

EXECUTIVE COMMITTEE MEETING FOR THE
METROPOLITAN TRANSIT SYSTEM (MTS),
SAN DIEGO TRANSIT CORPORATION (SDTC),
AND SAN DIEGO TROLLEY, INC. (SDTI)

May 7, 2009

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

A. ROLL CALL

Chairman Mathis called the meeting to order at 9:22 a.m. A roll call sheet listing Executive Committee member attendance is attached.

B. APPROVAL OF MINUTES

Mr. Selby moved approval of the minutes of the March 19, 2009, Executive Committee meeting. Mr. Rindone seconded the motion, and the vote was 4 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

1. MTS: Compass Card Implementation (CIP 11457)

Mr. Paul Jablonski, MTS CEO, reported that the kick-off event for the launch of the Compass Card program was held May 1. He introduced Mr. James Dreisbach-Towle, SANDAG Principal Technology Program Analyst, and Ms. Colleen Windsor, SANDAG Communications Director, who provided Committee members with an update on the launch. Mr. Dreisbach-Towle reported that the replacement of paper passes with the Compass Card on the Coaster and Premium Express routes was well received. He added that the new system operated correctly on the Premium Express routes but that difficulties were encountered during the introduction on the Coaster because of limitations on the number of Compass Cards that can be automatically reloaded. He added the Cubic is currently working on a system upgrade to correct that limitation. He also added that Sprinter and Breeze customers will be introduced to this new program next and that regional passes will be introduced in the summer.

Ms. Windsor reported that staff members of the agencies have been serving as Ambassadors at the stations since the initial roll out of the Compass Card. She added that training of Workforce Partnership youth as Ambassadors will begin next week using economic stimulus funding. She thanked Mr. Roberts for his help in making this possible. Ms. Windsor advised Committee members that there are currently 175 third-party outlets for the sale of passes, which will be replaced with an agreement with Vons to sell Compass Cards at 56 stores starting June 20. She stated that SANDAG and MTS will receive \$800,000 from cobranding with Vons on Compass Card advertising. Mr. Rindone suggested that advertising for the Compass Card identify it as a transit pass until customers understand that's what it

is. Mr. Driesbach-Towle showed Compact Point of Sale hardware that will be installed in each of the Vons and reported that they will start with high-volume stores in low-income areas. He also reported that it will take two to three months to complete the installation of equipment in all of the stores.

Mr. Jack Boda, SANDAG Director of Mobility Management and Project Implementation, added that there are some issues with how the card is functioning and that he will be meeting with Paul and Tom Lichterman of North County Transit to work out problems with the "back office" operation and software package. He stated that full implementation of the Compass Card will be delayed until all issues have been corrected. Mr. Jablonski stated that North County Transit may be electing to delay introduction of the Compass Card on Sprinter and Breeze services. He reported that there have also been problems with customer-service call volume and that preparations must be made for handling the higher call volume that will occur when the Compass Card is fully rolled out.

Mr. Rindone reported that he made remarks about the Compass Card at a recent San Diego Symphony Pops concert and was inundated with questions and positive comments afterward. In response to a question from Mr. Rindone, it was reported that two people cannot tap on with one card by tapping it twice. Mr. Jablonski stated that may be possible when cards with stored value are introduced.

Action Taken

Mr. Rindone moved to receive a status report on development and implementation of the Compass Card fare system. Mr. Selby seconded the motion, and the vote was 4 to 0 in favor.

2. MTS: Low-Floor System and Track Rehabilitation Project Status (OPS 970.2)

Chairman Mathis advised Committee members that regular updates will be given to the Executive Committee on this project and updates will be given to the Board as needed. Mr. John Haggerty, SANDAG Principal Engineer for Design and Project Management, provided an update on the LRT Rehabilitation and Low-Floor System Program. He provided an overview of the program, which consists of \$600 million worth of projects, including track and systems rehabilitation, eight-inch platforms at stations to accommodate low-floor cars, new low-floor vehicles, and improvements in freight capacity. He reviewed the staffing/consultant structure that has been established for the execution of these projects. He also reviewed the cost for each of the elements of the project. Mr. Wayne Terry, Chief Operating Officer – Rail, reported that, from an operations standpoint, the projects have been grouped to maximize efficiency and get as many elements going concurrently as possible.

Mr. Haggerty reported that an LRV management consultant will work with MTS staff to assist in the purchase process, monitor production, and commission LRV cars upon arrival. He added that HNTB will assist in the scheduling and integration of projects. He stated that the progress of the project can be monitored through the SANDAG web site - TransNet Dashboard. Mr. Haggerty then reviewed the

progress of each of the elements of the project to date reporting that design of the eight-inch platforms should begin this summer.

In response to a question from Mr. Selby, Mr. Haggerty reported that the replacement of contact wire will begin in the fall followed quickly with the crossovers and interlockings. Mr. Terry explained for Mr. Rindone how the line would be shut down during the replacement of contact wire. Mr. Selby requested that advance notice of these shut downs be given not just to customers, but to the respective jurisdictions. Chairman Mathis stated that press releases would be issued.

In response to a question from Mr. Rindone, Mr. Haggerty reported that Mr. Jay Sender, who had expertise in the area of LRVs, is no longer with SANDAG; therefore, a consultant with that expertise is needed. Mr. Jablonski pointed out that there was no in-plant inspection of the LRVs manufactured for the Mission Valley East project, which resulted in significant problems with the Federal Transit Administration relative to Buy America and other federal requirements. He reported that these problems are still being worked out. He also pointed out that Parsons Brinckerhoff has done all the work for Utah Transit on the 80-foot cars that MTS wants to purchase, and MTS will be able to take advantage of that experience. He reminded Committee members that MTS is exercising an option in Utah's contract for the purchase of these rail cars.

Mr. Jablonski thanked Mr. Haggerty and Mr. Boda for the systematic way in which this project is being approached. He pointed out that because MTS is the client, the project staffing structure reports to him. Mr. Haggerty stated that these projects are not engineering challenges – they are coordination challenges. Mr. Terry characterized these projects as the most aggressive MTS has ever undertaken.

Action Taken

Mr. Rindone moved to receive a report for information. Mr. Selby seconded the motion, and the vote was 4 to 0 in favor.

3. MTS: Zero-Emission Bus Program (AG 220.11)

Ms. Sharon Cooney, Director of Government Affairs, reviewed the background and elements of the Zero-Emission Bus (ZEB) Regulations passed in 2000. She stated that these same regulations required agencies to choose an alternative-fuel or diesel fuel path. She stated that MTS has done an excellent job of converting its fleet to Compressed Natural Gas under its alternative fuel path. She added that CARB has extended the deadline date for following these regulations until 2012 to allow the technology to adequately develop. She stated that ZEB buses are extremely expensive, have durability issues, have reduced reliability, and require expensive infrastructure. She added that CARB will be reviewing this program in July and will be proposing amendments.

Mr. Roberts stated that the July meeting of CARB is going to be in San Diego and suggested that Mr. Jablonski make remarks at that meeting. Mr. Roberts felt that electric-powered vehicles will develop faster than hydrogen-powered vehicles. Mr. Jablonski stated that a consortium has been developed to discuss battery-powered vehicles, but there are multiple issues associated with this option.

Mr. Jablonski stated that MTS has not yet completed its alternative fuel path of CNG and prefers not to switch to yet another new power source. He stated that MTS stepped up a long time ago, and there are others who have not started yet.

Action Taken

Mr. Selby moved to receive a report on the California Air Resources Board Zero-Emission Bus Requirements. Mr. Rindone seconded the motion, and the vote was 4 to 0 in favor.

The Executive Committee convened to Closed Session at 10:16 a.m.

4. **MTS: CLOSED SESSION – CONFERENCE WITH REAL PROPERTY NEGOTIATORS** Pursuant to California Government Code Section 54956.8
Property: Assessor Parcel Nos. 487-261-03, 04, 05, 06, 07, 08, 12, 14, 15; 487-262-04, 07, 09; 487-271-01, 02; 487-272-10; 487-273-03, 06, 07, El Cajon, California; 567-031-26 and 567-190-29 Chula Vista, California
Agency Negotiators: Tiffany Lorenzen, Tim Allison
Negotiating Parties: Potential Qualified Developers
Under Negotiation: Price and Terms of Payment

The Executive Committee reconvened to Open Session at 10:56 a.m.

Oral Report of Final Actions Taken in Closed Session

Ms. Tiffany Lorenzen, MTS General Counsel, reported the following:

The Committee received a report and gave direction to staff.

D. REVIEW OF DRAFT March 26, 2009, BOARD AGENDA

Chairman Mathis pointed out that two agenda items have been added to the draft March 26, 2009, Board agenda as follows, and a revised agenda has been provided: Agenda Item No. 16: Acceptance of Donated PCC Car and Agenda Item No. 49: Update on San Diego Vintage Trolley, Inc. Activities.

Recommended Consent Items

6. **MTS: Increase Authorization for Legal Services** (LEG 491)

Recommend that the Board of Directors authorize the CEO to enter into MTS Doc. No. G1111.8-07 (in substantially the same form as Attachment A of the agenda

item) with Wheatley Bingham & Baker for legal services and ratify prior amendments entered into under the CEO's authority.

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

Recommend that the Board of Directors authorize the CEO to enter into MTS Doc. No. G1078.3-07 (in substantially the same form as Attachment A of the agenda item) with Ryan, Mercaldo & Worthington, LLP for legal services and ratify prior amendments entered into under the CEO's authority.

8. MTS: San Diego and Arizona Eastern (SD&AE) Railway Company Quarterly Reports and Ratification of Actions Taken by the SD&AE Railway Company Board of Directors at its April 21, 2009, Meeting (SDAE 710)

Recommend that the Board of Directors receive the San Diego and Imperial Valley Railroad, Pacific Southwest Railway Museum Association, and Carrizo Gorge Railway, Inc. quarterly reports (Attachment A of the agenda item); and (2) ratify actions taken by the SD&AE Railway Company Board of Directors at its meeting on April 21, 2009 (Attachment A of the agenda item).

9. MTS: Approve Resolution No. 09-19 and authorize the CEO to take Title to up to Ten Buses for the Buses on Shoulder System Project (S RTP 840.16)

Recommend that the Board of Directors approve Resolution No. 09-19 (Attachment A of the agenda item) and authorize the CEO to take title to up to ten buses for the Buses on Shoulder System Project using federal funds transferred from the San Diego Association of Governments.

10. MTS: Resolution No. 09-18 Authorizing the CEO to Accept a Grant Deed for the South Bay Maintenance Facility (AG 210.2, CIP 11026)

Recommend that the Board of Directors approve Resolution 09-18 (Attachment B of the agenda item) and authorize the CEO to accept a grant deed (Attachment C of the agenda item) from SANDAG for the South Bay Bus Maintenance Facility.

11. MTS: Audit Report – Security Process (LEG 492)

Recommend that the Board of Directors receive an internal audit report on MTS's security process.

12. MTS: Audit Report – SDTC Revenue Collection Process (LEG 492)

Recommend that the Board of Directors receive an internal audit report on the SDTC revenue-collection process.

13. MTS: Investment Report – March 2009 (FIN 300)

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

14. MTS: An Ordinance Amending Ordinance No. 4, An Ordinance Establishing a Metropolitan Transit System Fare-Pricing Schedule and an Ordinance Amending Ordinance No. 13, an Ordinance Regarding Prohibited Conduct Onboard Transit Vehicles and Prohibited Actions on or About a Transit Facility, Trolley Station, or Bus Stop (ADM 110.3)

Recommend that the Board of Directors (1) read the title of Ordinance No. 4 (Attachment A of the agenda item), An Ordinance Establishing a Metropolitan Transit System Fare-Pricing Schedule and Ordinance No. 13 (Attachment B of the agenda item), an Ordinance Regarding Prohibited Conduct Onboard Transit Vehicles and Prohibited Actions on or About a Transit Facility, Trolley Station, or Bus Stop; (2) waive further readings of the ordinance; (3) introduce the ordinances for further consideration at the next Board meeting on May 28, 2009; and (4) direct publication of an ordinance summary.

15. MTS: Semiannual Uniform Report of DBE Awards or Commitments and Payments (LEG 430)

Recommend that the Board of Directors receive the Semiannual Uniform Report of Disadvantaged Business Enterprise Awards or Commitments and Payments (Attachment A of the agenda item).

Recommended Consent Items

There was no additional discussion of the recommended Consent Items.

Recommended Board Discussion Items

There was no discussion of recommended Discussion Items.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

Ms. Cooney reported that SANDAG's Board of Directors will be holding an information session on Friday, March 8, on the proposed new fare ordinance and transit fares. She stated that during this session SANDAG and MTS staff members will be available to answer questions from Board members on the proposed new Regional Comprehensive Fare Ordinance and transit fares. Committee members were advised that Chairman Mathis, Mr. Jablonski, and Ms. Cooney will be present at this session. Mr. Jablonski stated that El Cajon Mayor Lewis mentioned the \$1 fare charged by transit in Hawaii during a recent SANDAG meeting, which generated some discussion at SANDAG regarding the simplification of fares.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

Election of Chair Pro Tem: Chairman Mathis reported that Mr. Fred McLean is no longer going to be able to serve on the MTS Board because of his illness. He stated that the Board will therefore have to elect a new Chair Pro Tem. Chairman Mathis stated that he was planning on discussing this matter with Tony Young to see if he would be interested in the position and that nominations will also be taken from the floor.

Mr. Jablonski stated that Mr. McLean's position on the Executive Committee would be taken by the next city in the rotation, which is National City, but that since National City is no longer sending its representative to MTS Board meetings, the position would rotate to Chula Vista represented by Jerry Rindone. Mr. Jablonski stated that Mr. Rindone will therefore fill out the remainder of Mr. McLean's term prior to the next rotation. He added that even if Imperial Beach appointed Mr. Janney as Mr. McLean's replacement on the MTS Board, he would not be eligible to serve on the Executive Committee until he serves for two years on the Board, a requirement imposed by the South Bay cities. Mr. Jablonski pointed that once the representative for the city skipped in the rotation has two years of experience, the rotation reverts back to that city. Mr. Jablonski stated that he has been planning to reach out to National City regarding their participation on MTS's Board. Mr. Rindone pointed out that National City is missing out on the opportunity for input regarding both bus and trolley services, which operate through National City. Chairman Mathis stated that he would reach out to National City Mayor Ron Morrison.

G. PUBLIC COMMENTS

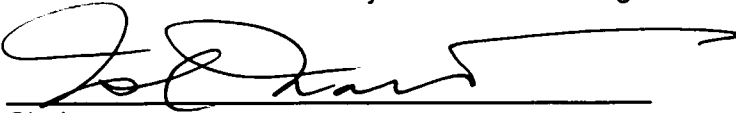
There were no public comments under this section of the agenda.

H. NEXT MEETING DATE:

The next meeting is scheduled for Thursday, May 21, 2009, at 9:00 a.m., in the Executive Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 11:05 a.m.



Chairman

Attachment: A. Roll Call Sheet

**EXECUTIVE COMMITTEE
METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

MEETING OF (DATE) 5/7/09 CALL TO ORDER (TIME) 9:22 a.m.
 RECESS _____ RECONVENE _____
 CLOSED SESSION 10:16 a.m. RECONVENE 10:56 a.m.
 ADJOURN 11:05 a.m.

BOARD MEMBER (Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
LIGHTNER <input type="checkbox"/> (Young) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MATHIS <input checked="" type="checkbox"/>		
MCLEAN <input type="checkbox"/> (Rindone) <input type="checkbox"/>		<input checked="" type="checkbox"/>
RINDONE (VC) <input checked="" type="checkbox"/> (McLean - CPT) <input type="checkbox"/>		
ROBERTS <input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		
SELBY <input checked="" type="checkbox"/> (Ryan) <input type="checkbox"/>		
Transportation Committee Rep Slot (Mathis)		

SIGNED BY OFFICE OF THE CLERK OF THE BOARD Gail Williams
 CONFIRMED BY OFFICE OF THE GENERAL COUNSEL: [Signature]