

1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619/231-1466 FAX 619/234-3407

Agenda

Board of Directors Meeting

February 12, 2004

9:00 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 (ALDs) 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.

ACTION RECOMMENDED

- 1. Roll Call
- 2. <u>Approval of Minutes</u> January 29, 2004

Approve

3. Public Comment – 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 - RECOMMENDED BY THE CHIEF EXECUTIVE OFFICER (indicated by *)

4. Controller's Report November 2003

Action would receive the Controller's Report for November 2003.

Receive

* 5. <u>Metropolitan Transit System (MTS) Operators Budget</u> Status for November 2003

Action would receive the MTS Operator Budget Status for the month of November 2003.

Receive

Member Agencies:

City of Chula Vista, City of Coronado, City of Et Cajon. City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of San Diego, State of California

Metropolitan Transit Development Board is Coordinator of the Metropolitan Transit System and the Taxicab Administration
Subsidiary Corporations: San Diego Transit Corporation. San Diego Trolley, Iric., and San Diego & Arizona Eastern Railway Company

6. San Ysidro Intermodal Transportation Center Project: Request for Substitution of DBE Subcontractor

Action would authorize the CEO to: (1) find that Stacy and Witbeck, Inc., made sufficient good faith efforts in attempting to replace Sapper Construction, the DBE subcontractor; and (2) approve Stacy and Witbeck, Inc.'s request to replace Sapper Construction with a subcontractor acceptable to MTDB or perform the work itself.

Approve

7. General Engineering Consultant (GEC) Work Orders and Work Order Amendments

Action would authorize the CEO to execute work orders and work order amendments with the GEC, Berryman & Henigar, for the Mission Valley East LRT Project to provide project management assistance, to review environmental planning documents, and to monitor hazardous materials/waste handling activities.

Approve

Two Years of Additional Service Credit with the Public Employees Retirement System (PERS)

Action would adopt Resolution No. 04-1, designating a time frame for retirement and MTDB positions eligible for two years of additional service credit based on mandatory transfers to the new consolidated agency (SANDAG) and approve consolidation of the Human Resources functions of MTS with those of SANDAG.

Approve-Res. 04-1

NOTICED PUBLIC HEARINGS

25. None

NOTE: A FIVE-MINUTE RECESS WILL BE TAKEN AT APPROXIMATELY 10:30 A.M.

DISCUSSION ITEMS

30. <u>Finance Workshop: FY 04 Mid-Year Budget</u> Amendment

Actions would: (1) adopt Resolution No. 04-2, amending the FY 04 budgets of MTDB, SDTC, SDTI, MTS Contract Services, Chula Vista Transit, and National City Transit; and (2) approve the transfer of Transportation Development Act (TDA) 10 percent funds to SANDAG.

Approve

31. Transit Workshop: Policy Review

Action would approve the proposed changes to MTD Board Policy Nos. 11 through 21.

Approve

44. Chairman's Report

Possible Action

45. Chief Executive Officer's Report

Information

- 46. Board Member Communications
- 47. <u>Additional Public Comments on Items Not</u> on the Agenda

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.

Possible Action

48. Closed Session Items

(Note to Board Members: Reports on closed session items are available for review in advance of the meeting in the General Counsel's office.)

Information

- 49. Oral Report of Final Actions Taken in Closed Session
- 50. Next Meeting Date February 26, 2004
- 60. Adjournment -

To San Diego Transit Corporation Board of Directors Meeting

SStroh A-04-FEB12.BD 2/6/04

METROPOLITAN TRANSIT SYSTEM BOARD ROLL CALL

MEETING OF (DATE): February 12, 2004				CALL TO ORDER (TIME): 9:02 a.m.			
RECESS:				RECONVENE:			
CLOSED SESSION:				RECONVENE:			
ORDINANCES AD	OPTED	:		ADJOURN:	10:05 a.m.		
BOARD MEMBER (Alternate)				PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)		
ATKINS	Ø	(Vacant)		10:14 a.m. during SDTC consent calendar			
CLABBY	Ø	(Jones)					
EMERY	Ø	(Cafagna)					
INZUNZA	Ø	(Ungab)			10:30 a.m. during SDTC discussion item		
KALTENBORN	Ø	(N/A)			·		
LEWIS, Charles	Ø	(Vacant)					
LEWIS, Mark	Ø	(Santos)					
MAIENSCHEIN		(Vacant)		·			
MATHIS		(N/A)			✓		
MONROE	Ø	(Tierney)					
RINDONE	Ø	(Davis)					
ROBERTS	Ø	(Cox)		9:55 a.m. during discussion of Al 31			
ROSE	Ø	(Janney)		10:02 a.m. during Board member comm.			
RYAN	Ø	(Dale)		9:06 a.m. during public comments			
STERLING	Ø	(Ewin)					
WILLIAMS	Ø	(Vacant)					
ZUCCHET	Ø	(Vacant)		9:53 a.m. during discussion of Al 31			
SIGNED BY THE O	FFICE	OF THE CLER	K OF TH	IE BOARD Litricia	a Smal		
CONFIRMED BY _	•	wan	P	mplin			

PSmith/BOARD-EC BDRLCALL-04FEB12 - 2/12/04

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

BOARD OF DIRECTORS MEETING

JANUARY 29, 2004

BOARD OF DIRECTORS MEETING ROOM, 10TH FLOOR 1255 IMPERIAL AVENUE, SAN DIEGO

MINUTES

1. Roll Call

Chairman Williams called the meeting to order at 9:08 a.m. A roll call sheet is attached listing Board member attendance.

2. Approval of Minutes

Mr. Emery moved to approve the minutes of the January 15, 2004, Board of Directors meeting. Ms. Sterling seconded the motion, and the vote was 10-0 in favor.

PUBLIC SPEAKERS ON ITEMS NOT ON THE AGENDA

3. Public Comment

<u>Chuck Lungerhausen</u> – Mr. Lungerhausen said that he is a troubled transit rider. He is concerned when the Board makes a decision about a new paint scheme contrary to what the public wants, especially when it was decided to remove advertising from the vehicles. He wanted to know if the Board had a plan to replace the lost advertising revenue. He wondered how riders would view future fare increases with the Board's financially irresponsible behavior. He did not recall anyone complaining about the paint scheme, only whether the buses are on time and reliable. Mr. Jablonski explained that there was an overriding consensus of the survey respondents that the change would be a positive one. There was a relatively close split on the design options. We would not be proceeding immediately on the new paint scheme, only when new buses are ordered, so the costs should be fairly insignificant. Mr. Jablonski also noted that we are exploring other potential advertising revenue sources and strategies to recover the loss from discontinuing exterior advertising on the buses.

<u>Teresa Quiroz</u> – Ms. Quiroz said that she attended the November 13, 2003, Board of Directors meeting and asked for changes to be made to current policy documents on the qualifications for a disabled bus pass. She believes the results of a staff review are being provided to the Board today. She stated that the procedures had been redrafted to direct her concerns, the applicable regulations, and the attitude of the staff toward disabled riders. All involved with the process were in agreement that the update was infinitely better. She noted that Interim General Counsel Tiffany Lorenzen was extremely helpful, pleasant, and professional at all times in her dealings with her. She thanked staff for being so responsive. She would like the Board to approve the procedural changes.

Clive Richard – Mr. Richard said he realized he hadn't had the opportunity to officially welcome Mr. Jablonski as the new Chief Executive Officer (CEO), and he wanted to join with the Board in acknowledging that Mr. Jablonski was indeed the right man for the job. Mr. Richard said he is not sure where we are going, with state and federal decisions being made, and there are other decisions being made outside this room. We will try to get to the future. He stated that he had heard that operations were a lot like watching grass grow. However, whenever he sees a well-manicured lawn, he is grateful for the people who are willing to pay attention to the details. He mentioned the state motto of South Carolina, and said that his motto must be: "While I breathe, I irritate." He hoped it was a minor irritation.

CONSENT ITEMS

4. Grossmont Trolley Station Joint Development Project (LEG 460, PC 30100)

Action would receive a status report on the Grossmont Trolley Station Joint Development Project.

5. Controller's Report for October 2003 (FIN 305, PC 30100)

Action would receive the Controller's Report for October 2003; and approve keeping the Orange Line to Blue Line Connection Project at MTS.

6. <u>Mission Valley East LRT Project: Design Contract Amendment</u> (CIP 10426.9)

Action would: (1) authorize a budget transfer from the TransNet Reserve line item to the Line Segment Design line item; and (2) execute an amendment with Mission Valley Designers (MVD) for the continuation of construction phase services.

7. MVE LRT Project: GCC Contract Amendments, Request for Subcontractor Substitution, CHP Construction Zone Enhanced Enforcement Program Agreement, Amendment, and Construction CCO (CIP 10426.7)

Action would: (1) execute a work order amendment with PGH Wong Engineering (PGH Wong) to provide construction management review, contract change order (CCO) review, and construction management support for the Mission Valley East (MVE) Light Rail Transit (LRT) Project; (2) execute a work order amendment with PGH Wong to provide construction management systems submittal review, systems contract review, and systems construction support for MVE railroad systems work; (3) approve a request from Modern Continental Construction Company, Inc. (MCC), to replace the subcontractor Sapper Construction Company with another subcontractor acceptable to MTS, or perform the work itself; (4) execute an agreement amendment with the California Highway Patrol (CHP) to continue to provide construction zone enhanced enforcement program (COZEEP) for the MVE Project; (5) execute a CCO with Clark Construction Group, Inc., for settlement of potential claims and disputes; and (6) execute a CCO with Balfour Beatty/Ortiz, Joint Venture for extra work for increased bid items of work for structural excavation and structural backfill on the MVE La Mesa Segment.

8. Construction Management Amendments: General Construction Consultants

Action would: (1) ratify the first one-year contract extensions with Berryman & Henigar, Boyle Engineering Corporation, Cruz Estrella's CADD and Drafting Services, Kleinfelder, J.L. Patterson & Assoc., Inc., and PGH Wong Engineering, Inc. (PGH Wong); (2) authorize the CEO to execute the second one-year option to extend the General Construction Consultant (GCC) contracts with the above consultants; and (3) authorize the CEO to execute an amendment with PGH Wong for providing GCC services.

Chairman Williams noted that there was a request to remove item No. 4 from the consent calendar for a brief presentation. Ms. Sterling said that she requested Rachel Hurst, from the City's Planning Department, Dave Witt, the Assistant City Manager, and Ed McCoy, from Fairfield Development, to provide an update of the Grossmont Trolley Station Joint Development Project.

Ms. Hurst presented images that showed the site plan that Fairfield Development had provided for the Grossmont Center Trolley Station Joint Development Project site. There will be three stories of residential units over a parking structure. The proposed plaza site plan is basically the unimproved space under the bridge. Current access to the shopping center is a steep wooden staircase. The plan includes improved access, which will have an elevator and pedestrian access walkway. Other images were provided of the plaza and proposed apartment courtyard, which should include a swimming pool and community rooms.

Mr. Roberts said that he gives the project high marks. The nice thing is this seems to be happening all over the City. The City of La Mesa has done a good job dealing with density issues. Let's get this project underway.

Mr. Charles Lewis noted that the number of apartments was to be 450-550, with approximately 90 units designated for low-income families. He asked how that number was determined. Ms. Hurst said the City of La Mesa is asking for 15 percent of the total number of units to be designated in this fashion. The number could be different than 90.

Mr. Rindone added that the developer had done an excellent job and is to be commended.

Motion on Recommended Consent Items

Ms. Sterling moved to approve Consent Agenda Item Nos. 4, 5, 6, 7, and 8. Mr. Rindone seconded the motion, and the vote was 11-0 in favor.

NOTICED PUBLIC HEARINGS

There were no public hearing items.

DISCUSSION ITEMS

30. <u>Draft FY 2004-2008 Short-Range Transit Plan Review and Comment</u> (SRTP 810.04, PC 3004000)

Mr. Conan Cheung stated that the Short-Range Transit Plan (SRTP) was traditionally developed by the individual transit agencies. This has been consolidated to SANDAG, and staff is working on a regional SRTP.

The framework for short-range transit system improvements reflects the current financial and operating environment. Senate Bill (SB) 1703 provides the opportunity for consolidated transit development.

The purpose of the SRTP is to outline transit goals and objectives, to evaluate the transit system and identify unmet needs, to establish regional guidelines for short-range improvements, to move the transit system toward long-range regional goals, and to support funding programs and operating budget development.

The goals and objectives are to provide an efficient and effective service for current riders and to enhance the transit system to attract potential new riders.

We conducted a household survey in 2003 that showed 85 percent of the respondents have used transit, most are occasional riders, and 9 percent use transit regularly, which is at least once per week. Regular riders are within the lower income households or have low car ownership.

Our current riders, who are mostly transit dependent, would like to see faster and more reliable service, as well as better access to origins and destinations. Potential riders would also like faster and more reliable service, as well as a competitive travel experience.

The balanced improvement strategy would be to improve basic mobility for current riders, enhance speed and reliability of existing service for current and potential new riders, and to develop new services to attract potential new riders.

To improve basic mobility, the key findings were that there is a transit propensity located south of Interstate 8 (I-8), as well as in Oceanside and Escondido. Destinations were dispersed throughout the region.

There are geographic gaps in service at Carmel Valley to University Towne Centre, Mid-City to Mission Valley, internal travel within downtown San Diego, within National City and San Ysidro, South Bay to Old Town/Fashion Valley Express, and service to new residential neighborhoods in San Elijo Hills, South Carlsbad, and eastern Chula Vista.

One way to improve basic mobility would be to have an increased level of service. Recommendations would be earlier northbound weekday service on the Coaster, weekend service on the Coaster, night and weekend service on express routes, night and weekend service in National City and San Ysidro, and enhanced summer service on Routes 9 and 34. For quality of service, we need to improve on-time performance and overcrowding.

The FY 05 Service Implementation Plan includes 20 proposals: 7 weekday frequency improvements, 11 weekend frequency improvements, and 2 route extensions. It would require \$2 million in annual operating subsidies, and implementation is contingent on service evaluation and prioritization policy and funding, either new and/or a reallocation of funds.

Transit First is one step for improving speed and reliability. This would include signal priorities, queue jumpers, High-Occupancy Vehicle (HOV)/Managed shoulder lanes, and exclusive bus lanes. It could also include bus stop consolidation.

To develop new service in the short term would include corridor and regional service currently under development. These are the Mission Valley East trolley extension, which would connect the Blue and Orange Lines from Mission San Diego to Grossmont and complete the loop; the Sprinter, a new east/west rail service from Oceanside to Escondido; the I-15 Managed Lanes/Bus Rapid Transit (BRT), a managed lane facility from state Route (SR) 78 to SR 163, including three new stations; and a showcase project, which would be BRT service from San Diego State University to downtown San Diego via El Cajon and Park Boulevard.

Mid-term corridor and regional service includes the Mid-Coast Early Action Plan, which would be a "Super Loop" BRT circulator in the University of California, San Diego (UCSD)/University Towne Centre (UTC)/Sorrento Mesa area; South Bay Early Action, which includes BRT service from Otay Mesa and eastern Chula Vista to downtown San Diego; and the North County Transit First Project, which is still being determined—possible service would be Vista to Oceanside (Route 303) or Escondido to North County Fair (Route 350).

Neighborhood services being considered would be Downtown San Diego Circulators, which would be internal circulation between residential communities and downtown destinations; the Pacific Beach/Mission Bay Circulator, a circulator connecting Old Town with attractions of Pacific Beach and Mission Bay; and the Nobel Coaster Station Feeder Service, which is a feeder and distributor service to/from the new Coaster station at Nobel Drive.

In looking and moving toward the future and Mobility 2030, we begin with the SRTP to provide basic mobility, move into the mid-range projects to enhance the existing system, then long-range plans to develop new services.

A public hearing on the SRTP was held at the January 16, 2004, San Diego Association of Governments (SANDAG) Transportation Committee meeting; however, staff would take any comments from the MTS Board to the Transportation Committee.

Ms. Atkins said she read the report with great interest. She had some general comments. Page 4-8 referenced the increasing number of aging citizens dependent on transit, and she wanted to amplify the importance of the transit service to serve this age group. Page 6-3 noted that there is little direct service connecting Mission Valley and Mid-City. She felt trolley service doesn't serve the most densely populated areas. We need adequate connections to help people get to where they want to go. Page 6-11 says that regional corridor service provides the backbone of future transit network, and talks about three areas where these need to be developed. It overlooks the circulators needed to make the Showcase Project function in the neighborhoods it will pass through. Community residents have made it clear that the Showcase Project does not serve them without Green Car service. She would like to see the Green Car network included in the plan. Mr. Cheung said he would incorporate Ms. Atkins comments into the final SRTP.

Mr. Rindone acknowledged Ms. Atkins insight with regard to the need to have the routes to connect our services. It isn't just addressing the main areas for additional routes, but ensuring we have the total infrastructure.

Ms. Atkins stated that it was true that SANDAG would be responsible for sending money over for our budget. She feels our relationship with SANDAG is even more important and hopes we will not have to reduce our services even more.

Mr. Rindone said he is pleased to have these issues aired, and our SANDAG relationship is even more critical. We are a policy board for the operation, and our role is to ensure the relationship is maintained. We need to be certain we have the funds that are needed.

Mr. Emery noted that four members of the MTS Board sit on the SANDAG Transportation Committee, and we need to make sure that transit is considered on that committee. We need to be united and know which direction we are going. Major input is done as a whole.

Ms. Sterling asked what percentage of the TransNet reauthorization is being allocated for operations. Mr. Roberts said that a final figure has yet to be determined. Ms. Sterling said the MTS Board members have experienced the lack of operation funding. This time we need to establish a long-range operations percentage. We cannot continue to build or escalate fares and not have operational funding available. Mr. Roberts noted that he had been arguing that point for a few years. It is clear that as we mature as a transit agency, there is less need for construction and more need for operations. He has been arguing constantly that the old formula has not been working for some time.

Public Comment

Nathan Johnson, Vice President of Amalgamated Transit Union (ATU), Local 1309 – Mr. Johnson stated that last year the ATU worked hard to get the formula changed. There was great disappointment in getting the change but no funds going to San Diego Transit Corporation (SDTC). He said the union president is working for the same things. He is at the SANDAG retreat to present the need for implementing within the budgets that funds will be available for transit. He would like to see that funds appropriated go to where they need to go, which is operations. We can't leave the entity starving for cash forever. He wants to work with the Board.

Mr. Jablonski said that it was gratifying so see the concern of the Board. It will be a challenge. We need to be sure we are well represented. He noted that one of our best allies is the over 300,000 people that ride the transit system each day. They rely and depend on the system and are a strong voice. The need to be included. History has shown that capital projects were planned, but didn't take into account the cost to operate them. Future TransNet funding will include capital projects, but also include projected operating expenses that go along with them.

Mr. Rindone noted that when new services are added, we have a different system for at least three years. These new service can't compete with older, established lines. We also need to be aware that the full SANDAG Board may not see new service as their first priority. We have an obligation to the citizens. As the systems are built, they are expected to be operated.

Mr. Roberts said that it is correct to meet the voter obligation. The ridership expects the system to be run well. They want efficiency, access, timeliness, safety, and security. We need to make sure those routes are there.

Action Taken

Mr. Emery moved to approve the draft FY 2004-2008 SRTP with the comments noted. Ms. Atkins seconded the motion, and the vote was 12-0 in favor.

31. Transit Workshop: Policy Review (ADM 110.2, PC 30100)

Ms. Lorenzen said that the Board asked staff to conduct a comprehensive review of all MTD Board Policies and Ordinances, taking into consideration the consolidation efforts and eliminating those policies that are no longer necessary. Since there are multiple policies, it was decided to break them into sections. Today we would be reviewing policies No. 1 through No. 10, and Policy No. 42.

Policy No. 1, "Rail Transit Feasibility Principles," is essentially MTDB's Mission Statement. The purpose of Policy No. 1 is to establish concise design principles. Staff's recommendation is to repeal the policy since these functions will be conducted at SANDAG.

Policy No. 2, "Citizen Participation," involves the community in proposed transit improvements and construction. It is a requirement of Government Code Section 14085. We are recommending that we retain this policy through the completion of the construction projects staying with MTS, with minor typographical changes. We can reassess this policy at a later date.

Policy No. 3, "Environmental Quality," ensures that all MTDB projects comply with environmental regulations. We recommend that we retain this policy indefinitely.

Policy No. 4, "Design Preparation Plans, Specifications, and Estimates," provides general guidelines for the preparation and approval of construction documents. We recommend that this policy be retained through the completion of MTS construction projects.

Policy No. 5, "Construction and Procurement Contract Change Orders," establishes terms and conditions for change orders on construction and procurement contracts. The recommendations are to retain this policy through the completion of MTS construction projects, remove references to procurement contracts, and make minor typographical changes.

Policy No. 6, "Construction Contract Administration and Contractor Assurances," provides guidance on the administration of construction contracts. This is also a requirement of Government Code Section 14085. Our recommendation is to retain this policy until the MTS construction projects are completed, with minor typographical changes.

Policy No. 7, "Quality Assurance/Quality Control," provides guidelines for the delivery of capital projects that meet or exceed MTS's expectations and specifications. This is required for Federal Transit Administration (FTA)-funded projects costing \$5 million or more. It is recommended that we retain this policy through the completion of MTS construction projects, with minor typographical changes.

Policy No. 8, "Procurement of Supplies, Equipment, and Materials," establishes procedures for acquiring materials and goods. It is required by enabling legislation and FTA Circular 4220.1. Because MTS will continue to purchase supplies and materials, it is recommended to keep this policy indefinitely.

Policy No. 9, "Acquisition of Real Property Interests," is designed to expedite acquisition of real property and ensure consistent treatment of property owners. It is recommended to retain this policy indefinitely.

Policy No. 10, "Relocation Assistance Program," provides assistance to individuals and businesses relocated by MTS transit projects. It is required by Government Code, Section 7260. The recommendation is to retain this policy indefinitely, with minor typographical changes.

Because the financial faction is physically transferring to SANDAG at the end of January, Policy No. 42, "MTDB Signature Authority," is the only policy being taken out of order. Its purpose is to establish procedures for signing checks and contracts. Current signatories will no longer be housed at MTS. It is recommended to retain this policy indefinitely, with minor typographical changes.

Action Taken

Mr. Emery moved to receive the report and approve the proposed changes to MTS Board Policies and Procedures No. 1 through No. 10, and No. 42. Mr. Clabby seconded the motion, and the vote was 12-0 in favor.

32. Transit Workshop: Marketing and Community Relations (MKPC 600, PC 40050)

Mr. Gonzalo Lopez introduced Ms. Jessica Krieg, Marketing Coordinator II, to present the goals and functions of the Marketing and Community Relations Department.

Ms. Krieg showed a slide of the eight employees of the marketing and community relations department—Gonzalo Lopez, Director; Nancy Irwin, Advertising and Communications Manager; Julie Andrews, Communications and Design Manager; Lisa Peters, Communications Designer III; Chris Bell, Communications Designer III; Paulina Gilbert, Community Relations Coordinator II; Jessica Krieg; and Sheila Matias, Marketing Intern.

The overall goals of the department are to enhance our public image, increase public support for transit, increase systemwide ridership revenue, and leverage business and market opportunities.

The avenues to enhance the public image are the Easy Going campaign, APTA (PT²) campaign, MTS News newsletter, fare machine improvements, and system appearance and branding.

The Easy Going campaign included a 2003 advertisement campaign to improve the perception of MTS. We wanted to create clear brand identity for the bus and trolley that would include billboards, transit shelters, mall kiosks, bus boards, an electronic billboard, and radio and TV traffic tags.

The APTA campaign, "Wherever Life Takes You," is part of the Public Transportation Partnership for Tomorrow (PT²). This campaign is geared toward national awareness using TV and magazine print ads. It promotes the benefits and importance of transit to the public and influential persons. The message is "greater freedom, access, opportunity, and choice for Americans."

The MTS Newsletter is our onboard quarterly newsletter. We distributed 75,000 copies on MTS buses and trolleys. It serves as a passenger link to what's new, special events, and promotions; provides rider profiles; and much more.

For fare machine improvement, "smarter" fareboxes are to be installed on all MTS transit buses by February 2004. "Smart Cards" will look and work like debit cards. The faceplates and screen menus for new Trolley, Coaster, and Breeze ticket vending machines are being developed by in-house graphics.

To increase public support for transit, we use the following programs: Transit Safety library readings, the Teacher Education Program, Media Outreach, in-house advertising, the Honorable Ambassador Program, and public information outreach.

The Teacher Education Program provides teacher workshops, a Teacher Resource Manual, and outreach and community education events. With this program, we reach more than 8,000 elementary through high school students a year.

Our media outreach includes more than 50 press releases issued each year for service announcements, special events, personnel hires, new fares, and more. News releases are also posted on our website www.sdcommute.com. We also hold press conferences and provide radio, print, and TV interviews. In-house advertising includes production of TV spots, radio spots and jingles, traffic tags, print ads, and media buys.

We have Honorable Ambassadors made up of influence makers to increase awareness, support, and investment for public transportation. They include past members of the MTD, SDTC, and SDTI Boards of Directors, as well as the current MTS Board. We hold an annual lunch for all Honorable Ambassadors.

We receive over 500 information requests a year for information. We edit, print, and distribute 20+ collateral pieces and maps that include the Regional Transit Map, timetables, fact sheets, brochures, and more. This area is the core element of the budget and staff time.

The programs used to increase systemwide ridership and revenue include the Classroom Day Tripper Program; College Program; Visitor Program; websites, both www.sdcommute.com and www.sdcommute.com and www.sdcommute.com and www.sdcommute.com and sdcommute.com and Fransit Store; and Family Weekends and Friends Ride Free Programs.

The Classroom Day Tripper Program is used to provide discounted field trips using the MTS and North County Transit District buses, MTS Trolley, and Bay Ferry. More than 40,000 students a year use this program, and it generates over \$60,000 annually.

The College Program provides discounted semester passes. It is customized for 10 colleges and universities. It generates over \$500,000 in revenue a year.

Our Visitor Program provided discounted Day Tripper passes for large groups and conventions. The passes are customized and generate over \$90,000 a year. We partner with The San Diego Convention and Visitors Bureau on transit training.

Our website, <u>www.sdcommute.com</u>, was a 2003 first place APTA AdWheel Award winner. It receives 22,000 hits a day. It provides easy trip planning, along with current promotions, programs, and rider information. We have a new Spanish content site at www.transitosandiego.com.

The Transit Store provides public information and MTS fare media. Over 150,000 passes are sold annually. It generated \$6 million in FY 03. The store recently had a facelift with a new paint scheme and carpet. Memorabilia is also sold at this location.

The Family Weekends Program is where two children 12 and younger ride free with each fare-paying adult. This program is in effect every Saturday and Sunday. On major holidays, we have the Friends Ride Free promotion. This program allows two people to ride the bus or trolley for the price of one. Every one rides free on New Year's Eve.

The Business and Market Opportunities Programs include: the Employer Program, community outreach, High School Scholarship Program, partnerships with the Padres and the Chargers, the Holiday Bowl, the Super Bowl, and station promotions/events.

The Employer Pass Program (ECO Pass) provides discounts on monthly passes, generates over \$200,000 a year, and enhances the employer benefit packages. We present this program at transit fairs.

We participate in up to 20 annual events each year, including festivals, customer appreciation, trainings, parades, and more. We also have promotional giveaways and a partnership with the Coca-Cola Corporation.

Jury appreciation provides an incentive to commute to the courthouse via transit. There are over 1,000,000 summons mailed to residents annually with a positive transit message. There is also an annual Juror Appreciation event.

The High School Scholarship Program is a partnering effort with the Coca-Cola Company. This is an essay contest for all San Diego County high schools. There are 15 high school seniors that win a laptop computer and \$250. This program raises awareness on the benefits of public transit among our youth.

We have promotional programs with the Padres and the Chargers. We promote the Padres Express bus and trolley service and provide rider incentives. We include ads on the radio, TV, stadium screen, in brochures, and more. There were over 155,000 trolley riders to the stadium this Padres season. For the Chargers, we promote express bus and trolley brochures, provide custom bus and trolley season tickets, and have season ticket holder mailouts. We are included in the NFL Gameday Magazine editorial, Chargers Media Guide, and Tailgate Times. There are public address system announcements, scoreboard messages, and banners with the transit message. Over 110,000 fans rode the trolley to the stadium for Chargers games this season.

Other major invents include the Holiday Bowl and Super Bowl. For the Holiday Bowl, we carried over 11,000 riders to the stadium. We had commemorative Day Trippers as well as ads in the Holiday Bowl Newsletter, Team Manual, Game Day Program, and on the stadium scoreboard. We are a TV parade entry sponsor.

We also have station promotions for station groundbreaking and improvement events. Upcoming stations for such events include the San Ysidro Intermodal Transit Center, Sorrento Valley Coaster Station, Bay-to-Park/PETCO Park, and Mission Valley East.

Mr. Jablonski stated that this was a great presentation. It's obvious that the Marketing and Public Communications Department is involved in a number of activities and contribute to the positive reputation of the San Diego system.

Mr. Rindone concurred with Mr. Jablonski's assessment. He would like to have a campaign to encourage students to use the system when Mission Valley East opens to SDSU.

Action Taken

Mr. Rindone moved to receive a report describing ridership and promotional programs performed by the Market and Community Relations Department and to come back with an assessment of marketing strategies for the MVE opening. Mr. Emery seconded the motion, and the vote was 11-0 in favor.

44. Chairman's Report (ADM 110.1)

The Chairman had nothing to report.

45. Chief Executive Officer's Report (ADM 121.7, PC 30100)

Mr. Jablonski said that he would be going to Washington, D.C., with Mr. Gary Gallegos from SANDAG, NCTD representatives, City of San Diego representatives, and others to meet with elected officials and go over upcoming projects. He noted that if the Board members had anything to specifically address, to please let him know.

46. Board Member Communications (ADM 110, PC 30100)

Ms. Atkins wanted to thank Tiffany Lorenzen for responding so quickly on the issue that was brought up regarding The Transit Store disabled identification cards policy. The Board appreciates when staff responds quickly to the public's needs.

Mr. Rindone suggested that, in the next six months or so, Mr. Jablonski schedule to meet with each-of the City Councils in the area to introduce himself and update the Councils on what is happening with the Mission Valley East LRT Project. Ms. Sterling noted that would coincide with the election and could provide more awareness for the TransNet measure. Mr. Jablonski added that it is important to reemphasize the importance of transit, especially this year, not only to the councils, but the public.

47. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

48. Closed Session Items (ADM 122)

There were no closed session items.

49. Oral Report of Final Actions Taken in Closed Session (ADM 122)

There were no closed session items.

50. Next Meeting Date

The next meeting is scheduled for February 12, 2004, at 9:00 a.m. in the Board of Directors Meeting Room, 10th Floor, 1255 Imperial Avenue, San Diego, CA 92101-7490.

51. Adjournment

Chairman Williams adjourned the meeting at 10:21 a.m.

Chairman

San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Office of the Clerk of the Board

San Diego Metropolitan Transit System

Office of the General Counsel

San Diego Mettopolitan Transit System

PSmith

BD-04JAN29.PSMITH

2/5/04

Attachments:

A. Roll Call Sheet

B. Al 45, January 29, 2004, Chief Executive Officer's Report

METROPOLITAN TRANSIT SYSTEM BOARD ROLL CALL

MEETING OF (DAT	ΓΕ): <u> </u>	January 29, 200	04	CALL TO ORDER (TIME): <u>9:08 a.m.</u>		
RECESS:				RECONVENE:			
CLOSED SESSION:				RECONVENE:			
ORDINANCES ADO	OPTED	:		ADJOURN:	10:21 a.m.		
BOARD MEMBER	?	(Alternate)		PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)		
ATKINS	<u> </u>	(Vacant)		9:30 a.m. during discussion of AI #30	(:= ==: · /		
CLABBY	Ø	(Jones)					
DALE		(Ryan)			· 🗸		
EMERY	7	(Cafagna)					
INZUNZA		(Ungab)		,			
KALTENBORN	Ø	(N/A)		·	10:17 a.m. after AI #32		
LEWIS, Charles	Ø	(Vacant)					
LEWIS, Mark		(Santos)			✓		
MAIENSCHEIN	Ø	(Vacant)					
MATHIS		(N/A)			✓.		
MONROE		(Tierney)			✓		
RINDONE	Ø	(Davis)					
ROBERTS	Ø	(Cox)		9:10 a.m. during public comment	10:15 a.m. during discussion of AI #32		
ROSE		(Janney)	Ø				
STERLING	Ø	(Ewin)					
WILLIAMS	Ø	(Vacant)					
ZUCCHET	Ø	(Vacant)			·		
SIGNED BY THE O	FFICE	OF THE CLER	K OF TH	IE BOARD Stricia	a Smil		
CONFIRMED BY _	گلا	maan'	m. (Hamplin			

PSmith/BOARD-EC BDRLCALL-04JAN29 -- 1/29/04



1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619/231-1466 FAX 619/234-3407

Agenda

Item No. <u>45</u>

Chief Executive Officer's Report

ADM 121.7 (PC 30100)

January 29, 2004

Minor Contract Actions

- Rhoda Margarini Butte for Target Market Campaign and Classroom Day Tripper consultant services
- Partner Press, Inc., for printing the December 2003 MTS Newsletter
- San Diego Magazine for full-page ad of the Trolley Map
- Jaime Chavez for consultant services to implement transit service changes and East County Suburban work
- Dale Smith for consultant services for transit service changes and MCS Fixed-Route
- Alexis Dizon for bus shelter and bus bench administration consultant services
- Gonzalez-White Consulting for 12th and Market Station Reconfiguration Project Disadvantaged Business Enterprise (DBE)/Equal Employment Opportunity (EEO)/labor-compliance services
- West Coast General Corporation for 12th and Market Station Reconfiguration Project construction services
- Best Best & Krieger for Mission Valley East LRT legal services
- Katz & Associates for Mission Valley East LRT meeting facilitation services between San Diego State University (SDSU) and MTDB

JGarde/Als 45-04JAN29.JGARDE 1/22/2004

Member Agencies:
City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego.
City of Santee, County of San Diego, State of California

SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

REQUEST TO SPEAK FORM

AGENDA ITEM NO.



ORDER REQUEST RECEIVED

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PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form must be filled out and submitted in advance of the discussion of your item to the Clerk of the Board (please attach your written statement to this form). Communications on hearings and agenda items are generally limited to three (3) minutes per person unless the Board authorizes additional time. However, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three (3) minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous Hearings or agenda items may not again be addressed under General Public Comments.

Date 2/12/6 4 Name (PLEASE PRINT) BARBARA WINTON Address 340-16 4 200	
Telephone 6968955 Organization Represented (if any)	
Subject of your remarks:	
Agenda Item Number on which you request to speak Your comments are presenting a position of: SUPPORT OPPOSITION	
2 TESTIMONY AT NOTICED PUBLIC HEARINGS	

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3 DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five (5) speakers with three (3) minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

REMEMBER: Subjects of previous Hearings or agenda items may not again be addressed under General Public Comments.

DGunn/SStroh / FORMS REVREQFO.DGUNN — 10/15/03 PETCO PARK-SECURD PARKING COTS CONDUCTORS ON TRANSOJI NO CATRING

DO YOU REMEMBER THE STORY ABOUT THE FARMER WHO REPAIRED THE ROOF OF HIS BARN IN THE WINTER. COME SPRING HE CLIMBED THE LADDER. THE LADDER FELL OVER, DUE TO SOFT, UNEVEN GROUND.

YOUR FOUNDATION HAS A SOFT UNDERBELLY: TROLLEYS ARE NOT FRIENDLY.

YOUR FOUNDATION IS PEOPLE WHO RIDE THE TROLLEYS, BUSSES AND TAXIS. OF ALL THE MOVERS THE TROLLEYS ARE MISSING A VITAL AND NECESSARY COMPONENT: A CONDUCTOR!!! A WARM UNIFORMED BODY WITH A SMILE!

- 1. Present trolleys would need retrofitting to allow a person to walk from car to car. When additional cars are ordered, they could be outfitted as trailers only, tractors have a motor at one end only. Present cars could even be used as singles!
- 2. I do believe that a conductor's salary would be more than offset by the increased fares collected. Your security personnel at some of the "stops" are marginally worthless.
- 3. Another job would be created for a truly public relations/security position.
- 4. Older riders and parents of very young riders would feel much more comfortable and less hesitant, especially after dark.
- 5. Tourists, locals from another area, and visitors would have a warm body to ask questions, ask directions, "where, what, why & when".
- 6. Parking lots for transit riders need to be more secure. Possibly fenced, public lots with roving security, where the trolley ticket is good for the parking also. Two types of trolley tickets or a monthly pass: With Parking/ without parking.
- 7. Latrines: Downtown showplace trolley stop: NO LATRINES! Not even pay! ... at major stops..... Not unisex: Men/Women separate latrines.

THANK YOU

BARBARA J. WINTON

340 16TH ST. #200, 92101-7606, 619-696-8955 bwinton@cox.net

SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

REQUEST TO SPEAK FORM

AGENDA ITEM NO.

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Date 2-12-04
Name (PLEASE PRINT) Wilmer Wolf
Address 10.55 9Th Av. \$1113
S-D. 92101
Telephone 619-232-9507
Organization Represented (if any)
SAN DIEGO SOVARE
Subject of your remarks: SENIOR'S & DISABLED
Agenda Item Number on which you request to speak
Your comments are presenting a position of: SUPPORT OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

REQUEST TO SPEAK FORM

AGENDA ITEM NO.

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Date 2/12/04
Name (PLEASE PRINT) Chuck Lungerhausen
Address 4902 Marlborowch Dr.
San-Diego 92116
Telephone $619 - 2182 - 2473$
Organization Represented (if any)
Subject of your remarks: See attached
Agenda Item Number on which you request to speak
Your comments are presenting a position of: SUPPORT OPPOSITION

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DGunn/SStroh / FORMS REVREQFO.DGUNN — 10/15/03

1. Feb. 12, 2004 MTSB mtg. AGENDA ITEM #3 (Public Comment)

Good morning Chair Williams, Board members, Staff, and other fellow citizens. Chuck Lungerhausen of 4902 Marlborough Dr. which is in the Kensington neighborhood of San Diego 92116 Ph [619] 282-2473

As you can see have my fund raising garb present again. Our 2004 MS Walk/Swim will take place Sat March 6 so you still have time Ken Moller, Jerry Rindone, Phil Monroe, Diane Rose or any other donor.

Again I request your sponsoship donations of \$20, \$25 or larger amounts if you are able to be so generous. However will be most happy with any amount. Sure would be wondereful to eclipse the \$4000 amount raised this year as was done with the \$3000 figure last year.

Your checks should be made out to the National MS Society or a cash donation should be accompanied with a business card so a thank you message can be sent.

Now sum good news on the public trasnsportation front this person is consistently travelling to downtown on the system in 30 to 40 minutes and have no parking problem as do most of you looking for tokens. And this done with two transfers.

Thank you for listening and the opportunity to speak.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

REQUEST TO SPEAK FORM

AGENDA ITEM NO.

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ORDER REQUEST RECEIVED

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Date 2004 - 02 - 12
Name (PLEASE PRINT) Clive Richard
Address 5153 La Dorna St
Son Diego (A 92/15-1570
Telephone 615,582,4032
Organization Represented (if any)
Subject of your remarks:
Agenda Item Number on which you request to speak
Your comments are presenting a position of: SUPPORT OPPOSITION
A TECTIMONY AT NOTICED BURLIC HEADINGS

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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**REMEMBER: Subjects of previo	us Hearings or agenda items may not again be addressed under
General Public Comments.**	TO DISTRICT MUE - ALVATRA CANYON
DGunn/SStroh / FORMS REVREQFO.DGUNN — 10/15/03	TO D AF 1411 - + 00 100 4540 1180 MM
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1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619/231-1466 FAX 619/234-3407

Agenda

Item No. 4

Board of Directors Meeting

FIN 305 (PC 30100)

February 12, 2004

Subject:

CONTROLLER'S REPORT FOR NOVEMBER 2003

RECOMMENDATIONS:

That the Board of Directors receive the following reports:

- FY 2004 Budget Summary Appropriations/Expenditures/Encumbrances (Attachment A);
- FY 2004 Budget Summary Status of Cash Receipts (Attachment B);
- Detail of Portfolio Balances (Attachment C);
- Investment Transaction Detail (Attachment D); and
- Estimated Balance of Contingency Reserve (Attachment E).

Budget Impact

None.

DISCUSSION:

The following is a brief summary of the financial/budget activities for the month of November 2003.

Cash

MTDB maintained an average cash balance of \$3,566,227 during November 2003. The amount of cash on deposit at the end of the month was \$12,162. The balance of MTDB's funds has been invested as described in the Detail of Portfolio Balances (Attachment C).

Member Agencies:

City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of San Diego, State of California

Revenue

A total of \$17,060,372 in revenue was received during November 2003, primarily comprised of Federal Transit Administration (FTA) funds, TransNet (Proposition A) funds, and Transportation Development Act (TDA) funds.

Expenditures

During November 2003, MTDB had total expenditures of \$18,083,196, which are itemized as follows:

Transit Support Activities	\$13,353
Short-Range Transportation Planning	30,035
General Administration	646,448
Transportation Services	8,068,112
Capital Projects	9,325,248
Total	\$18,083,196

Based on five months of activity, we should be at an expenditure level of approximately 42 percent of the annual budget amount for most General Administration Budget line items. The following is an explanation of those items that exceed the budget significantly:

- Personnel 53 percent of the budget is expended due to these expenditures including personnel expenditures for the employees transferred during the second phase of the consolidation on October 13, 2003. However, the budgeted amount has been adjusted and decreased to reflect personnel expenditures for the nontransferring MTS employees for the remaining portion of FY 04. The percentage expended will become more comparable as the fiscal year progresses. The line item is expected to be within budget for the fiscal year.
- <u>Bus Bench Administration</u> 55 percent of the budget is expended due to a significant amount of personnel costs for this line item necessary in the first portion of the fiscal year. Personnel costs for bus bench administration are expected to decrease in the second half of the fiscal year. The line item is expected to be within budget for the fiscal year.
- Rent 88 percent of the budget is expended as the FY 04 debt payment for the MTS Tower was made in July 2003.
- Vehicle Maintenance 52 percent of the budget is expended as these expenditures include the expenditures for vehicles transferred during the second phase of the consolidation on October 13, 2003. However, the budgeted amount has been adjusted and decreased to reflect expenditures for the nontransferring MTS vehicles for the remaining portion of FY 04. The percentage expended will become more comparable as the fiscal year progresses. The line item is expected to be within budget for the fiscal year.
- <u>Equipment Rental/Maintenance</u> 54 percent of the budget is expended due to the payment of maintenance agreements for copiers and rental of the postage meter in July 2003, which will benefit the remainder of FY 04.

- Postage 119 percent of the budget is expended due to a large postage deposit paid in July 2003 and October 2003. These postage deposits will benefit future months in FY 04 as well as some San Diego Association of Governments (SANDAG) postage costs, which will be reimbursed from SANDAG. With the reimbursements from SANDAG, the postage line item is expected to be within budget for the fiscal year.
- <u>Dues and Subscriptions</u> 59 percent of the budget is expended due to the payment of the American Public Transit Association (APTA) dues in July 2003, which will benefit the remainder of FY 04.
- <u>Public Notices</u> 52 percent of the budget is expended due to the payment of the public notices related to Disadvantaged Business Enterprise (DBE) goals in July, August, and September 2003, which will benefit the remainder of FY 04.

A detail of capital project expenditures is presented as part of the quarterly Capital Projects Status Report.

Investments

MTDB had a total of \$193,613,361 principal amount invested as of November 30, 2003. Of this total, \$42,911,498 is working capital, and \$150,701,863 is debt-related. All investments are consistent with adopted Board Policies and Procedures No. 31.

Contingency Reserve

Attachment E shows the unaudited balance of the Contingency Reserve as of November 30, 2003, and FY 04 Board-approved uses. The estimated uncommitted balance as of November 30, 2003, is approximately \$12.7 million. This balance reflects the consolidation of the San Diego Transit Corporation (SDTC) and San Diego Trolley, Inc. (SDTI), capital replacement reserves into the contingency reserve, which was contemplated with the FY 04 budget action.

Paul C. Jablonski Chief Executive Officer

JGarde 4-04FEB12.LWARRE 1/30/04

Attachments: A. FY 2004 Budget Summary - Appropriations/Expenditures/Encumbrances

B. FY 2004 Budget Summary - Status of Cash Receipts

C. Detail of Portfolio Balances

D. Investment Transaction Detail

E. Estimated Balance of Contingency Reserve

Board Only

METROPOLITAN TRANSIT DEVELOPMENT BOARD FY 2004 BUDGET SUMMARY APPROPRIATIONS/EXPENDITURES/ENCUMBRANCES JULY 1, 2003 - NOVEMBER 30, 2003

BUDGET	APPROVED		EXPENDITURES	%	ENCUM-	REMAINING
CATEGORY/Line Item	FY 04	THIS MONTH	YEAR-TO-DATE	EXPEND	BERED	BALANCE
GENERAL FUND			<u> </u>			
TRANSIT SUPPORT ACTIVITIES						
Fare Media	\$90,000	-	70,536	78.4%	-	19,464
Regional Transit Store Operations	72,000	5,218	29,764	41.3%	28,639	13,597
Regional Transit Marketing	370,000	8,135	97,120	26.2%	44,495	228,385
TRANSIT SUPPORT SUBTOTAL:	532,000	13,353	197,420	37.1%	73,134	261,446
SHORT-RANGE TRANS. PLANNING						
Operations Planning	393,000	30,035	120,273	30.6%	5,117	267,610
TRANSP. PLANNING SUBTOTAL:	393,000	30,035	120,273	30.6%	5,117	267,610
GENERAL AND ADMINISTRATIVE						
Personnel	4,575,000	473,479	2,411,939	52.7%	-	2,163,061
Consultants	125,000	13,012	57,939	46.4%	25,553	41,508
Legal Services	75,000	1,166	12,434	16.6%	12,969	49,597
Board of Directors	141,000	5,372	47,285	33.5%	1,563	92,152
Travel/Conferences	28,400	1,491	6,620	23.3%	1,639	20,141
Training	7,000	690	2,883	41.2%	-	4,117
Insurance/Risk Management	•	2,409	219,363	25.9%	34,200	594,437
Audit Services	95,000	-	26,000	27.4%	67,500	1,500
Land Mgmt./Joint Development		953	8,234	4.0%	111,983	86,783
Bus Shelter Administration	150,000	9,686	45,868	30.6%	30,968	73,164
Bus Bench Administration	60,000	5,415	33,456	55.8%	5,481	21,063
OFFICE EXPENSES				•		
Rent	1,170,000	36,168	1,025,000	87.6%	114,562	30,438
Vehicle Maintenance	5,000	409	2,585	51.7%	-	2,415
Equipment Rental/Maintenance	22,000	1,154	11,916	54.2%	280	9,804
Management Information Systems	63,000	6,952	24,863	39.5%	-	38,137
Furniture/Equipment	12,000	•	1,629	13.6%	-	10,371
General Expenses	70,000	3,718	22,472	32.1%	1,586	45,942
Telecommunications	52,000	6,765	18,911	36.4%	_	33,089
Postage	9,000	284	10,746	119.4%	-	(1,746)
Local Meetings	3,000	235	1,128	37.6%	-	1,872
Dues/Subscriptions	32,000	955	18,961	59.3%	-	13,039
Public Notices	5,000	-	2,576	51.5%	_	2,424
G&A SUBTOTAL:		570,313	4,012,808	51.7%	408,284	3,333,308
LABOR/OVERHEAD REIMBURSEMENT	(2,350,000)	(124,096)	(1,469,469)	62.5%	_	(880,531)
TOTAL GENERAL FUND:		489,605	2,861,032	45.2%	486,535	2,981,833
INCLIDANCE DECEDUE CONTRICUTION	4.050.000	460 500	940 500	44 70/		4 407 500
INSURANCE RESERVE CONTRIBUTION	1,950,000	162,500	812,500	41.7%	-	1,137,500
CONTINGENCY RESERVE CONTRIBUTION		17,898	89,488	41.7%	-	125,283
LAND MGMT. RESERVE CONTRIBUTION		19,833	99,167	41.7%	-	138,833
TOTAL GEN FUND & CTGCY RSV CONTR.	8,732,171	689,836	3,862,187	44.2%	486,535	4,383,449

METROPOLITAN TRANSIT DEVELOPMENT BOARD FY 2004 BUDGET SUMMARY APPROPRIATIONS/EXPENDITURES/ENCUMBRANCES JULY 1, 2003 - NOVEMBER 30, 2003

BUDGET	APPROVED		EXPENDITURES	%	ENCUM-	REMAINING
CATEGORY/Line Item	FY 04	THIS MONTH	YEAR-TO-DATE	EXPEND	BERED	BALANCE
DEBT SERVICE	~					
Buses (1990	2,894,681	2,872,856	2,872,856	99.2%	-	21,825
Regional Transit Management System (200)	3,808,000	3,608,375	3,608,375	94.8%	_	199,625
LRV Sale/Leaseback (1999	6,264,070	•	-	0.0%	-	6,264,070
TOTAL GENERAL FUNI	12,966,751	6,481,231	6,481,231	50.0%	· · · · · · · · · · · · ·	6,485,520
TRANSPORTATION SERVICES						
TRANSIT OPERATING CONTRACTS:						
San Diego Trans	it 47,482,833	3,716,290	23,043,052	48.5%	24,439,781	•
San Diego Trolle	y 18,395,571	1,509,375	9,641,250	52.4%	8,754,321	-
MTS 900 Serie	s 20,572,000	1,323,324	11,634,846	56.6%	8,937,154	-
MTS 800 Serie	s 13,279,380	901,357	5,488,741	41.3%	7,790,639	-
Chula Vista Trans	it 4,305,636	358,803	1,794,015	41.7%	2,511,621	-
National City Trans	it 1,437,213	119,768	598,840	41.7%	838,373	-
Coronado Feri	y 127,308	10,609	53,045	41.7%	74,263	-
Administrative Pass-Throug	h 344,180	-	344,180	100.0%	-	-
County Transit System - Rur	al 1,400,438	77,490	381,491	27.2%	1,018,947	-
OPERATING CONTRACTS SUBTOTAL	107,344,559	8,017,016	52,979,460	49.4%	54,365,099	•
OTHER SERVICES:		•				
Taxicab Administration	n 735,536	46,879	233,305	31.7%	12,339	489,892
San Diego and Arizona Eastern (SD&A		4,217	66,409	36.9%	83,777	29,814
OTHER SERVICES SUBTOTAL	.: 915,536	51,096	299,714	32.7%	96,116	519,706
TOTAL TRANSPORTATION SERVICES	5 : <u>108,260,095</u>	8,068,112	53,279,174	<u>49.2%</u>	54,461,215	519,706
TOTAL GEN. FUND/TRANSPORTATION	129,959,017	8,757,948	57.141.361	44.0%	54.947.750	4.903.155
CAPITAL PROJECTS						
LRT EXTENSIONS	162,025,000	8,607,175	50,166,426	31.0%	38,721,459	73,137,115
MAJOR LRT/BUS						
CAPITAL IMPROVEMENTS	18,338,000	718,073	4,209,661	23.0%	9,313,642	4,814,697
TOTAL CAPITA	180,363,000	9,325,248	54,376,087	30.1%	48,035,101	77,951,812
GRAND TOTAL	: \$310,322,017	18.083.196	111.517.448	35.9%	102.982.851	82.854.967

METROPOLITAN TRANSIT DEVELOPMENT BOARD FY 2004 BUDGET SUMMARY STATUS OF CASH RECEIPTS JULY 1, 2003 - NOVEMBER 30, 2003

FUND SOURCES	APPROVED FY 04	GENERAL	JDGET CATEGORIES TRANSPORTATION	CAPITAL	%
FUND SOURCES	P 1 04	FUND	SERVICES	PROJECTS	RECEIVED
STATE			RECEIPTS TO-DATE		
STIP	2,171,000				0%
Traffic Congest Relief Program	6,972,000	-	-	256,222	4%
Caltrans	68,000	•	-	68,000	100%
MediCal	400,000	-	-	00,000	0%
SUBTOTAL:	9,611,000	-	<u>-</u>	324,222	3%
FEDERAL					
Transportation Enhancement Activities	402,000	-	-	26,067	6%
FTA 5309 - Planning/Capital	68,936,000	-	-	-	0%
FTA 5307 - Planning/Capital	4,966,400	-	-	-	0%
FTA 5307 - Debt Service	5,362,145	-	5,364,582	-	100%
FTA 5307/5309 - Maintenance/Operations	23,784,262	-	-	-	0%
SUBTOTAL	103,450,807	-	5,364,582	26,067	5%
LOCAL - TRANSPORTATION DEVELOPMENT	ACT	•			
TDA - Article 4.0 MTDB Area	55,290,277	-	35,835,380	1,533,617	68%
TDA - Article 4.0 Non-MTDB Area	1,531,247	-	1,016,747	-	66%
TDA - Article 4.5 (ADA)	3,259,000	-	1,901,083	•	58%
TDA - Article 8.0	1,613,728	-	941,341	-	58%
TDA - 10% and Administration	5,525,771	2,697,021	-	• •	49%
SUBTOTAL:	67,220,023	2,697,021	39,694,551	1,533,617	65%
OTHER LOCAL					•
TransNet	104,998,000	-	12,216,000	50,055,000	59%
SANDAG - Inland Breeze	823,245	-	460,000	-	56%
City of San Diego	832,918	-	69,500	-	. 8%
County of San Diego	87,324	-	-	-	0%
City of Chula Vista	25,000	-	-	-	0%
APCD	495,000	-	-	-	0%
Other Income	-	777	<u>-</u>	<u> </u>	N/A
SUBTOTAL:	107,261,487	777	12,745,500	50,055,000	59%

METROPOLITAN TRANSIT DEVELOPMENT BOARD FY 2004 BUDGET SUMMARY STATUS OF CASH RECEIPTS JULY 1, 2003 - NOVEMBER 30, 2003

		BU	DGET CATEGORIES				
FUND SOURCES	APPROVED	GENERAL	TRANSPORTATION	CAPITAL	%		
	FY 04	FUND	SERVICES	PROJECTS	RECEIVED		
		RECEIPTS TO-DATE					
STATE TRANSIT ASSISTANCE							
STA - Discretionary	3,138,216		784,554	-	25%		
STA - Formula	1,638,196	-	324,698	-	20%		
SUBTOTAL:	4,776,412	-	1,109,252	-	23%		
OTHER FUNDS							
Property Lease/Rental Income	312,000	271,883	-	-	87%		
Land Management Rentals	295,000	167,798	-	-	57%		
Developer Fees	100,000	-	-	-	0%		
Taxicab Administration	692,314	-	177,736	-	26%		
Bus Shelter Administration	150,000	45,868	-	-	31%		
Bus Bench Administration	60,000	29,081	-	-	48%		
SD&AE Revenue	100,000	-	13,893		14%		
SUBTOTAL:	1,709,314	514,630	191,629	-	41%		
RESERVE REVENUE USED IN CURRENT BU	DGET						
MTDB Contingency Reserve	1,950,000	-	-	-	0%		
SDTI Capital Replacement	5,573,683	-	-	-	0%		
SDTC Capital Replacement	1,500,000		-	-	0%		
Lease/Leaseback Lease Payment Fund	6,264,070	-	-	-	0%		
CCDC Reserve	625,000	-	-	-	0%		
Land Management	257,000	-	-	-	0%		
SD&AE Reserve	80,000	-		<u>-</u> -	0%		
SUBTOTAL:	16,249,753	-		-	0%		
TOTAL:	\$ 310.278.796	3,212,428	59,105,514	51.938.906	37%		

METROPOLITAN TRANSIT DEVELOPMENT BOARD FY 2004 BUDGET SUMMARY STATUS OF CASH RECEIPTS JULY 1, 2003 - NOVEMBER 30, 2003

		· · · · · · · · · · · · · · · · · · ·	BU	IDGET CATEGORIES		
	Α	PPROVED	GENERAL	TRANSPORTATION	CAPITAL	%
FUND SOURCES		FY 04	FUND	SERVICES	PROJECTS	RECEIVED
			R	ECEIPTS TO-DATE		
OTHER INCOME						
Insurance Reserve Contribution	\$	1,950,000	812,500	-	-	42%
Land Management Reserve Contribution		238,000	99,167		-	42%
Contingency Reserve Contribution		593,200	-	-	-	0%
Private Sector - Billboards		75,000	_	31,250	-	42%
Grade Crossing Maint PUC		50,000	-	20,833		42%
TOTAL:	\$	2,906,200	911,667	52,083		33%
REVENUE SUMMARY						
GENRL FUND/SPECIAL REV.	\$	21,698,922	3,212,428	-	-	15%
TRANSPORTATION SERVICES		108,216,874	-	59,105,514	-	55%
CAPITAL PROJECTS TOTAL		180,363,000	-	-	51,938,906	29%
CARRYOVER		43,222	-	<u>-</u>		0%
SUBTOTAL:		310,322,018	3,212,428	59,105,514	51,938,906	37%
OTHER INCOME		2,906,200	911,667	52,083	-	33%
GRAND TOTAL:	<u>\$</u>	313,228,218	4.124.095	59.157.597	51.938.906	37%

MTDB **DETAIL OF PORTFOLIO BALANCES** As of November 30, 2003

INVESTMENT	PURCHASE DATE	MATURITY DATE	PURCHASE PRICE	BOOK VALUE	MARKET VALUE	PAR VALUE	YIELD ON COST
WORKING CAPITAL:		- DATE		VALOL	<u> </u>	VALUE	
State of CA Local Agency Invest. Fund (LAIF)	N/A	N/A	10,190,046		10,190,046	10,190,046	1.60%
Corporate Securities:							
Citigroup	6/4/2003	2/1/2008	1,345,084	1,343,898	1,296,350	1,300,000	3.50% (1)
Merrill Lynch & Co	3/5/2002	3/8/2005	2,000,000	2,000,000	2,067,740	2,000,000	4.54% (1)
CIT Group Inc	7/24/2003	7/29/2005	1,300,000	1,300,000	1,305,070	1,300,000	1.54% (1)
Bear Stearns Co	7/30/2003	3/30/2006	1,117,127	1,116,493	1,109,625	1,100,000	3.00% (1)
American Int'l Group Inc	6/4/2003	5/15/2008	1,313,312	1,312,979	1,255,306	1,300,000	2.88% (1)
Sara Lee Corporation	6/2/2003	6/15/2008	1,295,515	1,295,624	1,247,584	1,300,000	2.75% (1)
Intl Business Machines	8/5/2003	11/1/2006	1,283,815	1,284,265	1,286,324	1,300,000	2.38% (1)
Money Market - Highmark Group	. N/A	N/A	705,077		705,077	705,077	0.59% (1)
US Treasury Securities:							
US Treasury Note	5/30/2003	2/29/2004	3,041,719	3,027,813	3,015,945	3,000,000	3.00% (1)
US Treasury Note	7/30/2003	5/15/2006	2,195,359	2,195,519	2,186,594	2,200,000	2.00% (1)
US Treasury Note	5/30/2003	11/15/2006	2,538,187	2,534,239	2,466,744	2,400,000	3.50% (1)
US Government Agency Securities:							
Federal Home Loan Mortgage	6/3/2003	11/15/2004	2,471,558	2,466,054	2,440,920	2,400,000	3.25% (1)
Federal Home Loan Bank TAP Note	5/30/2003	12/15/2004	2,430,563	2,427,784	2,414,340	2,400,000	2.13% (1)
Federal National Mortgage Association Note	5/30/2003	4/15/2006	2,429,531	2,428,477	2,381,808	2,400,000	2.13% (1)
Federal National Mortgage Association Note	6/3/2003	4/15/2006	2,435,344	2,434,081	2,381,808	2,400,000	2.13% (1)
Federal National Mortgage Association Note	6/12/2003	6/16/2006	2,394,912	2,395,076	2,322,490	2,400,000	1.75% (1)
Federal National Mortgage Association Note	6/9/2003	6/15/2008	2,412,187	2,411,897	2,302,512	2,400,000	2.50% (1)
Cash in Bank:							
Bank of America	N/A	N/A	12,162		12,162	12,162	N/A

NOTES:

- (1) Investments managed by LM Capital Management Inc.
- (2) Maturity dates correspond to lease payment schedules (3) Represents yield on market

MTDB DETAIL OF PORTFOLIO BALANCES As of November 30, 2003

INVESTMENT	PURCHASE DATE	MATURITY DATE	PURCHASE PRICE	BOOK VALUE	MARKET VALUE	PAR VALUE	YIELD ON COST	
DEBT RELATED INVESTMENTS:								
CTFC San Diego MTDB Reserve Fund:								
Cash-COPS, SRS A	N/A	N/A	1,296,890		1,296,890	1,296,890	0.59%	(1)
San Diego MTDB 1990 LRV Sale/Leaseback:								
REFCO Zero Coupon Bonds	8/20/1990	(2)	3,680,449	12,265,778	14,466,710	15,886,000	6.94%-7.07%	(3)
San Diego MTDB 1995 LRV Lease/Leaseback:								
Treasury Strips	12/29/1995	(2)	11,971,073	19,749,766	22,484,042	39,474,000	11.51%-12.04%	(3)
CTFC San Diego COP 2002 A RTMS Proceeds:								
US Teasury Note	12/18/2002	2/29/2004	814,875	809,917	804,252	. 800,000	3.00%	(1)
Federal National Mortgage Association Note	12/18/2002	6/15/2004	2,138,883	2,132,402	2,120,344	2,100,000	3.00%	(1)
Federal Home Loan Bank	12/16/2002	12/15/2004	2,001,016	2,000,931	2,011,950	2,000,000	2.13%	(1)
Cash	N/A	N/A	10,466,498		10,466,498	10,466,498	0.59%	(1)
San Diego MTDB COP 2003 Reserve Fund:								
Federal National Mortgage Association	9/3/2003	12/16/2005	3,247,969	3,248,053	3,252,031	3,250,000	2.75%	(1)
Cash	N/A	N/A	17,678		17,678	17,678	0.59%	(1)
CTFC San Diego COP 02 A Reserve Fund:								
Federal National Mortgage Association	9/3/2003	8/11/2006	1,686,719	1,687,121	1,691,675	1,700,000	2.75%	(1)
Cash	N/A	N/A	84,499		84,499	84,499	0.59%	(1)

NOTES:

⁽¹⁾ Investments managed by LM Capital Management Inc.
(2) Maturity dates correspond to lease payment schedules
8) Represents yield on market

MTDB DETAIL OF PORTFOLIO BALANCES As of November 30, 2003

	PURCHASE	MATURITY	PURCHASE	воок	MARKET	PAR	YIELD	
INVESTMENT	DATE	DATE	PRICE	VALUE	VALUE	VALUE	ON COST	
San Diego MTDB COP 2003 B Project Fund:								
US Teasury Note	8/21/2003	1/31/2004	4,034,062	4,017,031	4,013,750	4,000,000	3.00% (1)	
US Teasury Note	8/25/2003	9/30/2004	1,709,496	1,708,633	1,708,500	1,700,000	1.88% (1)	
US Teasury Note	8/26/2003	7/31/2005	495,977	496,168	497,500	500,000	1.50% (1)	
US Teasury Note	9/5/2003	12/31/2004	1,005,039	1,004,679	1,003,125	1,000,000	1.75% (1)	
US Teasury Note	9/17/2003	5/31/2005	997,500	997,632	993,438	1,000,000	1.25% (1)	
Federal Home Loan Bank	8/26/2003	5/14/2004	3,077,700	3,064,750	3,050,625	3,000,000	4.88% (1)	
Federal National Mortgage Association Note	8/26/2003	6/15/2004	3,040,920	3,035,074	3,029,062	3,000,000	3.00% (1)	
Federal National Mortgage Association Note	8/21/2003	12/15/2004	2,810,281	2,809,547	2,811,375	2,800,000	1.88% (1)	
Federal Home Loan Bank	8/21/2003	4/15/2005	498,262	498,358	499,531	500,000	1.63% (1)	
Federal Home Loan Mortgage	9/17/2003	1/15/2005	1,509,785	1,509,086	1,504,688	1,500,000	1.88% (1)	
Federal National Mortgage Association Note	9/5/2003	12/16/2005	1,001,530	1,001,471	1,000,625	1,000,000	2.75% (1)	
Federal Home Loan Bank	9/5/2003	4/15/2005	1,000,234	1,000,221	999,062	1,000,000	1.63% (1)	
Cash	N/A	N/A	3,563,135		3,563,135	3,563,135	0.59% (1)	
Bank Investment Contract 1995 LRV Lease/Leaseback:								
Rabobank	N/A	N/A	88,551,393	89,712,192	89,712,192	88,551,393	7.69%	

NOTES:

⁽¹⁾ Investments managed by LM Capital Management Inc.(2) Maturity dates correspond to lease payment schedules3) Represents yield on market

LM CAPITAL GROUP, LLC 401 B Street, Suite 920 San Diego, CA 92101 (619) 814-1401 Fax:(619) 814-1404

Transaction Ledger Report From 10/31/2003 to 11/30/2003

SAN DIEGO MTDB Acct #: COMBINED 1255 IMPERIAL AVE STE. 1000 SAN DIEGO, CA 92101

Trade Date	Activity	Description	Quantity	Principal Amount	Accrued Pd/Rec	Net Amount Broke
10/31/2003	Sell	US TREASURY NOTE 10/31/2003 2.75%	(4,000,000)	4,000,000.00	55,000.00	4,055,000.00
11/03/2003	Dividend	-HIGHMARK US GOVT MONEY M		262.65		262.65
11/03/2003	Interest	INTL BUSINESS MACHINES 11/01/2006 2.375%		7,976.04		7,976.04
11/04/2003	Withdrawal	CASH		838,291.00		(838,291.00)
11/04/2003	Withdrawal	WELLS FARGO TRSRY PLUS M. M		0.40		(0.40)
11/04/2003	Dividend	CASH		750.99		750.99
11/04/2003	Dividend	CASH		3.48		3.48
11/04/2003	Dividend	CASH		3,031.73		3,031.73
11/04/2003	Dividend	CASH		5.61		5.61
11/04/2003	Dividend	WELLS FARGO TRSRY PLUS M. M		29.90		29.90
11/04/2003	Other Expense	CASH		740.44		(740.44)
11/04/2003	Other Expense	CASH		2.17		(2.17)
11/04/2003	Other Expense	CASH		2,998.56		(2,998.56)
11/04/2003	Other Expense	CASH		5.36		(5.36)
11/04/2003	Other Expense	WELLS FARGO TRSRY PLUS M. M		29.50		(29.50)
11/06/2003	Withdrawal	CASH		2,797,531.00		(2,797,531.00)
11/17/2003	Interest	AMERICAN INT'L GROUP INC. (14 05/15/2008 2.875%		18,687.50		18,687.50
11/17/2003	Interest	FEDERAL HOME LN MORTGAGE 11/15/2004 3.25%		39,000.00		39,000.00
11/17/2003	Interest	FEDERAL HOME LOAN BANK 05/14/2004 4.875%		73,125.00		73,125.00
11/17/2003	Interest	FEDERAL NATL MTGE ASSOC. 11/15/2003 3.125%		19,843.75	•	19,843.75
11/17/2003	Interest	US TREASURY NOTE 11/15/2006 3.50%		42,000.00		42,000.00
11/17/2003	Interest	US TREASURY NOTE 05/15/2006 2.00%		22,000.00		22,000.00
11/17/2003	Sell	FEDERAL NATL MTGE ASSOC. 11/15/2003 3.125%	(1,270,000)	1,270,000.00	0.00	1,270,000.00 Mature
11/26/2003	Withdrawal	WELLS FARGO TRSRY PLUS M. M		9,776.00	-	(9,776.00) 1,902,342.22

Att. D, Al 4, 2/12/04, FIN 305

MTDB INVESTMENT TRANSACTION DETAIL Month of November 2003

INVESTMENT	TRANSACTIONDATE	DEPOSIT	WITHDRAWAL
State of CA Local Agency Invest. Fund (LAIF)	11/3/2003		(2,000,000)
	11/7/2003		(7,000,000)
	11/14/2003		(5,000,000)
TOTA	0	(14,000,000)	

ESTIMATED BALANCE OF CONTINGENCY RESERVE NOVEMBER 30, 2003

Less Board approved appropriations: FY 04 operations FY 05 operations Capital projects (7,073,6 (4,926,3 (2,544,2)	
FY 05 operations (4,926,3	
·	B3)
Capital projects (2,544,2	17)
	45)
Plus:	
Estimated FY 04 savings in MTDB General Fund 214,7	71
Estimated interest earnings (through 11/30/03) 280,0	00_
Estimated balance at November 30, 2003 \$12,662,4	83

^{*}SDTC and SDTI Capital Replacement Reserves combined into Contingency Reserve. FY 04 Budget process combined all reserves and programmed \$12 million for use in FY 04 and FY 05, leaving a balance of approximately \$8-10 million for contingency purposes. The balance shown above is higher because of FY 03 interest earnings (\$2.8 million) on the capital replacement reserves, and FY 03 budget savings of approximately \$1.1 million. Of the balance above, approximately \$6.3 million is being used on a temporary basis for the fare technology project, pending state reimbursement.



1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619/231-1466 FAX 619/234-3407

Agenda

Item No. 5

Board of Directors Meeting

FIN 310 (PC 30100)

February 12, 2004

Subject:

METROPOLITAN TRANSIT SYSTEM (MTS) OPERATORS BUDGET STATUS FOR **NOVEMBER 2003**

RECOMMENDATION:

That the Board of Directors receive the MTS Operator Budget Status for the month of November 2003.

Budget Impact

None at this time.

DISCUSSION:

The MTS Board-adopted budget includes all of the transit operators. The budget is being closely monitored by the use of key performance indicators on a monthly basis, and a full budget-to-actual comparison on a quarterly basis is included in the Quarterly MTS Operations Report.

This is the monthly report for November 2003, which includes ridership results and budget-to-actual comparisons for energy costs and fare revenue. This report also includes budget-to-actual comparisons for cost per revenue mile/hour for October 2003. These key performance indicators take longer to compile, therefore, they are reported for the previous month.

At the February Budget Workshop, a more detailed review of revenue and expenses through November, along with recommended budget adjustments, will be provided.

NOVEMBER RESULTS

Energy

Compressed natural gas (CNG) and diesel fuel costs are based on the results of San Diego Transit Corporation (SDTC) and MTDB Contract Services, as these operators

Member Agericles:

City of Chula Vista, City of Coronado, City of El Cajon. City of Imperial Beach. City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, County of San Diego, State of California

are the largest users of CNG and diesel fuel. For the month of November 2003, year-to-date energy costs for CNG average \$.894 per therm compared to the budget amount of \$.80. Cost per gallon for diesel fuel is \$1.095 compared to the budget amount of \$1.05.

Year-to-date costs per kilowatt hour (kWh) are favorable at \$.13 per kWh compared to the budgeted amount of \$.165. Electricity costs are based on the results of traction power at San Diego Trolley, Inc. (SDTI). Based on these trends, we expect a negative budget variance for diesel and CNG, which should be offset by a positive budget variance for electricity.

Fare Revenue

Fare revenue for the month of November 2003 was \$5,885,678 compared to the budget estimate of \$5,825,013, or 1 percent above the November estimate. Year-to-date fare revenue is \$29.6 million or 4 percent below the year-to-date budget estimate (Attachment A). While the average fare has increased slightly with the fare increase, ridership decreases have contributed to an overall negative budget variance for fare revenues.

Ridership

Ridership on the MTS system for the month of November 2003 was 5,757,475. Year-to-date ridership is 31,451,201, which represents a 4.2 percent decline compared to the same period last year. Compared to the previous month, ridership for the month of November 2003 declined 5.7 percent. The overall decline in ridership is related to several factors, including the wildfires, disruption of service due to the scaffolding accident, fare increases, and service reductions.

Fixed-Route Services: Cost Per Revenue Mile

Because cost per revenue mile information takes longer to compile, this key performance indicator is reported for the previous month of October 2003 (Attachment B). All transit operators are at or below their adopted FY 2004 budget estimates.

SDTC's year-to-date cost per revenue mile was \$6.62 compared to the budget estimate of \$6.98, or 5.2 percent less than the amount budgeted for the fiscal year. SDTC's lower operating costs for the month are due to lower-than-expected workers' compensation costs and engine/transmission work, somewhat offset by drivers' wages and risk management.

SDTI was under its cost per revenue mile budget of \$6.14 by 13 percent. This is primarily due to the energy rebates distributed in October, lower security, and risk management costs.

Chula Vista Transit's (CVT's) year-to-date cost per revenue mile was \$4.35 compared to the budget estimate of \$4.64, or 6.3 percent less than the amount budgeted for the fiscal

year. CVT's costs in energy and purchased transportation are producing favorable variances relative to its adopted budget.

National City Transit's (NCT's) year-to-date cost per revenue mile was \$4.80 compared to the budget estimate of \$6.07, or 20.9 percent less than the amount budgeted for the fiscal year. NCT's costs have increased somewhat for the months of October and November, but are still well under the amount estimated for the year. The most significant cost savings have been in personnel due to unfilled positions, diesel fuel deliveries, rates being less than expected, and lower general and administrative costs than anticipated.

Demand-Responsive Services: Cost Per Revenue Hour

Because cost per revenue hour information takes longer to compile, this key performance indicator is reported for the previous month of October 2003 (Attachment B). MTS Contract Services Americans with Disabilities Act (ADA) and ADA Suburban's year-to-date cost per revenue hour are both within 2 percent of the FY 2004 budget estimate.

Paul C. Jablopski Chief Executive Officer

Key Staff Contact: Renee Wasmund, 619.557.4531, renee.wasmund@sdmts.com

SChamp/Als 5-04FEB12.RWASMU 1/30/04

Attachments: A. Key Performance Indicators - Fare Revenue

B. Key Performance Indicators - Energy, Ridership, and Unit Costs

Board Only

Att. A. AI 5, 2/12/04, FIN 31

MTS OPERATORS FISCAL YEAR 2004 KEY PERFORMANCE INDICATORS NOVEMBER 2003

<u>Current Month</u>	NOVEMBER 2003 <u>Actual</u>	NOVEMBER 2003 Budget	Over (Under) NOVEMBER 2003 <u>Budget</u>	Percent Over (Under) NOVEMBER 2003 <u>Budget</u>
San Diego Transit	\$2,056,478	\$2,103,000	(\$46,522)	-2.2%
San Diego Trolley	\$1,946,312	\$1,984,100	(\$37,788)	-1.9%
MTS Contract Services - 800 Series	\$399,052	\$384,000	\$15,052	3.9%
MTS Contract Services - ADA Suburban	\$39,083	\$25,000	\$14,083	56.3%
MTS Contract Services - 900 Series	\$1,028,669	\$920,000	\$108,669	11.8%
MTS Contract Services - ADA	\$64,205	\$80,000	(\$15,795)	-19.7%
Chula Vista Transit - Fixed Route	\$229,968	\$220,580	\$9,388	4.3%
National City Transit	\$121,911	\$108,333	\$13,578	12.5%
Total	\$5,885,678	\$5,825,013	\$60,665	1.0%

<u>Year To Date</u>	Actual <u>YTD</u>	FY 04 Budget <u>YTD</u>	Over (Under) Budget YTD	Percent Over (Under) Budget YTD
San Diego Transit	\$10,219,539	\$11,247,000	(\$1,027,461)	-9.1%
San Diego Trolley	\$10,184,421	\$10,601,875	(\$417,454)	-3.9%
MTS Contract Services - 800 Series	\$1,870,746	\$1,914,000	(\$43,254)	-2.3%
MTS Contract Services - ADA Suburban	\$212,114	\$216,000	(\$3,886)	-1.8%
MTS Contract Services - 900 Series	\$4,975,500	\$4,850,000	\$125,500	2.6%
MTS Contract Services - ADA	\$416,984	\$395,000	\$21,984	5.6%
Chula Vista Transit - Fixed Route	\$1,133,293	\$1,086,134	\$47,159	4.3%
National City Transit	\$602,757	\$541,667	\$61,091	11.3%
Total	\$29,615,354	\$30,851,676	(\$1,236,322)	-4.0%

MTS OPERATORS FISCAL YEAR 2004 KEY PERFORMANCE INDICATORS NOVEMBER 2003

Energy

	NOVEMBER 2003 <u>Estimate</u>	FY 04 YTD Estimate	FY 04 Adopted <u>Budget</u>	Over (Under) Budget YTD	Percent Over (Under) Budget YTD
Per Therm *	\$0.884	\$0.894	\$0.800	\$0.09	11.7%
Per Gallon *	\$1.150	\$1.095	\$1.050	\$0.04	4.3%
Per Kilowatt **	\$0.150	\$0.130	\$0.165	(\$0.04)	-21.2%

^{*} Diesel fuel cost per gallon and CNG cost per therm is based on results of San Diego Transit Corporation (SDTC) and MTDB Contract Services as these operators are the largest users of diesel and CNG fuel.

^{**} Electricity results are compared to the FY 04 budget estimate for traction power of 16.5 cents per KwH

		Ridership				
	NOVEMBER 2003	November-02	FY 04 <u>YTD</u>	FY 03 <u>YTD</u>	YTD CHANGE	Percent Change YTD
Fixed Route						
San Diego Transit	2,021,444	2,363,123	10,899,125	12,802,122	(1,902,997)	-14.9%
San Diego Trolley	1,907,118	1,930,272	10,751,503	10,528,498	223,005	2.1%
MTS Contract Services - 800 Series	346,118	377,476	1,840,279	1,964,060	(123,781)	-6.3%
MTS Contract Services - 900 Series	1,074,499	963,073	5,699,350	5,152,628	546,722	10.6%
Chula Vista Transit	241,351	270,504	1,346,625	1,418,831	(72,206)	-5.1%
National City Transit	135,050	147,484	734,844	780,455	(45,611)	-5.8%
Coronado Ferry	5,078	9,332	33,180	39,458	(6,278)	-15.9%
Total Fixed Route	5,730,658	6,061,264	31,304,906	32,686,052	(1,381,146)	-4.2%
Paratransit						
MTS Contract Services ADA	16,145	15,879	88,405	92,658	(4,253)	-4.6%
MTS Contract Services ADA Suburban	10,672	10,535	57,890	56,814	1,076	1.9%
Total Paratransit	26,817	26,414	146,295	149,472	(3,177)	-2.1%
Total MTS Ridership	5,757,475	6,087,678	31,451,201	32,835,524	(1,384,323)	-4.2%

•	October 2003 Estimate	FY 04 YTD <u>Estimate</u>	FY 04 Adopted <u>Budget</u>	Over (Under) <u>Budget YTD</u>	Percent Over (Under) Budget YTD
Cost Per Revenue Mile - Fixed Route ***					
San Diego Transit	\$6.57	\$6.62	\$6.98	(\$0.36)	-5.2%
San Diego Trolley	\$4.80	\$5.34	\$6.14	(\$0.80)	-13.0%
MTS Contract Services - 800 Series	\$4.38	\$4.24	\$4.40	(\$0.16)	-3.6%
MTS Contract Services - 900 Series	\$4.32	\$4.23	\$4.32	(\$0.09)	-2.1%
Chula Vista Transit	\$4.23	\$4.35	\$4.64	(\$0.29)	-6.3%
National City Transit	\$6.22	\$4.80	\$6.07	(\$1.27)	-20.9%
Cost Per Revenue Hour - Paratransit ***					
MTS Contract Services ADA	\$45.66	\$44.94	\$45.72	(\$0.78)	-1.7%
MTS Contract Services ADA Suburban	\$41.46	\$42.22	\$41.71	\$0.51	1.2%

^{***} Cost per revenue mile and cost per revenue hour results are presented for the previous month because of the amount of time necessary to compile this data



1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619/231-1466 FAX 619/234-3407

Agenda

Item No.

Board of Directors Meeting

ADM 150.3 (PC 30100)

February 12, 2004

Subject:

TWO YEARS OF ADDITIONAL SERVICE CREDIT WITH THE PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

RECOMMENDATION:

That the Board of Directors adopt Resolution No. 04-01 (Attachment A), designating a time frame for retirement and MTDB positions eligible for two years of additional service credit based on mandatory transfers to the new consolidated agency (San Diego Association of Governments [SANDAG]), and approve consolidation of the Human Resources (HR) functions of Metropolitan Transit System (MTS) with those of SANDAG.

Budget Impact

Only one of the transferring employees is eligible to retire. If that employee decides to retire during the designated time frame, the fiscal impact of providing two years of additional service credit as a result of mandatory transfer to SANDAG would be approximately \$57,000. MTS and SANDAG budgets will be amended in February 2004 to reflect the adjustment of HR positions between the two agencies and reclassifications within both agencies.

DISCUSSION:

Consolidation of HR Function

The Senate Bill (SB) 1703 consolidation and transition process has already included one of the two HR positions at MTS. That position, Human Resources Assistant (Payroll), was transferred to the Finance Department at SANDAG effective October 13, 2003. The remaining position, Human Resources Manager, oversees all aspects of HR as well as various aspects of general administration. With MTS payroll responsibilities moving to the Finance Department, and with the consolidation of nearly 60 percent staff at SANDAG, it was recommended that this position be transferred to SANDAG.

Member Agencies:

City of Chula Vista, City of Coronado, City of El Cajon. City of Imperial Beach. City of La Mesa. City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, County of San Diego, State of California

Staff is reviewing the expected levels of HR/administrative activities that will be necessary to support the 45 employees remaining at MTS. We anticipate those needs can be achieved through the reorganization and consolidation of HR personnel at San Diego Transit Corporation (SDTC) and San Diego Trolley, Inc. (SDTI). Preliminary meetings have been held with HR staff from SDTC and SDTI, and a consolidated organizational structure for HR is currently being developed.

Two Years of Additional Service Credit

On July 13, 2000, the Board adopted Resolution No. 00-23, amending its contract with the Public Employees Retirement System (PERS) to provide two years of additional service credit to employees who elected to retire during a designated time frame as a result of impending mandatory transfers, layoffs, or demotions. Three mandatory transfers of MTDB employees have taken place since July 2003. With the approval of this agenda item, one additional position will be transferred to SANDAG. On January 15, 2004, the Board gave the required notice of its intention to adopt a resolution designating a time frame for retirement and MTDB positions eligible for two years of additional service credit based on mandatory transfer to SANDAG.

Resolution No. 04-01 designates the following positions as eligible for two years of additional service credit:

- Human Resources Manager
- Web Developer Analyst
- Assistant Web Developer Analyst

Resolution No. 04-01 also establishes February 16, 2004, to August 13, 2004, as the time frame during which eligible employees must retire in order to qualify for the additional service credit. Employees must be at least 50 years of age with five years of service credit in PERS to be eligible for this benefit. Only one of the transferring employees meets these criteria. As subsequent transfers take place, additional positions will be designated by Board resolution for eligibility.

Paul C. Jablonski

Chief Executive Officer

Key Staff Contact: Sigurd Dusenberry, 619.557.4530, Sigurd.Dusenberry@sdmts.com

DDarro 8-04FEB12.SDUSEN 1/29/03

Attachment: A. Resolution No. 04-01 (Board only)

SAN DIEGO METROPOLITAN TRANSIT DEVELOPMENT BOARD RESOLUTION NO. 04-01

Resolution Authorizing Designated Period for Two Years Additional Service Credit

WHEREAS, the Governing Board of the San Diego Metropolitan Transit Development Board is a contracting Public Agency of the Public Employees' Retirement System; and

WHEREAS, said Public Agency desires to provide another designated period for Two Years Additional Service Credit, Section 20903, based on the contract amendment included in said contract, which provided for Section 20903, Two Years Additional Service Credit, for eligible members; NOW THEREFORE;

BE IT RESOLVED that said Governing Board does seek to add another designated period from February 16, 2004, through August 13, 2004, for the following positions: the Human Resources Manager in the Finance Department; the Web Developer Analyst in the Information Technology Department; and the Assistant Web Developer Analyst in the Information Technology Department.

the following	PASSED AND ADOPTED by the Board this vote:	day of	2004, by
	AYES:		
	NAYS:		
	ABSENT:		
	ABSTAINING:		

Chairman San Diego Metropolitan Transit Development Board

Filed by:

Approved as to form:

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

DDarro RES04-01.SDUSEN 1/29/04 Office of the General Counsel San Diego Metropolitan Transit Development Board



1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619/231-1466 FAX 619/234-3407

Agenda

Item No.

Board of Directors Meeting

CIP 10453

February 12, 2004

Subject:

SAN YSIDRO INTERMODAL TRANSPORTATION CENTER PROJECT: REQUEST FOR SUBSTITUTION OF DBE SUBCONTRACTOR

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer to:

- 1. find that Stacy and Witbeck made sufficient good faith efforts in attempting to replace disadvantaged business enterprise (DBE) Sapper Construction; and
- 2. approve Stacy and Witbeck's request to replace Sapper Construction with a subcontractor acceptable to MTDB, or perform the work itself.

Budget Impact

None.

DISCUSSION:

In a letter dated December 9, 2003, Stacy and Witbeck requested to replace DBE subcontractor Sapper Construction (Sapper) or to self-perform the remaining concrete flatwork in Sapper's contract. The request was a result of Sapper's inability to obtain insurance required to perform the work. Therefore, on December 15, 2003, pursuant to Public Contract Code Section 4107 (a), MTDB notified Sapper of Stacy and Witbeck's request for substitution. Sapper failed to submit a written objection to the substitution, thereby consenting to the request for substitution. In accordance with the contract, Stacy and Witbeck was required to make substitution with a DBE or demonstrate good faith efforts (GFEs). A deadline of January 16, 2004, was given to Stacy and Witbeck by staff for submitting GFE documentation, or requesting to add a specific replacement DBE contractor. Additionally, in order to prevent delays to the project completion, Stacy and Witbeck was permitted to self perform the work through January 30, 2004.

Member Agencies:
City of Chula Vista, City of Coronado, City of El Cajon. City of Imperial Beach. City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of San Diego, State of California

Stacy and Witbeck's GFE documentation was received by staff on January 14, 2004. Subsequently, MTDB's DBE consultant, Gonzalez-White Consulting Services determined that Stacy and Witbeck did not make sufficient GFEs in attempting to replace Sapper with another DBE contractor. The primary inadequacies were due to their failure to advertise the work for bid and for conducting only a telephone solicitation for bids rather than a written one. However, since this project is already 75 percent complete, and there is no concrete flatwork scheduled between January 30 and the February 12 Board meeting, Stacy and Witbeck was permitted to make a another GFE attempt to replace Sapper with another DBE.

The second set of GFE documentation was received on February 2, 2004. Subsequently, MTDB's DBE consultant, Gonzalez-White Consulting Services, has determined that Stacy and Witbeck has now met the required good faith efforts requirements in the Special Provisions of the contract. Therefore, staff recommends that Stacy and Witbeck be permitted to self perform the remaining concrete work. A copy of the evaluation from Gonzalez-White Consulting Services is included as Attachment A.

The consequences of this recommendation are that the remaining \$210,000 of Sapper Construction's original \$1,047,000 subcontract (9.99 percent of the original DBE commitment) for concrete flatwork will be completed by Stacy and Witbeck. This would lower Stacy and Witbeck's original DBE commitment from 10.28 percent to 8.28 percent. Stacy and Witbeck's actual DBE percentage will remain above the DBE goal of 6 percent that was established for this project. However, they may not meet their original DBE commitment. This will be determined by how much DBE participation is included in the remaining contract change order work.

Stacy and Witbeck's Workforce Report is included for your information as Attachment B.

Paul C. Jablonski

Chief Executive Officer

Key Staff Contact: Brad Helgason, 619.235.2632, Brad.Helgason@sdmts.com

DDarro 6-04FEB12.BHELGA 2/4/04

Attachments: A. Good Faith Effort Evaluation

B. Workforce Report

Board only

BACKGROUND

Stacy and Witbeck, Inc. is the prime contractor for the San Ysidro Intermodal Transportation Center – Phase 2 Project Contract LRT-10453 with a DBE participation of 10.28%. Sapper Construction Co. is a DBE subcontractor listed under Stacy and Witbeck for concrete work. Sapper is unable to complete the remaining work for this project. Stacy and Witbeck, Inc. has requested to replace Sapper and self perform the work. This would lower their DBE participation to 8.28%. The DBE Goal for this project is 6%. The following provides background information taken from Stacy and Witbeck's good faith effort documentation. Stacy and Witbeck states that they:

Advertised in the following publications:

Daily Construction Service San Diego Source

- Faxed written solicitation letters to DBEs from MTDB's DBE list for the work items selected.
- Conducted telephone follow-up solicitations.
- Faxed solicitation letters to various community organizations requesting assistance in recruitment of DBEs.
- Selected the following work items for DBE participation: "Concrete and Cement",
 "Portland Cement & Concrete", "Concrete Structure", "Minor Concrete and
 Structure", "Concrete Surface Finish".

CRITERIA AND EVALUATION

(1) Whether the contractor attended any pre-solicitation or pre-bid meetings that were scheduled by the recipient to inform DBEs of contracting and subcontracting opportunities;

Stacy and Witbeck, Inc. did attend the pre-bid for this project, however, Stacy and Witbeck is seeking a replacement for the DBE subcontractor Sapper Construction. A meeting was not scheduled to inform DBEs on the replacement of these particular work items.

(2) Whether the contractor advertised in general circulation, trade association, and minority-focus media concerning the subcontracting opportunities;

Stacy and Witbeck advertised in the Daily Construction Service and in the San Diego Source. The Good Faith Effort Documentation contains proof of publication for the above referenced advertisements. The advertisements included contact, project owner information and the specific work categories.

(3) Whether the contractor provided written notice to a reasonable number of specific DBEs that their interest in the contract was being solicited, in sufficient time to allow the DBEs to participate effectively;

Stacy and Witbeck contacted 39 DBE firms on December 11, 2003. Stacy made a second attempt and faxed written solicitations on January 23, 2004. Stacy utilized the "List of Certified DBE Firms From Selected Work Categories" booklet provided at the pre-bid. Five work categories were selected: C4010-Concrete Paving, C0651-Concrete and Cement, C5100 – Concrete Structure, C5105-Minor Concrete Structure and C5110 – Concrete Surface Finish.

(4) Whether the contractor followed up initial solicitations of interest by contacting DBEs to determine with certainty whether the DBEs were interested;

Stacy and Witbeck followed-up with the initial solicitations from December 11, 2003 and the solicitations sent on January 23, 2004. Out of the 39 DBE firms, 8 did not do the type of work the contract required, 10 were not interested, 5 did not respond, 4 claimed it was too far for them to do the work, 6 had phones disconnected, 2 were interested in bidding and 4 did not return calls.

(5) Whether the contractor selected portions of the work to be performed by DBEs in order to increase the likelihood of meeting the DBE goals (including, where appropriate, breaking down contracts into economically feasible units to facilitate DBE participation);

Stacy and Witbeck, Inc. looked for specific work categories (see criterion #3) and identified this portion of work for subcontracting.

(6) Whether the contractor provided interested DBEs with adequate information about plans, specifications, and requirements of the contract;

The DBE firms we contacted were aware of this information.

(7) Whether the contractor negotiated in good faith with interested DBEs, not rejecting DBEs as unqualified without sound reasons based on a thorough investigation of their capabilities;

Stacy and Witbeck did not receive any bids, only a quote for time and material from one DBE firm.

(8) Whether the contractor made efforts to assist interested DBEs in obtaining bonds, lines of credit, or insurance required by the recipient or contractor;

The DBE firms we contacted were aware of this information.

(9) Whether the contractor effectively used the services of available minority community organizations; minority contractors' groups; local, state, and federal minority business assistance offices; and other organizations that provide assistance in the recruitment and placement of DBEs.

Stacy's Good Faith Effort documentation depicts 7 community organizations contacted via fax.

EVALUATION AND SUMMARY

The Code of Regulations defines good faith efforts as "those which, given all relevant circumstances, a competitor actively and aggressively seeking to meet the goals would make. Efforts that are merely pro forma are not good faith efforts to meet the goals, even if they are sincerely motivated, if, given all relevant circumstances, they could not reasonably be expected to produce a level of participation to meet the goals." The good faith effort criteria are listed in Section 7-4 E1-10 of the MTDB Special Provisions for this project.

Stacy and Witbeck, Inc., the prime contractor on the San Ysidro Intermodal Transportation Center – Phase 2 Project LRT-10453 has requested to replace their DBE subcontractor Sapper Construction and self perform the remaining work.

It is our assessment that the main part of the good faith effort, the outreach, was met. The outreach mainly consists of advertisement, solicitation letters and follow-up of these letters to an adequate number of DBE firms. Stacy and Witbeck advertised in trade focused-publications and identified the specific items for DBE participation. They solicited a total of 39 DBE firms on 12/11/03 with follow-ups on 12/11/03. A second attempt was made on January 26, 2004 and a follow-up was conducted between 1/26 through 1/29/04. They also provided information regarding bond assistance and plans. Community organizations were also contacted. Therefore, it is our conclusion that Stacy and Witbeck did meet the good faith efforts required under the Code of Regulations.

Att. B, AI 6, 2/12/04, CIP 10453

MTDE

EQUAL EMPLOYMENT OPPORTUNITY PROGRAM WORKFORCE REPORT

The Metropolitan Transit Development Board (MTDB) enforces an Equal Employment Opportunity (EEO) program established under policies and procedures No. 26. This program prohibits discrimination in employment and requires MTDB contractors to be equal copertunity employers. You may cubmit a copy of the Employer Information Report, EEO-1, In lieu of this form.

PLEASE COMPLETE ALL SECTIONS OF THIS FORM. A. NAME OF COMPANY: B. AKA/DBA: ADDRESS OF ESTABLISHMENT LOCATED IN SAN DIEGO COUNTY: D. If there is no office in San Diego County, or if there are less than 15 employees in that office, include an address for your regional office that will oversee the work under MTDB's contract County State

E. Employment Data

Include the employees located in San Diego County only, unless your firm employs lewer than 15 people locally. In that event, you should flat the workdorce of the regional office that will oversee the work under MTDB's contract. Report all permanent full-time and part-time employees including apprentices and on-the-job trainees. Blank spaces will be considered as zeros.

Occupational Category	Afr Ame	ican idcan	Hispanic		Asian or Pacific Islander		Native .	American	Other		Overall Total
Category	М	F	М	F	М	F	M	F	М	F	10161
Executive/Managerial									6		
Engineers/Architects/ Surveyors									4		
Professionals (N.E.C.)											
Techniclans											
Sales											
Administrative Support			,	1					·	1	
Protective Services										_	
Services (N.E.C.)											
Craft Workers (Skilled)			10	3					77		
Machine Operators, Assemblers & Inspectors			2						8		
Transportation and Material Moving											
Laborers (Unsklifed)											
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1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619/231-1466 FAX 619/234-3407

Agenda

Item No. 7

Board of Directors Meeting

CIP 10426

February 12, 2004

Subject:

GENERAL ENGINEERING CONSULTANT WORK ORDERS AND WORK ORDER AMENDMENTS

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute work orders and work order amendments with our General Engineering Consultant (GEC), Berryman and Henigar, in substantially the same form as shown in Attachment B, for an additional amount of \$371,800, and a total amount not to exceed \$571,800 for the Mission Valley East (MVE) Light Rail Transit (LRT) Extension (see Attachment A).

Budget Impact

Funding for Work Order Amendment Nos. 03.05.03 and 03.10.01 would come from the MTDB Capital Projects as shown on Attachment A.

DISCUSSION:

Work Order Amendment No. 03.05.03. Under Work Order Amendment No. 03, the GEC will continue to provide general engineering services for project management assistance on the MVE LRT Project, La Mesa Segment, and Grantville Segment (LRT-426). The estimated cost of this work order amendment would be \$55,000. Approval is also requested for Work Order No. 03.05.02, previously approved under the General Manager's authority for \$95,000, for a total estimated amount of \$350,000 as shown in Attachment A.

Work Order No. 03.10.01. Under this Work Order Amendment No. 01, the GEC will continue to review environmental planning documents and monitor hazardous materials/waste handling activities for the Grantville and La Mesa Segments of the MVE LRT Project. The estimated cost of this work order amendment would be \$126,800. Approval is also requested for the original Work Order No. 03.10, previously approved under the General Manager's authority for \$95,000, for a total estimated amount of \$221,800 as shown in Attachment A.

Member Agencies:
City of Chula Vista, City of Coronado, City of El Cajon. City of Imperial Beach. City of La Mesa. City of Lemon Grove, City of National City, City of Poway. City of San Diego, City of Santee, County of San Diego, State of California

The GEC Equal Opportunity Program (EOP) Workforce Report is also provided as Attachment C.

Paul C. Jablonski Chief Executive Officer

Key Staff Contacts: Mike Ruth, 619.557.4539, mike.ruth@sdmts.com

Jim Hecht, 619.557.4542, jim.hecht@sdmts.com

Alsla 7-04FEB12.SSMITH 1/28/04

Attachments: A. Summary of Recommended GEC Work Orders

B. Work Order Nos. 03.05.03 and 03.10.01

C. GEC EOP Workforce Report

Board Only

ATTACHMENT A SUMMARY OF RECOMMENDED GEC WORK ORDERS FOR MTD BOARD APPROVAL

Work Order	Description	Previous Amount Approved by Board	Total Amount Not to Exceed	Budget Line Item	Balance Remaining
W.O. No. 03.05, Amendment No. 3, Doc. No. L0606.3-02	Mission Valley East (MVE) Light Rail Transit (LRT) Extension, MTDB Capital Project 10426.	\$200,000	\$350,000 (including \$55,000 for this amendment and \$95,000 previously approved by the G.M)	10426-0100 Admin	\$2,423,668
W.O. No. 03.10, Amendment No. 1, Doc. No. L0606.3-02	Mission Valley East (MVE) Light Rail Transit (LRT) Extension, MTDB Capital Project 10426.		\$221,800 (including \$126,800 for this amendment and \$95,000 previously approved by the G.M.)	10426-0100 Admin	\$2,296,868



1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 (619) 231-1466 FAX (619) 234-3407 February 12, 2004



Att. B, AI 7, 2/12/04, CIP 10426

MTDB Doc. No. L0606.3-02 Work Order No. 03.05.03 CIP 10426

Mr. Stephen K. Smith Senior Vice President Berryman & Henigar 11590 West Bernardo Drive San Diego, CA 92127-1624

Dear Mr. Smith:

Subject: MTDB DOC. NO. L0606.3-02, AMENDMENT NO. 03 TO WORK ORDER NO. 03.05,

GENERAL ENGINEERING SERVICES FOR THE MVE LRT PROJECT - LA MESA AND

GRANTVILLE SEGMENTS

This letter shall serve as Amendment No. 3 to Work Order No. 03.05 under MTDB Doc No. L0606.3-02, for professional services under the General Engineering Consultant Agreement, as further described below.

SCOPE OF SERVICES

Provide additional general engineering services for project management assistance on the Mission Valley East (MVE) Light Rail Transit (LRT) Project, La Mesa Segment, and Grantville Segment, in accordance with the attached Scope of Services (Exhibit I).

SCHEDULE

The Scope of Services, as described above, shall extend through July 27, 2004.

PAYMENT

Payment shall be based on actual costs, not to exceed \$55,000, without prior authorization. The total value of Work Order No. 03.05, including this amendment, is \$350,000.

If you agree with the above, please sign in the space provided below and return the document marked "original" to Jeanne Yamamoto at MTDB. All other terms and conditions shall remain the same and in effect. Retain the other copy for your records.

Sincerel	ly	,
----------	----	---

Accepted:

Paul C. Jablonski Chief Executive Officer Stephen K. Smith Berryman & Henigar

Alsla/CL-WO03.05.03.SSMITH

Date:

Attachment: Exhibit I, Scope of Services

City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, County of San Diego, State of California

EXHIBIT I

SCOPE OF SERVICES

GENERAL ENGINEERING SERVICES FOR THE MVE LRT PROJECT LA MESA AND GRANTVILLE SEGMENTS

MTDB DOC. NO. L0606.3-02 - WORK ORDER NO. 03.05.03

DESCRIPTION

Under the original Work Order No. 03.05, Amendment No. 01, and Amendment No. 02, the general engineering consultant (GEC) provided engineering services for project management assistance on the Mission Valley East (MVE) Light Rail Transit (LRT) Project, La Mesa Segment, and Grantville Segment (LRT-426).

Under Work Order Amendment No. 03, the GEC will continue to provide general engineering services for project management assistance on the MVE LRT Project, La Mesa Segment, and Grantville Segment (LRT-426). Assistance in project management will consist of attending various meetings, review and processing of project construction-related documents, assisting in project document control activities, calculation verifications, value engineering, and any general office support as necessary.

TASKS

- 1. Attendance of meetings will vary throughout the project and will include both in-office and out-of-office locations. Meetings attended may include any of the following: LRT-Project Review Team (PRT); Metropolitan Transit Development Board (MTDB); city and public agencies; project designers; construction manager; and the contractor. The work includes making periodic site visits to the project site as required to properly carry out the tasks outlined herein.
- 2. Assist the project manager by reviewing contractor submittals, proposed construction change orders, contractor Request for Information (RFI), and other construction-related matters. Coordinate with the document control specialist to ensure proper filing of project documentation and correspondence.
- 3. Receive, process, and distribute proposed construction change drawings to affected parties including MTDB and San Diego Trolley, Inc. (SDTI), staffs, the project construction manager, contractor, project designers, and affected public agencies, as required and directed by the project manager.

SCHEDULE

All work under this work order amendment shall be completed by July 27, 2004.

Alsla/CL-WO03.05.03.SSMITH 1/30/04



1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 (619) 231-1466 FAX (619) 234-3407

February 12, 2004



MTDB Doc. No. L0606.3-02 Work Order No. 03.10.01 CIP 10426

Mr. Stephen K. Smith Senior Vice President Berryman & Henigar 11590 West Bernardo Court, Suite 100 San Diego, CA 92127-1624

Dear Mr. Smith:

Subject: MTDB DOC. NO. L0606.3-02, AMENDMENT NO. 01 TO WORK ORDER NO. 03.10,

GENERAL ENGINEERING SERVICES FOR OVERSIGHT OF HAZARDOUS

MATERIALS/WASTE ACTIVITIES FOR THE MVE LRT CONSTRUCTION PROJECT

This letter will serve as Amendment No. 1 to Work Order No. 03.10 under MTDB Doc. No. L0606.3-02, for professional services under the General Engineering Consultant (GEC) Agreement, as further described below.

SCOPE OF SERVICES

Provide general environmental consulting services, in accordance with the attached Scope of Services, for monitoring hazardous materials handling activities for the Mission Valley East (MVE) Light Rail Transit (LRT) Project in San Diego, CA.

SCHEDULE

The Scope of Services, as described above, shall extend through February 27, 2005.

PAYMENT

Payment shall be based on actual costs, not to exceed \$126,800 without prior authorization. The total value of Work Order No. 03.10, including this amendment, is \$221,800.

If you agree with the above, please sign in the space provided below and return the document marked "original" to Jeanne Yamamoto at MTDB. Retain the other copy for your records.

Sincerely,

Accepted:

Paul C. Jablonski	
Chief Executive Office	r

Stephen K. Smith Berryman and Henigar

Alsla/CL-WO03.10.01.SSMITH

Date:

Attachment: Exhibit I, Scope of Services

Member Agencies

City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, County of San Diego, State of California

Metropolitan Transit Development Board is Coordinator of the Metropolitan Transit System and the 🖨 Taxicab Administration Subsidiary Corporations: 🖨 San Diego Transit Corporation, 🖺 San Diego Trolley, Inc., and 🍙 San Diego & Arizona Eastern Railway Company

EXHIBIT I

SCOPE OF SERVICES

GENERAL ENGINEERING SERVICES FOR OVERSIGHT OF HAZARDOUS MATERIAL/WASTE ACTIVITIES FOR THE MVE LRT PROJECT

MTDB DOC. NO. L0606.3-02 - WORK ORDER NO. 03.10.01

DESCRIPTION

Under original Work Order No. 03.10, the General Engineering Consultant (GEC) will review environmental planning documents and monitor hazardous materials/waste handling activities for the Grantville and La Mesa Segments of the Mission Valley East (MVE) Light Rail Transit (LRT) Project in San Diego, CA. Hazardous materials/waste concerns that are detailed in the special provisions for the Grantville Segment construction contract (Contract LRT-426.3) and the La Mesa Segment construction contract (Contract LRT-426.4) include the following:

- asbestos-containing material (ACM);
- lead-containing paint (LCP);
- aerially deposited lead (ADL) and lead-contaminated soil;
- hydrocarbon-contaminated soil;
- demolition; and
- dewatering.

The construction contractor has prepared various planning documents to comply with the requirements contained in construction contracts LRT-426.3 and LRT-426.4. The GEC will review the planning documents and will inspect the field activities to document contractor compliance with the planning documents, associated special provisions, and regulatory guidance. When requested by the Metropolitan Transit Development Board (MTDB), the GEC will indicate whether payment is appropriate based on the "measurement and payment" provisions of the contract.

The general work will include, but not be limited to attendance at meetings, conducting site inspections, performing characterization of potentially contaminated media, and responding to MTDB and construction contractor inquiries or other environmentally related submittals, as directed by MTDB.

Under this work order amendment, No. 03.10.01, the GEC will perform the additional specific items detailed below.

TASKS

Task 1: Sid's Auto Hydraulic Sump Removal and Remediation

Following the demolition of several buildings and Sid's Auto, three hydraulic lifts, one 100-gallon reservoir tank, and piping associated with the lifts were discovered and will require removal at the request of MTDB. In addition to the removal activities, soil excavation, transportation, and disposal will be performed as well as confirmation analytical testing of soil samples collected from the excavations. Finally, a report describing the results of the field work and analytical testing will be prepared.

Task 2: Soil excavation and disposal, MTDB Taxi Inspection Facility (1601 Newton Avenue)

At the request of Mr. Ryan Boley of the San Diego Associaion of Governments (SANDAG) (formerly of MTDB), the GEC will supervise the excavation of soil at the Newton Avenue facility. The soil will be excavated and stockpiled in accordance with the San Diego County Department of Environmental Health (DEH) guidelines, sampled and analyzed for pertinent analytical parameters for disposal profiling for the Copper Mountain Landfill in Arizona. The soil will be characterized as a California hazardous waste.

Task 3: Bob Bowen Underground Storage Tank (UST) Removal

At the request of Ramon Ruelas of SANDAG (formerly of MTDB), the GEC will coordinate and supervise the permitting and removal of one 2,000-gallon UST located between the sidewalk along the southern side of Alvarado Road and the parking lot of Bob Bowen's. The GEC will complete the permit application to the DEH and fire department, contract and supervise the UST removal contractor, collect post removal samples in accordance with DEH guidelines, and prepare and submit a UST closure report.

Task 4: Soil Reuse from National City Marina

At the request of Matt Britten of SANDAG (formerly of MTDB), the GEC will review a data package provided by MTDB describing soils excavated from the proposed National City Marina. The GEC will review the data package and discuss the potential for accepting soil from the site under the conditions set by the Marina contractor. The GEC will also prepare a response letter to Matt Britten with conclusions and recommendations regarding possible reuse of the soil at the MVE Project for submittal to DEH.

Task 5: Alpine Glass Sump Removal

At the request of Matt Britten of SANDAG (formerly of MTDB), the GEC will coordinate and supervise the permitting and removal of three concrete sumps located between the Alpine Glass building and Alvarado Creek. The GEC will complete the permit application to the DEH and fire department, contract and supervise the sump removal contractor and sump clean out contractor, collect post removal samples in accordance with DEH guidelines, and prepare a UST closure report.

Task 6: Soil Reuse at Grantville Station

At the request of Matt Britten of SANDAG (formerly of MTDB), the GEC will collect one sample of soil from a stockpile generated from the over-excavation of soil from a retaining wall area within the Grantville Station project area. The soil sample will be analyzed for volatile organic compounds and will be permitted to be reused on site. The GEC will also prepare a brief e-mail describing the results of the sampling and analysis and present conclusions and recommendations regarding reuse of the soil.

Task 7: Cast-in-Place Drilled Hole (CIDH) Groundwater Assessment

At the request of Jim Hecht of SANDAG (formerly of MTDB), the GEC will oversee a portion of the drilling of a CIDH in the vicinity of 70th Street and Alvarado Road due to the reports by the drilling contractor of hydrocarbon odors. The GEC will observe the drilling activities, collect groundwater

-2- B-5

samples, and provide the General Contractor, Balfour Beatty Ortiz, with recommendations for handling the groundwater extracted from the borehole. The GEC will collect and analyze the groundwater samples for pertinent information required to assess the potential for reuse of the groundwater on site as dust control or for disposal into the sanitary sewer system.

Task 8: Soil Excavation Monitoring and Disposal, 70th Street and Alvarado Road

During the excavation of soil for the LRT underpass at 70th Street and Alvarado Road, petroleum hydrocarbon-contaminated soil was encountered. The GEC will develop and implement a soil sampling program designed to characterize the soil for transportation and disposal purposes. The GEC will collect and analyze 35 soil samples from random locations and depths throughout the excavation footprint. The soil sample results will be used to profile the soil for acceptance to the landfill for disposal. The GEC will also observe the excavation of over 50,000 yards of soil from the area and direct the segregation of soil into "clean" and contaminated waste streams.

Task 9: Sid's Auto Body Site Assessment

As requested by MTDB, the GEC will conduct a site assessment at the Sid's Auto facility to support site closure. The GEC will renew the existing permit (or obtain a new permit) to install one groundwater monitoring well at the site as located by a surveyor. The well will be drilled to a depth of approximately 25-feet below ground surface (bgs), depending on field conditions. During drilling, four soil samples will be collected and analyzed for total petroleum hydrocarbons (TPH) by Method 8015, volatile organic compounds (VOCs) by Method 8260B, semi-volatile organic compounds (SVOCs) by Method 8270C, and total lead by Method 6010B. Once installed, two existing wells and the new well will be sampled and analyzed for TPH, VOCs, SVOCs, and the Resource Conservation and Recovery Act (RCRA) metals. A vapor risk assessment will also be performed based on the data collected from the groundwater sampling event. A 60-day drilling report will be submitted to the DEH as required, and a closure report will be prepared in support of closure of the site.

COST ESTIMATE

The following has been prepared to estimate costs for each task described above.

- Task 1 Sid's Auto Hydraulic Sump Removal and Remediation: \$10,000
- Task 2 Soil excavation and disposal, MTDB Taxi Inspection Facility (1601 Newton Avenue): \$8,700
- Task 3 Bob Bowen Underground Storage Tank (UST) Removal: \$16,500
- Task 4 Soil Reuse from National City Marina: \$1,700
- Task 5 Alpine Glass Sump Removal: \$18,500
- Task 6 Soil Reuse at Grantville Station: \$600
- Task 7 CIDH Groundwater Assessment: \$3,100

- Task 8 Soil Excavation Monitoring and Disposal, 70th Street and Alvarado Road: \$30,400
- Task 9 Sid's Auto Body Site Assessment: \$37,300

Amendment budget subtotal = \$126,800

SCHEDULE

The period of performance for this work order will extend from work order approval until February 27, 2005.

LIMITATIONS

The following are the limitations to the subject scope of work:

• The GEC will not certify that health and safety plans meet OSHA requirements. The GEC can provide review of health and safety plans discussed in this work order to ensure they are in place and that appropriately-certified health and safety professionals prepared and approved the plan. The GEC also will review the plans to ensure that they protect the community and provide adequate provisions to prevent offsite migration of hazardous materials/wastes.

Alsla CL-WO03.10.01.SSMITH 1/30/03

-4- B-7

BERRYMAN & HENIGAR PROJECT BUDGET ESTIMATE														
NAME:		Mission Valley East - Hazardous Waste Consultation		PROJECT N	O.:				MTDB	PM:	Jim Hed	cht		
FIRM:		Berryman and Henigar, Inc	W.O. NO.:						B&H PM: Steve Smith			Smith		
DESC	CR: Oversight of Hazardous Waste Activities for the MVE LRT Construction DATE: December 17, 2002									per 17, 2002_				
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EQUAL OPPORTUNITY PROGRAM WORKFORCE REPORT

The Metropolitan Transit Development Board (MTDB) enforces an Equal Employment Opportunity (EEO) program established under policies and procedures No. 26. This program prohibits discrimination in employment and requires MTDB contractors to be equal opportunity employers. You may submit a copy of the Employer Information Report, EEO-1, in lieu of this form.

PL	EASE COMPLETE ALL SECTIONS OF THIS FORM.
٨.	NAME OF COMPANY: Berryman & Henigar Inc.
3.	AKA/DBA: Berryman & Henigar Inc.
٥.	ADDRESS OF ESTABLISHMENT LOCATED IN SAN DIEGO COUNTY (if different from above):
	11590 W. Bernardo Ct Suite 100 San Diego, CA 92127-1622
	<u> </u>
Ο.	If there is no office in San Diego County, or if there are less than 15 employees in that office, include an address for your regional office that will oversee the work under MTDB's contract.

_____ State ____ Zip _

E. EMPLOYMENT DATA

Include the employees located in San Diego County only, unless your firm employs fewer than 15 people locally. In that event, you should list the workforce of the regional office that will oversee the work under MTDB's contract. Report all permanent full-time and part-time employees including apprentices and on-the-job trainees. Blank spaces will be considered as zeros.

Occupational	Afri Ame		Hisp	anic	Asian or Pacific Native Islander American				Oth		Overall Total	
Category	M	F	М	F	М	F	М	F	М	F	Total	
Executive/Managerial	0	0	2	1	0	1	0	1	7	4	16	
Engineers/Architects/ Surveyors	0	0	0	0	0	0	0	0	0	0	0	
Professionals (N.E.C.)	0	0	2	0	3	1	0	0	29	4	39	
Technicians	1	0_	1	11	0	1	0	0	11	2	17	
Sales	0	0	0	0	0	0	0	0	0	0	0	
Administrative Support	1	3_	1	2	0	2	0	0	1	14	24	
Protective Services	0	0	0	0	0	0	0	0	0	0	0	
Services (N.E.C.)	0	0	0_	0	0	0	0	0	0	0	0	
Craft Workers (Skilled)	0	0	0	0	0	0	0	0	0	0	0	
Machine Operators, Assemblers and Inspectors	0	0	0	0	0	0	0	0	0	0	0	
Transportation and Material Moving	0	0	0	0	0	0_	0	0	0	0	0	
Laborers (Unskilled)	0	0	0	0	0	0	0	0	0	0	0	
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ndicate by gender and ethnic code the number of the above workforce which are persons with disabilities.											
Disabled											

F.	THE UNDERSIGNED HEREBY CERTIFIES THAT THE FOREGOING DATA CONTAINED HEREIN IS TRUE AND
	CORRECT.
	AUTHORIZED SIGNATURE

Sherry Hennes	Director of Human Resources	January 28, 2004
NAME OF SIGNEE	TITLE	DATE

G. NAME, ADDRESS AND PHONE NUMBER OF PERSON TO CONTACT REGARDING THIS REPORT.

Tammy Johnson 11590 W. Bernardo Ct. Suite 100 San Diego, CA 92127-1622

LTorio/WORKFORCE/5-02

MTS OPERATORS

FY 04 PROPOSED MID-YEAR BUDGET AMENDMENTS

2/12/2004



Operating Budgets-Variances

(Unfavorable) Favorable Budget Variance

\$262,830

 San Diego Transit
 \$(640,176)

 San Diego Trolley
 362,346

 MTS Contract Services
 384,219

 Chula Vista Transit
 131,441

 National City Transit
 25,000

 Coronado Ferry
 0

TOTAL AMENDMENT

unes.

2/12/2004

Operating Budgets -Variances

Fare revenue - \$2,332,000 under budget

- Budgeted \$68.2 million; revised to \$65.9 million
- Firestorm and scaffolding accident adversely effected ridership
- ADA ridership and rural services expanding less than anticipated
- SDTC ridership 9% lower than expected; others within 1-2% of expectations

2/12/200



Operating Budgets -Variances

Personnel - \$1,492,000 under budget

- SDTC workers comp costs less than expected
- Other operators achieved savings from vacancies

2/12/2004



Operating Budgets -Variances

Purchased Transp. - \$519,000 under budget

- · ADA revenue hours running well below budget
- Delayed rural bus expansion

2/12/200-



Operating Budgets -Variances

Energy - \$699,000 under budget

- Diesel fuel budgeted at \$1.05/gallon; experience is slightly higher (\$26,000 negative variance)
- CNG budgeted at \$0.80/therm; experience is averaging \$0.90/therm (\$409,000 negative variance)
- Electricity budgeted at 16.5 cents/kWh; experience is between 13 and 15 cents/kWh (\$1.1 million positive variance

2/12/200



	1
Operating Budgets-Savings	
Subsidy savings - \$262,830 - made up of:	
MTS Contingency Reserve 257,830 Air Pollution Control District 5,000	
2/122004 7	
	· ·
MTDB General Fund	
:	
 Budget adjustment approved in September to reflect transfer of 	
Engineering/Construction function	
 One additional adjustment for transfer of two web development staff to SANDAG (\$61,975) 	
2/12/2004	·
Recommendation	
Adopt Resolution No. 04-2 amending the FY 04 budgets	
Approve the transfer of \$61,975 in TDA funds to SANDAG	
TDA TUNOS TO SAINDAG	



1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619/231-1466 FAX 619/234-3407

Agenda

Item No. 30

Board of Directors Meeting

FIN 310 (PC 30100)

February 12, 2004

Subject:

FINANCE WORKSHOP: FY 04 MID-YEAR BUDGET AMENDMENT

RECOMMENDATION:

That the Board of Directors:

- adopt Resolution No. 04-2 (Attachment A) amending the FY 04 budgets of MTDB, San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), MTS Contract Services, Chula Vista Transit, and National City Transit; and
- approve the transfer of \$61,975 in Transportation Development Act (TDA)
 percent funds to the San Diego Association of Governments (SANDAG).

Budget Impact

The transit-operating budget has a combined budget decrease of \$262,830. This savings is made up of \$5,000 in Air Pollution Control District (APCD) funds and \$257,830 in MTS Contingency Reserve. In addition, the MTS General Fund is decreasing by \$61,975 to reflect the transfer of the two web development employees to SANDAG (previously approved by the MTS Board).

DISCUSSION:

Summary

The mid-year budget adjustment encompasses all of the MTS operators. Attachments A-6 through A-12 show the combined FY 04 budget and the proposed adjustments. The operators are proposing a combined **net budget decrease totaling \$262,830**. This net adjustment is less than 1 percent of the net subsidy (fare revenue less expenses).

Member Agencies:
City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, County of San Diego, State of California

The following is a summary by operator.

	Favorable (Unfavorable) <u>Variance</u>	Budget in Attachment
SDTC	(\$640,176)	A-7
SDTI	362,346	A-8
MTS Contract Services	384,219	A-9
Chula Vista Transit	131,441	A-10
National City Transit	25,000	A-11
Coronado Ferry	0	A-12
TOTAL	262.830	

In addition, MTS is proposing a decrease of \$61,975 in the General Fund budget to reflect the transfer of two web development staff to SANDAG, effective January 26, 2004.

The following is a discussion of the proposed amendments to the budgets for MTS and each of the MTS operators.

MTS Operators – Details of Proposed Budget Amendments

Following are the budget line items affected, along with explanations:

	Favorable (Unfavorable) <u>Variance</u>	Percent of Line Item
Revenue:		
Fare revenue	(\$2,332,084)	6.4
Expenses:		
Personnel	1,491,722	1.9
Purchased transportation	518,997	1.1
Repair/maintenance	(260,597)	9.6
Energy	698,980	3.8
Maintenance parts/supplies	267,155	3.5
Risk Management	(222,677)	3.7
Remaining line items	23,253	1.0

<u>Fare Revenue</u>. We are projecting fare revenue for FY 04 of \$65,868,000, compared to the original budget of \$68,200,000. Actual fare revenue for FY 03 was \$64.3 million. Fare revenues and ridership have been adversely affected by two significant events: the October 2003 firestorm and the November 2003 accident and fire at the 12th & Imperial Transfer Station. It is estimated that nearly 400,000 transit rides were not taken as a result of the two incidents. During the firestorm and resulting smoke, citizens remained indoors as schools, colleges, universities, and employers were closed. Trolley ridership was most affected by the scaffolding accident at the 12th and Imperial Transfer Station and the subsequent fire in a substation with nearly 30,000 lost trips during those few days.

MTS Contract Services, Chula Vista Transit, and National City Transit are within 1 or 2 percent of budget projections, with MTS Contract Services down 2 percent due to primarily Americans with Disabilities Act (ADA) paratransit and rural services expanding less than planned. SDTI ridership is down about 2 percent from budget, partially related to the fires. SDTC ridership is projected for FY 04 to be 9 percent below budget with fare revenues 6.4 percent below budget expectations. SDTC is in the process of conducting a comprehensive ridership analysis that will address the last four-year period. This analysis is being performed with assistance from SANDAG. Preliminary work has focused on the FY 04 ridership decline. To date, several factors have been identified as contributing to the decline, including the wildfires, the fare increase, service reductions, service quality, and demographic changes.

Personnel. Personnel costs are projected to be \$1.5 million under budget. The savings is primarily attributable to SDTC's better-than-expected experience in workers' compensation. During FY 02 and FY 03, workers' compensation costs were escalating at a rapid rate. The FY 04 budget assumed a continuation of this trend. However, during the first six months of FY 04, workers' compensation costs have not increased at the previous level. This is due in large part to an aggressive response by SDTC and MTS risk personnel and our third party administrators. Many old cases have been cleaned up, new cases are coming in at a lower rate, and abusive situations are more aggressively targeted. While these costs are still high by historic standards, positive progress has been made. In addition, SDTC is proposing some personnel changes, as listed in Attachment A-12, with a net reduction of 12.5 positions to recognize the previously approved February service changes.

Other operators have achieved savings in the Personnel line item as a result of vacancies.

<u>Purchased Transportation</u>. This line item represents the contracts with third parties for providing transit services as a result of a competitive award. MTS Contract Services and Chula Vista Transit provide transit services through third-party contracts. We are proposing a decrease of \$519,000 as a result of the ADA services revenue hours running well below budget. The delayed rural bus service expansion has also reduced this line item.

Repair/Maintenance. Repair and maintenance costs are projected to be \$261,000 over budget, an approximate 9.6 percent increase. Most of this increase is attributed to SDTI and is a result of more crossing gate repairs done by third parties. Consequently, much of the increase in this line item is offset by a similar decrease in the Maintenance Parts and Supplies category (where we budgeted to do these repairs in-house).

Energy. This line item encompasses diesel fuel, CNG fuel, and electricity and is expected to be under budget by \$699,000 (3.8 percent). Diesel fuel was budgeted at \$1.05 per gallon and is running slightly higher than that. A small increase of \$26,000 is proposed for the diesel fuel line item. Compressed natural gas (CNG) is trending above budget with CNG pricing approaching \$0.90 per therm versus the \$0.80 budgeted. We are proposing an increase of \$409,000 to recognize the current trend. Electricity is below budget by \$1.1 million. The cost per kilowatt hour (kWh) has been less than anticipated and, in addition, San Diego Gas and Electric (SDG&E) issued a one-time rebate in the fall.

<u>Maintenance Parts and Supplies</u>. This category is projected to be under budget by \$267,000 (3.5 percent). SDTC and SDTI implemented a new financial system this fiscal year, which has allowed for better control of storeroom inventory levels. In addition, SDTI is experiencing a less-than-anticipated need for station and landscaping parts, crossing gate parts, and substation parts.

Risk Management. This line item is projected to be \$223,000 (3.7 percent) over budget. SDTC is experiencing increased legal expenses in liability cases. Many of the cases are older in nature and were concluded at the beginning of the fiscal year. The remainder of the year is expected to more closely follow the budget. MTS Contract Services is also budgeting for an increase (\$59,000) in the cost of insurance for the rural bus service expected with the planned service expansion.

MTS General Fund

The MTS General Fund Budget was adjusted in September when the Engineering and Construction function was transferred to SANDAG. There is one additional adjustment necessary to recognize the transfer of two web development staff to SANDAG, effective January 26, 2004. The cost to fund this transfer is \$61,975 and would be paid out of the TDA 10 percent funds, just as the other transferred positions were handled. The MTS Budget is shown in Attachments A-1 through A-4.

Paul C. Jablonski

Chief Executive Officer

Key Staff Person: Renee Wasmund, 619.699.1940, rwa@sandag.org

JGarde

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2/5/04

Attachment: A. Resolution No. 04-2 (Board Only)

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 04-2

Resolution Approving Amendments to FY 04 Budgets

WHEREAS, the MTS Board of Directors adopted Resolution No. 03-16 on June 26, 2003, approving the FY 04 budgets for MTS, San Diego Transit Corporation, San Diego Trolley, Inc., MTS Contract Services, Chula Vista Transit, National City Transit, and Coronado Ferry;

WHEREAS, the MTS Board of Directors amended the FY 04 budgets on September 25, 2003, to reflect the transfer of the Engineering and Construction functions to the San Diego Association of Governments (SANDAG) along with the ancillary support functions; NOW, THEREFORE.

BE IT RESOLVED, that the MTS Board of Directors approves changes to the FY 04 Operating Budget, per the attached proposed Budget Amendment (Exhibit A).

PASSED AND ADOPTED, by the MTS Board of Directors this day of February 2004, by the following vote:							
AYES:							
NAYES:							
ABSENT:							
ABSTAINING:							
Chairman San Diego Metropolitan Transit System							
Filed by:	Approved as to form:						
Clerk of the Board San Diego Metropolitan Transit System	Office of the General Counsel San Diego Metropolitan Transit System						
JGarde - RES-04-2.RWASMUN							

2/5/04

Attachment: Exhibit A – Proposed Budget Amendments:

MTDB FY 04 Proposed Budget Amendments

- A-1, 2 Revenue General Fund/Transportation Services
- A-3, 4 Expenditures General Fund/Transportation Services
- A-5 FY 2004 Transit Operating Contracts Funding

MTS Operators FY 04 Proposed Budget Amendments

- A-6 MTS Operators Combined
- A-7 San Diego Transit Corporation
- A-8 San Diego Trolley, Inc.
- A-9 MTS Contract Services
- A-10 Chula Vista Transit
- A-11 National City Transit
- A-12 Coronado Ferry
- A-12, 13 SDTC Amended Position Table

EXHIBIT A

MTS

FY 2004

PROPOSED REVENUE BUDGET AMENDMENT GENERAL FUND/TRANSPORTATION SERVICES

STATE			APPROVED	PROPOSED	REVISED	%INCR	
STATE	FUND SOURCES						
Caltrans						· · · · · · · · · · · · · · · · · · ·	
MediCal							
SUBTOTAL: \$466,000 \$0	Caltrans		\$68,000	-	\$68,000	-	
STATE TRANSIT ASSISTANCE STATE ASSISTANCE STATE ASSISTANCE STATE ASSISTANCE STATE ASSISTANCE SUBTOTAL: SUBTOTAL: SUBTOTAL: S11,000 SUBTOTAL: S29,000 S20,460,807 STATE TRANSIT ASSISTANCE S20,362,145 S20,360,360 S20,460,807 S20,46					400,000		
FTA 5307 - Planning/Capital	SUB	STOTAL:	\$468,000	\$0	\$468,000	-	
FTA 5307 - Planning/Capital	FEDERAL						
FTA 5307 - Debt Service			\$314 400	-	\$314.400	_	
SUBTOTAL: \$23,784,262 \$23,784,262 \$23,784,262 \$30 \$29,460,807 \$30 \$29,460,807 \$30 \$29,460,807 \$30 \$29,460,807 \$30 \$29,460,807 \$30 \$29,460,807 \$30 \$329,460,807 \$30 \$329,460,807 \$30 \$329,460,807 \$30 \$329,460,807 \$30 \$329,460,807 \$30 \$329,460,807 \$30 \$329,460,807 \$30 \$329,460 \$30 \$329,400 \$329,4				-		-	
SUBTOTAL: \$29,460,807 \$0 \$29,460,807 \$0		rations		-		-	
TDA - Article 4.0 MTDB Area \$54,814,277 - \$54,814,277 - \$1,531,248 - \$1,613,728 - \$1,613,728 - \$1,613,728 - \$1,613,728 - \$1,613,728 - \$1,613,728 - \$1,613,728 - \$1,613,728 - \$1,613,728 - \$1,12% SUBTOTAL: \$66,744,023 \$(\$61,975) \$5,663,796 - \$1,12% SUBTOTAL: \$66,744,023 \$(\$61,975) \$5,663,796 - \$1,12% SUBTOTAL: \$66,744,023 \$(\$61,975) \$5,663,796 - \$1,12% SUBTOTAL: \$1,23,245 - \$2,23	•	_		\$0			
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TDA - Article 4.5 (ADA) TDA - Article 8.0 TDA - Article 8.0 TDA - Interest			\$54,814,277	•	\$54,814,277	-	
TDA - Article 8.0 TDA - 10% and Administration SUBTOTAL: \$525,771 (61,975) 5,463,796 -1.12% \$66,744,023 (\$61,975) \$566,682,048 -0.09% OTHER LOCAL TransNet SANDAG - Inland Breeze S23,245 City of San Diego A28,918 APCD A95,000 City of Chula Vista SUBTOTAL: \$11,132,487 SUBTOTAL: \$11,132,487 SUBTOTAL: \$11,132,487 SUBTOTAL: \$11,132,487 SUBTOTAL: \$11,132,487 SUBTOTAL: \$11,132,487 SUBTOTAL: \$11,000 - SUBTOTAL				-	\$1,531,247	-	
TDA - 10% and Administration SUBTOTAL: \$56,771 (61,975) 5,463,796 -1.12% SUBTOTAL: \$56,744,023 (\$61,975) \$66,682,048 -0.09% OTHER LOCAL TransNet \$9,273,000 - \$9,273,000 - SANDAG - Inland Breeze 823,245 -				-		-	
SUBTOTAL: \$66,744,023 (\$61,975) \$66,682,048 -0.09%			1,613,728	-	1,613,728	-	
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TransNet \$9,273,000 - \$9,273,000 - SANDAG - Inland Breeze 823,245 - 823,245 - City of San Diego 428,918 - 428,918 - County of San Diego 87,324 - 87,324 - APCD 495,000 (5,000) 490,000 -1.01% City of Chula Vista 25,000 - 25,000 - SUBTOTAL: \$11,132,487 (\$5,000) \$11,127,487 -0.04% STA - Discretionary \$3,138,216 - \$3,138,216 - - -0.04% STA - Formula 1,638,196 - 1,638,196 -	SUB	STOTAL:	\$66,744,023	(\$61,975)	\$66,682,048	-0.09%	
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SUBTOTAL: \$15,667,975 (\$257,830) \$15,410,145 -1.65%				-		-	
			 			-	
TOTAL: \$129,959,018 (\$324,805) \$129,634,213 -0.25%	SUB	BIOTAL:	\$15,667,975	(\$257,830)	\$15,410,145	-1.65%	
101AL (#324,000) #125,004,213 -0.23%		TOTAL ·	\$129 959 018	(\$324 RNS)	\$129 634 213	_n 25%	
		. O . AL.	Ψ123,333,010	(ψ327,003)	Ψ123,004,210	-0.23%	

MTS FY 2004 PROPOSED REVENUE BUDGET AMENDMENT GENERAL FUND/TRANSPORTATION SERVICES

FUND SOURCES	APPROVED FY 04	PROPOSED AMENDMENT	REVISED FY 04	%INCR (DECR)
OTHER INCOME				
Insurance Reserve Contribution	1,950,000	-	1,950,000	-
Land Management Reserve Contribution	238,000	-	238,000	_
Contingency Reserve Contribution	214,771	-	214,771	-
Private Sector - Billboards	75,000	-	75,000	-
Grade Crossing MaintPUC	50,000	-	50,000	
	\$2,527,771	\$0	\$2,527,771	-

MTS FY 2004 PROPOSED EXPENDITURE BUDGET AMENDMENT GENERAL FUND/TRANSPORTATION SERVICES

BUDGET CATEGORY	APPROVED FY 04	PROPOSED AMENDMENT	REVISED FY 04	% INCR (DECR)
GENERAL FUND				
TRANSIT SUPPORT ACTIVITIES				
Transfers, Tickets, Passes	\$90,000	•	\$90,000	<u>-</u>
Regional Transit Store Operations	72,000	-	72,000	
Regional Transit Marketing	370,000	-	370,000	-
TRANSIT SUPPORT SUBTOTAL:	\$532,000	\$0	\$532,000	-
TRANSPORTATION PLANNING				
Operations Planning	\$393,000		393,000	-
SRTP & FUND ADM. SUBTOTAL:	\$393,000	\$0	\$393,000	-
GENERAL AND ADMINISTRATIVE				
Personnel	\$4,575,000	(\$61,975)	\$4,513,025	-1.35%
Consultants	125,000	-	125,000	•
Legal Services	75,000	-	75,000	-
Board of Directors	141,000	-	141,000	-
Travel/Conferences	28,400	-	28,400	-
Training	7,000	-	7,000	- ,
Insurance/Risk Management	848,000	-	848,000	-
Audit Services	95,000	-	95,000	-
Land Management/Joint Development	207,000	•	207,000	-
Bus Shelter Administration	150,000	-	150,000	-
Bus Bench Administration	60,000	-	60,000	-
OFFICE EXPENSES:				
Rent	1,170,000	•	1,170,000	•
Vehicle Maintenance	5,000	•	5,000	-
Equipment Rental/Maintenance	22,000	-	22,000	-
Management Information Systems	63,000	•	63,000	-
Furniture/Equipment	12,000	-	12,000	- .
General Expenses	\$70,000	-	70,000	-
Telecommunications	52,000	-	52,000	-
Postage	9,000	•	9,000	-
Local Meetings	3,000	•	3,000	-
Dues/Subscriptions	32,000	•	32,000	-
Public Notices	5,000	-	5,000	
G&A SUBTOTAL:	\$7,754,400	(\$61,975)	\$7,692,425	-0.80%
LABOR/OVERHEAD REIMBURSEMENT	(\$2,350,000)		(\$2,350,000)	-
TOTAL GENERAL FUND:	\$6,329,400	(\$61,975)	\$6,267,425	-0.98%
INSURANCE RESERVE CONTRIBUTION	\$1,950,000	-	\$1,950,000	-
LAND MGMT RESERVE CONTRIBUTION	238,000	-	238,000	-
CONTINGENCY RESERVE CONTRIBUTION	214,771		214,771	-
TOTAL GEN FUND & RESERVE CONTRIBUTIONS	\$8,732,171	(\$61,975)	\$8,670,196	-0.71%
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MTS FY 2004 PROPOSED EXPENDITURE BUDGET AMENDMENT GENERAL FUND/TRANSPORTATION SERVICES

BUDGET	APPROVED	PROPOSED	REVISED	% INCR
CATEGORY	FY 04	AMENDMENT	FY 04	(DECR)
DEBT SERVICE				
Buses (1990)	2,894,681	-	\$2,894,681	-
Regional Transit Management System (2002)	3,808,000	-	3,808,000	-
LRV Sale/Leaseback (1995)	6,264,070	•	6,264,070	<u>-</u>
TOTAL DEBT SERVICE:	12,966,751	0	12,966,751	-
TRANSPORTATION SERVICES				
TRANSIT OPERATING CONTRACTS:				
San Diego Transit	\$47,482,833	\$640,176	\$48,123,009	1.35%
San Diego Trolley	18,395,571	(362,346)	18,033,225	-1.97%
MCS Contract Services	35,251,818	(384,219)	34,867,599	-1.09%
Chula Vista Transit	4,305,636	(131,441)	4,174,195	-3.05%
National City Transit	1,437,213	(25,000)	1,412,213	-1.74%
Coronado Ferry	127,308	-	127,308	-
Administrative Pass-Through	344,180		344,180	_
OPERATING CONTRACTS SUBTOTAL:	\$107,344,559	(\$262,830)	\$107,081,729	-0.24%
OTHER SERVICES:				
Taxicab Administration	\$735,536	•	\$735,536	0.00%
San Diego and Arizona Eastern	180,000	-	180,000	
OTHER SERVICES SUBTOTAL:	\$915,536	\$0	\$915,536	0.00%
TOTAL TRANSPORTATION SERVICES:	\$108,260,095	(\$262,830)	\$107,997,265	-0.24%
GRAND TOTAL:	\$129,959,017	(\$324,805)	\$129,634,212	-0.25%

FY 2004 TRANSIT OPERATING CONTRACTS - FUNDING

Adjusted for Mid-Year Budget Amendment

		TDA					FTA	FTA				
Transit Operating Contract	Article 4.0	Article 4.5	Article 8.0	STA	-	TRANSNET	OPER.	MAINT.	RESERVES	OTHER		TOTAL
San Diego Transit	\$16,764,272			\$3,864,884	(4)	\$6,000,000		\$14,400,000	\$6,815,853 (9)	\$278,000	(1)	\$48,123,009
San Diego Trolley	5,695,637			500,588		2,780,000		8,800,000		257,000	(5)	\$18,033,225
MTDB Contract 800 Series:				•								
East County Fixed Route	7,553,715			87,285								\$7,641,000
Poway Fixed Route	730,499											\$730,499
Express	3,580		1,486,420 (10)								\$1,490,000
Flex Routes	469,500											\$469,500
ADA Paratransit	2,603,000									200,000	(8)	\$2,803,000
Chula Vista Transit	4,124,924			49,271								\$4,174,195
National City Transit	1,389,949			22,264								\$1,412,213
Coronado Ferry			127,308									\$127,308
MTDB Contract 900 Series:												
MCS Fixed Route	10,941,729			252,120								\$11,193,849
MCS Airport Shuttle	857,383											\$857,383
MCS Inland Breeze										823,245	(7)	\$823,245
MCS DART	130,500											\$130,500
MCS Flex	949,500											\$949,500
MCS Otay Mesa/Mid-City (Jobs Access)	130,342						169,638			39,296	(6)	\$339,276
MCS Mid-City (Jobs Access)	158,595						206,624			48,028	(6)	\$413,247
MCS Sorrento Valley Coaster Connection							208,000			490,000	(2)	\$698,000
MCS SVCC Caltrans Service										68,000	(11)	\$68,000
MCS MTS Access	559,082	3,259,000				493,000				350,918	(3)	\$4,662,000
MCS ADA Certification	145,000											\$145,000
MCS Transit Center Maintenance	292,000									,		\$292,000
Coronado Transit Facilities	20,600											\$20,600
Lemon Grove Transit Facilities	108,150											\$108,150
Administrative Pass Through:	•											•
City of Poway	60,027											\$60,027
City of El Cajon	90,883											\$90,883
City of Lemon Grove	13,020											\$13,020
City of La Mesa	51,500											\$51,500
County Rural Service	1,161,600											\$1,161,600
-	\$55,004,988	\$3,259,000	\$1,613,728	\$4,776,412	-	\$9,273,000	\$584,262	\$23,200,000	\$6,815,853	\$2,554,487		\$107,081,729

⁽¹⁾ City of San Diego Maintenance of Effort (\$278,000)

⁽²⁾ APCD funds \$490,000

⁽³⁾ City of San Diego Maintenance of Effort funds (\$150,918); MediCal funds (\$200,000)

⁽⁴⁾ Formula funds of \$726,668; discretionary funds of \$3,138,216

⁽⁵⁾ Net rental income

⁽⁶⁾ San Diego County Department of Social Services

⁽⁷⁾ SANDAG FASTRAK funds

⁽⁸⁾ MediCal funds

⁽⁹⁾ SDTC Capital Replacement Reserve \$1,500,000; SDTI Capital Replacement Reserve \$5,573,683

^{(10) \$130,809} from County non-MTDB area funds

⁽¹¹⁾ Funded by Caltrans mitigation funds

MTS OPERATORS FY 04 PROPOSED BUDGET AMENDMENT

					EV 04
					FY 04
					BUDGET
	=>< ==				CHANGE
	FY 03	FY 04	FY 04 ACTUAL	FY 04	FAVORABLE
	ACTUAL	BUDGET	THROUGH 11/30	PROJECTED	(UNFAVORABLE)
DEVENUE.			(a)		
REVENUE:	004.007.400	400.000.001			
Passenger Fares	\$64,327,186	\$68,200,084	\$29,647,181	\$65,868,000	(\$2,332,084)
Advertising	717,876	800,000	374,743	800,000	0
Contracted Service Revenue	93,054	45,000	6,864	25,000	(20,000)
Other	549,858	439,750	217,388	459,750	20,000
	\$65,687,974	\$69,484,834	\$30,246,176	\$67,152,750	(\$2,332,084)
EXPENSES:		•			
<u>Personnel</u>	\$76,657,888	\$80,416,097	\$31,971,140	\$78,924,375	\$1,491,722
Outside Services:					
Marketing	\$594,920	\$582,300	\$116,065	\$616,575	(\$34,275)
Security	4,430,718	4,606,700	1,873,696	4,557,100	(\$34,273) 49,600
Repair/Maintenance Services	2,774,110	2,719,576	1,118,825	2,980,173	(260,597)
Engines and Transmissions	949,679	1,199,500	232,018	1,120,000	(280,597) 79,500
Other Outside Services	4,282,578	4,443,544	1,683,983	4,653,334	
Purchased Transportation	44,400,346	49,018,256	19,594,735	48,499,259	(209,790)
Other Contracted Bus Services	0	45,010,250	19,554,755	40,499,239	518,997
Total Outside Services:	\$57,432,351	\$62,569,876	\$24,619,322	\$62,426,441	<u> </u>
Total Outside Gervices.	φ57,452,551	Ψ02,309,070	φ24,019,322	φ02,420,44 i	\$143,435
Materials & Supplies:					
Lubricants	\$178,303	\$210,275	\$46,754	\$172,850	\$37,425
Tires	494,701	600,579	237,330	626,779	(26,200)
Other Materials & Supplies	6,438,987	6,826,408	2,228,135	6,570,478	255,930
Total Maint. Parts & Supplies:	\$7,111,991	\$7,637,262	\$2,512,219	\$7,370,107	\$267,155
_		•			·
Energy:					
Fuel	\$4,238,900	\$4,490,476	\$1,840,128	\$4,516,399	(\$25,923)
CNG	5,299,598	5,929,350	2,677,282	6,338,085	(408,735)
Electricity	7,296,816	8,011,221	2,256,905	6,877,583	1,133,638
Total Energy:	\$16,835,314	\$18,431,047	\$6,774,315	\$17,732,067	\$698,980
Risk Management	\$5,712,722	\$6,099,622	\$2,408,570	\$6,322,299	(\$222,677)
		,*,***	4 2, 100,010	40,022,200	(ΨΕΣΕ,Ο11)
General & Administrative	\$808,431	\$1,041,590	\$260,417	\$903,372	\$138,218
TOTAL OPERATING EXPENSES	\$164,558,697	\$176,195,494	\$68,545,983	\$173,678,661	\$2,516,833
NET OPERATING COST	(\$98,870,723)	(\$106,710,660)	(\$38,299,807)	(\$106,525,911)	\$184,749
				•	
Vehicle/Facility Leases	(468,699)	(289,722)	(68,016)	(211,641)	78,081
NET COST AFTER DEPOSIT	(\$99,339,422)	(\$107,000,382)	(\$38,367,823)	(\$106,737,552)	\$262,830
Farebox Recovery Ratio-combined	39.2%	38.8%		38.0%	
Farebox Recovery Ratio-combined Farebox Recovery Ratio-fixed route	41.0%	40.7%			
Farebox Recovery Ratio-fixed route Farebox Recovery Ratio-rural	13.9%	12.3%		39.8% 7.7%	
Farebox Recovery Ratio-rural Farebox Recovery Ratio-paratransit	16.8%	17.2%		7.7% 17.4%	
Parebox Recovery Ratio-paratransit	10.076	17.270		17.470	
Base level of service (miles)	27,589,631	27,905,391		27,902,201	
Cost per mile-fixed route	\$5.52	\$5.80		\$5.74	
Base level of service (hours)	282,348	267,386		260,000	
Cost per hour-paratransit	\$39.81	\$45.33		\$44.72	
Soci per nour parametran	Ψ00.01	Ψ-0.00	•	Ψ¬¬.12	

SAN DIEGO TRANSIT CORPORATION FY 04 PROPOSED BUDGET AMENDMENT

					FY 04
					BUDGET
					CHANGE
	FY 03	FY 04	FY 04 ACTUAL	FY 04	FAVORABLE
	ACTUAL	BUDGET	THROUGH 11/30	PROJECTED	(UNFAVORABLE)
•	•		(a)		(0
REVENUE:			, ,		
Passenger Fares	\$23,758,457	\$24,150,000	\$10,219,540	\$22,600,000	(\$1,550,000)
Advertising	717,876	800,000	374,743	800,000	O
Contracted Service Revenue	93,054	45,000	6,864	25,000	(20,000)
Other	103,186	80,000	49,383	100,000	20,000
	\$24,672,573	\$25,075,000	\$10,650,530	\$23,525,000	(\$1,550,000)
EXPENSES:					
Personnel	\$53,557,062	\$55,266,280	\$21,933,873	\$53,927,519	\$1,338,761
Outside Services:					
Marketing	\$229,760	\$222,000	\$92,500	\$222,000	\$0
Security	1,063,172	1,023,300	395,575	963,700	59,600
Repair/Maintenance Services	528,051	486,000	189,644	582,000	(96,000)
Engines and Transmissions	601,087	640,000	130,951	640,000	0
Other Outside Services	1,709,620	1,397,836	566,490	1,445,683	(47,847)
Purchased Transportation	0	. 0	0	0	0
Other Contracted Bus Services	0	0	0	0	o l
Total Outside Services:	\$4,131,690	\$3,769,136	\$1,375,160	\$3,853,383	(\$84,247)
Materials & Supplies:					
Lubricants	\$129,509	\$150,000	\$41,153	\$120,000	\$30,000
Tires	485,915	583,778	226,834	603,778	(20,000)
Other Materials & Supplies	3,764,981	3,477,173	1,398,070	3,357,923	119,250
Total Maint. Parts & Supplies:	\$4,380,405	\$4,210,951	\$1,666,057	\$4,081,701	\$129,250
Energy:					
=	\$1,951,115	\$1,904,000	\$840,748	\$2,014,000	(\$110,000)
CNG	2,812,517	2,982,000	1,385,717	3,229,000	(φ110,000) (247,000)
Electricity	544,746	628,300	188,140	592,300	36,000
Total Energy:	\$5,308,378	\$5,514,300	\$2,414,605	\$5,835,300	(\$321,000)
Risk Management	\$3,447,518	\$3,272,080	\$1,414,755	\$3,432,079	(\$159,999)
General & Administrative	\$460,483	-\$525,086	\$151,430	\$518,027	\$7,059
TOTAL OPERATING EXPENSES					
NET OPERATING COST	\$71,285,536	\$72,557,833	\$28,955,880	\$71,648,009	\$909,824
	(\$46,612,963)	(\$47,482,833)	(\$18,305,350)	(\$48,123,009)	(\$640,176)
Vehicle/Facility Leases	0	0	0	0	0
NET COST AFTER DEPOSIT	(\$46,612,963)	(\$47,482,833)	(\$18,305,350)	(\$48,123,009)	(\$640,176)
Forebox Deceyes: Polic	22 20/	22.20/	25.20/	24 =0/	
Farebox Recovery Ratio	33.3%	33.3%	35.3%	31.5%	
Base level of service (miles)	10,707,183	10,397,923		10,339,733	
Cost per mile	\$6.66	\$6.98		\$6.93	

SAN DIEGO TROLLEY, INC. FY 04 PROPOSED BUDGET AMENDMENT

					FY 04
					BUDGET
		•			CHANGE
	FY 03	FY 04	FY 04 ACTUAL	FY 04	FAVORABLE
•	ACTUAL	BUDGET	THROUGH 11/30	PROJECTED	(UNFAVORABLE)
REVENUE:			(a)		
Passenger Fares	\$22,071,207	\$23,813,000	\$10,182,598	\$23,300,000	(\$543.000 <u>)</u>
Advertising	0	Ψ25,815,000 0	\$10,102,598 0	\$23,300,000 0	(\$513,000)
Contracted Service Revenue	0	0	Ĭ	0	0
Other	355,458	359,750	168,005	359,750	o l
•	\$22,426,665	\$24,172,750	\$10,350,603	\$23,659,750	(\$513,000)
EXPENSES:			:		,
Personnel	\$20,772,475	\$22,176,675	\$9,071,596	\$22,300,775	(\$124,100)
Outside Services:					
 Marketing	\$268,181	\$255,000	\$0	\$277,575	(\$22,575)
Security	3,328,620	3,543,400	1,455,518	3,543,400	0
Repair/Maintenance Services	2,085,148	2,003,850	871,251	2,222,325	(218,475)
Engines and Transmissions	0	. 0	0	0	0
Other Outside Services	983,446	1,202,100	469,392	1,254,975	(52,875)
Purchased Transportation	0	0	0	0	0
Other Contracted Bus Services	0	0	0	0	0
Total Outside Services:	\$6,665,395	\$7,004,350	\$2,796,161	\$7,298,275	(\$293,925)
Materials & Supplies:					
Lubricants	\$40,253	\$49,875	\$4,533	\$41,450	\$8,425
Tires	0	0	0	0	0
Other Materials & Supplies	2,555,272	3,267,775	800,055	3,072,225	195,550
Total Maint. Parts & Supplies:	\$2,595,525	\$3,317,650	\$804,588	\$3,113,675	\$203,975
Energy:					
Fuel	\$235,529	\$243,900	\$84,834	\$235,000	\$8,900
CNG	\$0	\$0	\$0	\$0	0
Electricity	6,562,830	7,223,471	2,012,514	6,130,500	1,092,971
Total Energy:	\$6,798,359	\$7,467,371	\$2,097,348	\$6,365,500	\$1,101,871
Risk Management	\$1,878,221	\$2,320,225	\$762,711	\$2,320,225	\$0
General & Administrative	\$275,894	\$282,050	\$87,435	\$294,525	(\$12,475)
TOTAL OPERATING EXPENSES	\$38,985,869	\$42,568,321	\$15,619,839	\$41,692,975	\$875,346
NET OPERATING COST	(\$16,559,204)	(\$18,395,571)	(\$5,269,236)	(\$18,033,225)	\$362,346
Vehicle/Facility Leases	0	0	0	0	0
NET COST AFTER DEPOSIT	(\$16,559,204)	(\$18,395,571)	(\$5,269,236)	(\$18,033,225)	\$362,346
Farebox Recovery Ratio	56.6%	55.9%	65.2%	55.9%	
	0.007.504	0.004.007		0.004.007	
Base level of service (car miles)	6,987,564 \$5.58	6,931,837 \$6.14		6,931,837	
Cost per mile	\$5.58	\$6.14		\$6.01	

MTS CONTRACT SERVICES FY 04 PROPOSED BUDGET AMENDMENT

					FY 04
					BUDGET
					CHANGE
	FY 03	FY 04	FY 04 ACTUAL	FY 04	FAVORABLE
	ACTUAL	BUDGET	THROUGH 11/30 (a)	PROJECTED	(UNFAVORABLE)
REVENUE:			(a)		
Passenger Fares	\$15,006,464	\$16,542,084	\$7,473,774	\$16,198,000	(\$344,084)
Advertising	0	0	0	0	0
Contracted Service Revenue	0	0	0	0	0
Other	0	0	0	0	0
	\$15,006,464	\$16,542,084	\$7,473,774	\$16,198,000	(\$344,084)
EXPENSES:					
Personnel	\$601,308	\$770,602	\$258,000	\$682,000	\$88,602
Outside Services:					
Marketing	\$76,587	\$93,300	\$16,143	\$92,000	\$1,300
Security	38,926	40,000	22,603	50,000	(10,000)
Repair/Maintenance Services	0	0	0	0	0
Engines and Transmissions	. 299,684	461,500	70,000	382,000	79,500
Other Outside Services	944,874	1,418,595	481,731	1,267,000	151,595
Purchased Transportation Other Contracted Bus Services	39,741,251 0	44,136,787 . 0	17,610,783 0	43,620,795	515,992
Total Outside Services:	\$41,101,322	\$46,150,182	\$18,201,260	<u>0</u> \$45,411,795	0 \$738,387
	4 , ,	Ţ (0, (00, (0 <u>1</u>	V 10,201,200	Ψ10,111,100	Ψ100,001
Materials & Supplies:	4-				
Lubricants	\$0	\$0	\$0	\$0	\$0
Tires Other Materials & Supplies	0	0 1,000	0 1,000	2 000	0
Total Maint. Parts & Supplies:	\$0	\$1,000	\$1,000	2,000 \$2,000	(1,000) (\$1,000)
Total Maint Fatto & Supplies.	40	Ψ1,000	Ψ1,000	Ψ2,000	(\$1,000)
Energy:					
Fuel	\$1,744,999	\$2,012,901	\$797,020	\$1,974,907	\$37,994
CNG	2,156,873 0	2,447,300 0	1,093,649	2,612,300	(165,000)
Electricity Total Energy:	\$3,901,872	\$4,460,201	\$1,890,669	<u>0</u> \$4,587,207	0 (\$127,006)
Risk Management	\$61,895	\$84,792	\$13,000	\$144,000	(\$59,208)
General & Administrative	\$23,534	\$37,447	\$12,316	\$27,000	\$10,447
TOTAL OPERATING EXPENSES	\$45,689,931	\$51,504,224	\$20,376,245	\$50,854,002	\$650,222
NET OPERATING COST	(\$30,683,467)	(\$34,962,140)	(\$12,902,471)	(\$34,656,002)	\$306,138
Vehicle/Facility Leases	(\$468,683)	(\$289,681)	(\$68,000)	(\$211,600)	78,081
NET COST AFTER DEPOSIT	(\$31,152,150)	(\$35,251,821)	(\$12,970,471)	(\$34,867,602)	\$384,219
Farebox Recovery Ratio (combined)	32.84%	32.12%		31.85%	
Farebox Recovery Ratio (fixed route)	38.94%	38.15%		37.50%	
Farebox Recovery Ratio (rural)	13.93%	12.35%		7.73%	
Farebox Recovery Ratio (paratransit)	16.78%	17.18%		17.39%	
Base level of service (miles)	8,030,594	8,694,530		8,749,530	
Cost per mile-fixed route	\$4.17	\$4.30		\$4.29	
Base level of service (hours)	282,348	267,386		260,000	A-9
Cost per hour-paratransit	\$39.81	\$45.33		\$44.72	A-3

CHULA VISTA TRANSIT FY 04 PROPOSED BUDGET AMENDMENT

•					FY 04
				•	BUDGET
					CHANGE
	FY 03	FY 04	FY 04 ACTUAL	FY 04	
	ACTUAL	BUDGET	THROUGH 11/30	PROJECTED	FAVORABLE (UNFAVORABLE)
-			111110001111100	- TROOLOTED	(UNFAVORABLE)
REVENUE:					
Passenger Fares	\$2,309,938	\$2,395,000	\$1,133,293	\$2,445,000	\$50,000
Advertising	0	0	0	0	0
Contracted Service Revenue	0	0	0	0	0
Other	91,214	0	0	0	0
	\$2,401,152	\$2,395,000	\$1,133,293	\$2,445,000	\$50,000
EXPENSES:					
Personnel	\$558,915	\$645,698	\$250,359	\$645,698	\$0
Outside Services:					
Marketing	\$0	\$0	\$0	\$0	\$0
Security	0	0	Ö	0	. 0
Repair/Maintenance Services	71,570	118,123	34,958	107,408	10,715
Engines and Transmissions	48,908	98,000	31,067	98,000	0
Other Outside Services	191,394	235,665	45,223	208,950	26,715
Purchased Transportation	4,535,495	4,754,161	1,930,907	4,751,156	3,005
Other Contracted Bus Services	0	0	0	0	0
Total Outside Services:	\$4,847,367	\$5,205,949	\$2,042,155	\$5,165,514	\$40,435
Materials & Supplies:					
Lubricants	\$0	\$0	\$0	\$0	· \$0
Tires	0	0	0	0	0
Other Materials & Supplies	0	0	0	0	0
Total Maint. Parts & Supplies:	\$0	\$0	\$0 \$		\$0
F			:		
Energy:	\$90,834	\$440 EE7		604.040	004.000
CNG	330,208	\$118,557 500,050	\$31,094 197,916	\$84,318	\$34,239 2.265
Electricity/Utilities	168,753	129,450	48,634	496,785 127,783	3,265
Total Energy:	\$589,795	\$748,057	\$277,644	\$708,886	1,667 \$39,171
rotai Ellergy.	Ψ000,100	Ψ140,001	Ψ2/1,044	Ψ7 00,000	φ39,171
Risk Management	\$8,872	\$61,200	\$0	\$61,200	\$0
General & Administrative	\$25,159	\$39,707	\$4,357	\$37,872	\$1,835
TOTAL OPERATING EXPENSES	\$6,030,108	\$6,700,611	\$2,574,515	\$6,619,170	\$81,441
NET OPERATING COST	(\$3,628,956)	(\$4,305,611)	(\$1,441,222)	(\$4,174,170)	\$131,441
Vehicle/Facility Leases	0	(25)	0	(25)	0
NET COST AFTER DEPOSIT	(\$3,628,956)	(\$4,305,636)	(\$1,441,222)	(\$4,174,195)	\$131,441
Farebox Recovery Ratio	38.3%	35.7%	44.0%	36.9%	
Base level of service (miles)	1,408,924	1,430,161		1,430,161	
Cost per mile	\$4.28	\$4.69		\$4.63	
	•			-	۸ 10

NATIONAL CITY TRANSIT FY 04 PROPOSED BUDGET AMENDMENT

	FY 03	FY 04	FY 04 ACTUAL	FY 04	FY 04 BUDGET CHANGE FAVORABLE
<u>-</u>	ACTUAL	BUDGET	THROUGH 11/30	PROJECTED	···(UNFAVORABLE)
				en e	to to see the contract
REVENUE:	¢4 101 100	\$1,300,000	\$627.076	% #4.225.000	\$25,000
Passenger Fares Advertising	\$1,181,120 0	\$1,300,000 0	\$637,976 0	\$1,325,000 0	\$25,000 0
Contracted Service Revenue	0	0	ő	0	ő
Other	0	0	0	0	0
	\$1,181,120	\$1,300,000	\$637,976	\$1,325,000	\$25,000
EXPENSES:		•			
Personnel	\$1,168,128	\$1,556,842	. \$457,312	\$1,368,383	\$188,459
Outside Services:					
Marketing	\$20,392	\$12,000	\$7,422	\$25,000	(\$13,000)
Security	0	0	0	0	0
Repair/Maintenance Services	89,341	111,603	22,972	68,440	43,163
Engines and Transmissions	0	0	0	0	0
Other Outside Services	453,244	189,348	121,147	476,726	(287,378)
Purchased Transportation Other Contracted Bus Services	0 .	· 0	0	0	0
Total Outside Services:	\$562,977	\$312,951	\$151,541	\$570,166	0 (\$257,215)
Materials & Supplies:					
Lubricants	\$8,541	\$10,400	\$1,068	\$11,400	(\$1,000)
Tires	8,786	16,801	10,496	23,001	(6,200)
Other Materials & Supplies	118,734	80,460	29,010	138,330	(57,870)
Total Maint. Parts & Supplies:	\$136,061	\$107,661	\$40,574	\$172,731	(\$65,070)
Energy:					
Fuel	\$216,423	\$211,118	\$86,432	\$208,174	\$2,944
CNG	0	0	0	0 .	0
Electricity/Utilities	20,487	30,000	7,617	27,000	3,000
Total Energy:	\$236,910	\$241,118	\$94,049	\$235,174	\$5,944
Risk Management	\$316,216	\$361,325	\$218,104	\$364,795	(\$3,470)
General & Administrative	\$23,361	\$157,300	\$4,879	\$25,948	\$131,352
TOTAL OPERATING EXPENSES	\$2,443,653	\$2,737,197	\$966,459	\$2,737,197	\$0
NET OPERATING COST	(\$1,262,533)	(\$1,437,197)	(\$328,483)	(\$1,412,197)	\$25,000
Vehicle/Facility Leases	(16)	(16)	(16)	(16)	0
NET COST AFTER DEPOSIT	(\$1,262,549)	(\$1,437,213)	(\$328,499)	(\$1,412,213)	\$25,000
Farebox Recovery Ratio	48.3%	47.5%	66.0%	48.4%	
Base level of service (miles)	455,366	450,940		450,940	
Cost per mile	\$5.37	\$6.07		\$6.07	
		•			A-11

CORONADO FERRY FY 04 PROPOSED BUDGET AMENDMENT

					FY 04
				÷	BUDGET .
			:		CHANGE
	FY 03	FY 04	FY 04 ACTUAL	FY 04	FAVORABLE
· -	ACTUAL	BUDGET	THROUGH 11/30	PROJECTED	(UNFAVORABLE)
DEVENUE.			(a)		
REVENUE:	\$0	\$0	\$0	c o	6 0
Passenger Fares Advertising	0	0 \$0	\$0 0	\$0 · 0	\$0
Contracted Service Revenue	0	0	Ö	0	0
Other	Ö	0	ŏ	0	0
_	\$0	\$0	\$0	\$0	\$0
EXPENSES:				·	•
Personnel	\$0	. \$0	\$0	\$0	\$0
Outside Services:				·	, ,
Marketing	\$0	\$0	\$0	\$0	\$0
Security	0	0	0	0	. 0
Repair/Maintenance Services	0	0	0	0	0
Engines and Transmissions	0	0	0	0	0
Other Outside Services	0	0	0	0	0
Purchased Transportation	123,600	127,308	53,045	127,308	0
Other Contracted Bus Services _	0	0	0	0	0
Total Outside Services:	\$123,600	\$127,308	\$53,045	\$127,308	\$0
Materials & Supplies:	**			•	
Lubricants	\$0	\$0	\$0	\$0	\$0
Tires	0	0	0	0	0
Other Materials & Supplies _ Total Maint. Parts & Supplies:	<u> </u>	<u>0</u> \$0	\$0	<u> </u>	0 \$0
Total Maint. Parts & Supplies.	ΨΟ	ΨΟ	Ψ0	ΨΟ	ΨΟ
Energy:					
Fuel	\$0	\$0	\$0	\$0	\$0
CNG	0	0	0	0	0
Electricity _	0	0	0	0	0
Total Energy:	\$0	\$0	\$0	\$0	\$0
Risk Management	\$0	\$0	\$0	\$0	\$0
General & Administrative	\$0	\$0	\$0	\$0	\$0
TOTAL OPERATING EXPENSES	\$123,600	\$127,308	\$53,045	\$127,308	\$0
NET OPERATING COST	(\$123,600)	(\$127,308)	(\$53,045)	(\$127,308)	\$0
Vehicle/Facility Leases	0	0	0	0	0
NET COST AFTER DEPOSIT	(\$123,600)	(\$127,308)	(\$53,045)	(\$127,308)	\$0

SAN DIEGO TRANSIT CORPORATION FY 2004 PROPOSED AMENDMENT POSITION TABLE

LISTED AS FTEs NOT ACTUAL POSITIONS

DOCUTION	APPROVED	PROPOSED	ADJUSTED	_
POSITION	FY 04	FY 04 CHANGES	FY 2004	_
President and General Manager	1		1	
V.P. of Finance/Administration	1		1	
V.P. of Transportation	1		1	
V.P. of Human Resources and Labor Relations	1		1	
V.P. of Maintenance	1		1	
Special Assistant to the GM	1		1	
Executive Assistant	1		1	
Administrative Assistant II	2		2	
Administrative Assistant I	1		1	
Senior Asst Manamger of Transportation		1	1	Name change, Position Adjustment
Assistant Manager of Transportation	2	(1)	1	
Senior Transportation Supervisor	3	(1)	2	Name change, Position Adjustment
Communications/Operations Supervisors	14	1.5	15.5	plus PT Supr for Increased Coverage
Field Supervisor	11		11	
Manager of Scheduling & Service Development	1	(1)	0	Name change, Position Adjustment
Senior Scheduling Specialist		1	1	
Senior Service Analyst	1	(1)	0	Name change, Position Adjustment
Senior Operations Specialist		1	1	
Route Facilities Coordinator	1		1	
Service Analyst	1		1	
Manager of Maintenance	1		1	
Assistant Manager of Maintenance	2		2	
Foreman	16		16	
Manager of Passenger Services	1		1	•
Customer Service Supervisor	1		1	
Public Information Representative	1		1	
Transit Store Supervisor	1		1	
Senior Telephone Information Supervisor	1		1	
Telephone Information Supervisor	2		2	
Controller	1		1	
Manager of Accounting & Payroll	1		1	
Financial Analyst	1	4	1	Desition Transfer from In Assessment (Clarical)
Accounting Specialist	<u>د</u>	1	1	Position Transfer from Jr Accountant (Clerical)
Payroll Supervisor	1		1	
Payroll Coordinator Risk Administrator	2 1		2 1	
	Į.	1	1	Position Transfer from WC Clerk (Clerical)
Risk Analyst and Claims Asst		4	1	Fusition Transfer from WC Clerk (Clencal)

SAN DIEGO TRANSIT CORPORATION FY 2004 PROPOSED AMENDMENT POSITION TABLE

LISTED AS FTEs NOT ACTUAL POSITIONS

	APPROVED	PROPOSED	ADJUSTED	_
POSITION	FY 04	FY 04 CHANGES	FY 2004	_
Manager of Procurement	1		1	
Buyer	2		2	
Procurement Analyst	1		1	
Revenue Administrator	1		1	
Revenue Analyst	1		1	
Assistant Manager of Software Development	1		1	
Assistant Manager of Information Systems	1		1	
Systems Engineer I	1		1	
Sr. Programmer Analyst	2		2	
Operations Specialist	1		1	
Manager of Human Resources	1		i i	
Human Resources Representative II	2		2	
Human Resources Representative I	1		1	
Administrative Assitant II	1		1	
Manager of Training	1		1	
Training Specialist II	1		1	
Operator Trainers	2		2	
Maintenance Instructor	2		2	•
Part-Time Operator Trainers	1.5		1.5	
Quality Assurance Manager	1		1	
Asst Quality Assurance Manager/Storeroom Mgr		1	1	Name change, Position Adjustment
Quality Assurance Supervisor	2	(1)	1	
Maintenance Analyst	1		1	
Material Control Manager	1		1	
Storeroom Supervisor	1		1	
Storeroom Clerk	11		11	
Safety Manager	1		1	
Safety Specialist	1		1	
Student Interns	2		2	
Full-Time Bus Driver	543	(5)	538	Drivers to Feb Shakeup/Service Level from TMD
Part-Time Bus Driver	23	(8)	15	Study
Maintenance Mechanic	120		120	
Maintenance Serviceman	49		. 49	
Revenue Technician	3		3	
Assistant Revenue Technician	2		2	
Revenue Processor	6		6	
Dispatcher Clerk	5		5	
Clerical I - IV	39.5	(2)	37.5	Position Transfers to Accounting, Risk Above
TOTAL	913.0	(12.5)	900.5	_

REVISED



1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619/231-1466 FAX 619/234-3407

Agenda

Item No. 3

Board of Directors Meeting

ADM 110.2 (PC 30100)

February 12, 2004

Subject:

TRANSIT WORKSHOP: POLICY REVIEW

RECOMMENDATION:

That the Board of Directors approve the proposed changes to MTD Board Policy Nos. 11 through 21.

Budget Impact

None.

Executive Committee Recommendation

At its meeting on February 5, 2004, the Executive Committee provided direction to staff on the proposed changes to Policy Nos. 11 through 21 and recommended Board approval.

DISCUSSION:

As part of the Transit Workshops, staff was asked to conduct a comprehensive review of all of the MTD Board Policies and Ordinances, as well as the corporate bylaws for San Diego Trolley, Inc. (SDTI) and San Diego Transit Corporation (SDTC). The next policies in this series are numbers 11 through 21. The purpose of the review is to eliminate any unnecessary or obsolete policies following the consolidation of MTDB with the San Diego Association of Governments (SANDAG). On that basis, staff is recommending the following revisions:

Policy No. 11, "UTILITY AGREEMENTS AND RELOCATION"

The purpose of Policy No. 11 is to establish a procedure for the relocation of public utilities affected by MTDB construction projects or the placement of new utilities within MTDB's right-of-way. The policy allows MTDB to refuse entry for the placement of new utilities in the right-of-way if the placement would be inconsistent with public safety or have a negative impact on transit services. Given that MTDB will continue to operate and maintain its right-of-way, staff recommends retaining this policy indefinitely.

Member Agencies:

City of Chula Vista, City of Coronado, City of El Cajon. City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City. City of Poway. City of San Diego, City of Santee, County of San Diego, State of California

Metropolitan Transit Development Board is Coordinator of the Metropolitan Transit System and the Taxicab Administration
Subsidiary Corporations: San Diego Transit Corporation, San Diego Trolley, Inc., and San Diego & Arizona Eastern Railway Company

Policy No. 12, "CONSTRUCTION AND CONTRACT ADMINISTRATION, BID, AWARD, AND CLAIMS"

Policy No. 12 establishes the state-mandated requirements for construction contract administration. Government Code section 14085 requires any public agency receiving state funds for a guideway project to adopt policies and procedures for bidding, award and claims. The Federal Transit Administration (FTA) also requires that certain procedures be followed when administering contracts paid for with federal funds. Although MTDB's construction functions were transferred to SANDAG, the agency will continue to manage Mission Valley East, San Ysidro, and 12th & Market. Therefore, it is staff's recommendation the policy remain in effect until the completion of those capital projects, and that minor changes be made.

Policy No. 13, "OWNERSHIP AND OPERATION OF THE SAN DIEGO AND ARIZONA EASTERN RAILWAY"

The purpose of Policy No. 13 is to set forth the manner in which the management, operation, and administration of the San Diego and Arizona Eastern Railway (SD&AE), an MTDB subsidiary corporation, will be conducted. Post-consolidation, MTDB will continue to own SD&AE and be involved peripherally with its operations. Therefore, it is recommended this policy be retained indefinitely and minor typographical changes be made.

Policy No. 14, "PROCUREMENT OF SERVICES"

Policy No. 14 establishes procedures for retaining services on behalf of MTDB. Included in MTDB's enabling legislation are various provisions requiring formal competitive bidding for all contracts in excess of \$50,000, except in an emergency. In addition, the FTA requires grantees to comply with the Code of Federal Regulations and FTA Circular 4220.1 for service contracts involving federal funds. Policy No. 14 includes provisions to comply with these state and federal laws. MTDB will continue to enter into service contracts with outside vendors following the consolidation. Staff therefore recommends this policy be retained indefinitely, and that minor typographical changes be made.

Policy No. 15, "RELIEF FROM MAINTENANCE AND RESPONSIBILITY AND ACCEPTANCE OF WORK ON CONSTRUCTION CONTRACTS"

The purpose of Policy No. 15 is to establish a procedure by which construction contracts may be partially and fully accepted. Construction contracts are customarily completed in phases, once the segment of work is completed and accepted it relieves the contractor from maintenance responsibilities. Policy No. 15 delineates the terms and conditions under which acceptance can be made. Although the construction functions of MTDB were transferred to SANDAG, the Board is continuing to manage three large construction projects: Mission Valley East, San Ysidro, and 12th & Market. Therefore, it is staff's recommendation the policy remain in effect until the completion of those capital projects.

Policy No. 16, "CAPITAL ASSET CAPITALIZATION"

Policy No. 16 sets forth the procedures for capitalizing tangible nonexpendable property owned by MTDB. As a public agency, MTDB is required under state and federal law to report capital assets based on their cost, less their depreciation. MTDB will continue to carry this requirement irrespective of the consolidation of its functions with SANDAG. Therefore, it is staff's recommendation the policy be retained indefinitely and minor typographical changes be made.

Policy No. 17, "LEGAL ACTION: DAMAGE TO MTDB PROPERTY"

Policy No. 17 sets forth the procedures by which the Chief Executive Officer may institute litigation on behalf of MTDB when damage or destruction of MTDB property occurs. The policy authorizes the Chief Executive Officer to file administrative claims and lawsuits, settle those matters, and report back to the Board. MTDB will continue to own significant amounts of property post-consolidation, and may continue to purchase real and personal property. Therefore, it is staff's recommendation the policy be retained indefinitely. In addition, staff is recommending the Chief Executive Officer be given settlement authority up to \$25,000 without prior Board approval, and that minor typographical changes be made.

Policy No. 18, "TRANSPORTATION DEVELOPMENT ACT RULES AND REGULATIONS"

The purpose of Policy No. 18 is to establish rules and regulations, as required by Public Utilities Code, section 99261.5, for operator eligibility of Transportation Development Act (TDA) funds. As part of the consolidation process, the determination of eligibility for TDA funds was transferred to SANDAG, however MTDB will continue to be involved with the distribution of those funds to its operators. SANDAG is in the process of amending its policies regarding eligibility for these funds, which may change the procedures set forth in MTDB's policy. Therefore, staff is recommending we retain this policy and make modifications once SANDAG has completed revising its policies.

Policy No. 19, "JOINT USE AND DEVELOPMENT OF PROPERTY"

Policy No. 19 establishes guidelines for the joint use and development of MTDB property along the right-of-way. The policy sets forth criteria which proposed joint developments must meet, including increased accessibility to public transportation and fiscal responsibility. MTDB's enabling legislation specifies MTDB may own and acquire property for any purpose. Although the planning and land acquisition departments were transferred to SANDAG during the consolidation process, MTDB will continue to own and operate property along the right-of-way. It is therefore recommended this policy be retained indefinitely and that minor typographical changes be made.

Policy No. 20, "LICENSING OF THE USE OF REGISTERED MARKS"

The purpose of Policy No. 20 is to provide a uniform set of guidelines for merchandising rights for the commercial use of the Board's registered marks. As an operator, MTDB will continue to market and brand its system, as evidenced by the Board's recent selection of the new MTS logo. Logos are legally trademarked and used throughout the MTS system. It is therefore recommended this policy be retained indefinitely.

Policy No. 21, "ALLOCATION OF STATE TRANSIT ASSISTANCE FUNDS"

Policy No. 21 establishes the procedure for allocating State Transit Assistance (STA) funds to eligible operators. Although STA funds are received by SANDAG, MTDB will continue to determine who amongst its operators is eligible for receipt of funds. In addition, SANDAG is in the process of amending its policies regarding the distribution of these funds, which may change the procedures set forth in MTDB's policy. Therefore, staff is recommending we retain this policy and make modifications to the policy once SANDAG has completed revising its policies.

Paul Jablonski

Chief Executive Officer

Key Staff Contact: Tiffany Lorenzen, 619.557.4568, tiffany.lorenzen@sdmts.com

DDarro 31-04FEB12.TLOREN 2/5/04

Attachment: A. Proposed Changes to MTD Board Policy Nos. 11 through 21 (Board Only)



Policies and Procedures

No. 104

Subject:

Board Approval: 7/28/802/12/04

UTILITY AGREEMENTS AND RELOCATION

PURPOSE:

To define and clarify matters relating to utility agreements and utility relocations.

BACKGROUND:

Relocations or adjustments and placement of public and privately owned utilities, for which MTDB is legally obligated, may be made necessary by proposed construction of an MTDB project. These utility placements and relocations may take place within MTDB right-of-way or in other public agencies' rights-of-way.

POLICY:

Utility agreements will be negotiated with each major utility owner affected, or likely to be affected, by the MTDB development program. These agreements shall establish the general basis for determining costs, salvage and betterment credits, liabilities, methods of payment, encroachments and easements, and procedures for effecting specific and discrete elements of work.

Design and construction relative to MTDB required utility relocations shall generally be performed by, or under contract to, the utility owner. However, where the utility agrees to have such work performed by an MTDB contractor, the utility will have final responsibility for accepting that portion of the contractor's work.

For the purpose of this policy statement, the term utility shall include water systems, gas lines, electrical systems, and other public facilities, as well as those normally used to deliver, or dispose of, products utilized by the general public.

The MTDB shall exercise a reasonable discretion in action on applications of utilities for permits to occupy MTDB's right-of-way. The MTDB may, however, refuse to grant any applications for any crossings which would be inconsistent with public safety or the continued unobstructed use of the right-of-way for freight or transit purposes.

With the necessary modifications for freight and/or transit purposes, MTDB shall be guided by the California Streets and Highway Code, Section 680 and on case law, in carrying out this policy.

TFL:paw POLICY.11 5/21/97 (Converted to Word)

Original Policy approved on 9/11/78. Policy revised on 4/16/79. Policy revised on 7/28/80.



Policies and Procedures No. 112

Board Approval: 1/10/022/12/04

Subject:

CONSTRUCTION AND CONTRACT ADMINISTRATION BID, AWARD, AND CLAIMS

PURPOSE:

To establish a method for administering MTDB construction contracts.

BACKGROUND:

Government Code, Section 14085 et seq., requires that any public entity receiving state funds for a guideway project must adopt policies and procedures for contract administration. Additionally, Code of Federal Regulations, Volume 49, Part 18, and Federal Transit Administration Circular 4220.1C establish procedures which must be followed when administering contracts using federal funds.

POLICY:

12.1 Bidding Process

Competitive bidding process shall be utilized to the greatest extent possible and, in conjunction with tThe General ManagerChief Executive Officer, shall carry out or cause to be carried out, the following procedures acting in behalf of the MTD Board of Directors.

12.1.1 Bid Procedure for Small Projects

For construction contracts estimated to cost \$2,000 or less, staff shall seek a minimum of three bids which may be either written or oral to permit prices and other terms to be compared. For construction contracts estimated to cost more than \$2,000 but not more than \$20,000, the following procedures shall be followed:

a. Written Notices Inviting Bids (NIBs) will be sent to a minimum of three qualified bidders by mail or facsimile on the same date. The bid period will be a minimum of seven calendar days. When possible, NIBs should be sent to at least two certified DBE firms for federally funded projects. The NIB will contain the time and location for receiving and opening bids.

b. The contract will be awarded to the lowest responsive and responsible bidder after a Notice of Intent to Award has been issued to all bidders and the protest period of five working days has expired.

12.2 <u>Bid Advertisement</u>

Public notice of a construction contract estimated to cost more than \$20,000 shall be given by publication once a week for at least two consecutive weeks, at least three weeks before the day set for receiving bids, as follows:

- a. in a newspaper of general circulation, published in San Diego County;
- b. in a trade paper of general circulation published in Southern California devoted primarily to the dissemination of contract and building news among contractors and building materials supply firms (optional for projects estimated to cost less than \$100,000); and
- c. in at least one Disadvantaged Business Enterprise (DBE)-certified newspaper for federally funded projects.

Advertisements may also be placed in other minority and community newspapers, as appropriate. Appropriate disadvantaged business enterprises listed in the current MTDB DBE Directory will be notified of any work advertised under this policy for federally funded projects.

The notice shall state the time and place for receiving and opening sealed bids. The notice shall describe, in general terms, the work to be done and that the bids will be required for the entire project.

12.3 <u>Contractor's Qualifications</u>

MTDB shall, for all prospective contractors whose bid would exceed \$500,000, adopt and apply a uniform qualification system for rating bidders, on the basis of a standard experience questionnaire and financial statement verified under oath in respect to the contracts upon which each bidder is qualified to bid. A contractor may request to be prequalified for a predetermined contract amount prior to bidding. Any contractor requesting a prequalification rating will be required to reimburse all costs incurred by MTDB in evaluating the contractor's qualifications.

In no event shall any bidder be awarded a contract if such contract award would result in the bidder having under contract, work in excess of that authorized by his prequalification rating.

12.4 Bids

MTDB shall furnish each bidder with a standard proposal form, to be filled out, executed, and submitted as his bid.

All bids shall be submitted in a sealed envelope accompanied by one of the following forms of bidder's security: cash, a cashier's check, certified check, or a bidder's bond executed by an admitted surety insurer and made payable to MTDB. A bid shall not be considered unless accompanied by one of the forms of bidder's security. Bidder's security shall be at least 10 percent of the amount bid. Late bids shall not be accepted after the time and date designated in the notice.

Any bid may be withdrawn any time prior to the time fixed in the notice for bid opening only by written request to the MTDB General ManagerChief Executive Officer. The request shall be executed by the bidder or his designated representative. Bids shall not be withdrawn after the time fixed for public opening.

On the day specified in the notice, MTDB shall publicly open sealed bids and announce the apparent lowest bidder(s).

2.5 Review of Bids

After the bids are publicly opened, the SANDAGMTDB Director of Engineering and Construction, hereinafter "Director," shall review all bids in order to determine which bidder is the lowest, responsive and responsible bidder. The term "lowest, responsive and responsible bidder" shall mean the lowest monetary bidder whose bid is responsive and who is responsible to perform the work required by the contract documents.

MTDB may investigate the responsibility and qualifications of all bidders to whom the award is contemplated for a period not to exceed 60 days after the bid opening. The 60-day review period may be extended upon the written request by the Director and written approval by the affected bidders.

All findings by the Director shall be reported as recommendations to the Board. MTDB reserves the right to reject any or all bids and to waive any irregularity. No bid shall be binding upon MTDB until after the contract is signed by both the contractor and MTDB.

12.5.1 <u>Determination of Responsiveness</u>. The lowest monetary bidder's bid will be evaluated by the Director in order to determine whether or not that bid is responsive. The term "responsive" is defined by California law, but generally means that the bid has been prepared and submitted in accordance with the requirements of the ITB and bid documents. These requirements shall generally include, but not be limited to, the following:

- a. Proposal and Cost Proposal with bid amounts filled in.
- b. Designation of Subcontractors including dollar amounts.
- c. Designation of DBE Suppliers and DBE Subcontractors including dollar amounts for federally funded projects.
- d. Acknowledgment of Addenda.

- e. Contractor's License Requirements.
- f. Ability to Meet Minimum Insurance Requirements.
- g. Public Contract Code 10162 Questionnaire.
- h. Bidder's Bond.
- i. Noncollusion Affidavit.
- j. Certification of Restrictions on Lobbying (federally funded projects).
- k. Disclosure of Lobbying Activities (federally funded projects)..

12.5.2 <u>Determination of Responsibility</u>. If the lowest monetary bidder's bid is responsive, then the bidder's qualifications will be evaluated by the Director to determine whether or not the bidder is responsible to perform the work required by the contract documents. The term "responsible" is defined by California law, but generally means that the bidder is able to demonstrate that it possess: (1) the capacity to perform the work required by the contract documents with respect to financial strength, resources available, and experience; and (2) the integrity and trustworthiness to complete performance of the work in accordance with the contract documents. The Director shall review "responsibility" of bidders based upon factors set forth below.

For all contracts in excess of \$500,000, the following uniform system of determining whether or not a bidder is "responsible" shall be applied. MTDB will consider the following factors in relation to the work to be performed for this project:

a. Financial Requirements:

- 1. Contractors shall have evidence of the availability of working capital that, times a factor of 10, must exceed the contract bid price;
- 2. The largest value of all work any bidding contractor has had under contract over a previous similar time frame as the subject contract shall meet or exceed the total amount bid;
- The dollar value of at least one of the previous individual contracts listed shall be at least 50 percent of the dollar value bid on the MTDB contract; and
- 4. The contractor shall have successfully completed contracts during the previous five years that together exceeds 5 times the annual value of the MTDB contract.

b. <u>Experience Requirements</u>:

- 1. The contractor must demonstrate organization experience on work similar to the MTDB contract by submitting a list, covering at least the previous five years, of all projects of any type that have been completed or are under construction. The list shall contain a name, title, address, and phone number for staff to contact to verify the contract details:
- 2. The contractor shall demonstrate individual experience by submitting a list of all officers, superintendents, and engineers who will be involved in the MTDB contract. These key personnel shall have at least three years

experience on contracts where the work is similar to the MTDB contract and shall have been employed by the contractor for at least two years before the MTDB contract bidding date. The individuals listed shall have been involved at the same level of responsibility on successfully completed contracts during the previous five years that together exceeds the value of the MTDB contract. A resume for each individual listed shall include the name, title, address, and phone number of an individual or organization who can verify the individual's experience:

- 3. The contractor shall submit a summary of all claims made in the last five years arising out of previous contracts listed (this summary shall include all claims by owner against bidder or bidder against owner, and the final status of each claim);
- 4. The contractor shall state whether or not they have defaulted on a construction project within the last two years;
- 5. The contractor shall list any violation of the Apprenticeship Requirements under a State Business and Professions Code of Labor Code found by an appropriate authority within the last two years;
- 6. The contractor shall state whether they have been found guilty of failure to pay required prevailing wages on a public contract within the last two years;
- 7. The contractor shall state whether they have been formally found to be a nonresponsible bidder, for reason other than being nonresponsive, by a public agency within the last two years;
- 8. The contractor shall list how many construction projects the bidder will be working on in conjunction with the MTDB project;
- 9. The contractor shall state whether they have ever been terminated by an owner or client, or rejected from bidding in a public works project in the last five years;
- 10. The contractor shall state whether a surety ever completed any portion of the work of the bidder's project within the last five years;
- 11. The contractor shall state whether the bidder, any officer of such bidder, or any employee of such bidder who has a proprietary interest in such bidder, has ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of a law or safety regulation, and if so, explain the circumstances; and
- 12. For all items identified under 3 through 10 above, the contractor shall provide name of owner, title of project, contract amount, location of project, date of contract, and name of bonding company.

c. Reporting Forms: In order to demonstrate that the MTDB financial and experience requirements are met, the contractor shall submit, when requested by MTDB, a standard experience questionnaire and financial statement verified under oath that shall meet the requirements adopted herein.

Failure to provide accurate information relative to its financial status or experience may result in the debarment of the contractor from future MTDB work.

Questionnaires and financial statements shall not be considered public records nor open for public inspection.

d. Review of Submittals and Supplemental Information. MTDB will make its determination of responsibility based upon information submitted by bidders, and, if necessary, interviews with previous owners, clients, design professionals, or subcontractors with whom the bidder has worked. If a nonresponsive or nonresponsible bidder submits additional evidence, then that additional evidence shall be considered by the Director in making the recommendation to the Board regarding determination of the lowest responsive and responsible bidder and award of the contract. The Board's decision shall be final.

12.6 Award or Rejection of Bids

If the Director finds that the lowest monetary bidder submitted a responsive bid and that the bidder is responsible, then that bidder shall be deemed the apparent lowest responsive and responsible bidder, and the Director shall report the findings as recommendation to the Board.

If the Director finds that the lowest monetary bidder's bid is not responsive or that the lowest monetary bidder is not responsible, then the Director may review the responsiveness and responsibility of the next low monetary bidder. If the Director finds that the next low monetary bidder is responsive and responsible, then that next low bidder shall be deemed the apparent lowest responsive and responsible bidder, and the Director shall report the findings as recommendations to the Board. The Director may continue to review the responsiveness and responsibility of the next low monetary bidders until it finds the lowest monetary bidder which is also responsive and responsible, and deemed lowest responsive and responsible bidder. In the event that one or more low monetary bidders are found by the Director to be nonresponsive or nonresponsible, those bidders will be given notice and a reasonable opportunity to present additional evidence to the Director within five working days after the bidder receives the notice.

The Board may authorize the General ManagerChief Executive Officer to award a Limited Notice to Proceed (LNTP) to the apparent lowest responsive and responsible bidder for an amount not to exceed \$250,000 prior to the award of the construction contract if the General ManagerChief Executive Officer determines that the award of an LNTP is justified.

If it is for the best interest of MTDB, the Board may, on refusal or failure of the successful bidder to execute the contract, award it to the second-lowest, responsive and responsible bidder.

If the second-lowest, responsive and responsible bidder fails to execute the contract, MTDB may likewise award it to the third-lowest responsible bidder.

On the failure or refusal of any bidder to execute the contract, his bidder's security shall be forfeited to the MTDB.

The successful bidder must furnish a performance bond <u>and a payment bond</u> equal to <u>one half one hundred percent</u> of the contract price and a payment bond as follows:

- a. One half of the contract price, if less than \$5 million;
- b. One fourth of the contract price, if not less than \$5 million and does not exceed \$10 million; and
- 6: If the contract is in excess of \$10 million, the bond shall be in the amount of \$2.5 million.

Failure to furnish the required bonds shall constitute failure to execute the contract.

The Board has the right at any time prior to award to reject any or all bids and readvertise the project.

12.7 Return of Bidder's Security

MTDB may withhold the bidder's security of the second- and third-lowest, responsive and responsible bidders until the contract has been finally executed. MTDB shall, upon request, return cash, cashier's checks, and certified checks submitted by all other unsuccessful bidders within 10 days after the contract is awarded, and their bidder's bonds shall be of no further effect.

12.8 Protests to RFP, Bid, or Award

MTDB shall include in all contracts a procedure to be followed by interested parties who wish to protest a specification or procedure. The procedure shall include the following:

- a. A requirement that protest submittals shall be in writing, be specific to the specification being protested, state the grounds for protest, and include all documentation needed to enable MTDB to reach a decision.
- b. A statement that the protest shall be submitted within clearly defined time limits prior to receiving proposals or opening bids or prior to award of contracts.
- c. A statement specifying the review and determination process by MTDB, including time limits for response.
- d. Requirements for submittal of a protest reconsideration.
- e. A statement that the initial protest will be reviewed by an MTDB Protest Review Committee and that protest reconsiderations will be reviewed by the General ManagerChief Executive Officer.
- f. A statement that the decision of the General ManagerChief Executive Officer will be in writing and final and that no further protest will be heard by MTDB.

12.8.1 Procedure for Subcontractor Substitution Protest

When a contractor requests a substitution of one of its subcontractors, the California Public Contract Code (CPCC) Section 4107 must be followed. When a subcontractor protests the proposed substitution, a public hearing may be requested. The General ManagerChief Executive Officer is hereby designated the functions of the awarding authority under Section 4107, including the authority to conduct a public hearing in the event of a protest to the substitution. The General ManagerChief Executive Officer shall make a written recommendation to the MTD Board, the MTD Board may adopt the recommendation without further notice or hearing, or may set the matter for a de novo hearing before the MTD Board.

12.9 Procedure for Contractors with Claims Against MTDB on Construction Contracts

On all MTDB construction contracts estimated to cost more than \$20,000, a section shall be included in the Contract Provisions that specifies how a contractor should file a "Notice of Potential Claim" and the procedures for review and disposition thereof. The procedure for resolving claims shall be in accordance with the "Claims Resolution Process" flowchart (attached).

Written notice of the potential claim must be given to the resident engineer prior to the time the contractor shall have performed the work giving rise to the potential claim, if based upon an act or failure to act of the resident engineer; or in all other cases, within 15 days of the happening of the event, thing or occurrence giving rise to the potential claim.

It is the intention of this requirement that differences between the parties arising under and by virtue of the contract be brought to the attention of the engineer at the earliest possible time in order that such matters may be settled, if possible, or other appropriate action promptly taken. The contractor shall agree to have no right to additional compensation for any claim that may be based on any such act, failure to act, event, thing or occurrence for which no written notice of potential claim as herein required was filed. A claim must be presented and acted upon as a prerequisite to suit thereon.

If a contractor files an appropriate "Notice of Potential Claim," the administrative procedure shall be as follows:

- a. The MTDB resident engineer shall respond in writing within 25 calendar days with an appropriate decision. It is expected that the resident engineer shall investigate the area of claim thoroughly and shall issue a decision that is fair to all parties. It is further expected that every effort will be made to resolve the claim at the job level.
- b. If it appears to the resident engineer that the claim cannot be settled on the job, the resident engineer shall, as soon as practicable, forward the details of the claim to the General ManagerChief Executive Officer and shall so notify the contractor of the action.
- c. The General Manger shall direct the Director to obtain all pertinent information, including any oral or written presentation, concerning the claim the contractor might wish to present. The Director shall provide all information to the General Manger, including any recommendations.
- d. Within 25 calendar days of receiving details from the resident engineer (step "b" above), the General Manager Chief Executive Officer shall report a final decision

in writing to the contractor. The written decision shall notify the contractor that this action completes the contractor's administrative remedies and any further dispute would have to be resolved by either a nonbinding Dispute Resolution Board if provided for in the Special Provisions and agreed to by both parties, or litigation. Dispute Resolution Board members will be selected per the contract Special Provisions.

The final recommendation of the Dispute Resolution Board shall be presented to the General ManagerChief Executive Officer for approval before going to the MTD Board for action.

e. Any claim disputes not resolved by the General Manager Chief Executive Officer shall be reported to the MTD Board at one of the Board's regular meetings.

If a contract change order (CCO) proposed for the settlement of a claim causes a budget impact over \$100,000, the CCO must be sent to the Board for approval.

- f. Federal Transit Administration review and concurrence is required for claim settlements that exceed \$1 million if federal funds are involved.
- g. A list of all outstanding claims exceeding \$100,000 which involve the use of federal funds shall be included in the federal grants quarterly report.

12.10 <u>Debarment Procedures for Procurement and Construction Contracts</u>

- a. In addition to all other remedies permitted by law, MTDB may, upon advice of the General ManagerChief Executive Officer and General Counsel, by resolution declare a bidder or contractor ineligible to bid on MTDB procurement and construction contracts for a period not to exceed three years for any of the following grounds:
 - 1. two or more claims of computational, clerical, or other error in bid submission within a two-year period;
 - 2. unjustified failure or refusal to timely provide or properly execute contract documents;
 - unsatisfactory performance of contract;
 - 4. excessive and/or unreasonable claims while performing work for MTDB;
 - two or more occasions within a two-year period of failure to submit bond or insurance documents acceptable to MTDB in the time periods required;
 - 6. unjustified refusal to properly perform or complete contract work or warranty performance;
 - 7. unjustified failure to honor or observe contractual obligations or legal requirements pertaining to the contract;
 - 8. conviction under a state or federal statute or municipal ordinance for fraud, bribery, theft, falsification or destruction of records, receiving stolen property or of any other similar crime;

- 9. any offense or action which indicates a lack of business integrity and which could directly affect the reliability and credibility of performance of the contractor on future contracts with MTDB; and
- 10. any debarment of the contractor by another governmental agency.
- b. MTDB may permanently debar such bidder or contractor for a conviction under federal or state antitrust statutes involving public contracts or the submission of bid proposals, for any corrupt practices involving the administration or award of a contract with MTDB, or permanent debarment of the bidder or contractor by another governmental agency.
- c. The bidder or contractor shall be provided notice and an opportunity to present evidence and show cause before the Board why such ineligibility shall not be declared after the Director has established a factual basis for debarment.
- d. A contractor's debarment shall be effective amongst MTDB and its subsidiary corporations. Debarment prohibits MTDB and subsidiary corporations from executing contracts with the debarred contractor.
- e. Debarment constitutes debarment of all divisions or other organizational elements of the contractor, unless the development decision is limited by its terms to specific divisions, organizational elements, or commodities. The debarment decision may be extended to include any affiliate of the contractor if the affiliate is (1) specifically named, and (2) given written notice of the proposed debarment and an opportunity to respond.
- f. Notwithstanding the debarment of the contractor, the Board may continue contracts in existence at the time the contractor is debarred, unless the Board directs otherwise, after receiving advice from the General ManagerChief Executive Officer or his or her designee as to the effects of termination of an existing agreement.

SGreen POLICY.12 1/15/02

Original Policy approved on 9/11/78.

Policy revised on 7/28/80.

Policy revised on 9/8/80.

Policy revised on 5/24/82.

Policy revised on 11/22/82.

Policy revised on 2/7/85.

Policy revised on 4/10/86.

Policy revised on 7/26/90.

Policy revised on 5/27/93.

Policy revised on 4/14/94.

Policy revised on 6/9/94.

Policy revised on 8/11/94.

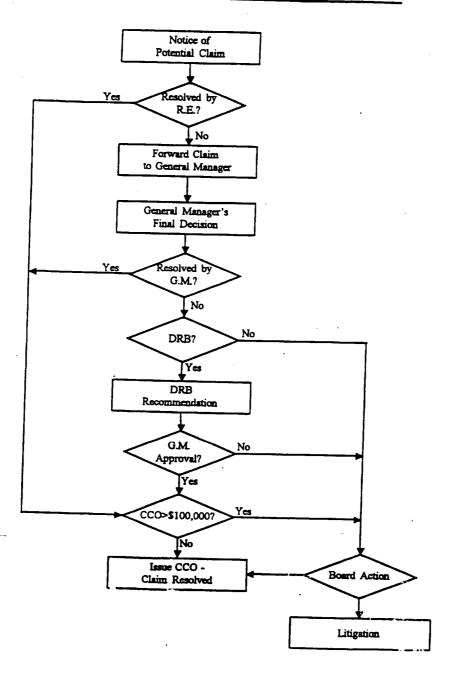
Policy revised on 3/14/96.

Policy revised on 6/27/96.

Policy revised on 1/10/02.

Attachment: Claims Resolution Process Flowchart

Claim Resolution Process





Policies and Procedures No. $\underline{123}$

Subject:

Board Approval: 6/25/922/12/04

OWNERSHIP AND OPERATION OF THE SAN DIEGO AND ARIZONA EASTERN RAILWAY

PURPOSE:

To establish a method for handling matters relating to the management, operations, administration and property of the San Diego and Arizona Eastern Railway Company (SD&AE).

BACKGROUND:

The San Diego Metropolitan Transit Development Board (MTDB) purchased the SD&AE as a means of assuring right-of-way for actual and proposed Light Rail Transit (LRT) projects. Freight service is to be-continued by contract over the SD&AE right-of-way by RailTex, Inc. through its subsidiary, San Diego Imperial Valley Railroad Company, Inc. (collectively referred to as "SD&IV"). MTDB also contracts with San Diego Trolley, Inc. for passenger service.

- 1. Ownership. SD&AE is a nonprofit corporation, registered in the State of Nevada. MTDB is the sole owner of the SD&AE.
- 2. <u>Freight Operations</u>. Through an "Agreement for the Operation of Freight Service and Control through Management," dated March 8, 1984, SD&AE and MTDB contracted with RailTex to operate freight service over the SD&AE and to manage the SD&AE. RailTex, Inc., with the consent of MTDB, assigned its contract to SD&IV.
- 3. Transit Passenger Operations. The agreement between SD&AE, MTDB and RailTex for the operation of freight service excludes passenger operations. Where trackage is jointly used by passenger and freight operations the agreement states, "MTDB, through San Diego Trolley, Inc., shall have exclusive dispatching control, provided that reasonable provisions shall be made for orderly, scheduled freight service during nighttime "window" or such other times acceptable to San Diego Trolley, Inc. so as not to unreasonably interfere with the Operating Company's obligation to maintain effective freight service."
- 4. Management of the SD&AE. The Board of Directors of the SD&AE is composed of a representative of MTDB, to be selected by MTDB (currently the General Manager the Chief Executive Officer or his designated representative) and two representatives of SD&IV, to be selected by SD&IV. In the event that SD&IV defaults with regard to freight operations MTDB, as owner of the SD&AE, has the right to remove SD&IV directors on the SD&AE Board and replace them with

Member Agencies:

City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, County of San Diego, State of California

MTDB directors. SD&IV provides management for the SD&AE. It is contemplated that SD&AE will function as a land holding company, as opposed to acting as an operator.

POLICY:

6

1. <u>Management Relationships--Freight Operations</u>. MTDB has no immediate involvement in the day-to-day management of freight operations by SD&IV. All matters concerning freight shippers the quality of freight service, the maintenance of the freight right-of-way, freight operator labor and freight management will be handled by SD&IV and all problems relating thereto will be referred thereto by MTDB without action.

The foregoing notwithstanding, as a public agency MTDB may be subject to criticism by the public for freight operations conducted over the SD&AE right-of-way. MTDB can be expected to request certain actions or make certain recommendations to SD&IV to preserve a positive quality of freight service and community confidence in MTDB and SD&IV. MTDB will in such instances endeavor:

- (a) to work with SD&IV;
- (b) To identify SD&IV as the action agent in all public communications and actions; and
- only in extreme cases involving public safety or dereliction of service responsibility seek direct action from the Boards of Directors of SD&AE and MTDB.
- Management Relationships--Joint Operations and Right-of-Way Matters. As the owner of SD&AE, MTDB will have the final decision in all matters involving joint operation and right-of-way. The desires of SD&IV as freight operator, and the desires of San Diego Trolley, Inc. as transit passenger operator, will at all times be given full consideration. SD&AE may take actions affecting the operational status of the joint passenger/freight corridors (actual or proposed) and the physical status of all corridors only with the full prior knowledge and consent of MTDB. Such actions will include but not be limited to:
 - (a) The granting, changing or canceling of easements and other rights affecting the right-of-way.
 - (b) Changes in scheduled freight operations, equipment and maintenance that might impact passenger operations, safety and service.
 - (c) The negotiation and agreement with local government entities and agencies on matters concerning grade crossings, street improvements or changes, bicycle paths, pedestrian access and public safety.
 - (d) The location, construction and content of advertising structures.

(e) The review of adjacent improvements (subdivisions, rezonings, construction of industrial facilities and shopping centers, recreational facilities, etc.) that might impact passenger operations directly or indirectly through constraints imposed on passenger or freight operations. SD&IV shall work with the MTDB staff in all matters where the SD&AE is the legal entity entering agreements, granting rights, making concessions, reviewing proposals or otherwise interacting with the community.

In the event MTDB staff and SD&IV staff are unable to reach an agreement, the matter, with SD&AE Board action, will be referred to the MTD Board of Directors and the SD&IV Board of Directors for resolution within the scope and authority legally residing with the various parties to the dispute.

3. SD&AE Monitoring by MTDB.

- (a) <u>Participation on Board</u>. Board membership on the SD&AE gives MTDB management a direct line of communication on all significant matters relating to the SD&AE.
- (b) Quarterly Reports to MTD Board. On a quarterly basis, SD&IV management is required to report items of significance as they affect the SD&IV and its operations to MTDB.
- (c) <u>Monthly Review</u>. MTDB staff will confer with SD&IV staff on a regular basis, such conferences to include a review of the following areas:
 - (1) Cash Flow Problems/Financial Status
 - (2) Requests for changes, additions, deletions of easements and other rights affecting the right-of-way and physical assets of the SD&AE.
 - (3) Maintenance of Way Activities.
 - (4) Customer Complaints
 - (5) Schedule Adherence/Problems
 - (6) Freight Moved
 - (7) Customers Gained/Lost
 - (8) Capital Investment Activities
 - (9) Marketing Efforts
 - (10) Labor Relations/Employment Level.

- (11) Community Relations--Noise, Crossings, Accidents, Repair Upgrading Requests, Easements/Property Requests.
- (12) Results of FRA/PUC Inspections
- (13) Other Areas of Concern
- (d) MTDB or its representatives shall have the unrestricted right at all reasonable times to inspect and audit the physical properties, books and records of SD&AE and the SD&IV, and the physical properties, books and records of the freight and transit operators, which are pertinent to SD&AE freight and/or transit operations.

Audits, reviews and/or inspections will be conducted at least once a year.

PROCEDURES:

- 1. Matters Related to Freight Operations. All inquiries, requests, complaints and suggestions concerning freight operations received by MTDB will routinely be referred to SD&IV by MTDB. SD&IV management will, to the extent possible and subject to limitations of this policy and the written agreement between the parties, resolve the matter directly with the initiator, without participation by MTDB. MTDB will not be or become an ombudsman in freight matters. However, public safety or other public considerations may indicate MTDB involvement from time to time, for example, as a mediator or communications conduit. The delicate balance required is to show MTDB acting responsibly and construc—tively while not undermining the authority of SD&IV as the action agent.
- 2. <u>Matters Related to Joint Operations and Right-of-Way Considerations</u>. All inquiries, requests, complaints, suggestions and actions to be taken with regard to transit passenger operations and joint track operations, will be referred to San Diego Trolley, Inc.
- 3. <u>Processing Applicants Affecting SD&AE or MTDB Property</u>. All applications and requests relating to SD&AE or MTDB property will be referred to MTDB staff for initial review, recommendation and processing:
 - (a) All applications that seek rights to construct items such as utilities, drainage structures, roadway improvements/widening, signs or freight leads, will be reviewed by MTDB staff.
 - (1) All applications that may affect other SDTI or SD&IV operations will be referred in writing by MTDB staff to SDTI and SD&IV, with replies in writing requested by a specific date.
 - (2) Applications viewed favorably by the applicable staffs shall be referred to the Board of Directors of SD&AE for implementation

- and final endorsement by the MTD Board of Directors or the Board's designate.
- (3) Where appropriate, general counsel for MTDB and the MTDB insurance consultant will review proposed actions and comments and/or make recommendations.
- (4) Where circumstances dictate expedited handling, the MTDB General ManagerChief Executive Officer may, with consent of SD&IV management, grant a temporary right of entry if the applicant's activity will not be detrimental to freight and/or transit operations and/or safety.
- (5) All final agreement documents between SD&AE and/or SD&IV management and applicants will be reviewed by MTDB general counsel before execution. Such agreements will utilize standard forms and conditions where possible.
- (6) The MTDB staff will maintain a log of all applications. Staff will ensure that prompt action is taken at each step so that applications may be promptly processed.
- (7) MTDB shall establish and charge applicants fees for such processing, based upon the actual costs incurred, as determined by the Director of Engineering and Construction. Such fees shall be waived when the applicant is SD&IV or SDTI.
- 4. <u>Use of Fees Paid by SD&IV and Railway Museum</u>. Such fees shall be reserved by MTDB in a rail improvement fund and made available to SD&AE for such capital improvements and other rail uses as may, from time to time, be recommended by SD&IV and approved by MTDB. Monies existent in this rail improvement fund shall be invested in accordance with MTDB's applicable statutes and the interest earned on the invested money shall accrue to the fund. Those fees paid by the Railway Museum shall be used on capital improvements and other rail uses within the areas or properties licensed for museum use.

TFL:lst POLICY.13 6/25/92

Original Policy adopted on 1/14/80. Policy revised 2/28/83. Policy revised 10/18/84. Policy revised 6/25/92.



Policies and Procedures No. 13

Board Approval: 2/14/022/12/04

Subject:

PROCUREMENT OF SERVICES

PURPOSE:

To establish procedures for contracting for services.

BACKGROUND:

Included in MTDB's enabling legislation is Section 120226 of the Public Utilities Code dealing with services of independent contractors which states: "The Board may contract for the services of independent contractors."

POLICY:

14.1 <u>Budget Authorization</u>

If funding for the agreement is not within the approved Budget, then Board approval to change the Budget must occur before the agreement may be finalized.

14.2 Equal Employment Opportunity and Disadvantaged Business Enterprises (DBE)

The Board's Equal Employment Opportunity Plan will be incorporated by reference in all services contracts. The Board's Disadvantaged Business Enterprise (DBE) Program shall be incorporated by reference in all services contracts that are federally funded. DBEs shall have every possible opportunity to participate in the procurement of services as set forth in the Board's DBE program.

- 14.3 <u>Encouragement of Use of Qualified Local Business Enterprises for Nonfederal Procurements</u>
 - 14.3.1 As an expression of policy for procurements not subject to the provisions of Federal Transit Administration Circular 4220.1D entitled "Third Party Contracting Requirements," the Board strongly encourages the use of qualified business enterprises with offices located in San Diego County.

Member Agencies:

City of Chula Vista. City of Coronado. City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, County of San Diego, State of California

Such a policy shall not exempt application of the requirements of Section 14.2 or Section 14.7.7.

- 14.3.2 A local business enterprise will be generally defined as having:
 - a. an office within San Diego County;
 - b. a current paid business tax certificate or business license listing an address within San Diego County; and
 - c. at least one full-time employee at this address for at least six months prior to the date of solicitation of services.
- 14.3.3 With regard to all procurements, federal and non-federal, the General ManagerChief Executive Officer shall ensure that local business enterprises are given an opportunity to compete. Steps shall be taken to notify all potentially interested local firms.

14.4 Minor Service Agreements

- 14.4.1 If the estimated value of the contract is \$2,500 or less, staff may select a qualified proposer whose proposal is most advantageous to the Board, price and all other factors considered.
- 14.4.2 The General ManagerChief Executive Officer shall determine the selection procedure for contracts valued between \$2,501 and \$49,999 to distribute work in a fair and equitable manner. Prior approval of the selection procedure shall be obtained from the General ManagerChief Executive Officer. An informal competitive process shall be followed with price or rate quotations obtained from an adequate number of qualified sources to ensure that MTDB is obtaining a fair and reasonable price. In obtaining price or rate quotations, a scope of work shall be developed and supplied to all bidders.

14.5 <u>Major Service Agreements (\$50,000 and greater)</u>

- 14.5.1 Normally, a "one-step" selection procedure will be used for service contracts in excess of \$50,000.
- 14.5.2 The "one-step" competitive process is as follows:
 - a. The "one-step" method shall consist of firms submitting a response to an MTDB Request for Proposals (RFP). The RFP shall include:
 - pass/fail criteria to be used as an initial screening of responses. Such criteria shall include, but not be limited to, insurance requirements, and any other consideration

which would make the proposer ineligible to perform the work.

- all evaluation factors and their relative importance.
- the contract that the successful proposer will be expected to execute (including all applicable federal clauses and certifications).
- b. Notice of the professional services required shall be published at least once in a newspaper of general circulation in San Diego County and in community newspapers, as appropriate, at least two weeks before the proposal due date. For federally funded projects, notice shall also be published in one or more DBE-certified newspapers and in such other minority newspapers as appropriate in San Diego County. The notice shall state that the Board is interested in receiving responses from qualified firms, and indicate how additional information can be obtained, and the time and place for receiving responses.
- c. Notice shall also be sent to firms or individuals previously known to be interested in providing the required services, including small and emerging businesses on MTDB's various interested party lists, and to appropriate DBE firms or individuals listed in the MTDB DBE Directory (for federal procurements).
- d. Responses to an RFP shall list all proposed subconsultants and subcontractors, their area of the work. For federally funded projects the responses shall also, and identify which of them are certified DBEs.
- e. Separately bound or sealed cost proposals shall be submitted as part of the process. Cost proposals shall not be opened until after the evaluation panel has ranked the proposers. Cost proposals shall be excluded as an evaluation factor and will only be used by the General ManagerChief Executive Officer, or his designee, when negotiating within the prescribed budget, except as provided in (i) below.
- f. The responses shall be evaluated by an evaluation panel appointed by the General ManagerChief Executive Officer, which may consist of MTDB staff and/or persons from outside the agency.
- g. The top-ranked firm(s) shall then be interviewed, if deemed necessary. The final list of qualified firms shall be based on the response to the RFP and the interview.
- h. Based on the results of the RFP and the interview, the evaluation panel will make a recommendation to the General ManagerChief

Executive Officer to enter into negotiations with the top ranked firm, using the separately submitted cost proposal as a basis for negotiation. Negotiations will be conducted by the General ManagerChief Executive Officer, or his designee, and can include factors other than cost, such as staffing levels, project schedule, etc. Should negotiations fail, the General ManagerChief Executive Officer, or his designee, will enter into negotiations with the next ranked firm. Once negotiations are complete, a recommendation will be made to the General ManagerChief Executive Officer.

- Only the cost proposal of the firm in negotiations shall be opened.
 At the end of the process, all unopened cost proposals shall be disposed of, unopened.
- j. The General Manager Chief Executive Officer will make a selection for recommendation to the Board based upon information provided by the evaluation panel, and other factors as deemed appropriate, including, but not limited to, qualifications, ability to meet schedule and budget, cost of work, meeting insurance requirements, and DBE participation (for federally funded projects). The General Manager Chief Executive Officer may also interview one or more of the firms prior to making a selection.
- k. For those services that are able to be defined with a very explicit scope of work containing detailed, straight-forward specifications that will allow consistent responses (i.e., transit service contracts), proposers will be considered qualified or not qualified based on predetermined criteria. Cost proposals will then be opened for those proposers considered qualified and the contractor with the lowest bid will be awarded the contract. The General ManagerChief Executive Officer will determine whether the nature of the services lends itself to using this low bid procedure.

14.5.3 If desired, a "two-step" selection process may be followed, as follows:

- Letters of Interest/Statements of Qualifications (LOIs/SOQs) shall be solicited from the current MTDB consultant list for the particular services specialty.
- b. Notice of the professional services required shall be published at least once in a newspaper of general circulation in San Diego County, and in one or more DBE-certified newspapers in San Diego County for federally funded projects, at least two weeks before the proposal due date and in such other minority and community newspapers, as appropriate. The notice shall state that the Board is interested in receiving LOIs/SOQs from qualified firms, and indicate how additional information can be

obtained, and the time and place for receiving responses.

c. Requests for LOIs/SOQs may be sent to firms or individuals previously known to be interested in or capable of providing the required services. Reasonable effort shall be made to send requests to minority firms known to be capable of providing the required services.

Any modification, addition, or deletion of listed subconsultants and subcontractors shall require MTDB approval.

- d. "Pass/fail" criteria will be established by the General

 ManagerChief Executive Officer and clearly stated in the

 LOI/SOQ to be used as a screening of responses. Such criteria

 shall include, but not be limited to: adherence to project budget,
 insurance requirements, and DBE participation.
- e. An evaluation panel will be formed by the General ManagerChief

 Executive Officer which Manager, which may consist of MTDB staff and persons from outside the agency.
- f. The panel will evaluate the SOQs and recommend to the General ManagerChief Executive Officer the qualified firms to be invited to receive an RFP. The General ManagerChief Executive Officer shall then issue an RFP to the qualified firms. The RFP shall include all evaluation factors and their relative importance and the contract that the successful proposer will be expected to execute (including all applicable federal clauses and certifications).
- g. From this point, the steps contained in section 14.5.2 (d) through (j) should be followed.

14.6 General ManagerChief Executive Officer and Board Approvals

- 14.6.1 Agreements for services in total amounts not to exceed \$100,000 for any single firm for a particular work product in a given fiscal year may be made by the General ManagerChief Executive Officer, unless the agreement is with a non-local firm (as defined in section 14.3.2), in which case the Board must approve for those that exceed \$25,000. The Board must approve all agreements in excess of \$100,000.
- 14.6.2 All such agreements must be in writing and clearly state:
 - a. That the General ManagerChief Executive Officer's authority to commit MTDB funds is strictly limited to \$100,000 (except for those agreements with non-local firms exceeding \$25,000, which must be approved by the Board), and any amount expended by the firm above that, prior to receiving Board approval, will not be

reimbursed under any circumstances.

- b. The dollar limit of the agreement for the services to be provided.
- c. The scope of the services to be provided.
- d. That any change in the scope of services must be authorized in writing prior to the work being done, and include the upper limit of cost associated with the change. If the change increases the total cost above the General ManagerChief Executive Officer's authority of \$100,000, Board approval must be obtained.
- e. The insurance requirements pertinent to the services to be provided.
- f. The time limit for completion of all services.
- g. The DBE participation goals for all federally funded procurements.
- 14.6.3 A project may not be split into multiple contracts for the purpose of avoiding the necessity of Board approval.
- 14.6.4 The General Manager Chief Executive Officer shall notify the Board of all contracts executed within the General Manager Chief Executive Officer's authority at the next Board of Directors meeting.
- 14.6.5 All agreements which involve federal funds shall conform to Code of Federal Regulations, Volume 49, Part 18, and Federal Transit Administration Circular 4220.1d and any successors thereof.

14.7 General Conditions

- 14.7.1 In the event the circumstances dictate other than the processes as indicated above, prior Board concurrence shall be obtained following submittal of a written statement by staff setting forth the reasons for not pursuing all or part of any of the processes.
- 14.7.2 Where proposals received are deemed inadequate by the General ManagerChief Executive Officer, the Board may authorize a negotiated contract with a recommended firm based on a newly approved scope of services, performance schedule, and/or instructions and conditions.
- 14.7.3 The Board need not make a contract award if it determines that the proposals received or contracts negotiated by MTDB staff are not in MTDB's best interests.

- 14.7.4 Staff shall disclose to the Board any protest or potential conflicts of interest and unusual cost provisions associated with the selected firm. (See Section 14.8 below.)
- 14.7.5 The General Manager Chief Executive Officer may approve contract amendments totaling up to \$100,000 (for contracts with local firms) that are necessary to complete services as originally contemplated. The Board will be notified of all such amendments. Contract amendments in excess of \$100,000, and contract amendments with non-local firms in excess of \$25,000, or those contemplating a significant change in the original scope of services, must be approved by the Board prior to the work being done.
- 14.7.6 Separately bound or sealed cost proposals shall be submitted as part of the process outlined in Section 14.5. Cost proposals shall not be opened until after the evaluation panel has ranked the proposers. Cost proposals shall be excluded as an evaluation factor and will only be used by the General ManagerChief Executive Officer, or his designee, when negotiating within the prescribed budget.
- 14.7.7 This policy applies to MTDB, San Diego Transit Corporation, and San Diego Trolley, Inc.

14.8 Protests

- 14.8.1 All contractors may protest the General ManagerChief Executive Officer's final recommendation to the Board. The protest must be based on failure of MTDB to properly evaluate any MTDB criteria as listed in the RFP, including items such as adherence to the project budget, insurance requirements, and DBE participation. Protests must also adhere to the Policies and Procedures of the Board.
- 14.8.2 Protests must be submitted in writing within seven calendar days subsequent to the public Notice of Intent to Award to the recommended firm. The protest must be executed by one of the firm's officers who have the legal right to bind the firm.
- 14.8.3 The initial protest will be reviewed by an MTDB Protest Review Committee that will make a recommendation to the General ManagerChief Executive Officer. The General ManagerChief Executive Officer will determine the adequacy of the protest and will then make a subsequent final decision in writing. The General ManagerChief Executive Officer shall then advise the Board of the decision in writing.

14.9 Conflicts of Interest

14.9.1 A consultant is eligible for award of service contracts by MTDB so long as the contract in questions does not create an actual, potential, or apparent conflict of interest. A prohibited conflict of interest exists when a firm is or may be unable to render impartial, objective assistance or advice to MTDB or where a firm would receive an unfair competitive advantage. Prohibited conflicts of interest include, but are not limited to, the following situations:

- Any firm that provides design services to MTDB will be ineligible for award of a construction contract to construct the improvements which are the subject of the design services.
- Any firm that provides design services to MTDB will be ineligible for award of any contract to provide construction management services resulting from the specific project for which design services were provided.
- Any firm that provides construction management services to MTDB will be ineligible for award of a construction contract for which construction management services were or will be provided.
- 14.9.2 General consultants or subconsultant firms may provide services on other MTDB projects. A consultant shall not, however, participate in the review and analysis of, or render opinions regarding, its work performed on other MTDB projects or as limited in Section 14.9.1, above. Unless otherwise defined by the MTDB General ManagerChief Executive Officer, a General Consultant is a consultant whose procurement is typically for a two-year period with 3 one-year option extensions to provide services as needed from time to time on a work order basis, rather than for one specific predefined project. General Consultants support MTDB staff in managing other MTDB consultants. Examples of General Consultants are the General Engineering Consultant, the General Construction Consultants, the General Right-of-Way Consultant, the General Planning Consultant, and the General Environmental Consultant. General Consultants are prime contractors to MTDB. Subconsultants to General Consultants are not classified as General Consultants. General Consultant procurements are identified as such during the RFP process.
- 14.9.3 A Notice of Potential for Conflict of Interest shall be included within the RFP for services issued by MTDB. The Notice shall be the policy of the Board as listed herein. Any major service agreement issued in accordance with this policy shall include or make reference to the policy listed herein.
- 14.9.4 A "firm" shall be defined as any company or family of companies where there is a single parent board of directors or staff of officers who can influence the policies and actions of the design company, construction management company, and the construction company.
- 14.9.5 "Ineligible" shall include the following definition:

The firms ineligible to provide services include the prime contractor for

the services, subcontractors for portions of the services, and affiliates of either. An affiliate is a firm that is subject to the control of the same persons through joint ownership or otherwise.

- 14.9.6 If there is any doubt by a firm regarding a potential conflict of interest for a specific project or function, the MTDB Director of Engineering and Construction, the Director of Planning and Development, the Director of Multimodal Operations, the Director of Finance and Administration, or the Director of Marketing and Community Relations, depending on type of project, will, upon written request, provide a written ruling. This procedure is encouraged prior to submittal of RFPs, as set forth in Section 14.5 of this policy. In the event a conflict of interest is determined to exist, a written appeal amy be made to the General ManagerChief Executive Officer. The General ManagerChief Executive Officer shall determine the adequacy of the appeal and make a subsequent final decision. No further appeal shall be considered.
- 14.9.7 The Executive Committee shall review and, if appropriate, waive any actual, potential, or apparent conflict of interest that may exist or arise as a result of concurrent legal representation of clients whose interests may conflict.

SGreen/PSmith POLICY.14 2/1/02

Original Policy approved on 7/28/80.

Policy revised on 9/15/81.

Policy revised on 10/5/84.

Policy revised on 11/9/89.

Policy revised on 7/26/90.

Policy revised on 2/27/92.

Policy revised on 9/10/92.

Policy revised on 5/27/93.

Policy revised on 6/15/94.

Policy revised on 8/10/95.

Policy revised on 3/14/96.

Policy revised on 5/8/97. Policy revised on 3/25/99.

Policy revised on 11/9/00.

Policy revised on 12/14/00.

Policy revised on 1/10/02.

Policy revised on 2/14/02



Policies and Procedures

No. <u>145</u>

Subject:

Board Approval: 7/26/902/12/04

RELIEF FROM MAINTENANCE AND RESPONSIBILITY AND ACCEPTANCE OF WORK ON CONSTRUCTION CONTRACTS

PURPOSE:

To accept work completed by MTDB construction contractors.

BACKGROUND:

As MTDB's construction contractors complete certain major portions or entire projects, it is appropriate that MTDB accept the work.

POLICY:

15.1 The Metropolitan Transit Development Board of Directors will, upon written application by the contractor, grant relief from maintenance and responsibility on major elements of each major construction project as permitted in the contract specifications.

The General ManagerChief Executive Officer shall establish procedures for granting said relief. The General ManagerChief Executive Officer shall be delegated authority to grant said relief in writing to the contractor and shall report actions on contracts over \$25,000 to the Board.

The Metropolitan Transit Development Board of Directors will upon written application by the contractor, accept the entire work on major construction contracts, provided that the work has been completed, in all respects, in accordance with the contract plans and specifications.

The General Manager Chief Executive Officer shall be delegated the authority to accept contracts on behalf of the Board and shall report to the Board all contract acceptances over \$25,000.

- 15.3 In determining acceptance, these procedures should be followed:
 - a. The contractor shall request acceptance in writing.
 - b. Concurrence to the request by the MTDB Resident Engineer shall be in writing to the General ManagerChief Executive Officer and include these findings: (1) that the contract has been completed in accordance with the plans and specifications, (2) a statement as to the financial condition of

Member Agencies:
City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa. City of Lemon Grove; City of National City, City of Poway. City of San Diego, City of Santee, County of San Diego, State of California

the contract, and (3) a statement as to whether the contract was completed on time or with an apparent overrun.

- c. Next, the MTDB Director of Engineering shall indicate concurrences with the proposed action in writing.
- d. Last, the General Manager Chief Executive Officer shall accept the action and report the findings, in c. above, to the Board.

TFL:paw/bw POLICY.15 8/2/90

Original Policy approved on 7/28/80. Policy revised on 11/23/81. Policy revised on 1/10/83. Policy revised on 7/26/90.



Policies and Procedures

No. <u>156</u>

Subject:

Board Approval: 10/31/022/12/04

CAPITAL ASSET CAPITALIZATION

PURPOSE:

To establish guidelines and procedures for the capitalization of MTDB capital assets.

BACKGROUND:

On December 13, 2001, the MTD Board of Directors approved Policies and Procedures No. 8 (Policy No. 8), "Procurement of Supplies, Equipment, and Material." The policy established procedures for acquiring supplies, equipment, and materials. It is required that the purchase of capital assets will be in accordance with Policy No. 8. Additionally, recent accounting literature now requires a governmental entities are requiredy to report all of its capital assets in the statement of net assets, based on their historical cost less accumulated depreciation. Capital assets include such items as: (1) land and land improvements; (2) building and building improvements; (3) vehicles; (4) infrastructure assets; (5) equipment; and other similar assets. These guidelines and procedures would allow a cost-effective capitalization threshold for recording, tracking, and reporting its capitalized fixed and infrastructure assets. In accordance with federal guidelines, capital assets means tangible nonexpendable property charged directly to a federal award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

PROCEDURES:

- Methods. Capital assets having an acquisition cost of \$5,000 or more per unit and a useful life of more than one year will be capitalized. MTDB will report using a depreciation expense approach using the straight-line method over the assets useful life.
- 16.2 <u>Useful Lives</u>. The following major categories of capital assets including the useful life are noted below:

<u>Item</u>	Estimated Life	
 a. Buildings and Structures b. Automobiles c. Other Vehicles (Vans/Trucks) d. Special Purpose Maintenance Vehicles e. Light Rail Vehicles (LRVs) f. Buses 	32 years 5 years 5 years 10 years 30 years 15 years	
	- J	

Member Agencies:

City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, County of San Diego, State of California

g. h.	Communications Equipment Station and Parking Lot Structure/Facilities	5 years 15-30 years
i.	Station Equipment, i.e., including change machines	
:	Station Equipment, i.e., including change machines	10 years
j.	Station Fare Equipment, including change machines	10-15 years
k.	Bus Fare Equipment	10 years
1.	LRV and Bus Maintenance Equipment	5-20 years
m.	Centre City Station Shelters	20 years
n.	Track Facilities	15-30 years
0.	Crossings and Signal Equipment	10-20 years
p.	Traction Power Facilities	20-30 years
q.	General Office Equipment	5-15 years
r.	Computers Software/Hardware	3-5 years

- 16.3 Federal Grant Funded Assets. Capital assets which have been purchased with federal capital grant funds must have records maintained, a physical inventory shall be taken at least once every two years and reconciled to the capital asset records, an appropriate control system shall be used to safeguard equipment, and equipment shall be adequately maintained.
- 16.4 <u>Tags</u>. Capital assets having an acquisistion cost of \$5,000 or more per unit and a useful life of more than one year shall be tagged with a permanent sticker including a number and identification as an MTDB asset.
- 16.5 Other Items. Other items which do not meet the capitalization criteria, but are suseptible to misappropriation, such as computers, shall have records maintained, be safeguarded, and tagged with a permanent sticker including a number and identification as an MTDB asset.

DDarro POLICY.16 11/5/02

Original Policy approved on 7/8/81.
Policy revised on 5/24/82.
Policy revised on 9/20/84.
Policy revised on 12/12/91.
Policy revised on 6/9/94.
Policy repealed and readopted on 10/31/02.



Policies and Procedures

No. 167

Subject:

Board Approval: 2/7/852/12/04

LEGAL ACTION BY OR AGAINST THE BOARD LEGAL ACTION: DAMAGE TO MTDB

PROPERTY

PURPOSE:

To establish procedures for the filing of claims and institution and maintenance of lawsuits for damage to or destruction of MTDB property, and to establish procedures for settlement of such lawsuits.

BACKGROUND:

MTDB owns the capital facilities and equipment used for operation of the Trolley, as well as other property. Damage to or destruction of that property may require legal action.

Under Public Utilities Code 120201, the MTDB may sue and be sued, except as provided by law, in all actions and proceedings, in all courts and tribunals of competent jurisdiction. There is no law that prevents MTDB from filing claims or lawsuits for damage to its property.

POLICY:

17.1 Filing of Administrative Claims; Litigation

The General ManagerChief Executive Officer is authorized to file administrative claims and to initiate and maintain lawsuits on behalf of the Board to recover for damage to or destruction of MTDB property. The General Manager Chief Executive Officer shall report to the Board concerning all claims and lawsuits filed on behalf of the Board.

17.2 Settlement of Lawsuits

The General Manager may settle all lawsuits initiated under Section 17.1. The General Manager shall report to the Board concerning all settlements made under this section. The Chief Executive Officer shall have the authority to settle claims or lawsuits for \$10,00025,000 per claim or lawsuit or less without Board approval. The Chief Executive Officer shall report to the Board concerning all settlements made for \$10,00025,000 or less. Prior Board approval shall be required to settle any claim or lawsuit for more than \$10,00025,000.

JPL:paw

POLICY.17 9/25/89

Original Policy approved on 10/26/81. Policy revised on 2/7/85.



Policies and Procedures

No. 178

Subject:

Board Approval: 2/26/982/12/04

TRANSPORTATION DEVELOPMENT ACT (TDA) RULES AND REGULATIONS

PURPOSE:

To establish rules and regulations (pursuant to Public Utilities Code [PUC] Section 99261.5) for the MTDB area of jurisdiction governing operator eligibility for receipt of Transportation Development Act (TDA) funds under PUC Section 99260.

BACKGROUND:

By state law, the San Diego Metropolitan Transit Development Board (MTDB) is the single operator for the purpose of TDA fund eligibility based on farebox recovery ratios. In order to enable the Board to maintain the required area farebox recovery ratio (See Table 1), MTDB is authorized to adopt rules and regulations applicable to operators providing service within the MTDB area of jurisdiction and filing claims pursuant to PUC Section 99260.

POLICY:

In order to be eligible to receive Transportation Development Act funds, the public transit operator, as claimant, shall comply with MTDB rules and regulations set forth in this Policy and Procedures. These rules and regulations are designed to make each claimant responsible for upholding the provisions of the TDA under the authority of MTDB, while recognizing the diversity of services required as part of the areawide public transit system. All claims shall be generally consistent with the MTDB Short-Range Transit Plan (SRTP), and shall, in the aggregate, support maintenance of the area's farebox recovery requirement.

PROCEDURES:

18.1 Eligibility Requirements for TDA Funds

18.1.1 Intent

The following procedures have been established to serve as a structure for implementing MTD Board Policy No. 18. With input from the transit operators, the procedures have been developed to ensure that all legal and regulatory requirements of the TDA are met; that TDA funds are allocated for the maximum regional benefit while observing the need for equitable distribution among local jurisdictions;

Member Agencies:

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and that the transit operators will work with MTDB to leverage TDA to maximize receipt of federal, state, and other local funding sources.

MTDB and the MTS (Metropolitan Transit System) operators will work jointly toward efficient and effective use of the TDA funds.

- 18.1.2 The MTS operation is predicated on a seamless fare and transfer structure. Thus, the fare structure used by each operator must be in conformance with the Uniform Fare Structure adoptd by the MTD Board.
- The operator's TDA claim will be reviewed by MTDB for consistency with the adopted Short-Range Transit Plan (SRTP).
- 18.1.4 Each operator will participate in establishing productivity goals and monitoring performance in meeting the goals and show good faith efforts in implementing the actions approved by the MTD Board.
- Any operator whose farebox recovery ratio is less than shown in Table 2 (FY 79 or first full fiscal year of operation) will be subject to the provisions of Section 18.2 if, under actual or estimated conditions, the MTDB area is subject to eligibility limitations as prescribed in PUC Sections 99268.2, 99268.3, 99268.4, and California Code of Regulations (CCR) Section 6633.9.
- The operator shall identify all proposed capital proejcts annually so that MTDB, with input from the operators, can evaluate such projects for federal funding eligibility. To the extent possible, all major capital projects should utilize MTDB area federal funds. Local TDA funds set aside for capital projects shall be evaluated for exchange for federal grant monies provided by MTDB. Such an exchange should not be to the detriment of timely implementation of projects as scheduled in the Regional Transportation Improvement Program (RTIP) or SRTP. MTDB shall work with each operator to identify interim funding for projects for which timely completion could be delayed by the TDA/ federal fund exchange. The operator and MTDB shall enter into an agreement for the funding of procurement/construction of the capital project as a condition of approval of any TDA claim for the project.
- In accordance with PUC Section 99288, an operator may claim, on behalf of the jursidiction for which that operator provides transportation services under contract, that jurisdiction's costs to administer the contract. The amount of reimbursement for such administrative costs shall be actual costs incurred by the jurisdiction and shall not exceed 5 percent of the total claim for services provided under the subject contract. Administrative costs related to capital projects should be identified and included as part of the total capital project cost.

18.2 <u>Determination of Maximum TDA Eligibility</u>

This section to be in effect only if under actual or estimated conditions, the MTDB area is subject to eligibility limitations as prescribed in PUC Sections 99268.2, 99268.3, 99268.4, and CCR Section 6633.9.

18.2.1 Definitions.

 $FARES_x$ = Farebox Revenues in FY (x)

 TOC_x = Total Operation Cost in FY (x)

 $OTHER_x$ = Other Revenues in FY (x)

 TDA_x = Maximum TDA Subsidy in FY (x)

PPT_x = Passengers Per Trip in FY (x). For the previous year (x-1), the value from the first six months of the fiscal year shall be used. "Passengers" is the total passengers carried. "Trips" is the total number of one-way vehicle trips operated.

 F_x = Average fare paid per passenger.

18.2.2 Determination for Fixed Route Operators.

A fixed-route operator claiming TDA funds shall maintain the ratio of Passengers per Vehicle Trip achieved during the first six months of the previous fiscal year.

The following formulas shall apply in determining the maximum amount of TDA subsidy which can be claimed and received by an operator in any fiscal year [FY (x)]. Exhibit 1 is a worksheet to aid in applying these formulas.

TEST: Is PPT_x ³ PPT_{x-1}?

If Yes, then the maximum amount of TDA subsidy which can be claimed by an operator for the FY (x) is:

 $TDA_x = TOC_x - (FARES_x + OTHER_x)$

If No, then the maximum amount of TDA subsidy which can be claimed by an operator for FY (x) is the lesser of the following two amounts:

B.
$$TDA_x = TDA_{x-1}$$

18.2.3 Determination for Demand-Responsive Operators.

A demand-responsive operator claiming TDA funds shall be required to maintain the ratio of Passengers Per Vehicle Trip achieved during the first six months of the previous fiscal year.

The following formulas shall apply in determining the maximum amount of TDA subsidy which can be claimed and received by a demand-responsive operator in any FY (x). Exhibit 2 is a worksheet to aid in applying these formulas.

If Yes, then the maximum amount of TDA subsidy which can be claimed and received by an operator for FY (x) is:

$$TDA_x = TOC_x - (FARES_x + OTHER_x)$$

If No, then the maximum amount of TDA subsidy which can be claimed by an operator for FY (x) is the lessor of the following amounts:

A.
$$TDA_{x} = \frac{PPT_{x} * F_{x}}{PPT_{x-1} * F_{x-1}} * TDA_{x}$$

B.
$$TDA_x = TDA_{x-1}$$

18.3 Other Conditions

18.3.1 A new operator subject to these provisions shall not claim nor be eligible for more than 75 percent of its total operating cost during the first two years of operation.

18.3.2 Any new service which has not been in existence for the full twelve months of both fiscal years would not be included in the calculations required under Section 18.2.

DGunn G:/GLOBAL/POLICY.18 2/26/98

Attachments: Table 1, Derivation of the MTDB Area Required Farebox Recovery Ratio

Table 2, Base Required Farebox Recovery Ratio Exhibit 1, Fixed-Route Operator Worksheet

Exhibit 2, Demand-Responsive Operator Worksheet

Original Policy approved on 3/22/82.

Policy revised on 8/22/83. Policy revised on 2/25/93. Policy revised on 2/8/96. Policy revised on 2/26/98.

TABLE 1

Derivation of the MTDB Area Required Farebox Recovery Ratio*

<u>Operator</u>	Operating Cost	Fare Revenue
Chula Vista Transit (SCOOT)	\$ 690,229	\$ 89,326
El Cajon Express	314,119	95,465
La Mesa Dial-a-Ride	321,514	55,220
San Diego Transit	28,262,505	9,157,016
Total	\$ 29,488,367	\$ 9,397,027

FY 79 Ratio: 0.319

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DJW:bw TBL1 8-24-83

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^{*}Public Utilities Section 99269(a) specifies that in order to be eligible for Article 4 funds, the area's Article 4 operators must collectively achieve a ratio of total fare revenue to total operating cost not less than the ratio for FY 79. The figures in this table are audited numbers for the area's operators in FY 79.

TABLE 2

Base Required Farebox Recovery Ratio

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Operator	Required Ratio	Reference Year
San Diego Transit	32.3%	FY 79
San Diego Trolley	71.3%	FY 83
County Transit System Suburban Bus	10.3%	FY 80
National City Transit	17.3%	FY 81
SC00T	13.4%	` FY 79
Strand Express	31.5%	FY 81
El Cajon Dial-A-Ride	29.2%	FY 79
La Mesa Dial-A-Ride	24.0%	FY 79
Lemon Grove Dial-A-Ride	35.3%	FY 80

MMC:paw T-BASERR.BJB 1/4/93

EXHIBIT 1

FIXED-ROUTE OPERATOR WORKSHEET 1

NOTE	:	This Worksheet to be used only if under actual or estimate conditions, the MTDB area is subject to eligibility limita prescribed in PUC § 99268.2, 99268.3 and 99268.4 and CAC §	tions as
TEST	:		
(1)	PPT _x .	-1 = Passengers Per Trip in previous Fiscal Year =	
(2)	PPTx	= Passengers Per Trip in current Fiscal Year =	
(3)	Is (1) greater than (2)?	Yes No
If Y	ES to	Question (3), then:	
(4)	opera OPERA	maximum amount of TDA subsidy which can be claimed by an ator for the current Fiscal Year is equal to the TOTAL ATING COST minus PASSENGER FARES and all OTHER REVENUES, ulated in the following manner:	
		TOTAL OPERATING COST	
		Minus	-
		PASSENGERS FARES + OTHER REVENUES	
		Equals	•
		MAXIMUM TDA ELIGIBILITY	
If NO	to Q	uestion (3), then:	
(5)	The m an op	aximum amount of TDA subsidy which can be claimed by erator is the lesser of (5)a and (5)b:	
	(5)a	CURRENT YEAR'S PASSENGERS PER TRIP	
		Divided By	+
		PREVIOUS YEAR'S PASSENGERS PER TRIP	
		Multiplied By	×
		CURRENT YEAR'S TDA CLAIM	
		Equals	=
		MAXIMUM TDA SUBSIDY IN CURRENT YEAR	
+	(5)b	PREVIOUS YEAR'S TDA ALLOCATION	
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EXHIBIT 2

DEMAND-RESPONSIVE OPERATOR WORKSHEET 2

NOTE	i:	This Worksheet to be used only if under actual or est conditions, the MTDB area is subject to eligibility 1 tions as prescribed in PUC § 99268.2 99268.3 and 9926 CAC § 6633.9	imita	I	
TEST	:				
(1)	PPTx	-1 * Passengers Per Trip in Previous Fiscal Year	=		_
(2)	PPTx	= Passengers Per Trip in Current Fiscal Year	=		==
(3)	Is (l) greater than (2)?		Yes No	
<u>If Y</u>	ES to	Question (3), then:			
(4)	TOTAL	naximum amount of TDA subsidy which can be claimed by perator for the Current Fiscal Year is equal to the OPERATING COST minus PASSENGER FARES and all OTHER UES, calculated in the following manner:		·	
		TOTAL OPERATING COST			
		Minus			لــ
		PASSENGER FARES + OTHER REVENUES	=		٦
		Equals		=	لــ
	. ;	MAXIMUM TDA ELIGIBILITY			٦
If NO	to Q	uestion (3), then:		L	ل
(5)	The m	aximum amount of TDA subsidy which can be claimed by operator is the lesser of (5)a and (5)b:		•	
	(5)a	CALCULATE (X) AND (Y):			
		CURRENT YEAR'S PASSENGERS PER TRIP			7
		Multiplied by		x	ز.
		CURRENT YEAR'S AVERAGE FARE			7
		Equals		=	لـ
		(X)			7
				I	1



Policies and Procedures

No. 189

Subject:

Board Approval: 6/26/972/12/04

JOINT USE AND DEVELOPMENT OF PROPERTY

PURPOSE:

It is the intention of the MTDB to extract the maximum benefits from and utilization of property owned and acquired by the Board consistent with transportation goals and community development objectives.

BACKGROUND:

Technical studies for the South Line and East Urban Corridor indicated that long-term demand was favorable for future joint development activity. The Board supported this conclusion by adopting design criteria which allow for joint development. Joint development of MTDB property achieves four major goals:

- Integration of transportation facilities into existing and proposed developments to meet community needs;
- 2. Promotion and enhancement of the use of public transportation;
- 3. Maximization of the recovery of public capital costs, and increase of the return on public investment; and
- 4. Enhancement and protection of the transportation corridor and its environs.

POLICY:

Joint use and development on MTDB rights-of-way will be carried out within the following criteria:

- 1. Projects shall be considered which do not negatively impact present or future public transportation facilities.
- 2. Projects shall be consistent with regional and local community policies and plans.
- 3. Projects must demonstrate a fiscal benefit to MTDB.
- Selection between projects will be based on those which can demonstrate:
 - a. The greatest economic development potential to MTDB and the community.

Member Agencies:

City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lamon Grove, City of National City, City of Poway, City of San Diego, City of Santee, County of San Diego, State of California

- b. Increased accessibility to public transportation.
- c. Responsiveness to community needs for housing, employment, services, or recreational facilities.
- 5. Projects are encouraged which provide rest rooms that are available to transit patrons and the general public.

DEFINITIONS:

<u>Air space</u> - The area above any property within the right-of-way and/or ownership of the San Diego & Arizona Eastern (SD&AE) Railway or the MTDB which is capable of other uses without undue interference with the operation of the railway and trolley system.

<u>Joint Development</u> - The use of property for more than one purpose including surface and/or airspace development at a transit station, on the right-of-way, or at any other property owned or under the control of the MTD Board. Development is carried out with the active participation of the MTDB. A joint development may be of any magnitude and may consist of any use that is compatible with the public transportation use.

<u>Joint Use</u> - The lease to another agency or individual of property rights owned or under the control of the MTD Board. Development is carried out with the active participation of the MTDB. A joint development may be of any magnitude and may consist of any use that is compatible with the public transportation use.

GUIDELINES AND PROCEDURES:

A. Projects may be initiated by a private entity, MTDB, or other agencies. If initiated by the MTDB, the standard Request for Proposal procedure as set forth in the MTDB Policy No. 134 shall be used as a general guideline for determining the appropriate process for soliciting the development proposal. Specific procedures for solicitation of each development proposal shall be decided by the General Manager Chief Executive Officer, based on the nature of the development proposal to be solicited.

Anyone wishing to propose a Joint Use of Joint Development project shall present the proposal to the General ManagerChief Executive Officer. The General ManagerChief Executive Officer and staff, in consultation with local jurisdictions, will analyze the proposal using the process summarized in Exhibit 1, MTDB Joint Development Evaluation and Implementation Process. Proposal evaluation procedures and guidelines are as follows:

 Initial Evaluation of Project Proposals/Joint Development Evaluation Checklist:

- a. Proposals for joint development shall be submitted to the General ManagerChief Executive Officer along with sufficient information to allow the MTDB staff to adequately evaluate the proposal in terms of the joint development checklist (see Exhibit 2).
- b. In addition to the checklist information, developer shall submit a recent (within the last 12 months) statement of financial assets or provide evidence of being bondable.
- c. Using the checklist, the General ManagerChief Executive Officer will review the proposed project with local agencies having jurisdiction in the project area (cities, County, Centre City Development Corporation (CCDC), Southeast Economic Development Corporation (SEDC), etc.)
- d. The General Manager Chief Executive Officer shall have sixty (60) days in which to perform the initial evaluation and make a recommendation to the MTD Board of Directors to either enter into an Exclusive Negotiation Agreement (ENA) with the developer, or to reject the proposal.
- 2. Exclusive Negotiation Agreement:

Upon authorization of the MTD Board, the General ManagerChief

Executive Officer shall execute an ENA with the developer for a period of 180 days or such other term that is mutually acceptable to the parties.

- a. Requirements of proposer/developer under the ENA:
 - (1) Developer shall provide the General ManagerChief

 Executive Officer with a "good faith deposit," the amount of which shall be determined by the MTD Board. The amount shall be sufficient to cover reasonable expenses incurred by the General ManagerChief Executive Officer in carrying out the analysis of the proposal.
 - (2) Developer shall have 120 days to provide the General ManagerChief Executive Officer with the following information:
 - (a) A preliminary site plan showing building layout and dimensions, parking, landscaping and access.
 - (b) Environmental analysis documents acceptable to MTDB and to any other governmental entity which would require the environmental evaluation to approve the project pursuant to the California Environmental Quality Act (CEQA) and/or the National Environmental Policy Act (NEPA).

- (c) Cost estimates and project data for the proposal in sufficient detail to permit adequate financial analysis by the General ManagerChief Executive Officer.
- (d) Evidence of a firm commitment from key managerial members or tenants of the proposed projects.
- (e) Evidence of a firm financial plan, including:
 - 1. Evidence of construction financing.
 - 2. Evidence of long-term financing.
 - 3. Evidence of other financial sources necessary to carry out the project.

Evidence shall consist of a letter of commitment from a financial institution or any reasonably acceptable party providing development capital.

- (f) Developer shall provide a written offer to the MTDB for fee purchase of land, purchase of lease rights, or other development rights as appropriate to the proposal.
- (g) Developer shall provide a written commitment to meet MTDB's goals for Disadvantaged and Women's Business Enterprise (DBE and WBE) participation in construction and operation of the project for a federally funded project.
- b. Responsibilities of the MTDB under the ENA:
 - (1) The MTDB shall entertain no other development proposals for the land in question during the period of the ENA. The ENA shall serve as proof of control of land for acquiring letters of financial commitment by the developer.
 - (2) The General Manager Chief Executive Officer shall place the "good faith" deposit in an interest-bearing account, and shall have the right to draw down from the account payment for reasonable expenses incurred by the MTDB for such items as land and development rights appraisals, materials, data and other information costs, and other administrative costs expended in the evaluation of the proposal.

- (3) The MTDB shall provide the developer with an appraisal for the fair market value of the fee interest or lease rights or other development rights appropriate to the project.
- (4) After submittal of all pertinent information by the developer, as listed above, to the satisfaction of the General ManagerChief Executive Officer, the General ManagerChief Executive Officer shall have 60 days in which to make a recommendation to the MTD Board, either to terminate the ENA or to enter into a Development Agreement with the developer.
- (5) If, at the conclusion of the EnaNA period, the proposal is terminated, the General ManagerChief Executive Officer shall return any remaining balance of the "good faith deposit," including any interest accrued thereon to the developer.
- (6) If, at the conclusion of the ENA, a Development Agreement is entered into, the remaining balance of the "good faith deposit," including interest accrued thereon, shall be subtracted from the cost of land, lease or other development rights conveyed to the developer by the MTDB.

c. Extension of ENA:

Either the developer or the General ManagerChief Executive Officer may request from the MTD Board an extension of the 180-day exclusive negotiation period. The MTD Board will determine whether sufficient progress has been made toward fulfillment of the above requirements in their consideration of extension.

3. Conclusion of Joint Development Evaluation Process:

The preceding evaluation process culminates in execution of a Development Agreement to expedite project implementation, or in termination and elimination of the proposal.

B. Environmental Documents:

The Metropolitan Transit Development Board will be the lead agency in environmental matters as required by the California Environmental Quality Act of 1970, as amended.

C. Development Agreements:

Development agreements shall describe the rights and responsibilities of both parties and shall contain but not be limited to the following elements:

- 1. Identification of the parties to the agreement including prohibition against change, transfer or assignment of ownership, management and/or control of developer.
- 2. Description of the site including a map. If the subject of the lease is an air space development, placement of supports shall be included on the map.
- 3. Requirement that the developer must secure from appropriate local agencies all necessary permits and approvals.
- 4. The terms and conditions of the lease including but not limited to:
 - a. Lease price and payment schedule.
 - b. Conveyance and delivery for possession.
 - c. Payment of taxes and insurance requirement.
 - d. Condition of site at time of beginning and end of lease.
 - e. Financial statement of developer.
 - f. Hold harmless and indemnity clauses.
 - g. Limitations of use and terms of lease.
 - h. Schedule of the MTDB approval of all plans and drawings.
- 5. If the development incorporates a sale of property, the conditions and terms of such sale including but not limited to:
 - a. Sale or purchase price and payment schedule.
 - Escrow instructions.
 - c. Conditions, covenants, restrictions and other limitations of use as terms of sale.
 - d. Conveyance and delivery of possession.
 - e. Form of deed as approved by MTDB counsel.
 - f. Condition of title and insurance of title.
 - g. Time and place for delivery of deed.
 - h. Taxes, assessments, and insurance requirements.
 - Condition of site at time of sales.

- j. Financial statement of developer.
- k. Prohibition of transfer without prior Board approval.
- 6. The scope of the development of the site including:
 - a. Schedule for submission of concept, schematic, construction, grading and landscaping plans and drawings.
 - Schedule for local agency and the MTDB review, and approval of plans and drawings. The staff review will include but not be limited to:
 - (1) Design of site and improvements.
 - (2) Relationship to the urban design of the community both form and scale.
 - (3) Architectural design and visual continuity.
 - (4) Effects on railway operations.
 - (5) Type and quality of building materials.
 - (6) Energy considerations.
 - (7) Structure location, height and lot coverage.
 - (8) Parking requirements and design.
 - (9) Streetscape and landscaping.
 - (10) Vehicular entrance and exit.
 - c. Schedule of performance.
 - d. Insurance requirements.
 - e. Adherence to antidiscrimination, environmental and all other applicable local, state, and federal laws.
- 7. Failure of either party to perform including defaults, remedies and termination by either party.
- 8. Ownership of improvements constructed upon leased land upon the expiration or termination of lease term.
- 9. Requirements to restore leased property to original condition upon expiration or termination of lease term.

- 10. Possible performance bond requirements.
- 11. Any other general or special provisions which are deemed necessary by the Board.

D. Inventory of Property:

The MTDB shall identify right-of-way property and facilities and keep such inventory current. All property so inventoried shall be analyzed for its availability for joint use or development either by sale or lease. This inventory shall be reviewed by the MTD Board annually. Included in this inventory will be a listing of all agreements and their current status.

E. Use of Revenue:

Revenue obtained from joint use and development of property including concessions and advertising will first be applied to the maintenance and upkeep of MTDB-owned facilities from which the revenue is generated, with any additional revenue being applied by San Diego Trolley, Inc., for the maintenance of the station and/or line segment from which the revenue is generated.

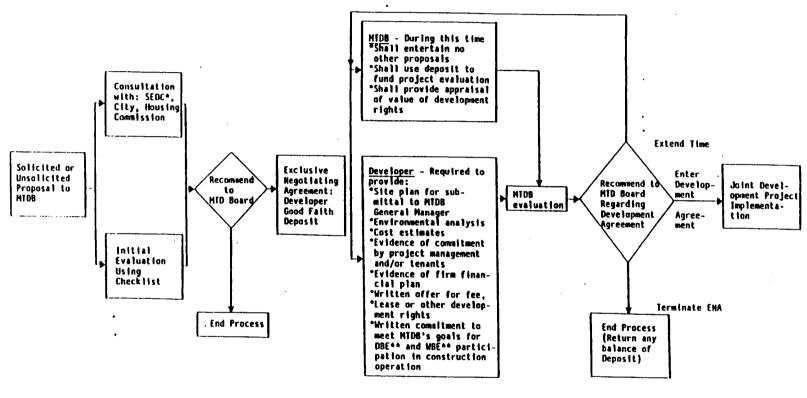
JYamam POLICY.19 6/9/97

Attachments: Exhibit 1

Exhibit 2

Original Policy approved on 3/8/82. Policy revised on 12/20/84. Policy revised on 2/8/96. Policy revised on 6/26/97.

MIDS JOINT DEVELOPMENT PROPOSAL EVALUATION AND IMPLEMENTATION PROCESS



60 Days	120 Days
	180 Days

*SEDC: Southeast Economic Development Corporation

**DBE: Disadvantaged Business Enterprise
WBE: Women's Business Enterprise

MISCI HBK:gk/ss 11/28/84

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A-5

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Proposer Data						
Name of Firm:Phone Number	·	MBE/DBE/WBE:				
Address:						
Principal:		Other Participants (Names and Addresses):				
Project Data		Time to Construct				
Project Site:		Time to Construct: Proposed Completion Date				
Brief Project Description: include information on type of Joint Developm		Additional Land/Parking Requirements:				
airspace, accessibility enhancement, etc.), proposer role (anticipated costs/be (anticipated costs/benefits). (Attach Sketch Plans):	nent (lease of ground or Prefits), and MTDB role	Proposed Financing:				
(anacipated costs/benefits). (Attach Sketch Plans):		Number of Jobs Created:				
	·	Adjacent Land Uses:				
i e		Brief Project Justification:				
Ground Space Area (Square Feet): Total Structure Area (S						
1022 0130 1310 710 10	RATING					
. TROLLEY COMPATIBILITY AND ENHANCEMENT	-12345+	7. FINANCIAL VIABILITY	RATING			
Will the project increase transit ridership?		Does a preliminary financial analysis show that project imple-	-12345			
 Will the project enhance Trolley or freight operation, including rider access? 		mentation can be successfully financed?				
JURISDICTIONAL (CITY/COUNTY) ACCEPTANCE AND SUPPORT		 Does the project include a budget and program for project and lirolley promotion? 				
Is the project consistent with approved City/County policies and plans?		 Does the proposer have a commitment from one or more finan- cial institutions to back the project? 				
PARKING AND TRAFFIC CIRCULATION		Will the project financially benefit MTDB?				
· Will the project include adequate perking for amiest nature		 Will the project financially benefit the community (e.g., jobs, redevelopment, taxes)? 				
based on total parking requirements for the proposed uses?		 Can the facility be easily kept productive if the original proposer 				
 Will the project provide adequate parking for its patrons as well as Trolley users? 		goes bankrupt or otherwise quits the project? 6. CONSTRUCTION COORDINATION AND TIMING				
Will the traffic impacts caused by the project be mitigated by the proposer?		 Is project construction coordinated with construction and oner- 	(- 			
ENVIRONMENTAL IMPACT		ation of Trolley facilities? 9. SECURITY				
 Will the proposer mitigate any and all significant adverse air, noise or other environmental impacts? 		Does the project proposal include a plan for providing adequate.				
AESTHETIC COMPATIBILITY		security for project and Trolley patrons and facilities? 10. APPLICANT QUALIFICATIONS				
 Will the project have a positive aesthetic impact on the Trolley station and on the surrounding neighborhood? 		 Does the proposer exhibit the skill and capability required to successfully carry out the proposed project? 	ПТТ			
Will the project enhance existing landscaping or street		Is the proposer a Minority Business Enterprise (MRF) a Dieart.				
furniture? COMMUNITY ACCEPTANCE AND SUPPORT		vantaged Business Enterprise (DBE) or a Women Business Enterprise (WBE)?				
is the project likely to be supported by the community?		OVERALL RATING				
Will the project meet community needs by providing needed			• - • - • - • - • - • - • - • • • • • • • •			
housing, jobs, services, facilities, etc.?		Evaluation Completed by:D	ato:			



Policies and Procedures

No. 1920

Subject:

Board Approval: 2/7/852/12/04

LICENSING OF THE USE OF REGISTERED MARKS

PURPOSE:

To establish a uniform policy and guidelines to grant merchandising rights for the commercial use of the Board's registered marks.

BACKGROUND:

From time to time, the Board has been requested to grant permission for the commercial use of its registered marks and symbols for various products and services. There is a recognized need to adopt standard procedures and guidelines for the granting of licenses to insure a high level of quality usage and a fair and equitable revenue to the Board.

POLICY:

In order to control the use of the Board's registered marks, to exclude low quality products and services, and to provide the Board with an additional source of income, the General ManagerChief Executive Officer is authorized to enter into licensing agreements with firms and individuals using the following guidelines:

- Merchandising rights may be granted to firms and individuals for the use of the Board's registered marks for their use in connection with merchandise and service.
- 2. Licenses shall be issued subject to the right of the Board to approve the quality of the products and services.
- 3. Licenses granted are to be nonexclusive.
- 4. Licenses shall provide for a royalty of at least 5% on the wholesale price of products, and a flat fee of at least \$100 on services. The General ManagerChief Executive Officer may, for good cause, waive part or all of the royalty fees.

TFL:paw POLICY.20 - 9/26/89

Original policy approved on 6/28/82. Policy revised on 2/7/85.

Member Agencies:
City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego,
City of Santee, County of San Diego, State of California

Metropolitan Transit Development Board is Coordinator of the Metropolitan Transit System and the Taxicab Administration Subsidiary Corporations: San Diego Transit Corporation, San Diego Transit Corporation, San Diego Transit Corporation, Transit San Diego Transit Corporation, Sa



Policies and Procedures

No. 204

Subject:

Board Approval: 2/25/932/12/04

ALLOCATION OF STATE TRANSIT ASSISTANCE FUNDS

PURPOSE:

To establish procedures for allocating State Transit Assistance (STA) Funds in the Metropolitan Transit Development Board (MTDB) area.

BACKGROUND:

The STA Program was created by SB 620 (Chapter 161) in 1979 and revised by AB 2551 (Chapter 322) in 1982, by both SB 300 (Chapter 105) and SB 1391 (Chapter 1232) in 1989, by the passage of Proposition 116 in 1990, and by AB 37 (Chapter 13), SB 3 (Chapter 35), SB 152 (Chapter 767), and SB 791 (Chapter 995) in 1991. This program provides an additional source of operating and capital funding for transit operators.

Proposition 116 designated the Transportation Planning and Development (TP&D) Account of the State Transportation Fund as a trust fund. The funds transferred into the TP&D account each year may be appropriated by the legislature only for transportation planning and mass transportation purposes. Funds are appropriated "off the top" for state public transportation purposes including state planning, administrative, and research activities. Of the remaining funds, 50 percent is appropriated for bus and passenger rail services, programs to promote ridesharing, and funding of the Transit Capital Improvement (TCI) Program. The remaining 50 percent is allocated to have regional entities such as the San Diego Association of Governments (SANDAG) and MTDB according to a population formula and half to regional entities to be allocated in turn to individual operators based on a revenue formula.

PROCEDURE:

21.1 Funding Priorities

In the allocation of STA monies to eligible operators, it is the intent of the legislature that MTDB give priority consideration to claims for the following purposes (PUC Section 99314.5(d)):

- 1. to offset reductions in federal operating assistance:
- 2. to offset unanticipated increases in the cost of fuel;

Member Agencies:

City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, County of San Diego, State of California

- to enhance existing public transportation services; and
- 4. to meet high-priority regional, countywide, or areawide public transportation needs.

21.2 Required Findings

MTDB is required to make all of the findings listed below before it can allocate funds to a claimant (California Code of Regulations (CCR) 6754). It is the responsibility of the claimant to provide MTDB with sufficient information upon which to make these findings. In order to allocate STA monies, MTDB must find that:

- 1. The claimant's proposed expenditures are in conformance with the Regional Transportation Plan.
- 2. The level of fare revenues proposed is sufficient to enable the operator or transit service claimant to meet the fare revenue requirements of PUC Sections 99268.2, 99268.3 99268.4, 99268.5, and 99268.9, as they may be applicable to the claimant.
- 3. The claimant is making full use of federal funds available under the Urban Mass Transportation Act of 1964, as amended.
- 4. The sum of the claimant's allocations from the STA fund and Local Transportation Funds does not exceed the amount the claimant is eligible to receive during the fiscal year (CCR 6634). Such finding, however, shall not relieve the claimant of its responsibility pursuant to CCR 6735.
- 5. Priority consideration has been given to claims to offset reductions in federal operating assistance and unanticipated increases in the cost of fuel, to enhance existing public transportation services, and to meet high-priority regional, countywide, or areawide public transportation needs.
- 6. The operator has made a reasonable effort to implement the productivity improvements recommended pursuant to PUC Section 99244. This finding shall make specific reference to the improvements recommended and to the efforts made by the operator to implement them.
- 7. For operating cost claims, the operator is not precluded by any contract entered into on or after June 28, 1979 from employing part-time drivers or from contracting with common carriers of persons operating under a franchise or license (PUC Section 99314.5(c)). However, no person who was a full-time employee of an operator on June 28, 1979 shall have his or her employment terminated or his or her regular hours of employment, excluding overtime, reduced by the operator as a result of it employing part-time drivers or contracting with those common carriers.
- 8. The operator has been certified within the last 13 months by the California Highway Patrol to be in compliance with Section 1808.1 of the Vehicle Code.

 The operator is in compliance with the eligibility requirements of PUC Section 99314.6.

21.3 Funding Eligibility and Qualifying Criteria

In the San Diego region, claims may be filed by eligible Article 4 operators for public transportation purposes and by eligible Article 4.5 claimants for community transit services (PUC Section 99314.5 (a) and (e)). In addition to meeting the required findings discussed under Section 21.2 of this Policy, STA claimants are required to meet additional qualifying criteria (PUC Section 99314.6), as revised by SB 3 (Chapter 35, 1991). These requirements state that neither population nor operator revenue formula funds shall be allocated to an STA claimant for operating purposes unless the claimant meets one of two efficiency standards:

- 1. The first standard is that an operator's total operating cost per revenue vehicle hour for the most recent audited year does not exceed the same factor for the preceding year by more than the percentage change in the San Diego Regional Consumer Price Index (CPI) for the same period.
- 2. The second factor requires that the three-year average of an operator's total operating cost per revenue vehicle hour for the last three audited years does not exceed the average of the three years preceding the most recent audited year by more than the average percentage change in the CPI for the three-year period.

MTDB may adjust the calculation of these standards to exclude start-up costs for new services (as in PUC Section 99268.8) for a period of not more than two years and/or cost increases beyond the change in the CPI for fuel, alternative fuel programs, insurance or state and federal mandates. Any funds which are withheld from an operator due to a failure to meet the qualifying criteria shall be retained by MTDB for reallocation to that operator for two years following the year of ineligibility. If the operator does not become eligible to receive an allocation during the following two years, then, in the third year, the funds shall be reallocated to cost-effective, high priority regional transit activities as determined by MTDB, or the funds shall revert to the State Controller for reallocation statewide.

21.4 <u>Submittal Content for MTDB STA Claims</u>

Claims for STA allocation are to be submitted to MTDB by April 1 for consideration for allocations for the ensuing fiscal year. Claims for STA population formula funds filed after April 1 will be considered only for those monies which remain unallocated and available after action is taken on previously submitted claims. STA claims may be filed separately, or combined with the TDA claim provided that the additional information required for STA claims is included.

Each STA claim should include the following:

- 1. The annual STA claim form.
- 2. A proposed budget for the fiscal year of the claim and a statement of estimated revenues and expenditures for the prior fiscal year. The items in these

statements are to be consistent with the State Controller's Uniform System of Accounts. These statements are to be accompanied by a statement signed by the claimant's chief financial officer attesting to their reasonableness and accuracy (CCR 6734). Forms A-10, A-20, A-21, A-22, and A-23 of the SANDAG/MTDB Regional Reporting System should be used to satisfy the budget and prior year's statement requirements. An additional requirement of CCR 6734 is that these financial statements should include a specific identification of the estimated amount of the claimant's maximum eligibility for monies from the LTF and the STAF, as defined in CCR 6634.

- 3. A copy of Form A-40 to provide a statement of the claimant's efforts to implement the recommended productivity improvements.
- 4. A statement verifying that the operator is not precluded from employing part-time drivers or from contracting with common carriers operating under a franchise or license, if the operator has entered into a contract on or after July 28, 1979 (include a copy of the contract).
- 5. Sufficient information to permit MTDB to make the required findings listed above.

21.5 Timetable

The following timetable lists the key dates in the annual cycle of preparing STA claims, allocating funds, and submitting required reports.

Date	Action
January 10	State Controller provides MTDB with a preliminary estimate of the amount of STA monies to be allocated to it during the fiscal year (CCR 6720).
April 1	Claimants file STA claims with MTDB (CCR 6732).
June 30	MTDB conveys allocation resolution to the County Auditor (CCR 6752).
August 1	State Controller provides MTDB with a revised estimate of STA monies to be allocated to it during the fiscal year (CCR 6720).
September 28	Each claimant submits the annual report of its operations to MTDB and the State Controller (PUC Section 99243).
Quarterly	State Controller allocates STA monies to claimants (CCR 6720).

BJB:paw/ky POLICY.21 — 2/12/93

Original Policy approved on 1/10/83. This Policy supersedes Policy dated March 7, 1985.

San Riego Dranoit Corp

SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

REQUEST TO SPEAK FORM

AGENDA ITEM NO.

3

SINTO

ORDER REQUEST RECEIVED

}.

PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form <u>must be filled out and submitted in advance of the discussion of your item</u> to the Clerk of the Board (please attach your written statement to this form). Communications on hearings and agenda items are generally limited to three (3) minutes per person unless the Board authorizes additional time. However, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three (3) minutes. Please be brief and to the point. No yielding of time is allowed. <u>Subjects of previous Hearings or agenda items may not again be addressed under General Public Comments.</u>

Date 2004-02-12
Name (PLEASE PRINT) Clive Richard
Address S (53 (2 Dorna ST
San Die Lo
Telephone 619, 582, 4036
Organization Represented (if any)
Subject of your remarks:
Agenda Item Number on which you request to speak
Your comments are presenting a position of: SUPPORT OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five (5) speakers with three (3) minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

REMEMBER: Subjects of previous Hearings or agenda items may not again be addressed under General Public Comments.

DGunn/SStroh / FORMS REVREQFO.DGUNN — 10/15/03

Transit Workshop: Policy Review Transit Workshop: Policy Review · Analyze and review Polices 11 through 21. • Purpose: eliminate unnecessary or obsolete policies following consolidation. **Transit Workshop: Policy Review** • Policy No. 11: "Utility Agreements and Relocation" · Purpose: Establish procedure for placement or relocation of utilities affected by MTDB construction projects. · Recommendation: Retain indefinitely.

- Policy No. 12: "Construction and Contract Administration, Bid, Award and Claims"
- <u>Purpose</u>: Establishes state and federally required procedures for construction contracts from bid through award.
- <u>Recommendation</u>: Retain until MVE, San Ysidro, and 12th & Market are completed, make minor typographical changes.

2/12/200-



Transit Workshop: Policy Review

- Policy No. 13: "Ownership and Operation of the San Diego and Arizona Eastern Railway"
- <u>Purpose</u>: Establishes MTDB's oversight responsibilities for SD&AE.
- <u>Recommendation</u>: Retain indefinitely, make minor typographical changes.

2/12/200



Transit Workshop: Policy Review

- Policy No. 14: "Procurement of Services"
- <u>Purpose</u>: Establishes state and federally required procedures for procuring service contracts.
- Recommendation: Retain indefinitely, make minor typographical changes.



- <u>Policy No. 15</u>: "Relief from Maintenance and Responsibility and Acceptance of Work on Construction Contracts"
- <u>Purpose</u>: Sets forth terms and conditions under which final acceptance of construction projects can be made.
- <u>Recommendations</u>: Retain until MVE, San Ysidro, and 12th & Market are completed, make minor typographical changes.

2/12/2004



Transit Workshop: Policy Review

- Policy No. 16: "Capital Asset Capitalization"
- <u>Purpose</u>: Establishes guidelines regarding capitalization of MTDB's tangible property assets.
 <u>Recommendation</u>: Retain indefinitely, make minor typographical changes.

2/12/2004



Transit Workshop: Policy Review

- Policy No. 17: "Legal Action: Damage to MTDB Property"
- <u>Purpose</u>: Sets forth conditions under which CEO may institute or settle litigation on behalf of MTDB.
- <u>Recommendation</u>: Retain indefinitely, make substantive changes by granting CEO limited settlement authority.



- <u>Policy No. 18</u>: "Transportation Development Act (TDA) Rules and Regulations"
- <u>Purpose</u>: Establishes guidelines for operator eligibility for TDA funds as required by state law.
- <u>Recommendation</u>: Retain policy and make modifications once SANDAG has completed their policy review.

2/12/200



Transit Workshop: Policy Review

- Policy No. 19: "Joint Use and Development of Real Property"
- <u>Purpose</u>: Establishes criteria for MTDB joint develop projects.
- <u>Recommendation</u>: Retain indefinitely, make minor typographical changes.

2/12/2004



Transit Workshop: Policy Review

- Policy No. 20: "Licensing of the Use of Registered Marks"
- <u>Purpose</u>: Guidelines for the commercial use of MTDB trademarks and logos.
- <u>Recommendation</u>: Retain indefinitely.



- Policy No. 21: "Allocation of State Transit Assistance (STA) Funds"
- <u>Purpose</u>: Establishes procedure for allocation and distribution of STA funds to eligible operators.
- Recommendation: Retain policy and make modifications once SANDAG has completed their policy review.



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1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619/231-1466 FAX 619/234-3407

Agenda

Item No. <u>45</u>

Chief Executive Officer's Report

ADM 121.7 (PC 30100)

February 12, 2004

Minor Contract Actions

- San Diego Trolley, Inc., for flagging services on the 12th & Market Station Reconfiguration Project.
- AAA Printing Company for Timetable printing for MTS Contract Services flex routes.
- Stacy & Witbeck, Inc., for construction services on the San Ysidro Intermodal Transportation Center (SYITC) Project.
- Best Best & Krieger for legal services on the SYITC Project.
- West Coast General Corporation for construction services on the 12th & Market Station Reconfiguration Project.
- Wells Fargo Bank for Settlement Agreement APN 667-0 on the SYITC Project.
- Clark Construction Group, Inc., for work on the San Diego State University (SDSU) Tunnel and Underground Station and LRT-426 Change Order No. 3, Supplement 0, on the Mission Valley East Light Rail Transit (LRT) Extension Project.
- Modern Continental Construction Company for construction services on the Grantville Segment of the Mission Valley East LRT Extension Project.
- Balfour Beatty/Ortiz Enterprises, Inc. for construction services on the La Mesa Segment of the Mission Valley East LRT Extension Project.
- San Diego County Water Authority for a construction permit for Mission Valley East facilities.

Personnel

Lance Weihe, Regulatory Specialist/Vehicle Inspector II, will celebrate his fifth anniversary with MTS on February 16, 2004.

PSmith/JGarde/Als 45-04FEB12.PSMITH - 2/5/04

Member Agencies:

City of Chulla Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, County of San Diego, State of California



100 16th Street P.O. Box 122511 San Diego, CA 92112-2511 (619) 238-0100 FAX (619) 696-8159

Agenda

BOARD OF DIRECTORS MEETING

February 12, 2004 9:00 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 (ALDs) 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.

ACTION RECOMMENDED

- 1. Roll Call
- 2. Approval of Minutes January 15, 2004

Approve

3. <u>Public Comments</u> – 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 – RECOMMENDED BY THE PRESIDENT & GENERAL MANAGER (Indicated by *)

Financial Report through November 2003
 Action would receive the San Diego Transit report on revenue, ridership and expenses for the fiscal year compared to budget.

Approve

* 5. <u>Trash Disposal Contract Award</u>
Action would authorize the President & General Manager to execute a five-year contract with EDCO Disposal Corporation for trash disposal.

Approve

DISCUSSION ITEMS

15. <u>Transportation Report through December 2003</u>
Action would receive the San Diego Transit report on the status of its operations and an overview of service quality based on performance indicators.

Receive

16. Board Member Communications

17. Additional Public Comments on Items Not On Agenda
If you have a report to present, please furnish a copy to
the Clerk of the Board.

Possible Action

18. <u>Closed Session Items</u> (Note to Board Members)

(Note to Board Members: Reports on closed session items are available for review in advance of the meeting in the General Counsel's office.)

- a. INSTRUCT NEGOTIATOR (Jeff Stumbo) Labor Negotiations with Amalgamated Transit Union, Local 1309, and Labor Negotiations with the International Brotherhood of Electrical Workers, Local 465, Government Code Section 54957.6.
- 19. Oral Report of Final Actions Taken in Closed Session
- 20. Next Meeting Date March 11, 2004
- 21. Adjournment

LOSSIDIE VOIIO

Information



100 16th Street P.O. Box 122511 San Diego, CA 92112-2511 (619) 238-0100 FAX (619) 696-8159

BOARD OF DIRECTORS MEETING

JANUARY 15, 2004

BOARD OF DIRECTORS MEETING ROOM, 10TH FLOOR 1255 IMPERIAL AVENUE, SAN DIEGO

MINUTES

1. Call to Order and Board Members Present

Chairman Williams called the meeting to order at 10:55 a.m. The following Board members were present: Toni Atkins, Thomas Clabby, Robert Emery, Nick Inzunza, Shirley Kaltenborn, Charles Lewis, Mark Lewis, Harry Mathis, Phil Monroe, Jerry Rindone, Ron Roberts, Ruth Sterling, and Leon Williams.

18. Closed Session Items

Chairman Williams convened the meeting into closed session at 10:56 a.m. to discuss the following:

a. INSTRUCT NEGOTIATOR Jeff Stumbo - <u>Labor Negotiations with Amalgamated Transit Union (ATU)</u>, Local 1309, Government Code Section 54957.6.

The meeting was reconvened into open session at 11:30 a.m.

2. Approval of Minutes

Robert Emery moved to approve the minutes of the December 11, 2003 Board of Directors meeting. Phil Monroe seconded the motion, and the vote was 11-0 in favor. (Directors Nick Inzunza and Charles Lewis were not present for the vote on this item as they left the meeting at the end of Closed Session.)

3. Public Comment

There were no public comments.

CONSENT ITEMS

4. Financial Report through October 2003

Action would receive the San Diego Transit report on revenue, ridership and expenses for the fiscal year compared to budget through October 2003.

This item was continued to the next meeting.

DISCUSSION ITEMS

15. Transportation Performance Report through November 2003

Minutes of Board of Directors Meeting January 15, 2004 Page 2

This item was continued to the next meeting.

16. Board Member Communications

There were no Board member communications.

17. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

19. Oral Report of Final Actions Taken in Closed Session

Ms. Lorenzen reported on the following action(s) taken in closed session: The Board received a report and gave direction to staff.

20. Next Meeting Date

The next meeting is scheduled for February 12, 2004, at 9:00 a.m. in the Board of Directors Meeting Room, 10th Floor, 1255 Imperial Avenue, San Diego, CA 92101-7490.

21. Adjournment

Chairman Williams adjourned the meeting at 12:36 p.m.

Chairman San Diego Transit Corporation Board	-
Filed by:	Approved as to form:
Office of the Clerk of the Board San Diego Transit Corporation	Office of the General Counsel San Diego Transit Corporation

Gail Williams, 12/11/03

San Diego Transit

An Operator in the Metropolitan Transit System



100 16th Street P.O. Box 122511 San Diego, CA 92112-2511 (619) 238-0100 FAX (619) 696-8159

Agenda

Item No. 4

Board of Directors Meeting

February 12, 2004

Subject:

FINANCIAL REPORT THROUGH NOVEMBER 2003

RECOMMENDATION:

That the MTS Board of Directors receive this report.

Budget Impact

None

DISCUSSION:

The San Diego Transit Corporation FY 04 operating budget through November 30, 2003 showed operating revenues of \$10,651,000 under budget by \$983,000, or 8.4 percent. This revenue shortfall, projected at \$1,550,000 for FY 04, will necessitate a budget amendment. Operating expenses for the period amounted to \$28,956,000 (\$1,233,000, or 4.1 percent, under budget). This combined for a net subsidy amount of \$18,305,000. Attachment A summarizes the financial comparison. Following is an explanation of the budget developments.

Operating Statistics

Attachment B shows some of the more important operating statistics for the five months ending November 30, 2003.

Our farebox recovery ratio stood at 35.3 percent compared to 37.3 percent for the same time last year. The drop in ridership and related revenue drove most of this. This was evidenced by our cost per revenue mile at \$6.61. This was only 3.8 percent above the \$6.37 cost per revenue mile for the same time period last year.

Our cost per total passenger for the fiscal year to date was \$2.66 compared against \$2.32 for the same time period last year. This increase stems from spreading more fixed costs amongst a smaller base of riders.

The negative trend in ridership dropped our total passengers per revenue mile to 2.49 FY 04 to date from 2.73 in FY 03.

Revenue/Ridership

The first component of operating revenue is passenger fares. Through November 2003 passenger fares were down \$ 1,027,000, or 9.1 percent, compared with the budget (see Attachment A). We estimate the loss of revenue at \$140,000 due to the fires. Attachment C and the graph in Attachment D compare the fares to FY 03. All fare categories with the exception of tickets and Senior and Disabled Cash were down compared to last year. Pass Fares, particularly Full Fare and Youth, showed the largest declines.

Comparative ridership information is presented on Attachment E and the graph on Attachment F. SDTC carried a total of 10,899,000 passengers through November 2003. This was 1,903,000,000 less than in the same time period last year (a decline of 14.9 percent). The loss of Route 55 began in March 2003. Without Route 55, the decline to FY 03 was 11.0 percent. This same negative ridership trend as revenue was evident in all categories with the largest declines in full fare ridership (both cash and pass) and Youth Pass.

We estimate the impact of the fires to have reduced ridership by approximately 150,000 passengers. Without the Route 55 change and the fires, the loss of ridership would have been 9.8 percent.

SDTC's average fare per passenger in FY 04 was \$.938 compared to \$.865 last year. This 8.4 percent increase showed the dramatic effect of the price increase. This is also why the passenger fare revenue dropped 7.8 percent when ridership dropped 15 percent.

Advertising revenue was \$375,000 against a budget of \$334,000, at a slightly lower level compared to past years.

Expenses

FY 2004 expenses through November 30, 2003 were \$1,233,000, or 4.1 percent, under budget (Attachment A and the graph in Attachment G). This was primarily related to lower-than-budgeted Workers' Compensation costs and the timing of a variety of service costs in progress offset by higher energy costs.

<u>Personnel:</u> Total personnel costs were \$1,021,000, or 4.4 percent, under budget (see Attachment H). This was due primarily to Workers' Compensation costs coming in lower than budgeted (shown in the graph in Attachment I). This was \$797,000 of the \$1,021,000 difference discussed above. The other items were timing on paid absences such as sick, vacation, and holiday (\$145,000), and lower fringe costs (\$82,000).

<u>Outside Services:</u> These costs were \$286,000 (17.2 percent) less than budget. The largest area, Other Outside Services, was \$124,000 below budget. This area includes legal expenses, general professional services, temporary help, contracts services, custodial services, and the printing of schedules. The difference from budget resulted from timing on a variety of services in progress. The other large area, Engines and Transmissions, resulted from the timing on when these rebuilds would be completed as well as repairing some of these in-house.

<u>Materials and Supplies:</u> This area was \$57,000 under budget (3.3 percent). This was primarily better control in our materials area and from using less lubricant than we anticipated.

<u>Energy:</u> This area produced a \$101,000 negative variance. Diesel fuel was slightly above budget at \$1.06 per gallon (\$1.05 in the budget). Recent diesel prices are illustrated in the graph on Attachment J. CNG for November was \$.89 per therm (budget of \$.80). The pricing for CNG was over \$.80 per therm for all calendar year 2003 to date (see the graph on Attachment K).

<u>Risk Management:</u> We finished November over budget by \$92,000. This was the result of legal costs in our claims area.

The individual department expenses against the budget are captured on Attachment I. The under-budget situations generally arise from two causes. The first is lower Workers' Compensation costs. This is due in large part to an aggressive response by SDT management, MTS risk personnel and our third-party administrators. Many old cases have been cleared up, new cases are coming in at a lower rate, and abusive situations are more aggressively targeted.

The second cause is unfilled positions. SDTC management has delayed filling positions that have become open to save money in the current year.

Executive Administration: This area was \$4,000 over budget.

<u>Transportation:</u> This area was \$575,000 under budget. The two large factors involved here were the lower-than-budgeted Workers' Compensation costs offset by higher operator-overtime costs.

<u>Maintenance:</u> This area was \$161,000 under budget. This was a combination of lower engines and transmissions costs and lower Workers' Compensation costs. These were offset by higher energy (primarily CNG) costs.

<u>Passenger Services:</u> This area was \$107,000 under budget. This was due primarily to unfilled positions in Telephone Information Services.

Administrative Services: This area was \$102,000 under budget. This was due to the timing of service contract payments and temporarily unfilled positions.

Risk Management Services: This area was \$121,000 over budget as discussed above in Risk Management.

<u>Human Resources and Training:</u> This area was \$82,000 under budget. This was due primarily to unfilled positions in the training area.

<u>Quality Assurance/Storeroom:</u> This area was \$76,000 under budget due to unfilled positions.

<u>Safety:</u> This area was \$9,000 under budget due to the timing of payments for fees and licenses.

General Expense: This area was \$247,000 under budget primarily to lower legal costs, lower security costs, and the timing of sick and vacation payouts.

Net Subsidy

Overall, we lost \$1,027,000 against the budget in revenue shortfall. This was offset by \$1,233,000 of lower expenses, a significant portion of which is of a timing nature. The net subsidy amount for fiscal year to date November was \$18,305,000 compared to a budgeted \$18,555,000 for a difference of \$250,000 less subsidy (see the graph in Attachment M).

Vice President - Finance & Administration

Key Staff Contact: Thomas R. Lynch, Controller, 238-0100, ext. 407, tom.lynch@sdmts.com

- Attachments: A. Financial Comparison to Budget
 - B. Operating Statistics
 - C. Comparative Fares
 - D. Passenger Fares
 - E. Comparative Ridership
 - F. Ridership
 - G. Operating Expenses
 - H. Personnel Cost
 - I. Workers' Compensation Costs
 - J. Monthly Average Diesel Price
 - K. Monthly CNG Price
 - L. Departmental Expenses
 - M. Net Subsidy Cost

Board Only

SAN DIEGO TRANSIT CORP FINANCIAL COMPARISON TO BUDGET - FY04 NOVEMBER 2003

(in \$000's)

	FIVE M	FIVE MONTHS ENDING NOVEMBER 30, 2003			FULL YEAR	
	ACTUAL	BUDGET	VARIANCE	% VAR	BUDGET	REMAINING
REVENUE						
Passenger Fares	10,220	11,247	(1,027)	- 9.1%	24,150	13,930
Advertising	375	334	41	12.3%	800	425
Contracted Service Revenue	7	20	(13)	-65.0%	45	38
Other	49	33	16	48.5%	80	31
Total Operating Revenue	10,651	11,634	(983)	-8.4%	25,075	14,424
Operating Support	18,751	18,751	0	0.0%	47,483	28,732
Total Revenue	29,402	30,385	(983)	-3.2%	72,558	43,156
Personnel	21,934	22,955	1,021	4.4%	55,217	33,283
Outside Services						
Marketing	93	93	0	0.0%	222	129
Security	395	426	31	7.3%	1,023	628
Repair/Maintenance Services	190	203	13	6.4%	486	296
Engine and Transmission Rebuild	131	249	118	47.4%	640	509
Other Outside Services	566	690	124	18.0%	1,447	881
Purchased Transportation				-	•	
Other Contracted Bus Services				-		
Total Outside Services	1,375	1,661	286	17.2%	3,818	2,443
Materials & Supplies						
Lubricants	41	63	22	34.9%	150	109
Tires/Tubes	227	244	17	7.0%	584	357
Other Materials and Supplies	1,398	1,416	18_	1.3%	3,477	2,079
Total Main. Parts and Supplies	1,666	1,723	57	3.3%	4,211	2,545

SAN DIEGO TRANSIT CORP FINANCIAL COMPARISON TO BUDGET - FY04 NOVEMBER 2003

(in \$000's)

	FIVE MONTHS ENDING NOVEMBER 30, 2003				FULL YEAR	
	ACTUAL	BUDGET	VARIANCE	% VAR	BUDGET	REMAINING
Energy						
Diesel Fuel	841	799	(42)	-5.3%	1,904	1,063
CNG	1,386	1,251	(135)	-10.8%	2,982	1,596
Fuel and Electricity for Facilities	188	264	76	28.8%	629	441
Total Energy	2,415	2,314	(101)	-4.4%	5,515	3,100
Risk Management	1,415	1,323	(92)	-7.0%	3,272	1,857
General and Administrative	151_	213	62	29.1%	525	374
OPERATING EXPENSES	28,956	30,189	1,233	4.1%	72,558	43,602
TOTAL REVENUE LESS OPERATING EXPENSES	446	196	250	127.6%	0	(446)
OPERATING REVENUE LESS OPERATING EXPENSES	(18,305)	(18,555)	250	-1.3%	(47,483)	(29,178)

SAN DIEGO TRANSIT CORP

OPERATING STATISTICS FY04/FY03 NOVEMBER 2003

	FIVE MONT NOVEMBE	FULL YEAR	
FARE CATEGORY	FY04 ACTUAL	FY03 ACTUAL	FY04 BUDGET
Farebox Recovery %	35.3%	37.3%	33.3%
Cost per Revenue Mile	\$6.61	\$6.37	\$6.98
Cost per Total Passenger	\$2.66	\$2.32	\$2.62
Average Fare per Total Passenger	\$0.938	\$0.865	\$0.872
Total Passengers per Revenue Mile	2.49	2.75	2.66
Total Employees (FTEs)	889	921	913

SAN DIEGO TRANSIT CORP

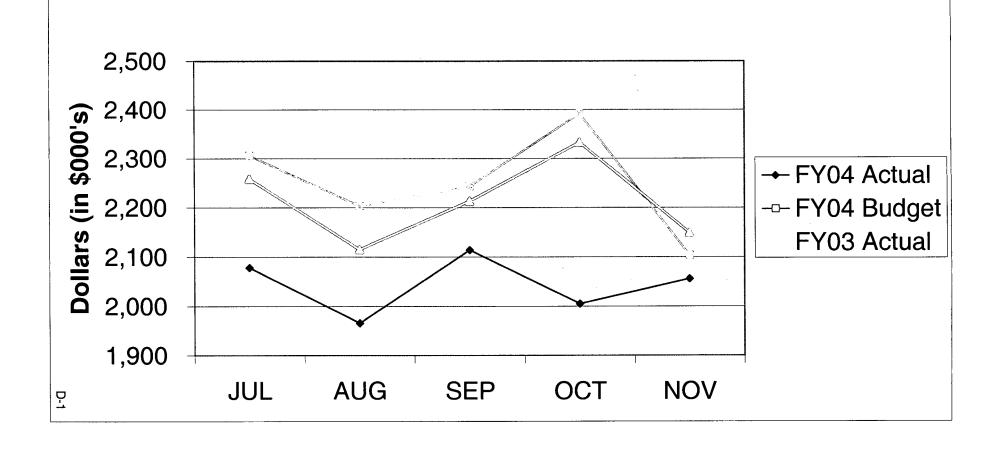
COMPARATIVE FARES FY04/FY03 NOVEMBER 2003

(in \$000's)

FIVE MONTHS ENDING NOVEMBER 30, 2003

	FIVE MONTHS ENDING NOVEMBER 30, 2003						
FARE CATEGORY	FY04	FY03	VARIANCE	% VAR			
Full Fare Cash	4,239	4,528	(289)	-6.4%			
Senior and Disabled Cash	212	211	1	0.5%			
Full Fare Pass	2,164	2,408	(244)	-10.1%			
Senior and Disabled Pass	1,620	1,738	. (118)	-6.8%			
Youth Pass	1,323	1,519	(196)	-12.9%			
Trippers and Tickets	533	508	25	4.9%			
Tokens	129	167	(38)	-22.8%			
Fare Box Revenue	10,220	11,079	(859)	7.8%			

San Diego Transit Corp Passenger Fares FY04 Actual vs FY04 Budget vs FY03 Actual Five Months Ending November 30, 2003



SAN DIEGO TRANSIT CORP

COMPARATIVE RIDERSHIP FY04/FY03 NOVEMBER 2003

(in 000's of passengers)

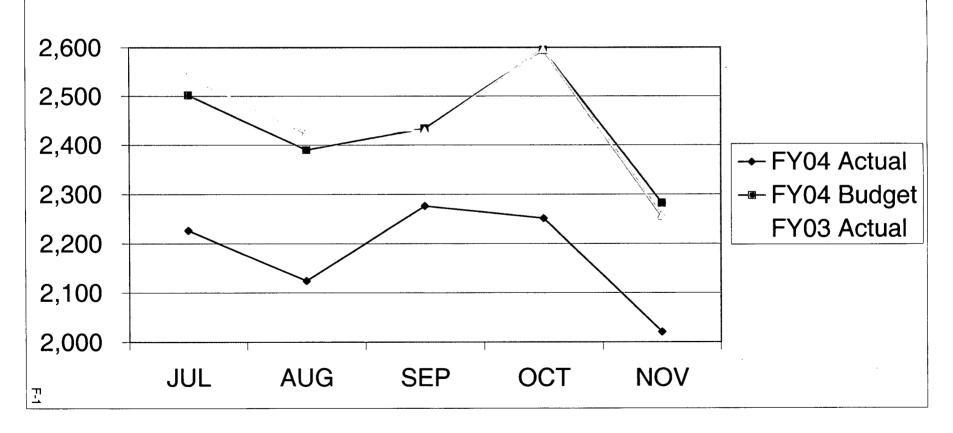
FIVE MONTHS ENDING NOVEMBER 30, 2003

	FIVE MONTHS ENDING NOVEMBER 30, 2005						
PASSENGER CATEGORY	FY04	FY03	VARIANCE	% VAR			
Full Fare Cash	1,847	2,228	(381)	-17.1%			
Senior and Disabled Cash	211	210	1	0.5%			
Full Fare Pass	2,304	2,794	(490)	-17.5%			
Senior and Disabled Pass	3,021	3,317	(296)	-8.9%			
Youth Pass	922	1,202	(280)	-23.3%			
Trippers and Tickets	277	304	(27)	-8.9%			
Tokens	63	95	(32)	-33.7%			
Revenue Passengers	8,645	10,150	(1,505)	14.8%			
Transfers	1,770	2,087	(317)	-15.2%			
Non Revenue	484	565	(81)	14.3%			
Total Passengers	10,899	12,802	(1,903)	14.9%			

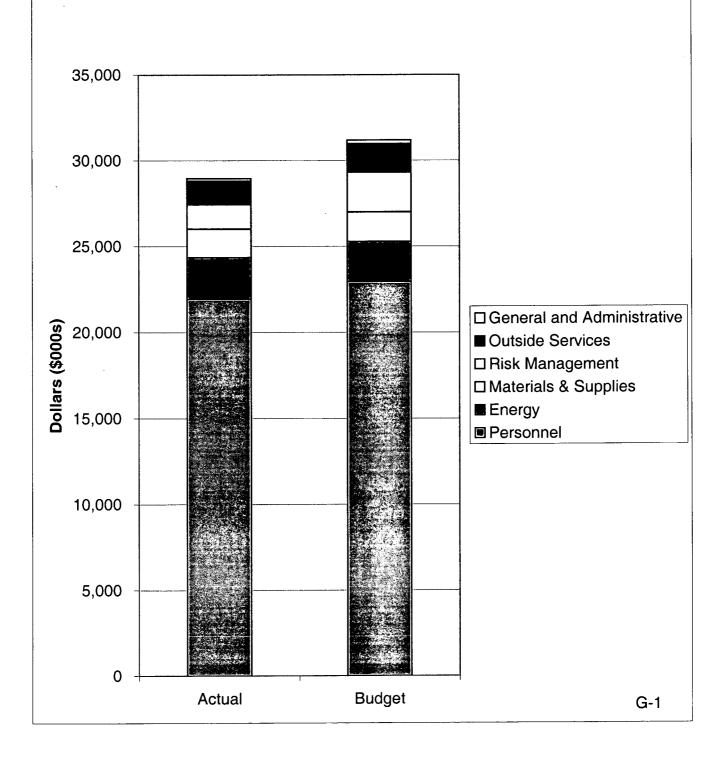
San Diego Transit Corp Ridership

(Without Route 55)

FY04 Actual vs FY04 Budget vs FY03 Actual Five Months Ending November 30, 2003



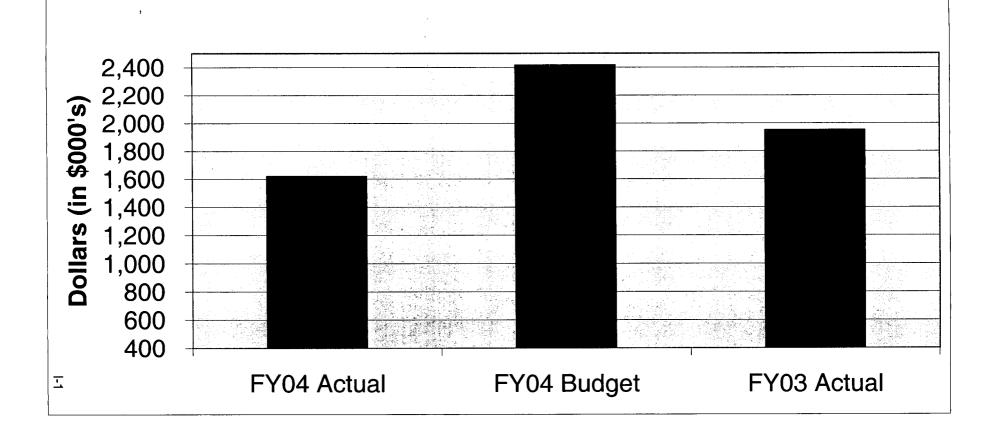
San Diego Transit Corp Operating Expenses FY04 Actual vs FY04 Budget Five Months Ending November 30, 2003



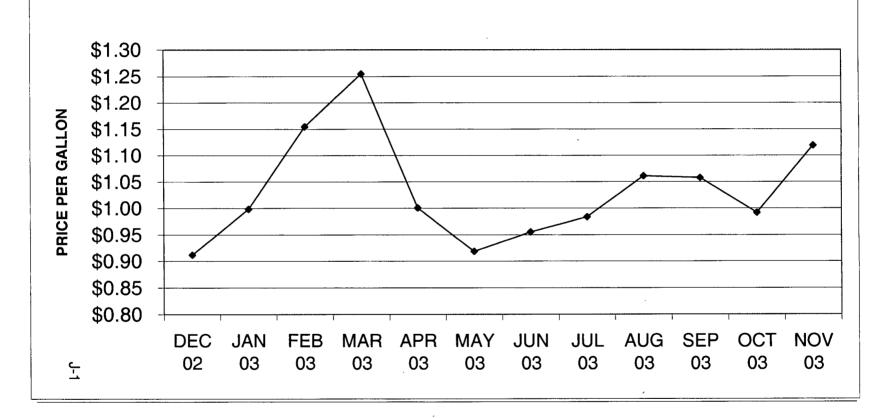
SAN DIEGO TRANSIT CORP FY04 PERSONNEL COST NOVEMBER 2003 (in \$000's)

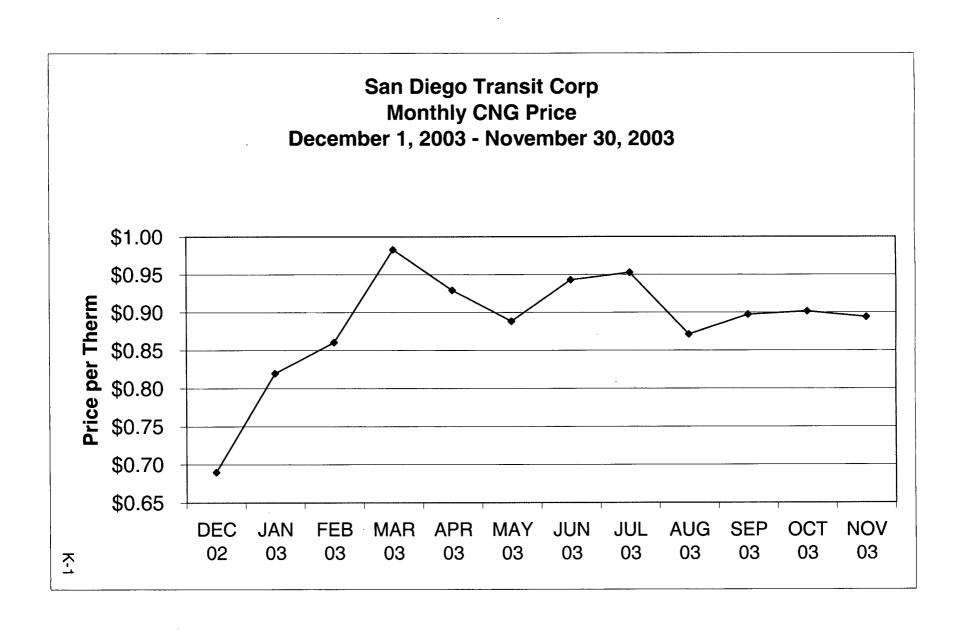
	FIVE MO	NTHS ENDING	FULL YEAR			
DEPARTMENT	ACTUAL	BUDGET	VARIANCE	% VAR	BUDGET	REMAINING
Wages	12,974	12,971	(3)	0.0%	31,020	18,046
Paid Absences	1,958	2,103	145	6.9%	5,157	3,199
Workman's Compensation	1,618	2,415	797	33.0%	5,749	4,131
Fringes	3,572	3,654	82	2.2%	8,727	5,155
Pension	2,214	2,214	0	0.0%	5,313	3,099
Cost Recovery	(402)	(402)	0	0.0%	(749)	(347)
Total Personnel Costs	21,934	22,955	1,021	4.4%	55,217	33,283

San Diego Transit Corp Workers' Compensation Costs FY04/03 Actual and FY04 Budget Five Months Ending November 30, 2003



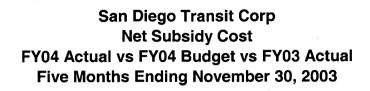


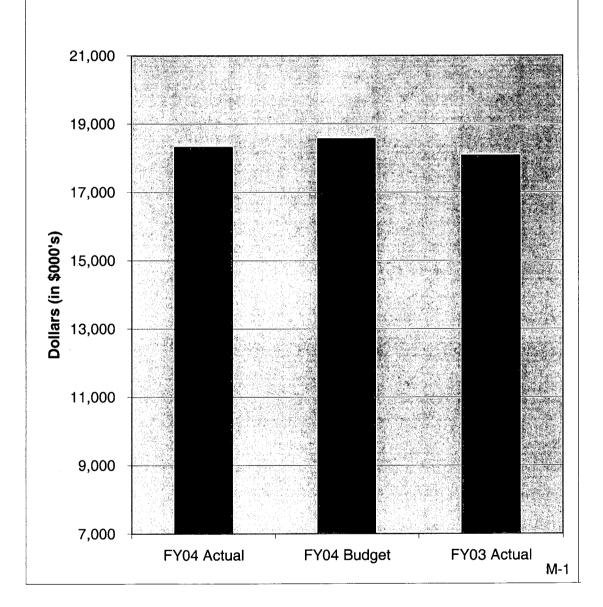




SAN DIEGO TRANSIT CORP FY04 DEPARTMENTAL EXPENSES NOVEMBER 2003 (in \$000's)

	FIVE MONTHS ENDING NOVEMBER 30, 2003			FULL YEAR		
DEPARTMENT	ACTUAL	BUDGET	VARIANCE	% VAR	BUDGET	REMAINING
Executive Administration	480	476	(4)	-0.8%	1,175	695
Transportation	13,120	13,695	575	4.2%	32,768	19,648
Maintenance	8,411	8,572	161	1.9%	20,543	12,132
Passenger Services	608	715	107	15.0%	1,662	1,054
Administrative Services	899	1,001	102	10.2%	2,398	1,499
Risk Management Services	1,512	1,391	(121)	-8.7%	3,445	1,933
Human Resources & Training	407	489	82	16.8%	1,173	766
Quality Assurance/Stores	375	451	76	16.9%	1,084	709
Safety	66	75	9	12.0%	174	108
General Expense	3,078	3,325	247_	7.4%	8,136	5,058
Total Departmental Expenses	28,956	30,190	1,234	4.1%	72,558	43,602







100 16th Street P.O. Box 122511 San Diego, CA 92112-2511 (619) 238-0100 FAX (619) 696-8159

Agenda

Item No. 5

Board of Directors Meeting

February 12, 2004

Subject:

TRASH DISPOSAL: CONTRACT AWARD

RECOMMENDATION:

That the MTS Board of Directors authorize the President & General Manager to execute a five-year contact (SDTC Doc. No. B03-012 - Attachment A), in substantially the form attached, with EDCO Disposal Corporation in an amount not to exceed \$183,300.

Budget Impact

All expenses for trash disposal are included in the annual operating budget. In FY04, it is subsidized by federal money and is less than the \$37,000 budgeted for this year.

DISCUSSION:

SDTC requires routine trash disposal services on a regularly scheduled basis for the Imperial Avenue and Kearny Mesa Divisions.

SDTC requires nine 3-yard containers at its Imperial Avenue Division (IAD) Pick up is six days a week, Monday through Saturday. The Kearny Mesa Division requires eight, 3-yard containers. Pick up is five days a week, Tuesday through Saturday.

SDTC IFB#B03-023 was solicited for this service and opened on December 30, 2003 for a five-year period. Three responsive bids were received in response to the solicitation (see Bid Summary - Attachment B). EDCO Disposal Corporation was the lowest responsive bidder for the five-year period at \$183,300; therefore, pursuant to SDTC policy, staff recommends award of the contract to EDCO Disposal Corporation.

Attached for the Board's information is EDCO Disposal Corporation's Workforce Report (Attachment C).

Vice President – Finance & Administration

Key Staff Contract: Kent Tsubakihara, 619-238-0100, ext. 496, kent.tsubakihara@sdmts.com

Attachments: A. SDTC Doc. No. B03-023

B. Bid Summary

C. EDCO Disposal Corporation Workforce Report

Board Only

San Diego Transit An Operator in the Metropolitan Transit System



100 16th Street P.O. Box 122511 San Diego, CA 92112-2511 (619) 238-0100 FAX (619) 696-8159

STANDARD SERVICES AGREEMENT FOR

Trash Disposal

B03-023 CONTRACT NUMBER 316/326/52510 FILE NUMBER(S)

THIS AGREEMENT is entered into this day of and between the San Diego Transit Corporation (SDTC), to as "Contractor":	2003, in the state of California by and the following contractor, hereinafter referred
Name: EDCO Disposal Corporation	Address: 6670 Federal Blvd.
Form of Business: <u>Corporation</u> (Corporation, partnership, sole proprietor, etc.)	Lemon Grove, CA 91945 Telephone: 619.287.7555
Authorized person to sign contracts: John Snyder Name The attached Standard Conditions are part of this agusthe SDTC services and materials, as follows:	Title
Provide trash disposal services for SDTC's two divisions per the requirements of SDTC's IFB#B03-023, all addended	located at 100 16 th Street and 4630 Ruffner Street lums, EDCO's bid in repose to said IFB.
SAN DIEGO TRANSIT CORPORATION (SDTC)	CONTRACTOR AUTHORIZATION
By: President and General Manager	Firm:
Approved as to form:	By:Signature
By:Office of the General Counsel, MTDB	Title:
AMOUNT ENCUMBERED BUDG	ET ITEM FISCAL YEAR
\$183,300 Trash Disposal	(316/326-525.10) 04-09
By: Vice President of Finance and Administration (Continued on 10 sheets, each bearing contract number)	



100 16th Street P.O. Box 122511 San Diego, CA 92112-2511 (619) 238-0100 FAX (619) 696-8159

BID SUMMARY Trash Disposal IFB #B03-023

BIDDER	Sales de Carlos	BID AMOUNT
EDCO (*)		
6670 Federal Blvd. Lemon Grove, CA 91945	\$	183,300.00
Waste Management of San Diego		
1001 West Bradley Avenue El Cajon, CA 92020	\$.	209,763.00
Pacific Waste Services		
8364 Clairemont Mesa Blvd. San Diego, CA 92111	\$	210,594.36

(*) Lowest Responsive, Responsible Bidder

MTDB EQUAL OPPORTUNITY PROGRAM WORKFORCE REPORT

The Metropolitan Transit Development Board (MTDB) enforces an Equal Opportunity (EEO) program established under policies and procedures No. 26. This program prohibits discrimination in employment and requires MTDB contractors to be equal opportunity employers. You may submit a copy of the Employer Information Report, EEO-1, in lieu of this form.

PLEASE COMPLETE ALL SECTIONS OF THIS FORM

	NAME OF COMPANY
-	EDCO Disposal Corporation
	AKA/DBA:
•	ADDRESS OF ESTABLISHMENT LOCATED IN SAN DIEGO COUNTY (if different from above):
	6670 Federal Blvd. Lemon Grove, CA 91945
•	
	If there is no office in San Diego County, or if there are less than 15 employees in that office, include an address for your regional office that will oversee the work under MTDB's contract.
	City Lemon Grove County San Diego State CA Zip 91945

METROPOLITAN TRANSIT DEVELOPMENT BOARD

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

Ē. Employment Data

Include the employees located in San Diego County only, unless your firm employs fewer than 15 people locally. In the event, you should list the workforce of the regional office that will oversee the work under MTDB's contract. Report all permanent full-time and part-time employees including apprentices and on-the-job trainees. Blank spaces will be considered as zeros.

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San Diego Transit

An Operator in the Metropolitan Transit System



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Agenda

Item No. 15

Board of Directors Meeting

February 12, 2004

Subject:

TRANSPORTATION PERFORMANCE REPORT THROUGH DECEMBER 2003

RECOMMENDATION:

That the MTS Board of Directors receive this report

Budget Impact

None

DISCUSSION:

This report is provided for information concerning the status of SDTC operations during the first two quarters of FY 04. An overview of service quality based on performance indicators will be presented followed by a brief discussion of ridership and productivity trends.

Service Quality Discussion

<u>Service Reliability</u>: Trip completion rates for the first two quarters of FY 04 were 99.50 percent and 99.40 percent, respectively. These percentages are based on trip volume of 181,037 scheduled trips for the first quarter and 181,086 scheduled trips for the second quarter. This represents a slight downward performance trend.

Operator shortages have made it increasingly difficult to fill stand-by assignments. The availability of stand-bys can significantly mitigate impacts from mechanical or schedule disruptions. Trip completion performance trend information is provided in Attachment A.

SDTC is currently 19 positions below budgeted operator staffing levels. The corporation is taking proactive measures to facilitate recruitment efforts. Operator staffing and attrition data is provided in Attachment B.

<u>Scheduling Reliability:</u> The on-time performance analysis is based on time-point checks conducted by field supervisory staff. The analysis tracks performance over a five-year history. SDTC attempts to collect a sample of 4,000 checks per

month. A linear regression analysis was performed to better document the performance trend. Attachment C provides a review of the system-wide trends by quarter. Attachments D and E provide detail that quantify late and early departures by minute increments. This level of detail is important to understanding the customer impact from system on-time performance issues.

System-wide trend analysis documents a gradual decline in on-time performance with no significant variation by quarterly time period. In general, this decline is reflective of system-wide slowing due to increasing traffic congestion. In addition to documenting the five-year performance trend, the analysis identifies an initial positive result from the March 2003 scheduling optimization project. The initial improvement during the fourth quarter of FY 03 is followed by a decline during the first quarter of FY 04. Based on the initial positive variance, the March scheduling optimization demonstrated an opportunity to realize performance improvement.

On-time performance declined during the first quarter of FY 04. Late departures comprised 22 percent of the time points sampled, and early departures were documented at 9 percent comprising an overall on-time performance percentage of 69 percent. Major construction projects had route-specific impacts during the first quarter. These projects affected routes operating in the La Jolla area, the Market Street corridor and routes serving SDSU. The only way to mitigate detour impacts on schedules is through additional recovery time at the end of the line or the extensive use of standby buses. Both of these strategies have operating cost impacts.

Data for the second quarter of FY 04 demonstrated improvement with a system on-time performance rate of 72 percent. Late arrivals comprised 20 percent of the sample and early departures represented 8 percent. The majority of late arrivals were six to nine minutes late and the majority of early departures are one to three minutes early.

Routes demonstrating the most severe performance deficiencies are Routes 1, 7, 11 and 34. All of these routes are performing at more than 20 percent late. Scheduling improvements were implemented on the Route 11 effective with the September 2003 service changes. Second-quarter data on the Route 11 shows an improvement over first-quarter performance. Through a process of resource reallocation, schedule improvements will be implemented on Routes 7, 20 and 34 concurrent with the February 2004 service change.

System Safety: Safety improved significantly during FY 03, and the positive trend has continued through the first five months of FY 04. In comparing total accidents per 100,000 miles, there has been a reduction from 8.10 in FY 02 to 4.61 in FY 03. Total accidents for the first quarter of FY 04 decreased to 4.26. Data for the second quarter demonstrates continued improvement at 3.75 accidents per 100,000 miles. The performance trend for preventable accidents has also been positive with the rate decreasing from 2.29 per 100,000 in FY 02 to 1.47 per 100,000 in FY 03. The preventable accident rate increased slightly from 1.47 to 1.56 during the first quarter of FY 04. It is important to note that these statistics represent total accident figures and are not limited to the higher damage levels that are reported under the state and federal guidelines. SDTC

maintains these internal reporting statistics to better document performance trends.

To determine preventability, management staff from the Training, Safety and Transportation Departments review all accidents. If an operator chooses to contest the review committee's preventability finding, a hearing is conducted. The hearing panel participants include two union representatives, two management representatives and a mutually agreed upon outside expert voting to determine the final ruling.

<u>Customer Service</u>: There are four categories of customer complaints that have been identified as being within the bus driver's control to influence. These are as follows: Operator Attitude, Unsafe Driving Practices, Operator Rule Infraction, and ADA Stop Announcement Compliance. Year-to-date comparison demonstrates performance improvement. While complaints increased during the first quarter of 04, immediately following the fare increase, improvement during the second quarter offset 1st quarter performance. Year to date, complaints per 100,000 passengers decreased from 6.5 in FY 03 to 5.84 in FY 04. For statistical tracking, SDTC records all complaints received; for purposes of progressive discipline, only written complaints that are signed are entered into the operator's work record.

It is important to note that 30 percent of the complaints received are generated by 1.6 percent of the operator population. Close attention is paid to the performance of these operators through retraining and progressive discipline.

Focusing on the positive side, a large number of operators perform their work complaint free. SDTC has a customer service program that recognizes those operators who work complaint free for a six-month period with special recognition reserved for those who are complaint free for an entire year. Silver lapel pins are awarded for biannual recognition and gold pins for annual recognition. In calendar year 2002, 205 operators earned the gold pin and an additional 269 operators were complaint free for a six-month period. In calendar year 2003, 328 operators earned silver pins and 145 operators earned gold pins.

Ridership and Productivity Discussion

<u>Ridership</u>: Comparison of FY 02 and FY 03 ridership demonstrates a system-wide decline of 7.9 percent, representing a loss of 2,411,773 passengers (excluding the loss of Route 55 in March of 2003). During FY 03, over 50 percent of the system-wide ridership loss was concentrated on five routes, representing a combined fiscal year loss of 1,220,786 passengers. The five routes experiencing the greatest loss in FY 03 were Routes 7, 15, 11, 20 and 34.

Last year's decline has continued through the first six months of FY 04; year-to-date comparison shows a 10.5-percent loss without the Route 55 and a 14.4-percent loss when Route 55 is included. Routes sustaining large ridership losses again include Routes 7 and 11; in addition, Routes 1, 3 and 115 have also demonstrated significant FY 04 losses. A weekday ridership chart for the second quarter FY 04 is provided in Attachment F for comparison with FY 03 and to illustrate the impact of the wildfires and the typical fluctuation associated with the holiday season.

The short-term response to significant route-specific ridership loss is to focus on service-quality improvement in the area of on-time performance. Running time and layover were increased on the Route 11 in September of 2003; similar improvements are planned for Routes 7, 20 and 34 in February of 2004. In addition, SDTC and SANDAG staffs are working together on an analysis of the Route 11 to evaluate the benefit of splitting the route to further improve on-time performance and to better match service levels to the different demand levels on the south and north route segments. The current one-way trip length on Route 11 is 20 miles.

While pricing, general economic trends and the 9/11 tragedy have impacted transit ridership, SDTC is focusing on factors that may be influenced by the operating agency. Again working with SANDAG, SDTC will be evaluating ridership over the last five-year period, documenting potential impacts in five major areas. These areas include fare increases, service modifications (primarily service reductions); the introduction or expansion of contract routes that may serve the same ridership base; review of service quality relative to trip completion, on-time performance and customer complaints; as well as any significant demographic shifts. The basis for this evaluation strategy is discussed briefly below.

In reviewing ridership trends it is important to review service-level trends as represented by revenue miles. Analysis of SDTC's ridership and service reductions demonstrates the relationship between the trends. These trends are presented in Attachment G. What is most significant is that the percentage ridership loss has exceeded the service cuts by more than a 2-to-1 ratio. While ridership decline is not solely attributable to service cuts, this ratio begs the question of the effectiveness of the cuts. Ideally service cuts target less productive service and result in improved productivity as defined by passengers per revenue mile. This is not occurring with SDTC's system. Excluding the Route 55 transfer, fiscal year-to-date comparison of passengers per revenue mile demonstrates an 8.2 percent productivity decline as measured by passengers per revenue mile.

A fare-elasticity analysis was conducted to identify factors contributing to the 8.2-percent decline in passengers per revenue mile. The analysis is based on a model provided by the American Public Transportation Association (APTA). The model uses an elasticity index of -0.36 ridership loss per percent fare increase. The fare elasticity analysis indicates that 1.73 percentage points of the 8.2 percent ridership loss may be attributed to the July 2003 fare increase.

An additional component of SDTC's ridership trend is related to the introduction or expansion of contract services that parallel segments of existing route alignments. While the new services are developed to meet a different set of needs and attract new riders, there is inevitably some shifting of the ridership base and diminished productivity on the older more established services. This is not necessarily a negative issue as the customer clearly benefits. It does, however, point to the need for evaluation of ridership trends at a regional level.

While it is difficult to establish the degree that service quality impacts ridership, it is a given that there is a relationship. Some of SDTC's more significant ridership

losses are occurring on routes that have experienced on-time performance of less than 80 percent.

Demographic changes will be identified along with a segment-based analysis of route ridership. A possible result of the analysis will be the identification of unproductive segments and possible route restructuring. The first route targeted for this level of analysis is the Route11. Targeted time frame for implementation of possible Route 11 restructuring is September of 2004.

Productivity: SDTC focuses on four major productivity indicators. Two of these indicators measure the effectiveness of service relative to passengers carried per revenue mile and per revenue hour. Cost effectiveness is measured by the percentage of costs recovered from the farebox and the subsidy amount per passenger served. Given the trend where ridership losses are exceeding mileage reductions, indicators in three areas demonstrate declining productivity. Fiscal year-to-date comparison for the first six months of FY 04 reflects a decline in passengers per revenue mile from 2.70 to 2.45. Similarly, passengers per revenue hour dropped from 31.70 to 27.65. The following productivity comparisons are based on comparison with annual trend data for FY 03: productivity as measured by farebox recovery increased from 33 percent in FY 03 to 35 percent year to date. Subsidy per passenger increased from \$1.64 in FY 03 to \$1.71 in FY 04. A four-year trend for productivity indicators is presented in Attachments H and I. Comparison of farebox recovery and per-passenger subsidy may be somewhat misleading due to end-of-year allocations that impact performance during the fourth quarter of the fiscal year. Farebox recovery and per-passenger subsidy are based on financial actuals through November and projections for the month of December.

Sandra Showalter

Vice President of Transportation

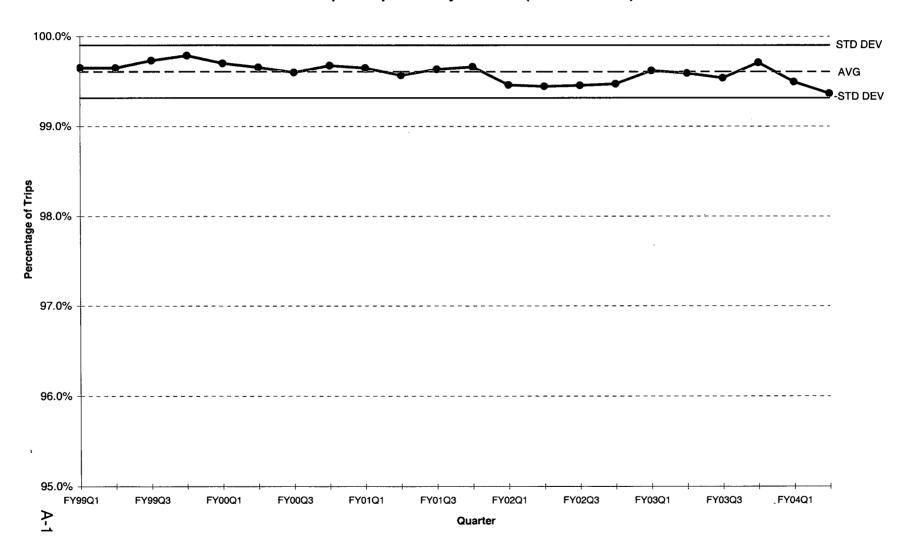
619-238-0100, ext. 420, sandra.showalter@sdmts.com

Attachments: Charts as Follows:

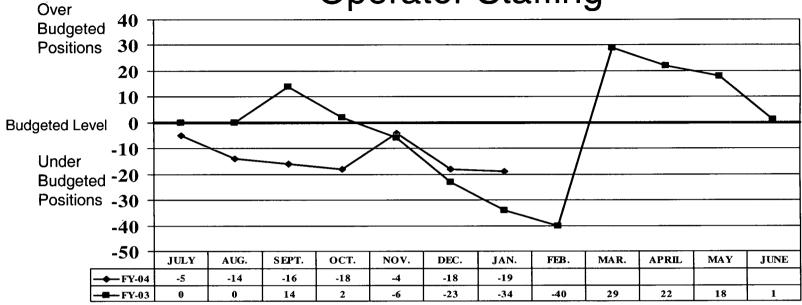
- A. Trip-Completion
- B. Operator Staffing and Operator Attrition
- C. System On-time Performance
- D. System On-time Performance (Late Departures)
- E. System On-time Performance (Early Departures)
- F. Passenger Trend and Revenue Bus Miles
- G. Ridership Variables (Wildfire Impact)
- H. Passenger per Revenue Mile and Revenue Hour Charts
- I. Farebox Recovery Ratio and Subsidy Per Passenger

Board Only

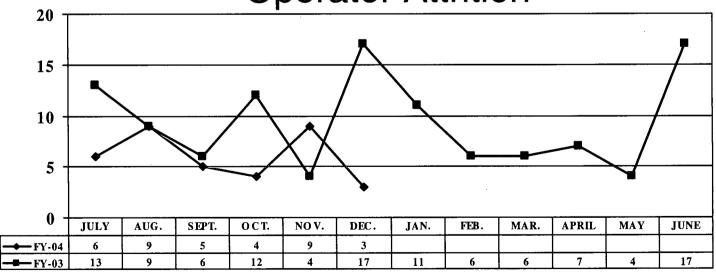
SDTC Trip Completion by Quarter (1999-Present)



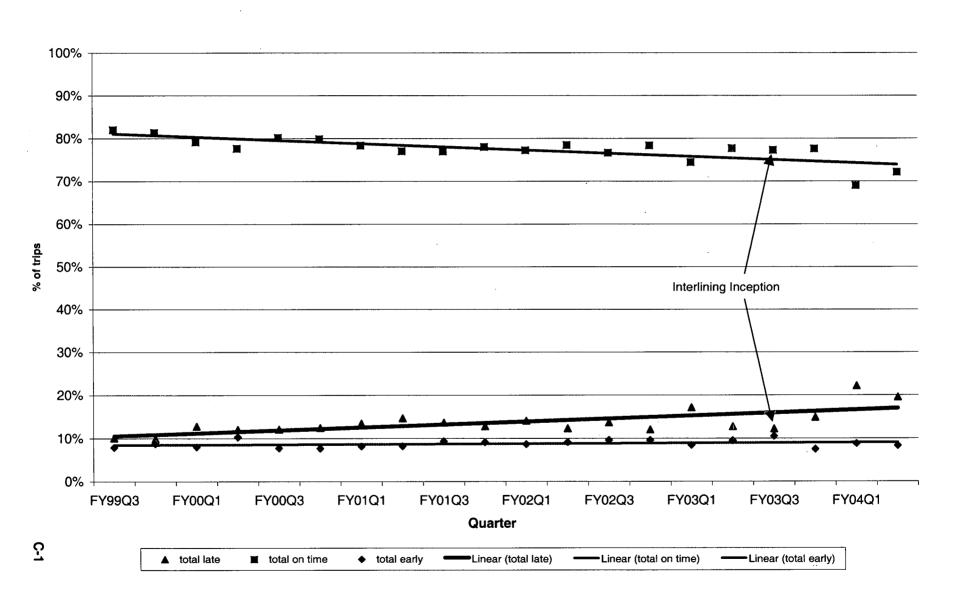
Operator Staffing



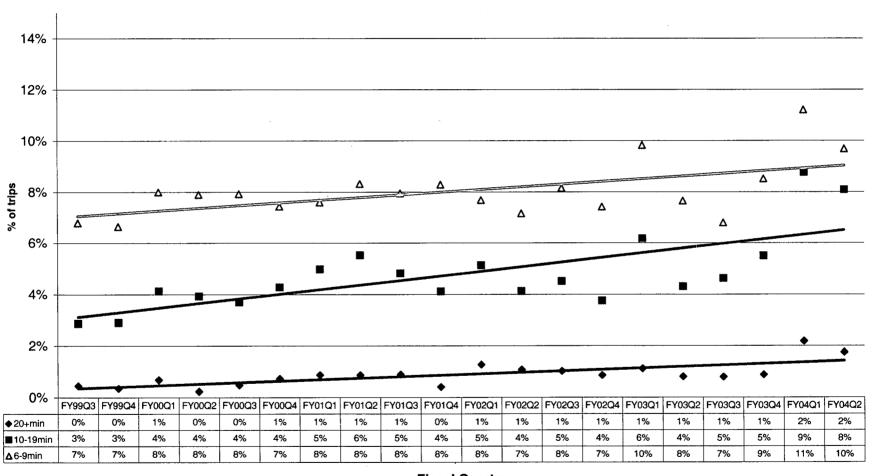
Operator Attrition



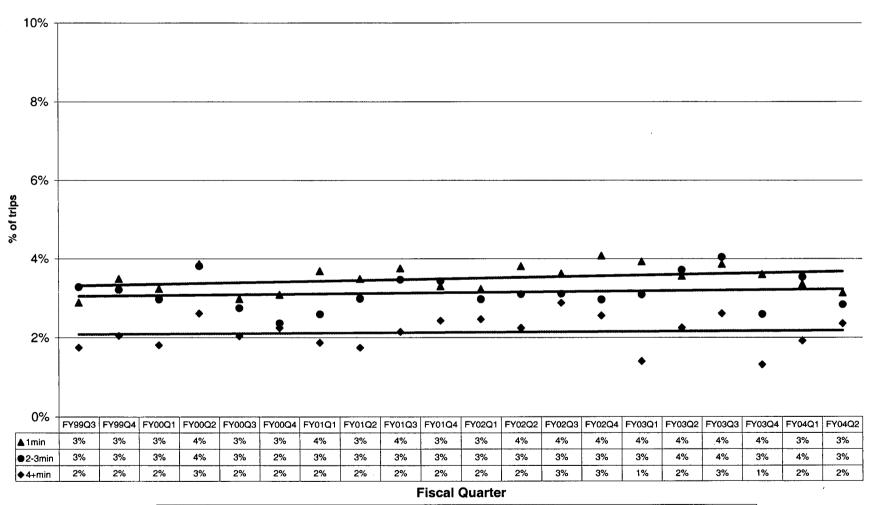
SDTC System On-Time Performance by Quarter (1999-Present)



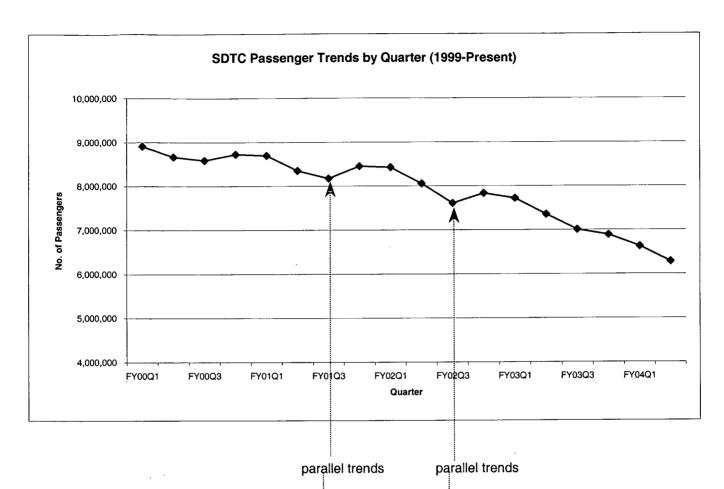
SDTC System On Time Performance by Quarter (Late Departures)

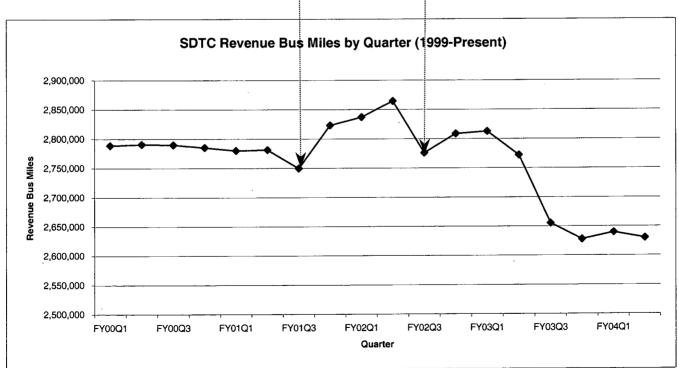


SDTC System On Time Performance by Quarter (Early Departures)

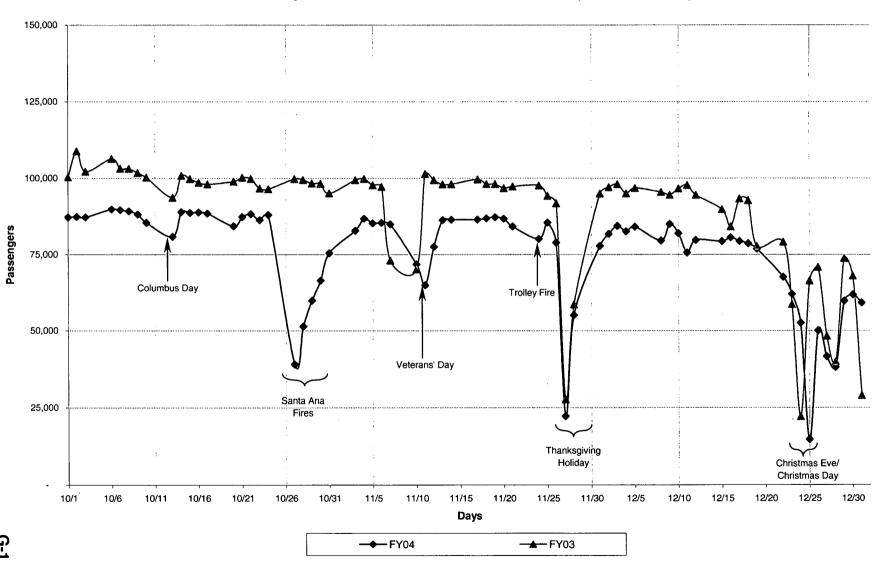


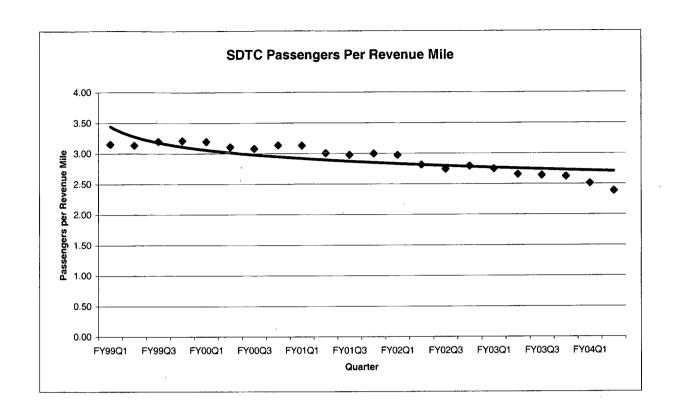
▲ 1min	2-3min	◆ 4+min	Linear (4+min)	Linear (1min)	Linear (2-3min)

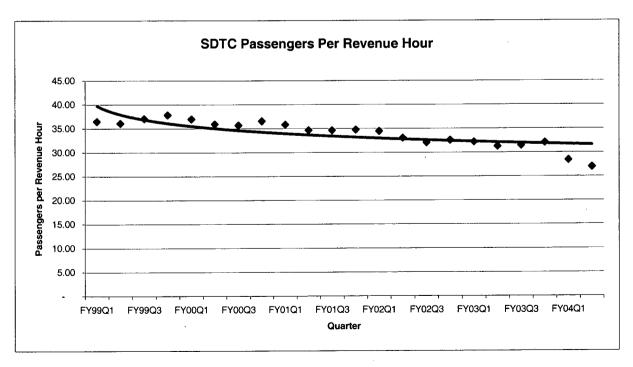


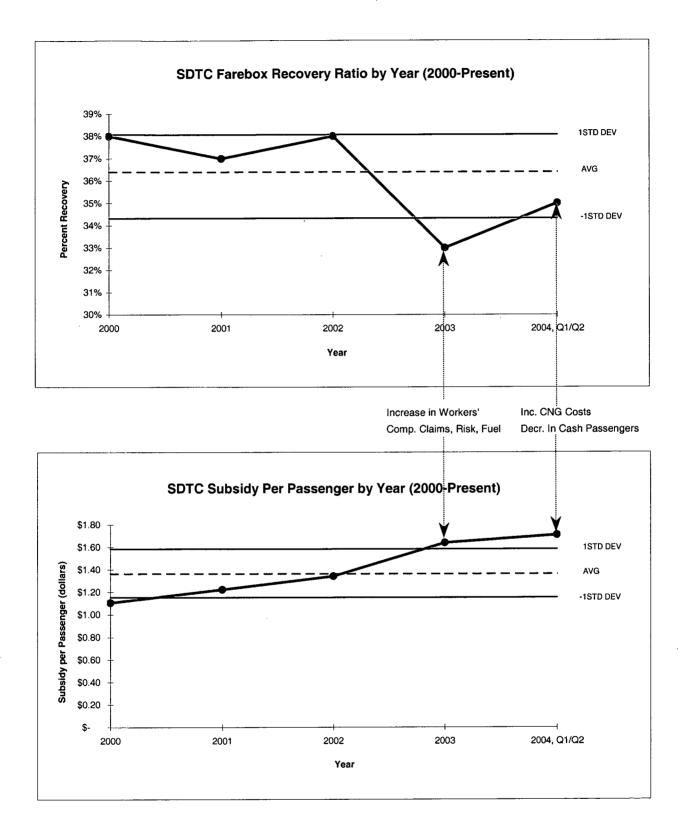


SDTC Ridership for the Period October - December (FY04 vs. FY03)









SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

REQUEST TO SPEAK FORM

AGENDA ITEM NO.

15

50TC

ORDER REQUEST RECEIVED

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- 1	

PLEASE SUBMIT THIS COMPLETED FORM (AND YOUR WRITTEN STATEMENT) TO THE CLERK OF THE BOARD PRIOR TO DISCUSSION OF YOUR ITEM

1. INSTRUCTIONS

This Request to Speak form <u>must be filled out and submitted in advance of the discussion of your item</u> to the Clerk of the Board (please attach your written statement to this form). Communications on hearings and agenda items are generally limited to three (3) minutes per person unless the Board authorizes additional time. However, the Chairperson may limit comment to one or two minutes each if there are multiple requests to speak on a particular item. General public comments on items not on the agenda are limited to three (3) minutes. Please be brief and to the point. No yielding of time is allowed. Subjects of previous Hearings or agenda items may not again be addressed under General Public Comments.

Date 2004 - 02 - 12
Name (PLEASE PRINT) Clive rechard
Address 5/53 La Darna ST, Son Diego CA
elephone 619.582,4036
Organization Represented (if any)
Subject of your remarks:
Agenda Item Number on which you request to speak
/our comments are presenting a position of: SUPPORT OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

At Public Hearings of the Board, persons wishing to speak shall be permitted to address the Board on any issue relevant to the subject of the Hearing.

3. DISCUSSION OF AGENDA ITEMS

The Chairman may permit any member of the public to address the Board on any issue relevant to a particular agenda item.

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Public comment on matters not on the agenda will be limited to five (5) speakers with three (3) minutes each, under the Public Comment Agenda Item. Additional speakers will be heard at the end of the Board's Agenda.

REMEMBER: Subjects of previous Hearings or agenda items may not again be addressed under General Public Comments.

DGunn/SStroh / FORMS REVREQFO.DGUNN — 10/15/03 San Diego Transit Corporation
Transportation Performance Report
July through December 2003

Overview of:
Service Quality
Ridership
Productivity

Service Quality:

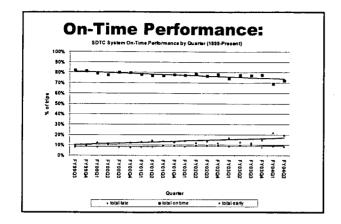
- Trip Completion Rate
- On Time Performance
- · System Safety
- Customer Service

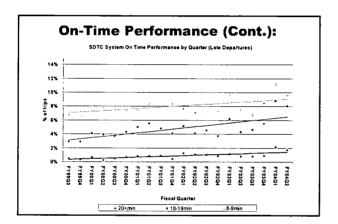
_ SDTC

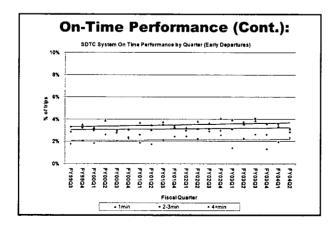
Trip completion: SDTC Trip Campleton by Quarter (1889-Present) 100.0% 91.0%

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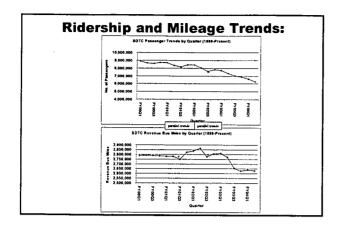


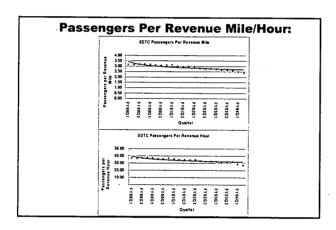


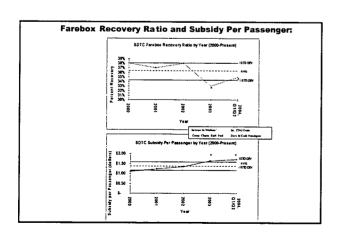


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	Schedule Improvement Strategies:	
	Schedule improvement strategies:	
	Schedule Enhancements	
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	Route 7 - February 2004	
	Route 20 - February 2004	
	Route 34 - February 2004	
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	FY-03 = 4.61	
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	Customer Service:	
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	Operator attitude Unsafe driving practices	
	Operator rule infraction	
4	ADA stop announcement compliance	
100	> Year to date, complaints per 100,000 passengers decreased	
	from 6.5 in FY-03 to 5.84 in FY-04.	
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2. :	Gold and Silve	er Recognition	
*	Program Cust	comer Service:	
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		269 Silver Pin Operators	
	Calendar Year 2003:	145 Gold Pin Operators	
		328 Silver Pin Operators	
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		ember decline: 10.5% (w/o Rt. 55)	
	,	14.4% (with Rt. 55)	
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	and FY-04 are Routes 7 a	na 11	
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	SDTC Focus O	n Ridership Analysis:	
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SAN DIEGO METROPOLITAN TRANSIT SYSTEM

EXECUTIVE COMMITTEE MEETING

FEBRUARY 5, 2004

MINUTES

A. ROLL CALL

Chairman Williams called the meeting to order at 9:03 a.m. Committee members present: Bob Emery, Jerry Rindone, Ron Roberts, and Leon Williams; ex officio member(s): Shirley Kaltenborn and Harry Mathis.

B. APPROVAL OF MINUTES

Mr. Roberts moved approval of the minutes of the January 22, 2004, Committee meeting. Mr. Rindone seconded the motion, and the minutes were unanimously approved.

C. COMMITTEE DISCUSSION ITEMS

1. Mission Valley East Light Rail Transit Project: Status Report (CIP 10426.15)

Mr. Linthicum stated that we had a good month. The project is currently 80 percent complete. He started by showing the banana curves for the different segments.

The Grantville Segment has slipped outside the banana, which indicates unsatisfactory progress. This is not too worrisome, as it is not delaying the track and systems contractor. We are pressuring the contractor to complete the job so we can release the inspectors, surveyors, testers, etc., and reduce costs. We will likely owe the contractor some time, which would put them above the red line in the curve. There is still about \$7 million worth of work to be completed between now and the end of April. Most of this is subcontractor work, which adds a layer of complexity.

The San Diego State University (SDSU) Tunnel and Underground Station contractor is doing an excellent job. We would also like this contractor to complete early. This is a more worrisome job because there is still a lot of mechanical and electrical work to be done. The nature of this work has a lot of design elements to it. There has been no impact on the track and systems contractor at this segment.

The La Mesa Segment is 81 percent complete. This contractor had trouble scheduling and staffing its work. Changes were made and appear to have helped. Communication between the field and office has improved greatly on this job. We hope they are back on track; they have not fallen further behind.

The Track and Systems contractor's work is 44 percent complete. Other than the 90-day delay granted earlier, we feel we have mitigated all other delays to this contract.

The Executive Summary is the critical path schedule. We are still holding onto May 2005 as the date to start revenue service. When reviewing the critical path and due to the 90-day delay granted to the track and systems contract, the start up has actually moved to the third week in June; however, we feel we can still meet the original startup date.

The fleet modification is running ahead of schedule. Siemens is modifying the existing fleet to operate in the tunnel. Some of the modifications are more fire resistant seating material and inhibiting the deployment of the lower step on the U2 vehicles. Mr. Mathis asked if we were modifying all the vehicles. Mr. Linthicum said that we were modifying all the vehicles with regard to fire requirements; however, we are only modifying the U2s for the step deployment.

Mr. Linthicum said that we recently opened bids on the Station Modifications Project. The bids came in around \$200,000 higher than the engineer's estimate. This is a non-Mission Valley East (MVE) cost. Also, the fiber-optic contractors have been prequalified, and this project will be going to bid soon.

To date we have spent \$354 million. Costs are tracking fairly well. We are working out a new cost-to-complete estimate and will share that with our next report. We recently added \$3.6 million for additional Construction Management services, of which \$940,000, or 30 percent, was for replacing the pulled Caltrans inspectors.

We have a new pedestrian bridge that crosses College Avenue. We also had a temporary vehicular bridge that we will be selling. We will be checking with the County of San Diego and other public agencies in an attempt to sell this bridge.

Mr. Linthicum provided the breakdown that is used for the Executive Summary. He provided graphs that showed the costs for administration, tunnel engineering, Mission Valley Designers design services, construction management services, SDSU construction, SDSU mitigation, Grantville and La Mesa Segments construction, and track and systems construction.

There is positive news to report with regard to change orders. The Board approved a change order for a \$672,000 savings to eliminate two retaining walls, as well as \$570,000 savings to eliminate trackwork and \$167,000 savings to eliminate cabling. Mr. Mathis asked if the trackwork that was eliminated was done as a cost savings measure. Mr. Linthicum said it was not.

Contingency funds continue to be track well with no new surprises.

There is nothing new to report on potential claims. We will be having a summit meeting with the La Mesa Segment contractor to finalize old claims and disputes that are not officially contractual claims. This should take place sometime next month.

The Grantville Segment contractor had a few new non-conformance reports issued. This is not surprising because they are trying to wrap up the work. The overall quality is doing very well. We have found a solution to all but a few of the anchor bolt problems reported last month. We anticipate having a solution for the others as well.

Safety injury and loss time injury rates continue to go down. We recently passed a milestone where two million person hours were worked with only six loss time injuries.

We will have one Board action next week to ask for \$55,000 for project management services from the General Engineering Consultant (GEC). Also, we will be requesting \$127,000 for the GEC for hazardous waste monitoring on both the La Mesa and Grantville projects. Mr. Rindone asked what the GEC would be doing for the \$127,000. Mr. Linthicum read the tasks listed in the agenda item.

Mr. Linthicum stated there is another issue with regard to storm water runoff. The contractors have been generally compliant, but could do better. There is a constant effort to pressure the contractors to comply with storm water regulations. Mr. Emery asked if we have received any citations. Mr. Linthicum stated that we received two citations from the City, but no fines. He noted that we have turned ourselves in as a requirement of the Regional Board. The contractors have become lax in this area. We had to tell them to clean up their act, or we would need to shut down their operations. This is usually a last step. MTS, as owners, could be fined along with the contractors. A lot of the problem is the contractor simply cutting corners. Mr. Roberts asked if there were a paper trail of warnings issued. Mr. Linthicum stated that there was, and we could withhold some payment. Mr. Mathis asked if we shut the project down, it would have a ripple effect. Mr. Linthicum said it would, especially with the La Mesa Segment. We don't want to create additional delays, but we may have to.

Mr. Linthicum stated that welding of the first frame of the low-floor vehicles (LFVs) began in January. The first LFV should be delivered in June, the last one at the end of the year. One issue is the Buy America requirement that 60 percent of the cost of the vehicle components have to be manufactured in the U.S. We are concluding an audit to verify that we will achieve the 60 percent mark. The Federal Transit Administration (FTA) continues to be concerned. Mr. Mathis noted that he hadn't seen a rendering of the final version of the vehicle. He would like to see what it would look like. He also noted that the first vehicles arriving would provide a public relations opportunity. Mr. Linthicum stated that staff could give a presentation with computer-generated renderings of the vehicles.

Mr. Linthicum stated that the firm of Booz Allen and Hamilton had been providing inspection services on the vehicles. Once the first vehicle is in production, Siemens should be able to produce a vehicle every three weeks. Mr. Mathis asked about the quality of the paint that will be used. Past experience with Siemens has not been good in this area. He asked if it had been resolved. Mr. Linthicum said he would verify that Siemens is using paint acceptable to MTS. Mr. Jablonski asked if we were using the same product that we have been repainting the older vehicles with. Mr. Tereschuck said that he sent a letter regarding the inferior paint product and the paint specifications we are using for repainting. It was requested to use the same brand for the S70 cars. Mr. Mathis noted that it would be up to us to verify that the proper paint is being used.

Mr. Linthicum said that we would be retrofitting existing stations along the Green Line. The first contract bids came in \$200,000 above the engineer's estimate. We are figuring out how to acquire the funds needed, or how to downsize the project. He noted that this is not a Mission Valley East Project, but part of the San Diego Association of Governments (SANDAG) Capital Improvement Program (CIP).

Special Green Line service currently runs from Mission Valley to Gaslamp via the Bayside. We will not be able to run this service with LFVs. It should cost about \$5 million to retrofit the Bayside stations for the LFVs. We also may need additional LFVs to use in this venue. Currently, there is no money programmed for the Bayside stations. They will be included in the 2005-2006 CIP process.

Mr. Mathis was concerned about handling the handicapped demand for special events at the ballpark. There will be pressure to speed up the station modifications when we get the LFVs into operation. Mr. Rindone noted that peak demands before and after the ball games will not be the same as peak employment service demands. Mr. Mathis is concerned that we may need to pass up a handicapped person due to capacity.

Mr. Jablonski offered that instead of modifying along the entire platform, perhaps only a partial modification would work. Mr. Mathis asked if we could save money by doing a partial modification on all the stations and modify more stations now. Mr. Linthicum noted that the contract for the first phase of station modifications has already been bid, and we are working to award the contract. However, doing partial modifications along the Bayside could come in at a lower cost and move the project up. Mr. Mathis asked that staff look at the costs for partial modifications along the Bayside and provide that information to the Board. Ms. Lorenzen noted that this would be a SANDAG project. Mr. Mathis said the Board could make a recommendation to SANDAG. Mr. Linthicum stated that staff would provide an engineer's estimate for partial modifications of the Bayside stations. Mr. Tereschuck noted that the number of LFVs for operations would need to be considered.

Mr. Linthicum concluded with current photographs of the project.

In response to a question from Mr. Williams, Mr. Linthicum said that we are negotiating actual costs to close out our agreement with SDSU, which includes a number of items. We have also begun negotiations on the operating agreement. One example of an obligation in negotiations was to reimburse SDSU for losses at Aztec Center because of construction. SDSU has provided an invoice; however, we believe there were no losses. Ms. Lorenzen noted that we would address all of the Board's concerns within the operating agreement. Mr. Tereschuck added that we have the Board's best interest in mind. Ms. Lorenzen said that she would report back to the Board before any agreement is decided upon.

Action Taken

Mr. Rindone moved to receive a report on the status of the Mission Valley East LRT Project and have staff report back with station modifications along the Bayside Segment. Mr. Emery seconded the motion, and it was unanimously approved.

2. Transit Workshop: Policy Review (ADM 110.2, PC 30100)

Ms. Lorenzen presented a review of the Board's Policies and Procedures No. 11 through No. 21. The purpose of the review is to eliminate unnecessary policies following the consolidation.

Policy No. 11, "Utility Agreements," establishes procedures for placement or relocation of utilities affected by MTDB construction projects. The recommendation is to retain this policy indefinitely.

Policy No. 12, "Construction and Contract Administration, Bid, Award, and Claims," establishes state and federally required procedures for construction contracts from bid through award. The recommendation is to retain this policy until the completion of the MTS construction projects with minor typographical changes.

Policy No. 13, "Ownership and Operation of the San Diego and Arizona Eastern Railway," establishes MTS's oversight responsibilities for the San Diego and Arizona Eastern railroad. The recommendation is to retain this policy indefinitely and make minor typographical changes.

Mr. Emery said he would like to take an overall look at MTS with regard to the railroad, ownership, and that its operation. He also asked if we have a direct relationship with Carrizo Gorge Railroad. Ms. Lorenzen said that we have an operating agreement with Railtec, which has an operating agreement with Carrizo Gorge Railroad with respect to freight operations. Mr. Emery would like to be certain of our policies toward that railroad so that we know where we are going in the future. Ms. Lorenzen noted that there will be a presentation at the February 26, 2004, Board meeting. The Board can give direction at that time. Ms. Lorenzen said that she would provide copies of the operating agreements for the February 26 presentation.

Policy No. 14, "Procurement of Services," establishes state and federally required procedures for procuring service contracts. The recommendation for this policy is to retain it indefinitely, with minor typographical changes.

Policy No. 15, "Relief from Maintenance and Responsibility and Acceptance of Work on Construction Contracts," sets forth terms and conditions under which final acceptance of construction projects can be made. The recommendation for this policy is to retain it until the MTS construction projects are completed, with minor typographical changes.

Mr. Rindone said that it was his understanding that even when we finish the major construction projects, we could still have minor contracts. Ms. Lorenzen said that the Board could continue to be involved with construction projects, but the work would be handled through SANDAG. Mr. Mathis asked that since the San Ysidro and 12th and Market stations are new, if we incorporated for the LFVs. Mr. Linthicum stated we did, future modifications at these stations should not be needed for these vehicles.

Mr. Rindone would like a policy statement to discuss the delineation of construction projects. He feels it would handicap our operations. For minor items, we can't allow ourselves to be totally hogtied. Mr. Roberts agreed and said we need to look toward the long-term. He felt that parts were not well thought out. Mr. Rindone said that staff should begin to think about what is being suggested so as to be proactive instead of reactive. Ms. Lorenzen stated that our enabling legislation has not changed. We have the legislative authority to plan transit right-of-way and rail projects. We just don't have the funds to do the tasks, and SANDAG has the additional responsibility to perform those tasks. Mr. Rindone said we don't want to give it up. We are going to be evaluated. We cannot play logistical games. We have enabling legislation, and we

need to formulate that and bring it back. Ms. Lorenzen stated that there is no proposal to change our enabling legislation. We are only asking for a name change.

Mr. Mathis noted that the legislation doesn't need to be changed. The resources have been taken away. We need to be sure that the system that has been set up works. Mr. Linthicum noted that his staff has been the engineers at MTDB/MTS. Their service has not been diluted. They are doing the exact same task, and the department is Transit Engineering and Construction. Mr. Mathis noted that exceptions were made that identified specific projects still under our purview. We are talking about the future. Mr. Linthicum mentioned the substation fire that occurred after the engineers transferred to SANDAG. It worked as seamlessly as when the staff was MTS. It was noted that as personnel and the physical location of the engineers changes, there might need to be an additional effort made. Mr. Mathis noted that SANDAG would be in the position of issuing priorities. Mr. Rindone noted that he remembered a presentation at a SANDAG Transportation Committee meeting where it was said that we would still be retaining minor contracts. Before we get too far down the line, we need clarification. We cannot have our hands tied.

Mr. Jablonski noted that there are not just rail facilities involved, but bus facilities as well. The issue is priorities. It is natural to have concerns when someone else has the money and engineers, and you need the facilities. Mr. Emery noted that the Transportation Committee representatives need to be united, including North County Transit District (NCTD). Mr. Jablonski said he did not think it would be a Transportation Committee responsibility to set work priorities for engineering, that would be administration.

Ms. Lorenzen continued with Policy No. 16, "Capital Asset Capitalization." This policy establishes guidelines regarding capitalization of MTDB's tangible property assets. The recommendation is to retain this policy indefinitely with minor typographical changes.

Policy No. 17, "Legal Action: Damage to MTDB Property," sets forth conditions under which the Chief Executive Officer (CEO) may institute or settle litigation on behalf of MTS. The recommendation is to retain this policy indefinitely, with substantive changes by granting the CEO limited settlement authority. Mr. Roberts said that he would like to see language about the CEO not being able to serially grant \$10,000. Mr. Mathis asked what percentage of settlements would be settled at the \$10,000 mark. Ms. Lorenzen said a small number. Mr. Jablonski asked how the \$10,000 limit fit into San Diego Transit Corporation and San Diego Trolley, Inc. (SDTI), claims. It was noted that SDTI's current policy gives the General Manager authority up to \$25,000. Mr. Mathis noted that the \$25,000 amount was probably a more appropriate figure.

Policy No. 18, "Transportation Development Act (TDA) Rules and Regulations," establishes the guidelines for operator eligibility for TDA funds as required by state law. The recommendation is to retain this policy with modifications once SANDAG has completed its policy review.

Policy No. 19, "Joint Use and Development of Real Property," establishes criteria for MTS joint development projects. The recommendation is to retain this policy indefinitely with minor typographical changes. Mr. Jablonski asked that if we own all the assets, including real property, whose responsibility would it be to complete joint development projects. This is a significant issue. Ms. Lorenzen said she is working with Jack Limber at SANDAG and the NCTD General Counsel on the issue of how the titles of assets are

held, and who would be responsible for operation and maintenance. It's a preliminary look at how property will be held by the operating agencies. As grantee SANDAG is required to retain title to the property if federal funds are involved. We are free to do joint development on any property that we own. SANDAG does not want the liability or responsibility. SANDAG is working on an agreement with the FTA that would allow SANDAG the right to convey title to MTS when using federal funds for the acquisition.

Mr. Mathis asked if we have title to the right-of-way in the Mid-Coast project if we would have to transfer that title to SANDAG. Ms. Lorenzen noted that we own the right-of-way so if there is any work done on our property, we would not need to transfer title to the property. The question would be who would own the building on the property.

Mr. Emery asked if we own the railroad line from Santa Fe to Oceanside. Ms. Lorenzen said that was correct, and we have an operating agreement with NCTD to operate the Coaster along that line. Mr. Jablonski noted that Karen King from NCTD believes MTDB owns the line from Sorrento Valley south, and NCTD owns it from Sorrento Valley north. Ms. Lorenzen said she would verify the information.

Policy No. 20, "Licensing of the Use of Registered Marks," provides guidelines for the commercial use of MTS trademarks and logos. The recommendation is to retain this policy indefinitely.

Policy No. 21, "Allocation of State Transit Assistance (STA) Funds," establishes procedures for allocation and distribution of STA funds to eligible operators. The recommendation is to retain the policy and make modifications once SANDAG has completed its policy review.

Action Taken

Mr. Rindone moved to receive a report reviewing MTS Board Policies and Procedures No. 11 through No. 21, directed staff to follow up on Executive Committee comments, and recommend Board approval. Mr. Roberts seconded the motion, and it was unanimously approved.

D. REVIEW OF DRAFT FEBRUARY 12, 2004, BOARD MEETING AGENDA

Recommended Consent Items

4. <u>Controller's Report for November 2003</u> (FIN 305, PC 30100)

Action would receive the Controller's Report for November 2003.

5. MTS Operators Budget Status for November 2003 (FIN 310, PC 30100)

Action would receive the MTS Operator Budget Status for the month of November 2003.

6. <u>San Ysidro Intermodal Transportation Center Project: Request for Substitution of DBE Subcontractor</u> (CIP 10453)

Action would authorize the CEO to: (1) find that Stacy and Witbeck, Inc., made sufficient good faith efforts in attempting to replace Sapper Construction, the disadvantaged business enterprise (DBE) subcontractor; and (2) approve Stacy and Witbeck, Inc.'s, request to replace Sapper Construction with a subcontractor acceptable to MTS, or to perform the work itself.

7. General Engineering Consultant Work Orders and Work Order Amendments (CIP 10426)

Action would authorize the CEO to execute work orders and a work order amendment with our GEC Berryman and Henigar for the Mission Valley East LRT Extension to provide project management assistance, to review environmental planning documents, and to monitor hazardous materials/waste handling activities.

8. Two Years of Additional Service Credit with the Public Employees Retirement System (PERS) (ADM 150.3, PC 30100)

Action would adopt Resolution No. 04-01 designating a time frame for retirement and MTDB positions eligible for two years of additional service credit based on mandatory transfers to the new consolidated agency (SANDAG) and approve consolidation of the Human Resources functions of MTS with those of SANDAG.

Motion on Recommended Consent Items

The Committee reviewed and had no changes to recommended Consent agenda item Nos. 4, 5, 6, 7, and 8.

Recommended Discussion Items

Action on agenda item No. 30, <u>Transit Workshop: Policy Review</u>, would receive a report reviewing MTS Board Policies and Procedures No. 11 through No. 21, provide direction to staff on the proposed changes to these policies, and approve modifying the policies pursuant to Board direction.

E. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS (ADM 110)

Mr. Rindone noted that we are trying to present a united front with Contract Services, SDTC, and SDTI; however, we are keeping the organization separate with the way we are conducting meetings. He would like staff to consider taking a single agenda to the full Board, and conducting a joint meeting. He felt that we do not need to keep bifurcating the meetings. We need to move to single agenda.

Ms. Lorenzen noted that there was a typographical error in agenda item No. 6, which has been corrected for the Board mailout.

Mr. Jablonski said that he went to Washington, D.C., with large group from San Diego. They were able to meet with Senator Boxer and Representatives Issa, Filner, and Cunningham. He also had an opportunity to talk to Representative Davis at a sponsored dinner. He did not get the opportunity to meet with Senator Feinstein due to the Ricin scare. He noted that transportation was only one small component of the issues discussed. The representatives were supportive when we spoke of transit. We requested continued support for Mission Valley East, the Sprinter, and the Mid-Coast Project. We also discussed the ethanol issue, which equates to about a \$6 million to \$8 million loss to California. Only one representative was not supportive of this issue. They are looking to June for the Transportation Equity Act for the 21st Century (TEA-21) reauthorization. He noted that the President's budget included \$81 million for Mission Valley East, and the FTA came out with a New Starts report with the Mid-Coast to Balboa Project receiving a recommended status.

F. NEXT MEETING DATE

The next meeting is scheduled for Thursday, February 19, 2004, at 8:45 a.m. in the MTS Board of Directors Meeting Room.

G. ADJOURNMENT

Chairman Williams adjourned the meeting at 10:42 a.m.

Chairman

PSmith/Board-EC EC-04FEB5.PSMITH 2/11/04



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PROGRESS AND PREVIEWS

PROJECTS, PLANS, ACTIVITIES, AND ISSUES AS OF February 6, 2004

Langley Powell Retires

SDTC President and General Manager Langley Powell's retirement announcement not only made the local news, with a large write-up in the San Diego Union-Tribune, it made national headlines as well. Langley was featured in an article on page 2 in the January 26, 2004, issue of Passenger Transport, the Public Transportation Industry's weekly newspaper. The article included a nice quote from MTS Board of Directors Vice-Chairman Jerry Rindone: Rindone cited Powell's "pattern of visionary and progressive leadership." He continued: "You have proven yourself to be a devoted, competent, and invaluable leader time and time again. Your personal desire for excellence, your willingness to go above and beyond the call of duty, and your public relations skills are truly inspirational. I thank you for your leadership, your example, and vour work ethic."

Motor Sports Return to Qualcomm Stadium

Qualcomm Stadium played host to two motor sports events on consecutive Saturday nights in January. More than 100,000 fans attended the two events with over 6,400 arriving via the San Diego Trolley.

On January 24, 2004, the annual American Motorcycle Association's Supercross races attracted 50,450 race fans to the stadium. Attendance was down from recent years partly due to intermittent rain showers. Over 7 percent (3,615) of those in attendance chose the San Diego Trolley as their preferred method of travel.

On January 31, 2004, another crowd of over 50,000 attended Monster Truck Jam at Qualcomm Stadium. This was the first time this event has eclipsed the 50,000 mark in attendance. 2,802 of these truck enthusiasts opted to use the San Diego Trolley instead of their personal vehicles to get to the stadium. This number is second only to the 2,908 riders San Diego Trolley carried in 2002.

MTS Contract Services, San Diego Transit Corporation Prepares for Petco Park!

MTS Contract Services and San Diego Transit Corporation (SDTC) are making preparations so that the bus routes that will serve Petco Park are ready for the Padres' first season in their new downtown stadium! New schedules that take effect February 1. 2004, allow the buses some extra minutes between Broadway and Imperial Avenue in anticipation of heavy traffic before and after the Padres games. Also, new timetables are being printed that reflect the route changes that will take place when the City of San Diego reopens Tenth and Eleventh Avenues. Routes 4, 11, 25, 901, and 929, currently detoured onto 14th Street, will serve new bus stops directly adjacent to Petco Park and the new Main Library. Those bus stops are being prepared with new signage and shelters to be in place by Opening Day.

National Conference for Community and Justice (NCCJ) Humanitarian Society – King Legacy Award

The Metropolitan Transit Development Board received the National Conference for Community and Justice (NCCJ) Humanitarian Society – King Legacy Award at the 16th Annual NCCJ Dr. Martin Luther King, Jr., All People's Breakfast on Monday, January 19, 2004, at Golden Hall.

The award is given to those who demonstrate commitment to building understanding, mutual respect, and cooperation among all the people of San Diego. **Paulina Gilbert**, Metropolitan Transit System (MTS) Community Relations Coordinator, accepted the award on behalf of the transit agency.

Padres Parking/Transportation Press Conference

A Padres Parking/Transportation Press Conference drew a large media crowd to the new Petco Park on Thursday, February 5, 2004. **Peter Tereschuck**, SDTI President and General Manager, spoke on behalf of the San Diego Trolley, citing the agency's excitement on being part of the new ballpark's

Member Agencies:

City of Chula Vista, City of Coronado, City of El Cajon. City of Imperial Beach, City of La Mesa. City of Lemon Grove, City of National City, City of Poway, City of San Diego. City of Santee, County of San Diego, State of California

Metropolitan Transit Development Board is Coordinator of the Metropolitan Transit System and the Taxicab Administration
Subsidiary Corporations: San Diego Transit Corporation, San Diego Trolley, Inc., and San Diego & Arizona Eastern Railway Company

success. Peter stated some statistics about the Trolley's past Padres service at the "Q": San Diego Trolley has carried over 1.35 million passengers to a total of 490 Padres games, with the peak one-day game ridership of 15,500 coming during the World Series final against the New York Yankees in 1998. Considering that the Gaslamp Trolley stop is only about 200 feet from Petco Park and two other stations are within just a couple of blocks walking distance, Peter said he is confident that the Trolley will be many San Diegans first choice for transportation to Padres games.

The press conference was covered on virtually every local TV station as well as on radio and in the newspapers, showcasing transit as the answer to many people's questions about how to get to the new ballpark.

Staff Anniversary

Congratulations to **Lance Weihe**, Regulatory Specialist/Vehicle Inspector II, who will celebrate his fifth anniversary on February 16, 2004.

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