 9:01 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		
CLABBY	<input checked="" type="checkbox"/> (Selby) <input type="checkbox"/>		
EMERY	<input type="checkbox"/> (Cafagna) <input type="checkbox"/>		<input checked="" type="checkbox"/>
EWIN	<input checked="" type="checkbox"/> (Allan) <input type="checkbox"/>	8:09 a.m.	
FAULCONER	<input type="checkbox"/> (Hueso) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MAIENSCHIEIN	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>	8:45 a.m.	
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input checked="" type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
MCLEAN	<input checked="" type="checkbox"/> (Janney) <input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/> (Downey) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (McCann) <input type="checkbox"/>		
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		
RYAN	<input type="checkbox"/> (B Jones) <input type="checkbox"/>		<input checked="" type="checkbox"/>
YOUNG	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>	8:22 a.m.	
ZARATE	<input type="checkbox"/> (Parra) <input type="checkbox"/>		<input checked="" type="checkbox"/>

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

Gail McClellan

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

Jefferson

NOT TURNED IN TO ACCOUNTING FOR THE PAYMENT OF FEES. ONLY THE ROLL CALL FOR THE FULL BOARD MEETING ON THIS DATE WAS TURNED IN FOR PAYMENT OF FEES.

**METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL**

MEETING OF (DATE): 5/22/08

CALL TO ORDER (TIME): 9:11 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:14 a.m.

RECONVENE: 9:29 a.m.

PUBLIC HEARING: 10:02 a.m.

RECONVENE: 11:07 a.m.

ORDINANCES ADOPTED: _____

ADJOURN: 11:44 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		10:43 a.m. during AI 25
CLABBY	<input checked="" type="checkbox"/> (Selby) <input type="checkbox"/>		
EMERY	<input type="checkbox"/> (Cafagna) <input type="checkbox"/>		<input checked="" type="checkbox"/>
EWIN	<input checked="" type="checkbox"/> (Allan) <input type="checkbox"/>		
FAULCONER	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>	9:54 a.m. during AI 25	11:35 a.m. during AI 25
MAIENSCHHEIN	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input checked="" type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
MCLEAN	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/> (Downey) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (McCann) <input type="checkbox"/>		
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		
RYAN	<input type="checkbox"/> (B. Jones) <input type="checkbox"/>		<input checked="" type="checkbox"/>
YOUNG	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		
ZARATE	<input type="checkbox"/> (Parra) <input type="checkbox"/>		<input checked="" type="checkbox"/>

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD Gail Williams

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL [Signature]

JOINT MEETING OF THE BOARD OF DIRECTORS FOR THE
METROPOLITAN TRANSIT SYSTEM (MTS),
SAN DIEGO TRANSIT CORPORATION (SDTC), AND
SAN DIEGO TROLLEY, INC. (SDTI)

May 8, 2008

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Mathis called the meeting to order at 9:01 a.m. A roll call sheet listing Board member attendance is attached.

Milestone Event

Chairman Mathis reported that today marked the day the trolley would be surpassing its 500,000,000th rider since the beginning of service in July 1981. He stated that an event would be held at 1:00 p.m. to mark this occasion and that a passenger would be randomly selected to represent the 500,000th rider. He stated that the media would be there and invited Board members to participate.

2. Approval of Minutes

Mr. Ewin moved to approve the minutes of the April 24, 2008, MTS Finance Workshop and Board of Directors meeting. Mr. McLean seconded the motion, and the vote was 10 to 0 in favor.

3. Public Comment

Clive Richard: Mr. Richard distributed a handout providing information on Route No. 14 service east of San Diego State University and proposing a schedule for a replacement shuttle for that section of the route. He stated that using a shuttle would be more economical than operating a full-size bus on this portion of the route.

CONSENT ITEM:

6. MTS: Investment Report (FIN 300)

Recommend that the Board of Directors receive a report for information.

Action on Recommended Consent Item

Mr. Emery moved to approve Consent Agenda Item No. 6. Mr. Clabby seconded the motion, and the vote was 9 to 0 in favor.

NOTICED PUBLIC HEARINGS:

There were no noticed public hearings.

CLOSED SESSION:

There were no Closed Session items.

DISCUSSION ITEMS:

30. MTS: MTS Access/ADA Suburban Paratransit Option Year (OPS 980.8)

Ms. Susan Hafner, Director of Contract Services, reviewed the particulars of the existing MTS/Access/ADA Suburban Paratransit contract and the reasons that staff was recommending renewal of an option year. She pointed out that the critical path for a procurement for this service would be over a year. Ms. Hafner added that this provider has on-time performance that exceeds 95 percent and then reviewed how the rates for this service compare with other operators. In response to a question from Mr. McClellan regarding passengers per trip, Ms. Hafner reported that this service carries 2.17 passengers per hour, which compares favorably to other providers. She added that anything over two passengers per hour is considered to be highly productive service in a large urban area.

Action Taken

Mr. Rindone moved to authorize the CEO to execute one option year for each of the following contracts with First Transit, inc.: (1) Americans with Disabilities (ADA) suburban/flex-paratransit services (in substantially the same format as Attachment A of the agenda item – MTS Doc. No. B0338.4-03); and (2) MTS Access services (in substantially the same format as Attachment B of the agenda item – MTS Doc. No. B0368.4-03). Mr. Emery seconded the motion, and the vote was 9 to 0 in favor.

**31. MTS: Construction and Maintenance Agreement for Park Boulevard Pedestrian Bridge
(SDAE 700)**

Ms. Tiffany Lorenzen, MTS General Counsel, advised the Board that she has been working very closely with the city attorney's office to negotiate the Construction and Maintenance Agreement for the Park Boulevard Pedestrian Bridge. She reported that the Centre City Development Corporation (CCDC) is building this bridge across the BNS&F tracks and six light-rail tracks and explained where the bridge would begin and end. She also explained that the provisions of the agreement cover both the construction and maintenance of the bridge. She then reviewed highlights of the agreement. She stated that the \$29,000 that MTS will receive from the City will cover the fair market value of the two easements outlined in the agenda item. She reported that the agreement requires the City to have \$15 million worth of general liability coverage and that MTS's insurance consultant has indicated this is appropriate given the nature of the construction and the project. Ms. Lorenzen stated that the agreement will only be terminated if the City fails to maintain its obligations under the Construction and Maintenance Agreement. She stated that, given the magnitude of the project and the size of the bridge, it was felt that it was appropriate not to include a 30-day termination provision.

In response to a question from Chairman Mathis regarding provisions in the agreement to prevent disruption of MTS light-rail service, Mr. Tim Allison, MTS Real Estate Manager, stated

that the bid package and specifications address this issue, and it is also addressed in the right of entry. Mr. Allison reported that both catenary poles will be relocated prior to construction of the bridge. He confirmed for Chairman Mathis that the bridge is being constructed well above the catenary wire.

In response to a question from Mr. Roberts, Ms. Lorenzen explained that the effected MTS property is very narrow and is not really developable without the adjacent properties and the city street. Mr. Monroe stated that people have been crossing the tracks in an unsafe manner for a long time at this location and expressed support for this project.

Action Taken

Mr. Monroe moved to direct the CEO to execute the Construction and Maintenance Agreement for the Park Boulevard Pedestrian Bridge and the related easements and right-of-entry permits, in substantially the same format as Attachment A of the agenda item. Mr. Ewin seconded the motion, and the vote was 10 to 0 in favor.

32. MTS: Increased Authorization for Legal Services (LEG 491)

Ms. Lorenzen reviewed the process that MTS uses to develop a list of qualified attorneys and reported that Wheatley Bingham & Baker is on this list. She reported that the CEO approved the original contract for \$100,000 with Mr. Bingham, who handles MTS's more serious cases. She added that Mr. Bingham is handling multiple cases for MTS that are scheduled to proceed to trial, and the total cost of the legal services will exceed the CEO's authority; therefore, staff is recommending adding \$75,000 to the current contract. Ms. Lorenzen advised Mr. Monroe that she does not provide case listings and related information for attorneys in open session. Mr. Monroe briefly discussed monitoring legal costs more closely given MTS's current financial circumstances and suggested that staff provide more information in future reports of this nature.

Action Taken

Mr. Ewin moved to authorize the CEO to enter into a contract amendment (in substantially the same form as Attachment A – MTS Doc. No. G1111.1-07) with the Law Offices of Wheatley Bingham & Baker for legal services and ratify prior amendments entered into under the CEO's authority. Mr. Young seconded the motion, and the vote was 10 to 0 in favor.

REPORT ITEMS:

45. MTS: Status Report on Fare Increase (S RTP 875)

Mr. Mark Thomsen, MTS Senior Transportation Planner, reported on the results of the fare changes that were implemented January 1, 2008. He reviewed the changes that were made and the goals of the adjustments - to raise revenues and simplify a system that consisted of 205 separate types of fares. He stated that fare revenues for January and February of 2008 were 17 percent higher than for the same period a year ago, and that ridership increased 1.4 percent. Mr. Thomsen pointed out that MTS's ridership numbers may have increased in part because of service changes that have been made and because of increases in fuel prices. He added that, because of leap year, there was an additional weekday of ridership included for February of this year. Mr. Thomsen reported that the elimination of transfers has caused monthly passes to become a more attractive option. He stated that the Board will be provided with quarterly updates on this matter.

Mr. Emery felt that the results were pretty remarkable given the short period of time since the fare increases were implemented.

In response to a question from Mr. McClellan, Ms. Sharon Cooney, MTS Director of Government Affairs and Community Relations, reported that the California Transit Association tracks ridership and revenue levels for other transit properties in California but that she did not have those figures at hand. Mr. Thomsen added that MTS's outside consultant projected an increase in ridership of 4.4 percent but that there was no way to identify how much of MTS's ridership and revenue increase was due to outside factors such as the increase in the cost of fuel. He added that transit properties are currently experiencing increases in ridership. In response to a question from Mr. Monroe, Ms. Cooney reported that there were no special events that would have positively influenced ridership numbers during this period of time.

Action Taken

Mr. Ewin moved to receive a report on the initial results of the fare-related changes that MTS introduced on January 1, 2008. Mr. Roberts seconded the motion, and the vote was 10 to 0 in favor.

60. Chairman's Report

The Chairman made no report.

61. Audit Oversight Committee Chairman's Report

Mr. Ewin reported that an Audit Oversight Committee will be having another meeting in the near future.

62. Chief Executive Officer's Report

APTA Bus and Paratransit Conference: Mr. Jablonski reported that he recently attended the APTA Bus and Paratransit Conference. He stated that there were a number of meetings on the reauthorization, most specifically regarding rail modernization funds. He stated that everyone is pursuing increased funding for the replacement of aging infrastructure, and San Diego will be competing with large cities such as New York for these funds. He stated that he attended a meeting about the APTA Annual Meeting and Expo, which will be held in San Diego, and that APTA personnel will be making a presentation to the MTS Executive Committee regarding this item. He also reported that Claire Spielberg, MTS Chief Operating Officer – Transit Services, and Bill Burke, SDTI Director of Security, participated on panels during the conference.

63. Board Member Communications

Dates of APTA Annual Meeting in San Diego: In response to a comment from Mr. Rindone, Mr. Jablonski reported that the APTA Annual Meeting will be held October 4 - 8. He stated that Board members will be invited to a VIP kick-off dinner on October 4 that will be attended by local officials and senior APTA staff. Mr. Rindone encouraged Board members to participate in the conference and requested that they be provided with a list of events. Mr. Clabby pointed out that promotional articles about this event are already appearing in transit-related periodicals.

Safe Route to School: Mr. Young thanked staff and Mr. Jablonski for encouraging MTS staff to go into his and Mr. Roberts' districts in support of the Safety Route to School Program. He stated that he was very impressed by MTS staff and the degree of their involvement.

Funding for Transit: In response to a question from Mr. McLean, Chairman Mathis explained that sales tax levels for transportation are approved by voters, and San Diego has not been successful at getting this type of measure passed. He also explained that the State legislature was able to transfer Transportation Development Act spillover funds to the General Fund because of a loophole in the legislation. Ms. Lorenzen reported that the California Transit Association litigated this issue, and the judge ruled that the legislation was not specific enough to prohibit them from doing this. Chairman Mathis added that Proposition 42 legislation, which reserves funds for transit, was written so that the legislature maintained its authority to "borrow" these funds.

64. Additional Public Comments on Items Not on the Agenda

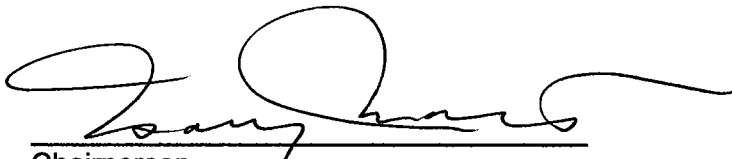
There were no additional public comments.

65. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, May 22, 2008, with a Finance Workshop starting at 8:00 a.m. followed by the Board meeting.

66. Adjournment

Chairman Mathis adjourned the meeting at 9:45 a.m.



Chairperson
San Diego Metropolitan Transit System

Filed by:



Office of the Clerk of the Board
San Diego Metropolitan Transit System

Approved as to form:



Office of the General Counsel
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

gail.williams/minutes

**METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL**

MEETING OF (DATE): 5/8/08

CALL TO ORDER (TIME): 9:01 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: _____

RECONVENE: _____

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 9:45 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input type="checkbox"/> (Hueso) <input type="checkbox"/>		<input checked="" type="checkbox"/>
CLABBY	<input checked="" type="checkbox"/> (Selby) <input type="checkbox"/>		
EMERY	<input checked="" type="checkbox"/> (Cafagna) <input type="checkbox"/>		
EWIN	<input checked="" type="checkbox"/> (Allan) <input type="checkbox"/>		
FAULCONER	<input type="checkbox"/> (Hueso) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MAIENSCHIN	<input type="checkbox"/> (Hueso) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input checked="" type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
MCLEAN	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/> (Downey) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (McCann) <input type="checkbox"/>		
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		
RYAN	<input type="checkbox"/> (B. Jones) <input type="checkbox"/>		<input checked="" type="checkbox"/>
YOUNG	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		9:41 a.m. during AI 63
ZARATE	<input type="checkbox"/> (Parra) <input type="checkbox"/>		<input checked="" type="checkbox"/>

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

Gail Williams

Off Counsel

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

