

JOINT MEETING OF THE EXECUTIVE COMMITTEE FOR THE
METROPOLITAN TRANSIT SYSTEM (MTS),
SAN DIEGO TRANSIT CORPORATION (SDTC), AND
SAN DIEGO TROLLEY, INC. (SDTI)
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

October 21, 2010

MINUTES

A. ROLL CALL

Chairman Mathis called the Executive Committee meeting to order at 9:46 a.m. A roll call sheet listing Executive Committee member attendance is attached.

B. APPROVAL OF MINUTES

Mr. Rindone moved for approval of the minutes of the October 7, 2010, MTS Executive Committee meeting. Ms. Lightner seconded the motion, and the vote was 5 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

1. MTS: Federal Legislative Update

Peter Peyser of Blank Rome Government Relations and his colleague, Beth Boehlert, were present to provide the Executive Committee with an update on federal legislative matters. Mr. Peyser mentioned that he met with MTS, San Diego Association of Governments (SANDAG), and Parsons Brinckerhoff yesterday to discuss lobbying actions for the Mid-Coast project. He is predicting that the November election will bring about a change in the House of Representatives from Democrats to Republicans with 45 to 60 seats. He predicts the Senate will stay Democratic and, therefore, there will be gridlock to get major legislation passed.

Mr. Peyser said that most likely Chair of the Transportation and Infrastructure Committee in the House will be John Mica from Central Florida whom works well with Democrats to expand public transit. He feels that the Vice Chairman will be Tom Petri from Wisconsin, a moderate Republican, and feels that with two moderate Republicans leading the Committee, they will have the ability to pull people together and advance legislation. Mr. Peyser feels the main impediment is going to be taxation.

Ms. Boehlert predicts that there is going to be gridlock for the Safe, Accountable, Flexible, Efficient Transportation Equity Act (SAFETEA-LU) that is up for reauthorization. The bill expired on September 30, 2009, and has since been extended and will most likely be extended again because there is no talk of funding a new bill. She mentioned that on Labor Day, President Obama made a speech proposing a 6-year, \$50 billion infrastructure program to help stimulate the economy. The bill would be front-loaded with an infusion of cash and pushed through the National Infrastructure Reinvestment Bank. President Obama raised the infrastructure program again on Columbus Day but stayed silent on the finance issue, and so it seems unlikely that an agreement on long-term funding will be reached.

Mr. Peyser explained that getting significant funding for programs is unlikely and hard to predict for the 2012 budget. He explained that the Mid-Coast project is in the process of getting approval for preliminary engineering, and regional funds are available to keep advancing the project-federal funding is not yet a problem. It is going to be crucial for the success of the program that federal funds be available to fund at least 50% of the cost of the project for the calendar year 2014. Mr. Peyser stated that other projects that are closer to completion that require federal funds should be concerned, but the Mid-Coast project is not cause for immediate concern. He stated that it is very important that SANDAG and MTS work to get preliminary engineering started and completed enough to name the project in the February 2012 reporting because, at that stage, a federal rating is given for project. He feels that the project dates coincide well with federal funding for 2012 and that it is important to reach out to congressional representatives and give them a sense of ownership for the Mid-Coast project to increase the chance of funding.

Ms. Boehlert discussed the \$0.50 a gallon compressed natural gas (CNG) tax credit extension. She explained that the tax credit expired on September 30, 2009, and currently the problem is finding a way to pay for the extension. She indicated that both parties have said that dealing with the Bush tax cuts and tax extenders are two issues that they want to address. She mentioned that what may happen is that the tax credits are extended retroactively only for the year 2010.

Cliff Telfer, Chief Financial Officer, stated that MTS did not include any tax credits in the 2010 budget.

Mr. Cox stated the Transportation Efficiency Acts have usually been six-year bills and wanted to know if the bill will be a six-year bill again even if it is not passed in 2012 or 2013. Mr. Peyser responded that if the bill gets passed two years late, then the bill will only be active for four years. He explained that the Obama Administration has said for fiscal year 2010, the domestic spending program will be frozen for three years, and the Transportation Department is working from that assumption.

Mr. Selby questioned if there was any talk about expediting monies directly to the county level organizations, such as SANDAG, instead of going through the State Capitols. Mr. Peyser mentioned that the Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grant Program was developed to jump-start regional project funding. He explained that SANDAG had received a \$20.2 million grant last year for the border project.

Action Taken

Mr. Rindone moved to receive an update from MTS's Washington representative. Ms. Lightner seconded the motion, and the vote was 5 to 0 in favor.

D. REVIEW OF DRAFT OCTOBER 28, 2010, JOINT BOARD AGENDA

Recommended Consent Items

6. MTS: Adoption of 2011 MTS Executive Committee and Board of Directors Meeting Schedule

Action would adopt the 2011 Executive Committee and Board of Directors meeting schedule.

7. MTS: Aerial Platform Truck Equipment and Accessories - Contract Award

Action would authorize the CEO to execute MTS Doc. No. L0978.0-11 with Terex Utilities for the procurement and installation of aerial platform truck equipment and accessories.

8. MTS: Federal Transit Administration 5316 Grant Applications

Action would approve Resolution No. 10-24 authorizing the CEO to submit applications for fiscal years 2011 and 2012 Job Access and Reverse Commute (JARC) for Non-Urban (Rural) Areas Federal Transit Administration (FTA) Funding 5316. The total amount of the application is \$844,797.

Recommended Consent Items

There was no additional discussion of the recommended Consent Items.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

Sharon Cooney, Chief of Staff, mentioned that the SANDAG Transportation Committee meeting last week was conjoined with the Regional Planning Committee to discuss the RTP plan. She mentioned that a very lively discussion occurred between members, and there is expected to be another lively discussion at the SANDAG Board meeting tomorrow. Mr. Selby expressed his concern for MTS priorities and long-term planning.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

There were no Committee Member communications.

G. PUBLIC COMMENTS

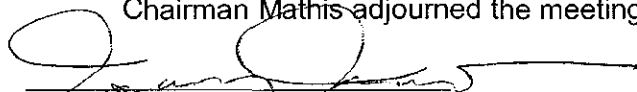
There were no public comments.

H. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for Thursday, November 4, 2010, at 9:00 a.m. in the Executive Committee Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 10:38 a.m.


Chairman

Attachment: A. Roll Call Sheet

**EXECUTIVE COMMITTEE
METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

MEETING OF (DATE) October 21, 2010

CALL TO ORDER (TIME) 9:46 AM

RECESS _____

RECONVENE _____

CLOSED SESSION _____

RECONVENE _____

ADJOURN 10:38 AM

BOARD MEMBER (Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
LIGHTNER <input checked="" type="checkbox"/> (Young) <input type="checkbox"/>		
MATHIS <input checked="" type="checkbox"/>		
Imperial Beach Rotated to Chula Vista		
RINDONE (VC) <input checked="" type="checkbox"/> (Young - CPT) <input type="checkbox"/>		
ROBERTS <input type="checkbox"/> (Cox) <input checked="" 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: Valerie Vizkelit

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL: [Signature]