

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

July 16, 2009

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Mathis called the Board meeting to order at 9:02 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. Ewin moved to approve the minutes of the June 25, 2009, MTS Board of Directors meeting. Mr. McClellan seconded the motion, and the vote was 9 to 0 in favor.

3. Public Comments

There were no Public Comments.

CONSENT ITEMS:

Ms. Tiffany Lorenzen, MTS General Counsel, clarified for the Board that approval of Consent Agenda Item No. 6, would permit MTS to exercise the 2 one-year options at its own discretion without returning to the Board for approval.

Chairman Mathis pointed out that a revised Consent Agenda Item No. 13 had been placed at each Board member's place reflecting that \$5.6 million, not \$5.8 million, would be transferred from the Blue Line Rehabilitation Project (CIP 1210001) to MTS fiscal year 2010 operations

6. MTS: LRV Paint and Body Rehabilitation, Vandalism, and Accident Repair – Contract Award (OPS 970.6)

Recommend that the Board of Directors authorize the CEO to execute MTS Doc. No. L0884.0-09 (in substantially the same form as Attachment A of the agenda item) with Carlos Guzman, Inc. for a three-year base period with 2 one-year options for light rail vehicle paint and body rehabilitation, vandalism, and accident repair services.

7. MTS: LRV Hi-Rail Vehicle – Contract Award (OPS 970.6)

Recommend that the Board of Directors authorize the CEO to execute MTS Doc. No. L0874.0-09 (in substantially the same form as Attachment A of the agenda item) with Dion International Truck, LLC for a one-time purchase of a hi-rail vehicle.

8. MTS: Proposed Policy No. 60 – Ticket Distribution (ADM 110.2)

Recommend that the Board of Directors adopt MTS Policy No. 60 regarding ticket distribution (Attachment A of the agenda item).

9. MTS: Investment Report – May 2009 (FIN 300)

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

10. MTS: Increased Authorization for Legal Services – Trovillion Inveiss Ponticello & Demakis, APC (LEG 491)

Recommend that the Board of Directors authorize the CEO to execute MTS Doc. No. G1139.4-08 (in substantially the same form as Attachment A of the agenda item) with Trovillion Inveiss Ponticello & Demakis, APC for legal services and ratify prior amendments entered into under the CEO's authority.

11. MTS: Increased Authorization for Legal Services – Wheatley Bingham & Baker (LEG 491)

Recommend that the Board of Directors authorize the CEO to execute MTS Doc. No. G1111.10-07 (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.

12. MTS: Increased Authorization for Legal Services – Law Offices of Mark H. Barber, APC (LEG 491)

Recommend that the Board of Directors authorize the CEO to execute MTS Doc. No. G1162.5-08 (in substantially the same form as Attachment A of the agenda item) with the Law Offices of Mark H. Barber, APC for legal services and ratify prior amendments entered into under the CEO's authority.

13. MTS: Federal Economic Stimulus Supplemental Appropriations Act (CIP 1210001)

Recommend that the Board of Directors approve (1) the use of the Supplemental Appropriations Act for the American Recovery and Reinvestment Act (ARRA) of 2009 to fund MTS fiscal year 2010 operations; and (2) the transfer of \$5.6 million from the Blue Line Rehabilitation Project (CIP 1210001) to MTS fiscal year 2010 operations.

14. MTS: Capital Improvement Project (CIP) Budget Transfer and Contract Amendment (CIPs 11164, 11216, 11254)

Recommend that the Board of Directors authorize the CEO to (1) transfer \$1,000,000 from CIP 11164 (Rehabilitate Traction Motors) to CIP 11216 (LRV Electronics Components) and CIP 11254 (LRV Brake Overhaul) equally (\$500,000); and (2) execute MTS Doc. No. L0888.1-09 (in substantially the same form as Attachment A of the agenda item) to Knorr Brake Corporation for the procurement and assembly of brake overhaul kits for SD 100 light rail vehicles.

15. MTS: Federal Section 5307 Formula Funds for ADA Paratransit Service (FIN 340)

Recommend that the Board of Directors approve the exchange of \$3.6 million in capital federal Section 5307 formula funds for nonfederal operating dollars for Americans with Disabilities paratransit service.

Action on Recommended Consent Items

Mr. Ewin moved to approve Consent Agenda Item Nos. 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15.
Mr. Janney seconded the motion, and the vote was 11 to 0 in favor.

CLOSED SESSION:

24. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:05 a.m.

- a. MTS: CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to California Government Code section 54956.9(a) Balfour Beatty/Ortiz v. Metropolitan Transit System (Superior Court Case No. GIC 868963)
- b. MTS: CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a): Tuil v. SDTI, MTS, MTDB (San Diego Superior Court Case No. GIC 37-2008-0078029-CU-NP-CTL)
- c. MTS: CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a): Gladden v. SDTI, MTS (San Diego Superior Court Case No. GIC 37-2008-0082698-CU-PO-CTL)

The Board reconvened to Open Session at 9:52 a.m.

Oral Report of Final Actions Taken in Closed Session

Ms. Lorenzen reported the following:

- a. The Board received a report from General Counsel.
- b. The Board received a report from outside counsel.
- c. The Board received a report from outside counsel.

PUBLIC HEARING

25. There were no Public Hearings conducted.

DISCUSSION ITEMS:

There were no Discussion Items on the agenda.

REPORT ITEMS:

There were no Report Items on the agenda.

60. Chairman's Report

Chairman Mathis reported that a pin commemorating MTS's APTA award for Best Large Transit Property had been placed at each Board member's place. He added that a formal presentation with Bill Millar, APTA, will take place on July 30 in San Diego, and invitations will be sent to all Board members. He also reported that he and Jerry Rindone will be attending the APTA Annual Meeting where the formal presentation of this award will be made. He advised the Board that Mr. Paul Jablonski, MTS CEO, has had extensive meetings with employees, who were also provided with pins. He added that he and Mr. Jablonski expressed their gratitude during these meetings for the fine job done by the employees.

61. Audit Oversight Committee Chairman's Report

Mr. Ewin reported that the Audit Oversight Committee met on July 9 to receive a report on the initial review that was conducted by MTS's outside auditors. He reported that the auditors will complete their work in September. He added that the Committee's next meeting will be held in October.

62. Chief Executive Officer's Report

Ms. Sharon Cooney, Director of Government Affairs, reported on an incident that occurred at the Encanto trolley station on Wednesday, July 15, 2009, around 6:30 p.m.

63. Board Member Communications

There were no Board Member Communications.

64. Additional Public Comments on Items Not on the Agenda

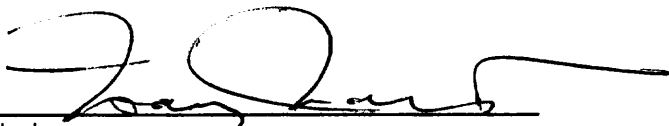
There were no additional public comments.

65. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, August 20, 2009.

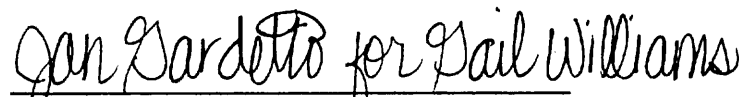
66. Adjournment

Chairman Mathis adjourned the meeting at 9:57 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): 7/16/09

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

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:07 a.m.

RECONVENE: 9:53 a.m.

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 9:57 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
BOYACK	<input checked="" type="checkbox"/> (Cunningham) <input type="checkbox"/>	9:07 a.m. during AI 24	
EWIN	<input checked="" type="checkbox"/> (Allan) <input type="checkbox"/>		
FAULCONER	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>	9:03 a.m. during Consent Agenda	
GLORIA	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>		
JANNEY	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>		
LIGHTNER	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input checked="" type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
OVROM	<input type="checkbox"/> (Denny) <input checked="" type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (Castaneda) <input type="checkbox"/>	9:02 a.m. during Consent Agenda	
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:10 a.m. during AI 24	
RYAN	<input type="checkbox"/> (B. Jones) <input checked="" type="checkbox"/>		
SELBY	<input checked="" type="checkbox"/> (England) <input type="checkbox"/>		
YOUNG	<input type="checkbox"/> (Emerald) <input type="checkbox"/>		<input checked="" 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]