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REVISED

Agenda

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc.

December 9, 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 (ADLs) are available from the Clerk of the Board/Assistant Clerk of the Board prior to the meeting and are to be returned at the end of the

ACTION RECOMMENDED

- 1. Roll Call
- 2. Approval of Minutes November 18, 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.
- 4. Presentation of Employee Awards

Receive

a. MTDB: Adoption of Resolution No. 04-16 Honoring the
 Distinguished Service of Former General Manager
 Thomas F. Larwin
 Action would adopt Resolution No. 04-16 honoring the distinguished service of former General Manager Thomas F. Larwin.



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency. San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxleab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: 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.

- a. MTDB: CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(b): (One Potential Case)
- b. MTDB: CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION Government Code Section 54956.9(a): Save Our Heritage Organisation (SOHO) v. City of San Diego, et. al, Superior Court Case No. GIC 837743
- c. MTDB: CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION Government Code Section 54956.9(a):

 MTDB v. Kalas, San Diego Superior Court
 Case No. GIE 020086-1
- d. MTDB: CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION Government Code Section 54956.9(a):

 Renovation & Restoration LLC v. SDSU, et al., San Diego
 Superior Court Case No. GIC 830256
- e. MTDB: CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION Government Code Section 54956.9(a):

 MTDB v. The Price Company, San Diego Superior Court Case No. GIC 774603-1

Oral Report of Final Actions Taken in Closed Session

CONSENT ITEMS - RECOMMENDED BY THE CHIEF EXECUTIVE OFFICER (indicated by *)

* 6. MTDB: Finalized Audit Report on the Information Technology Control

Environment

Action would receive this report for information.

Receive

* 7. <u>MTDB: Finalized Audit Report on the Risk Management Process</u> Receive Action would receive the Risk Management Audit Report for information.

* 8. MTDB: Mission Valley East Light Rail Transit Owner-Controlled Insurance Project Program Extension and Funding

Action would (1) ratify the Chairman's approval to extend the current Owner-Controlled Insurance Program insurance coverage until the completion of the Mission Valley East Light (MVE) Rail Transit Project (LRT) and bind insurance coverage; and (2) authorize the transfer of funds from the MVE LRT Project, Project Contingency line item and from the La Mesa Segment Construction line item into two different line items: the Tunnel Segment Construction line item and the Grantville Segment Construction line item for continuation of the OCIP project.

Approve

* 9. MTDB: An Ordinance Amending Ordinance No. 5 Relating to the Enforcement Authorities of Code Compliance Inspectors, Assistant Code Compliance Supervisors, the Code Compliance Supervisor, and Taxicab Inspectors I & II; and an Ordinance Amending Ordinance No. 13, an Ordinance to Repeal and Adopt Document No. 164, Codified Rules and Regulations, as Ordinance No. 13: Second Reading Action would adopt ordinances No. 5 "An Ordinance Relating to Enforcement Authorities of Code Compliance Inspectors, Assistant Code Compliance Supervisors, the Code Compliance Inspection Supervisor, and Taxicab Inspectors I & II" and Ordinance No. 13 "An Ordinance to Repeal and Adopt Document No. 164, Codified Rules and Regulations, as Ordinance No. 13," and direct publication of the ordinance summaries.

Approve

* 10. MTDB: Mission Valley East Light Rail Transit Project: Contract Change Orders

Approve

Action would authorize the CEO to (1) execute CCO No. 34 with Stacy and Witbeck, Inc., for the installation of signal revisions to the existing Orange Line and new Green Line; and (2) execute CCO No. 2 with Modern Continental Construction Company and ratify the previous General Manager's signature on CCO No. 81 for changes in quantities of concrete barrier on the Grantville Segment of the Mission Valley East Project.

* 11. <u>MTDB: Parking Revenue for the James R. Mills Parking Structure</u>
Action would receive this report for information.

Receive

* 12. MTDB: Legal Services Contract Amendment
Action would authorize the CEO to enter into contract amendments with
Julie Morris Soden of Grant & Soden and David Skyer of Susson &
Parrett for general liability services and ratify prior amendments entered into under the CEO's and/or previous General Manager's authority(ies).

Approve

* 13. MTDB: Creative Bus Sales Contract Amendment
Action would authorize the CEO to (1) execute Amendment No. 1 with
Creative Bus Sales; (2) establish Capital Improvement Project
(CIP)10489 Chula Vista Nature Center Bus and transfer funds from
CIP 10488 to CIP 10489; and (3) add City of Chula Vista Transportation
Development Act funds to CIP 10489, contingent upon City of
Chula Vista Council approval.

Approve

* 14. <u>MTDB: September 2004 Quarterly Investment Report</u> Action would receive this report for information.

Receive

NOTICED PUBLIC HEARINGS

25. None.

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

DISCUSSION ITEMS

30. This number not used.

31. <u>MTDB: SANDAG Consolidated Transportation Agency Draft Annual</u> Report

Approve

Action would receive the San Diego Association of Governments' (SANDAG's) Draft Consolidation Report and request that the SANDAG Transportation Committee approve the inclusion of the language presented in Attachment B into the "Transit Agency Perspective" section (page 51) of the draft report.

32. <u>MTDB: Mission Valley East Final Marketing Plan</u>
Action would approve the Mission Valley East Final Marking Plan.

Approve

33. <u>SDTI: Padres Baseball 2004 Year-End Summary</u> Action would receive this report for information.

Receive

34. <u>MTS: Operations Status Reports - October 2004</u>
Action would receive this report for information.

Receive

35. MTS: Comprehensive Operations Analysis - Project Update
Action would receive the status report on the Comprehensive Operational
Analysis (COA) of MTS services.

Receive

36. MTDB: Triennial Performance Audit Recommendations
Action would approve the Triennial Performance Audit
Recommendations and forward to the SANDAG Transportation
Committee for approval.

Approve

Action would (1) receive this report on the Mission Valley East (MVE)
Light Rail Transit (LRT) Project budget status; (2) authorize an increase in the MVE Project Budget distributed into the project line items; and (3) authorize the CEO to request that the San Diego Association of Governments (SANDAG) amend the Regional Transportation Improvement Program (RTIP) to increase the MVE Project budget and fund the increase with regional Congestion Mitigation and Air Quality funds.

Approve

38. <u>SDTC: Amendment to New Flyer Compressed Natural Gas Bus Procurement Contract</u>

Approve

Action would authorize the CEO to place additional funds (contingent upon Federal Transit Administration approval) that were received as an insurance payment for a San Diego Transit Corporation (SDTC) bus that was destroyed by fire into Capital Project SDTC Bus Acquisition. These additional funds would be used to offset the cost of two essential components not included in the original bus specifications.

MTDB: MTS Operators Budget Status Report for September FY 05 39. Receive Action would receive this report for information. Approve

MTDB: 2004 Legislative Year in Review and Proposed Federal and 40. State Legislative Goals for 2005

Action would receive the report on the 2004 Legislative Session, and approve the federal and state legislative goals for 2005 as set forth herein.

Chief Executive Officer's Report 45.

Information

- 46. **Board Member Communications**
- 47. Additional Public Comments Not 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.
- 50. Next Meeting Date: January 13, 2005
- 60. <u>Adjournment</u>

JGarde AGENDAS EC 12-2-04 BD 12-9-04 11/22/04

JOINT MEETING OF THE BOARD OF DIRECTORS FOR THE METROPOLITAN TRANSIT DEVELOPMENT BOARD, SAN DIEGO TRANSIT CORPORATION, AND SAN DIEGO TROLLEY, INC.

November 18, 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 9:14 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. Clabby moved to approve the minutes of the October 28, 2004, Board of Directors meeting. Ms. Sterling seconded the motion and the vote was 8 to 0 in favor.

3. Public Comment

Victor Hooker: Mr. Hunter referred the Board to his letter, which was placed at each Board member's place prior to the start of the meeting. He called particular attention to the last two paragraphs of his letter in which he suggested that the property behind the American Plaza at Kettner Boulevard be used as a bus terminal for all downtown routes. He also called attention to his request that fares not be raised for seniors and disabled riders who cannot afford another fare increase. He stated that the passage of TransNet should prevent the need to implement such a fare increase.

Don Stillwell: Mr. Stillwell reminded the Board that he reported (at the October 28 Board meeting) that the Route 13 leaves the Mission San Diego trolley stop two minutes before the trolley is scheduled to arrive. He stated that he has since received a response advising him to take the trolley trips closest in time to the Route 13 scheduled arrival time, and now service to this station is going to be discontinued when the Mission Valley East extension opens. He also stated that it is difficult for the public to attend MTD Board meetings when they are held during work hours; therefore, Route 13 riders should be polled to determine how they will be affected by this change. He added that work needs to be done to make it easier for people exiting the trolley at the Grantville Station. He stated that riders currently have to use steps or an elevator to move to street level. He also expressed concern regarding the MVE service change to Route 14, which will

be required to travel along Mission San Diego Road, make cross-traffic turns in an area with very heavy traffic congestion, and drop off passengers on the opposite side of the road from their destination.

Willis Lewis: Mr. Lewis stated that transfers currently have a two-hour time limit, which is inadequate for passengers traveling between downtown and North County Fair. He stated that some operators charge the additional fare and some do not. He added that even operators are confused about this policy and some have a bad attitude. He suggested that MTDB issue three-hour transfers or a day pass similar to that issued by North County Transit.

Chief Executive Officer (CEO) Paul Jablonski stated that staff is aware of this problem and is currently working on a solution.

Phil Monroe: Mr. Monroe reported that he was very pleased with the cleanliness and on-time performance of his recent trolley trip, but added that the stop announcements were not audible. He stated that the system needs to take steps to ensure a good customer experience. He added that he rode the trolley in Atlanta during the APTA Annual Convention, and their announcements were very crisp and clear.

Ruth Sterling: Ms. Sterling stated that there were no announcements during her trolley trip to the Board meeting today, but the windows in the trolley were very clean.

4. Presentation of Employee Awards

Steve St. Pierre, Human Resources Manager of Compensation and Benefits, presented the following awards to San Diego Transit employees: 30 years of service: Carol Hastings (Operators). 25 years of service: Bob Carr (Mechanic).

5. Closed Session Items (ADM 122)

There were no Closed Session items.

CONSENT ITEMS

6. <u>SDTI: Right-Of-Way Vegetation Control Services – Contract Amendment and Extension</u> (OPS 970.6, PC 30102)

That the Board of Directors authorize the President-General Manager of San Diego Trolley, Inc. (SDTI), to (1) approve Contract Amendment No. 1 (SDTI Doc. No. C.O.008.1-04), in substantially the same form as shown in Attachment A of the agenda item, with Allied Weed Control, to add 34 additional acres of chemical application on track right-of-way, in an amount not to exceed \$5,421.64; and (2) approve Contract Amendment No. 2 (SDTI Doc. No. C.O.008.2-04) in substantially the same form as shown in Attachment B of the agenda item, with Allied Weed Control, to exercise a contract option to extend the right-of-way Vegetation Control services contract, including an additional 34-acre coverage, for one additional year, for a total cost not to exceed \$28,080.91.

7. MTDB: Review of SD&IV, PSRMA, and CZRY Quarterly Reports, SD&AE Property Matters, and Appointment of SD&AE Corporate Officers (SDAE 710.1, PC 40099))

That the Board of Directors (1) receive the San Diego and Imperial Valley (SD&IV) Railroad, Pacific Southwest Railway Museum Association (PSRMA), and Carrizo Gorge Railway, Inc. (CZRY) quarterly reports; (2) ratify actions taken by the San Diego and Arizona Eastern (SD&AE) Railway Board of Directors at its meeting of October 20, 2004; and (3) appoint the following SD&AE officers as recommended by the SD&AE Board: Paul C. Jablonski as President (replacing Tom Schlosser), Tom Schlosser as Secretary (replacing Mike Ortega), and Mike Ortega as Treasurer.

8. SDTI: Quarterly MTS Security Report (OPS 970.11, PC 30102)

That the Board of Directors receive this report for information.

9. MTDB: FY 05 Revenue Anticipation Notes (OPS 960.5, PC 30100)

That the Board of Directors adopt Resolution No. 04-15 (Attachment A of the agenda item) authorizing MTDB to issue revenue anticipation notes not to exceed \$20 million, in anticipation of receiving federal operating subsidies.

10. <u>MTDB: Approval of FY 05 Federal Highway Administration Disadvantaged Business</u> Enterprise Goals for Publication (LEG 430, PC 30100)

That the Board of Directors approve the proposed Federal Highway Administration (FHWA) disadvantaged business enterprise (DBE) goals for FY 05 and authorize staff to publish a notice of these proposed goals for public information and comments.

11. MTDB: An Ordinance Amending Ordinance No. 5 Relating to the Enforcement
Authorities of Code Compliance Inspectors, Assistant Code Compliance Supervisors,
the Code Compliance Inspection Supervisor, and Taxicab Inspectors I & II; and an
Ordinance Amending Ordinance No. 13, and Ordinance to Repeal and Adopt Document
No. 164, Codified Rules and Regulations, as Ordinance No. 13 (ADM 122.2, PC 30100)

That the MTD Board of Directors read the title of Ordinance No. 5, "An Ordinance Relating to Enforcement Authorities of Code Compliance Inspectors, Assistant Code Compliance Supervisors, the Code Compliance Inspection Supervisor, and Taxicab Inspectors I & II" and read the title of Ordinance No. 13, "An Ordinance to Repeal and Adopt Document No. 164, Codified Rules and Regulations, as Ordinance No. 13," waive further readings of the ordinances, introduce the ordinances for further consideration at the next Board meeting, and direct publication of ordinance summaries.

Motion on Recommended Consent Items

Ms. Tiffany Lorenzen, General Counsel, read the titles of Ordinance Nos. 5 and 13.

Mr. Lewis moved to approve Consent Agenda Item Nos. 6, 7, 8, 9, 10, and 11. Mr. Cafagna seconded the motion, and the vote was 9 to 0 in favor.

NOTICED PUBLIC HEARINGS

There were no Noticed Public Hearings.

DISCUSSION ITEMS

30. MTS: Operators Budget Status Report for August 2004 (FIN 310, PC 30100)

Mr. Tom Lynch, Controller, and Mr. Larry Marinesi, Budget Manager, reviewed financial results for FY 2005 through August 2004. Mr. Marinesi reported that MTS is under budget for net operating subsidy by \$189,000. He stated that this is primarily due to strong performance in fare revenue for Petco Park trolley operations, which more than offset the negative variances for ridership decreases within internal bus operations, higher energy costs, and increased security-related expenses relating to Petco Park service. Mr. Lynch and Mr. Marinesi reviewed comparison to budget for net subsidies and other expenditures, fare revenues, passenger levels, and operating expenses. Mr. Marinesi also reviewed the impact of energy costs on operations.

Mr. Monroe complimented staff on their presentation. He asked that a reference be added to future reports showing how reserves will be impacted. Mr. Jablonski stated that July and August showed strong performance relative to budget; however, starting in October, that strong performance will be impacted by the fact that Petco Park service has stopped for the season. He stated that, as a result, the impact of energy costs will become more evident.

Action Taken

Mr. Monroe moved to receive the MTS Operators Budget status Report for August 2004. Ms. Rose seconded the motion, and the vote was 10 to 0 in favor.

31. MTDB: Bus Operating Plan for Mission Valley East (ADM 121.10, PC 20271)

Mr. Conan Cheung, Director of Planning, reviewed the Bus Operating Plan for MVE, which will be opening in early summer 2005. He reviewed the background of this project and the evaluation methodology used. He then reviewed the recommendations for service changes, those that are recommended for review as part of the Comprehensive Operations Analysis (COA), and those routes that will not be altered. During the presentation of the route analysis for Routes 81, 13, 876, 936, 1, and the new route, Route 18, Mr. Cheung provided Board members with the results of ridership counts that Planning Department staff conducted in the field to determine the number of passengers that would be affected by these changes. He stated that staff also investigated Mr. Stillwell's comments regarding the Route 13. He added that it was determined that a minimal number of passengers would be affected by the proposed service changes. He also reviewed the budget impact reporting that approximately \$526,632 will be saved on an annual basis. Mr. Cheung then reviewed the process that was used to provide public notice and presented the Board with copies of a report detailing all of the public comments received to date.

Mr. Cheung reported that the formal public hearing for the Bus Operating Plan will be conducted at the SANDAG Transportation Committee meeting on December 10, at which time the Plan will also receive final approval.

Public Comments:

Mr. Jim W. Hawkins: Mr. Hawkins expressed support for the Bus Operating Plan. He stated that the restructure of Route 13 offers great improvement in travel time for the North Park area and further south, which is important for people who are accessing the hospital and medical center. He also spoke in favor of the proposed changes to the Route 14 and requested that the end of that route, which goes to the hospital and medical center, not be eliminated in the future. He added that the proposed changes to Route 1 offer a much faster connection to the trolley rather than going all the way downtown.

Clive Richard: Mr. Richard referenced Mr. Cheung's comment regarding the notification of City Council District Nos. 3, 4, and 6, and asked if District No. 7 was notified. Mr. Cheung stated that District No. 7 was not notified, but Take Ones were placed on all buses, and the public will have an opportunity to make comments at the formal public hearing at SANDAG on December 10. Mr. Richard stated his approval of the proposal for Route 13 to go to San Diego State University.

Peter Warner: Mr. Warner requested that something be done as part of the COA to improve Coaster connections. He suggested that something also be done about Route 44, which duplicates Route 5 between Morena/Linda Vista and Old Town Stations. He stated that truncating the route at Morena/Linda Vista would generate a savings for other changes. He expressed his support of the recommended MVE changes, and stated that he would like to see the Route 13 and 14 changes implemented sooner than June if possible. He also expressed support for the new bus stop at Qualcomm Stadium, which replaces the existing stop across the street from the stadium on Friars Road.

Betty Sund: Ms. Sund stated that Route 81 is currently a quick and efficient route. She stated that the proposed elimination of Route 81 will force in riders from the North Park/Kensington area traveling to Mission Valley to make two transfers and will increase their walking distance.

Ms. Sterling stated that she was concerned about the recommended changes to Route 81 and 876 because Route 876 will only replace weekday service, not weekend service on the Lake Murray/Fletcher Parkway/Baltimore Road portion of Route 81. She stated that La Mesa has already supported population density along transit corridors and has also always supported Trolley service within the community. She expressed dismay that this change is occurring in addition to La Mesa's previous loss of Dial A Ride service and stated La Mesa's opposition to this change. She asked that this recommendation be reconsidered. Mr. Cheung stated that staff surveyed this portion of Route 81 and counted only four passengers per trip using this segment on the weekend. He added that 3 out of 4 of these riders will be served by Route 854 on the weekends on the Baltimore Road segment. Mr. Cheung confirmed for Ms. Sterling that riders will be able to access the Kroc Center using Route 875.

In response to a question from Mr. Lewis, Mr. Cheung stated that District No. 7 was not notified because the service changes affecting that district consist of changes included in a previous study conducted with a substantial amount of public outreach and approved by the Board in 2002. In response to Mr. Lewis's question about tabling this item, Mr. Cheung reported that there are many phases to the implementation of service changes, and a delay would impact the timely implementation of these service changes. Mr. Cheung stated that Take Ones were posted on all routes and a hearing notice was published in the San Diego Daily Transcript, but staff will notify and present this information to District No. 7. Mr. Cheung advised Mr. Lewis that publishing in the San Diego Daily Transcript is a legal requirement by SANDAG.

Mr. Jablonski expressed support of the proposed service changes and emphasized the importance of an efficient system in light of MTDB's current reliance on reserves to balance the budget. Mr. Williams stated that, even if TransNet passes, budget issues will still exist. He stated that the system needs to use its funding efficiently and wisely. Mr. Cafagna stated that he was very pleased to see the savings that will result from the proposed service changes and added that he looks forward to the COA. He stated that this is the type of thing the system should be pursuing and this is what was promised to the voters during the promotion of TransNet.

Action Taken

Mr. Cafagna moved to approve the Bus Operating Plan for Mission Valley East (MVE) and forward a recommendation to the San Diego Association of Governments' (SANDAG's) Transportation Committee to approve the plan and conduct the public hearing scheduled for December 10, 2004, regarding the service changes. Mr. Monroe seconded the motion, and the vote was 11 to 0 in favor.

32. MTDB: Update on Morena/Linda Vista Station Joint Development Project (LEG 430, PC 30100)

Ms. Lorenzen provided the Board with an overview of the history on this project and then reviewed the terms of the Deposition and Development Agreement (DDA). She then reviewed the complications that resulted from the City's desire to construct a roundabout at the intersection of Linda Vista Road and Napa Street, the prime corner of the project, which caused a three-year delay in the project. She stated that City View, the developer on this project, lost its anchor tenant and discussions with other tenants had to be terminated. She stated that in late 2002, the City decided not to pursue the roundabout. She then reviewed the project modifications, including an amended DDA, that had to be made and how the project was redesigned. She showed the Board pictures of the project and reviewed the financial contributions of the involved parties. Ms. Lorenzen also provided the Board with a history of events that have occurred since the amendment of the DDA and project redesign. She also reported on staff's current concerns and recommendations for completing the project. During her review of the recommendations, she stated that the Board could choose to allow Citylink to proceed without the building permits for Building C in place by taking into consideration the significant efforts demonstrated by Citylink in getting this project put through along with all the costs they have incurred to date (\$1.5 million). Ms. Lorenzen also reported that MTDB's financial consultants met with the developer on Wednesday, November 17, and

it appears that the majority of the financial issues have been resolved regarding the prohibition of loan terms that affect overage rent payment due to MTDB. She added that the only issue remaining is to ensure that contingent interest is not included as part of the debt service coverage ratio.

Ms. Lorenzen pointed out that all of staff's recommendations are outlined on page one of the agenda item. She added that an additional issue was brought to her attention early this morning. She stated that UBS has requested an amendment to the DDA to add a clause in the event that the developer defaults on the loan allowing them additional time to find a replacement developer or sell the loan. She reported that they have requested an initial two-year period to find a replacement developer followed by a two-year construction period. She stated that the Board will need to act on this request.

In response to a question from Mr. Cafagna, Mr. Martin J. Bohl, counsel to MTDB, reported that the ground lease provides for the overage rent to be payable based on a percentage of gross income from the property, but during the stabilization period, overage rent is not payable unless a debt service coverage ratio of 1.35 to 1 is reached. Mr. Bohl stated that the inclusion of the contingent interest in the calculation of debt service coverage would have the affect of eliminating any overage rent payable to MTDB during that stabilization period. He added that MTDB's financial analyst, Kaiser Marston, has calculated that to have about a \$200,000 impact to MTDB. He also reported that MTDB has taken the position, which the developer has not objected to, that the documents must make it clear that the contingent interest component not be considered debt service for the purpose of this calculation. He stated that, under this arrangement, MTDB would still receive the \$200,000 of overage rent during the stabilization period.

Mr. Cafagna asked if the managing member would make the guarantees that MTDB needs instead of the single-purpose entity. Mr. Chu agreed with Mr. Cafagna's statement that the single-purpose entity is not going to be able to borrow funds without the guarantee of the managing entity. Mr. Cafagna asked why MTDB could not have the same guarantee. Mr. Chu stated that AETNA life insurance, the creator of the fund in 1981, is the sole member of the LLC and the fund is part of the arrangement. Mr. Cafagna stated that the problem with management agreements is they can be cancelled or modified where a guarantee cannot.

Mr. William Jones, the developer and managing member of Morena Vista LLC, claimed he only saw staff's report yesterday afternoon and therefore felt awkward trying to respond. Ms. Lorenzen stated that she e-mailed staff's report to him yesterday morning. Mr. Jones stated that, even though ground leases of any kind are not popular with lenders, the lender is standing behind CityLink. He asked that MTDB be mindful that UBS, a multimillion-dollar institution, has made a commitment to loan \$44.5 million to help make this project a reality. He added that he, William Jones, through CityLink Investment Corporation and Morena Vista LLC, is responsible through the indemnity provisions of the agreement, which was negotiated some years ago. He stated that he has made extreme efforts to keep this project moving forward at much expense in spite of the delays caused by the City's desire to construct the roundabout, and many of his requests to MTDB have been in the spirit of moving the project forward. He stated that he has funded cost differences without asking MTDB to amend the DDA. He added that

there is a construction schedule and escrow needs to be closed or he will lose his funding. He stated that this is a very specialized loan in that the lender is taking a second position to MTDB, and the investors are taking a third position behind the lender. He added that this type of arrangement is creating history, and he doesn't think it is reasonable for MTDB to request a guarantee.

Mr. Cafagna stated that if there's a failure in funding the loan or getting the building permits, MTDB will be left without a transit center on the site. Ms. Lorenzen confirmed for Mr. Cafagna that there will be no transit center once the construction is complete. Mr. Cafagna asked what MTDB would then be losing with the demolition of structures in question. Chairman Williams stated that he has been frustrated with the problems that have been created for this project, and some members of the city council have been frustrated with the way it has been handled. He added that MTDB should move ahead and just take the risk. Mr. Chu added that in the history of the participating mortgage separate account, which has been in existence since 1981, the fund has never defaulted or not funded its obligations. Mr. Jablonski stated that these issues were raised by staff because the current situation is in conflict with actions previously taken by the Board. He stated that staff does not raise these issues out of a desire to obstruct forward movement and, in fact, staff has tried to be as accommodating as possible in moving this project along.

Public Comments:

Clive Richard: Mr. Richard expressed his support of this project and his hope that this project could be moved forward. He stated that all the problems encountered demonstrate why such projects become so costly.

Jeannette Temple: Ms. Temple, Supervising Development Project Manager, City of San Diego, reported that CityLink has pulled and been issued the grading permit for the offsite parking lot and that construction is underway, the grading permit for the entire site is ready to be issued and should happen this week, and building permits for Buildings A, B, and C are ready to be issued save for the finalization of the final map and issuance of the public improvement drawings. Ms. Temple stated that the developer's engineer is anticipated to record the final map by January, possibly sooner. She added that the City is expediting all of their public improvement drawings and final maps and structural, engineering, and planning reviews have all been conducted.

Mr. Jones distributed a booklet providing color pictures to provide Board member's with a visual perspective of the current condition of the project and renderings of the completed project. He stated that tenants have been identified for the commercial space, and it is important to close escrow before they start to become concerned about delivery deadlines. He closed his presentation by stating that they would like to close escrow on November 23.

Cindy Eldred, CityLink's Land-Use Attorney: Ms. Eldred requested that the Board decline to approve any of staff's recommendations as outlined in the agenda item. She requested that the Board direct MTDB's CEO to proceed diligently to close escrow, to execute the amended ground lease and all the documents necessary for close of escrow concurrently with close of escrow on the financing, which is scheduled to take

place no later than November 23. She also requested that the Board decline to impose additional contingencies identified in the staff report. In addition she requested that MTDB waive Condition 4.a to Close of Escrow. She stated that all of the other 16 Conditions to Close of Escrow have been or will be satisfied by delivery of documents in the next couple of days. Ms. Eldred advised the Board that Condition 4.a has basically two parts – that the developer obtain discretionary approvals that are enumerated, all of which were obtained in November 2003. She stated that the other part is that the developer obtain a series of ministerial or administrative permits that are due the developer as of right when he satisfies the condition of approval of the discretionary permits or meets the requirements of the building code and similar codes. She requested that MTDB waive condition 4.a of the DDA to allow escrow to close without complete satisfaction of those conditions. She stated that all discretionary permits have been issued. She stated that all that remains are the recordation for the final map and to pull the building permits. She stated that, unless the City manager deems otherwise, maps must be recorded before the permits can be issued, but they are almost ready to be issued. She added that the grading permit is on a city engineer's desk waiting for signature. She stated that any further delays would probably cost CityLink its lender and possibly its construction bid commitments, which may again cause the cost of the project to rise and possibly result in a project that cannot proceed due to negative financial conditions.

Rod Chu, UBS Realty Investors: Mr. Chu provided the Board with background on the history of UBS. He advised the Board that UBS has been evaluating Morena/Linda Vista LLC over the last three months, and UBS's participating mortgage separate account is expected to fund the construction and permanent loan for \$44.5 million. The participating mortgage separate account is a fund that was created in 1981 and currently has \$1.1 billion of assets under management. He stated that this project has successfully gone through their investment committee process. He stressed the importance of moving this project along.

Ms. Rose requested a clarification as to whether or not there is agreement on items 3 and 4 in staff's recommendation. Mr. Jones stated that he is not objecting to what has been negotiated with staff and stated that he doesn't understand what item 3 means. He stated that their documents are consistent with the DDA and ground lease and criticized staff for raising issues that are new to the developer. He also expressed surprise that staff would question the experience of a lender of the reputation, character, and financial strength of UBS. Ms. Eldred stated that solutions should incorporated into the documents and not handled as contingencies. Ms. Lorenzen stated that she and Mr. Bohl met last Thursday with the developer to review these specific issues in great detail. She stated that the reason they are on the agenda is because they differ materially from the amended DDA, which the Board authorized. She stated that the Board must authorize any changes to that document. She added that she would be acting outside the scope of her authority if she authorized changes without coming back to the Board.

Mr. Ryan asked for clarification of the worst-case scenario if the Board does not approve staff's recommendations regarding the contingent interest and how it might affect the overage rent payments to MTDB. MTDB outside counsel Mr. Bohl stated that it would cause a loss of approximately \$200,000 in overage rent over the first five years of the

project. It was confirmed for Mr. Ryan that the participating loan concept was not contemplated in the original DDA.

Mr. Miguel Smith, Legal Counsel for CityLink: Mr. Smith stated that they would be happy to include within the ground lease a restriction against counting the contingent interest component against the overage rent. He stated that there should be no issue regarding this.

Mr. Zucchet stated that he initially opposed this project when it was presented to the City Council on the basis of, among other things, the amount of subsidy coming from the redevelopment agency for the city, and other subsidies from other sources. He stated that he also objected to \$4.8 million of affordable housing assistance to subsidize 16 or 18 units at 100 percent of Area Medium Income (AMI). He stated that he supports the project itself and stated that it's all the things that are looked for in good city planning. He added that it is much harder to do urban development, and he recognized Mr. Jones, his frustrations, and his efforts on behalf of the project. He also stated that he didn't appreciate that Ms. Lorenzen was being treated unfairly during this discussion. He stated that she is doing what the Board hired her to do and has done a good job.

Mr. Zucchet referred to page 2 of staff's report that states that the original \$100,000 for outside services has been exhausted and that staff anticipates another \$25,000 in fees in addition to the \$20,475 already spent. He added that staff has requested that CityLink deposit additional monies to cover these expenses. Mr. Jones stated that he was shocked to receive the request. He added that he would deposit those funds if requested to do so by the Board but would not be happy about it. Mr. Zucchet stated that staff indicated that CityLink initiated things that are in everyone's best interest but that caused additional legal fees to be incurred, and since the spirit of the agreement and the original deposit of \$100,000 is that CityLink would be paying these fees for MTDB, that these should also be paid. Mr. Jones stated that he disagreed with that philosophy about these expenses. He stated that the \$100,000 was not an open account - that it was placed in MTDB's hands to be managed wisely. He felt that \$100,000 for negotiating a DDA and ground lease was excessive. Mr. Jablonski stated that while those funds were consumed prior to he and Ms. Lorenzen's involvement in this project, he stated that those funds were used very judiciously. He added that Ms. Lorenzen is currently preventing at least some additional expenditures by doing the work herself.

Mr. Zucchet also stated that he could accept the two-year plus two-year tolling period as requested by UBS. Mr. Chu confirmed UBS's agreement what that parameter. Mr. Zucchet stated that he was also willing to waive staff recommendation no. 2 based on the stage of the project and the representation from the City regarding the permits. He added that he appreciated staff pointing out the Board's exposure in this area. Mr. Smith, in response to a question from Mr. Zucchet, stated that the contingent interest will not be added into the debt service, so there will no affect on the calculation of overage rent for MTDB. Mr. Bohl stated that there is agreement on this point.

In response to a question from Mr. Zucchet regarding staff recommendation no. 4, Mr. Bohl stated that the staff recommendation is to simply find that the managing member,

UBS Realty Investors, LLC), has sufficient experience and net worth to fund the loan and handle the transaction.

Mr. Morrison suggested that a specific agreement be reached with Mr. Jones about the unexpected expenses that have been incurred over the \$100,000 originally allocated. Ms. Lorenzen stated that she would be happy to provide CityLink with a full accounting of the expenditure of money over the \$100,000 originally allocated and return any unspent funds at the conclusion of the project. Mr. Mathis also suggested that staff provide a full accounting of the expenditures of the originally allocated \$100,000 as well. Mr. Smith stated that the renegotiated DDA called for a \$150,000 payment concurrently at the close of escrow, and that should be sufficient to replenish MTDB's legal expenses.

Action Taken

Mr. Zucchet moved 1) that contingent interest not be included as debt service for the purpose of calculating the debt service ratio as agreed to by MTDB and the developer and as recommended in staff recommendation no. 3, which states that the "participating loan" terms not affect the overage rent payments due to MTDB and resolution of all issues outlined in the November 4, 2004 letter (Attachment D of the agenda item) to the satisfaction of the CEO: 2) waive staff recommendation no. 2 that requires that CitvLink obtain all "Required Land Use Approval" documents as identified in the DDA or a performance bond (or other security acceptable to the CEO) for that portion of the work for which a Required Land Use Approval document has not been obtained by the close of escrow; 3) approve staff recommendation no. 4 that the CEO approve the lender's use of a "single purpose entity" limited liability company to make the participation loan. based on the experience of the managing member (UBS Realty Investors, LLC) provided that the lender establish the new LLC has sufficient net worth to fund the loan; 4) authorize the CEO to approve the request by UBS to authorize an amendment to the DDA to add a clause in the event that the developer defaults on the loan allowing them an additional two-year period to find a replacement developer followed by a two-year construction period or time to sell the loan; and 5) to provide an accounting to CityLink of MTDB's expenditures of the first \$100,000 expended for legal fees, approve a 50/50 split between MTDB and CityLink of additional fees expended by MTDB with CityLink's share not to exceed \$25,000, and a total not to exceed \$150,000; and 6) complete every task identified on the list (Attachment C of the agenda item) with the exclusion of the final map and public improvement permit as well as the permit for Building C.

Ms. Eldred stated that a great portion of the requirements indicated in staff recommendation no. 1 have to do with the permits, approvals and entitlements, which was covered in Mr. Zucchet's motion to waive staff recommendation no. 2. Ms. Temple confirmed that grading permits and building permits for Buildings A & B will be issued next week. She stated that final map and public improvement permits will not be issued nor will the permit for Building C, and no construction will start until these permits are issued.

Ms. Lorenzen stated that everything listed in Attachment C was in terms and conditions of the DDA that was approved by the Board. She stated that 95 percent of the items on the list are customary for any type of development project like this, and she added that it was her understanding that the tasks can be completed prior to close of escrow.

Mr. Smith stated that MTDB staff needs to submit the ground lease back to the lender and developer.

Mr. Maienschein provided the Board with background on the City Council discussion of this item. He gave Mr. Jones credit for ensuring that community leaders really supported this project. He also expressed support for MTDB staff who have worked on this project and agreed, as a Board member, that he wants staff to continue to be assertive about the Board's rights. Mr. Monroe stated that he is going on faith on the support of the two city councilmembers on MTDB's Board for whom he has much respect and thanked Mayors Cafagna and Rose for their questions. He recognized the complexity of the issues connected with this project. Mr. Mathis complimented Ms. Lorenzen for doing her job very well and assured her that she has the Board's confidence and certainly has presented evidence of how strong she will stand up for MTDB. He thanked Mr. Zucchet for bringing clarity and closure to this issue. He also reminded the Board that this is a public/private partnership, and MTDB has a responsibility to the public for good stewardship. He added that, at the same time. MTDB should act like a good partner in working this out with Mr. Jones, a sincere and motivated developer. Mr. Morrison added his appreciation of the efforts staff makes to protect the Board.

Ms. Rose stated that she was offended at the implication that MTDB is wasting money on legal expenses. She also expressed dismay over the righteous indignation that was expressed by Mr. Jones over things that were agreed to in the DDA. She stated that this was supposed to be a partnership and terms have not been met. Chairman Williams stated that Mr. Jones has endured many frustrations, and everyone must now focus on reaching a solution.

Mr. Maienschein seconded the motion, and the vote was 11 to 0 in favor.

33. MTDB: 25th and Commercial/Cesar E. Chavez Station Artwork Enhancement – Final Art Concepts (CIP 10740)

Public Comment:

James Justus: Mr. Justus expressed his support of the project.

Katherine Lopez: Ms. Lopez expressed her support of the project but objected to the manner in which the eagle is displayed. She felt the UFW eagle should have been used. Ms. Lopez presented a letter expressing her concern in more detail.

Clive Richard: Mr. Richard waived his request to speak.

Margaret Walter: Ms. Walter expressed her support of the project and added that she liked the eagle because it looks like it is going to take off.

Margo Tanguay: Ms. Tanguay stated that a cab stand is needed where passengers can be dropped off and picked up.

John Hiemstra: Mr. Hiemstra, a member of the art team, thanked San Diego Trolley Vice President of Operations Wayne Terry, SANDAG Sr. Transportation Engineering

Pete d'Ablaing, and SANDAG engineering group employee Louise Torio for their work on this project. He added that this was a terrific opportunity to be able to contribute in making decisions on how to spend tax dollars. He expressed his support of the project.

Congresswoman Susan Davis: A letter from Congresswoman Davis was placed at each Board member's place prior to the start of the meeting expressing her support of the project.

Mr. d'Ablaing advised the Board that the bids for this project exceeded budget. He added that the artwork portion of the project was to be carried out as a contract change order. He stated that the scope of the project will have to be downsized or additional funding will have to be identified before the project can go forward.

Action Taken

Mr. Cafagna moved to approve the final artwork for the 25th and Commercial/Cesar E. Chavez Station. Mr. Clabby seconded the motion, and the vote was 8 to 0 in favor.

34. <u>MTS: Operations Status Reports – September 2004</u> (OPS 920.2, 960.5, 970.5, PC 30100, 30101, 30102)

This agenda item was deferred.

35. MTS; FY 04 Performance Incentive Plan Results and Award (ADM 150.3, PC 30100)

There was no discussion of this item.

Action Taken

Mr. Clabby moved to receive this report for information. Mr. Cafagna seconded the motion, and the vote was 9 to 0 in favor.

36. MTDB: Mission Valley East Final Marketing Plan (CIP 10426.13)

This item was deferred.

Public Comment:

Ed Zouhar: Mr. Zouhar stated that it is important that a date be identified as quickly as possible for the opening as many other things need to be arranged and cannot go forward without a definite date. He asked that La Mesa be notified as soon as possible so they can proceed with ancillary arrangements (entertainment, etc.) for the east county opening celebration.

Peter Warner: Mr. Warner requested that new timetables for the proposed MVE-related service changes be made available to the public in April. He also requested a specific date for the opening of MVE.

Mr. Jablonski stated that the opening date is dependent upon the completion of construction and the arrival of the new trolley cars. He stated that a firm date cannot yet be identified because of those two factors.

37. MTDB: Pension Obligation Bonds – Final Status Update (FIN 300, PC 30100)

Mr. Cliff Telfer, Interim Chief Financial Officer, provided the Board with a brief historical overview of this item. He reported that, as a result of favorable interest-rate conditions, the full-year debt service is estimated at \$3,876,501 compared to a projected debt service of \$4,837,189. He also reported that the estimated gross annual savings for this issue of \$1.632 million over a 30-year period compared to amortizing the unfunded liability at the actuarial rate of eight percent.

Action Taken

Mr. Lewis moved to receive this report and approve the final terms and conditions for the issuance and sale of pension obligation bonds. Mr. Clabby seconded the motion, and the vote was 9 to 0 in favor.

38. <u>SDTI: Padres Baseball 2004 Year-End Summary</u> (OPS 970.2, PC 30102)

This item was deferred.

44. Chairman's Report (ADM 121.7, PC 30100)

There was no Chairman's Report.

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

U.S. Department of Transportation Notice and Article on the Future of Energy: Mr. Jablonski called attention to two items at the table for each Board member. He stated that the first item is a letter from the Department of Transportation informing MTDB that the U.S. Secretary of Transportation, Norman Y. Mineta, has issued a grant for \$26.5 million for the Mission Valley East Light Rail Extension.

He stated that the second item is a "think tank" article on the future of energy. He stated that the energy situation sets a good stage for investing in public transportation.

46. Board Member Communications

There were no Board Member Communications.

47. Additional Public Comments on Items Not on the Agenda

Jim W. Hawkins: Mr. Hawkins suggested that Route 892 and 893 be extended from Santa Ysabel. He stated that patrons in this part of the county don't take public transit because the service is insufficient. Mr. Jablonski requested that Mr. Hawkins leave an e-mail address or telephone number so staff could communicate with him to gain a better understanding of his suggestion. Mr. Monroe also stated that rural services are

subsidized at a rate of about \$40 per passenger, and that fact needs to be taken into consideration.

Charles G. Miller: Mr. Miller objected to the amount of "baggage" passengers are allowed to bring onboard buses. He also suggested that fare inspectors be more diligent in preventing riders from eating on the bus and placing their feet on the seats. He stated that bus operators need more freedom on who they allow to board. He also pointed out that Route 916 from Euclid to Lemon Grove and Route 992 have extremely low ridership and are a waste of money.

Peter Warner: Mr. Warner requested that digital signs be installed at stations without them as soon as possible. He also stated that MTDB has soda vending machines that are taking people's money but not delivering any product.

50. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, December 9, 2004, at 9:00 a.m. in the same location.

60. Adjournment

Chairman Williams adjourned the meeting at 12:24 p.m.

San Diego Metropolitan Transit

Development Board

Filed/py:

Office of the Clerk of the Board San Diego Metropolitan Transit

Development Board

Approved as to form:

Office of the General Counsel

San Diego Metropolitan Transit

Development Board

Attachment: A. Roll Call Sheet

gail.williams/minutes

METROPOLITAN TRANSIT DEVELOPMENT BOARD ROLL CALL

MEETING OF (DATE):11/18/04			CALL TO ORDER (TIME):9:14 a.m.		
RECESS:		VV		RECONVENE:	
CLOSED SESSION	1:			RECONVENE:	**************************************
ORDINANCES AD	OPTED	:		ADJOURN:	12:24 p.m.
BOARD MEMBER	₹	(Alternate)		PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS		(Vacant)			Ø
CLABBY	Ø	(Jones)			
EMERY		(Cafagna)	Ø		·
KALTENBORN	Ø	(N/A)			11:58 a.m. after Al 32
LEWIS, Mark	Ø	(Santos)			
MAIENSCHEIN	Ø	(Vacant)		9:26 a.m. after approval of minutes	12:05 p.m. after vote on Al 35
MATHIS	Ø	(N/A)			·
MONROE	Ø	(Tierney)	0		
MORRISON	Ø	(Ungab)		10:30 a.m. during Al 32	·
RINDONE	Ø	(Davis)		9:47 a.m. during Al 31	11:00 a.m. during AI 32
ROBERTS		(Cox)			図
ROSE	Ø	(Janney)		9:41 a.m. during AI 30	12:00 noon after Al 32
RYAN	Ø	(Dale)			
STERLING	Ø	(Ewin)			
WILLIAMS	Ø	(Vacant)			
ZUCCHET	Ø	(Vacant)			
SIGNED BY THE C	FFICE	OF THE CLER	K OF TH	IE BOARD Sail	hfilleans
CONFIRMED BY C	FFICE	OF THE GENE	RAL CO	UNSEL Office	howy

Gail.Williams/Roll Call Sheets 06/10/04

METROPOLITAN TRANSIT DEVELOPMENT BOARD ROLL CALL

MEETING OF (DATE):		12/9/04		CALL TO ORDER (TIME): 9:03		9:03 a.m.
RECESS:				RECONVENE:		
CLOSED SESSION:		9:11 a.m.		RECONVENE:		9:36 a.m.
ORDINANCES ADOPTED:			ADJOURN:		12:01 p.m.	
BOARD MEMBER	₹	(Alternate)		PRESENT (TIME ARRIVED)		ABSENT ME LEFT)
ATKINS	Ø	(Vacant)		9:04 a.m. after approval of minutes		
CLABBY	Ø	(Jones)				
EMERY	Ø	(Cafagna)			11:21 a.r	n.
KALTENBORN	Ø	(N/A)			11:48 a.n	n.
LEWIS, Mark	<u> </u>	(Santos)				
MAIENSCHEIN	Ø	(Vacant)		9:15 a.m. during Closed Session	10:55 a.r	n.
MATHIS	Ø	(N/A)				
MONROE	Ø	(Tierney)				
MORRISON	Ø	(Ungab)		9:04 a.m. after approval of minutes	9:50 a.m	•
RINDONE	Ø	(Davis)			11:21 a.r	n.
ROBERTS		(Cox)			Ø	
ROSE	囡	(Janney)		9:16 a.m. during Closed Session	11:50 a.r	n.
RYAN	Ø	(Dale)		9:37 a.m. during Closed Session		
STERLING	Ø	(Ewin)				
WILLIAMS	Ø	(Vacant)				
ZUCCHET	Ø	(Vacant)		9:04 a.m. after approval of minutes	9:36 a.m	
SIGNED BY THE C	OFFICE	OF THE CLER	K OF TI	HE BOARD Sail	hfell	laws
CONFIRMED BY C	OFFICE (OF THE GENE	ERAL CO	DUNSEL JULIE	shou	uzn

Gail.Williams/Roll Call Sheets 06/10/04

SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

REQUEST TO SPEAK FORM

AGENDA ITEM NO.

412
1

FORWARD TO SUSAN HAFNER

ORDER REQUEST RECEIVED

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. <u>Subjects of previous Hearings or agenda items may not again be addressed under General Public Comments.</u>

Date 12-9-09		
Name (PLEASE PRINT) STEFFANI KREGER		_
Address 114 LA CRESTA TRAIL		_
Telephone 619 445 8104		
Organization Represented (if any)		_
		_
Subject of your remarks: REGARDS 7D ELEASTIM	MI FOODRESS	_
O TRAKS PORTATION ACCESS - TAKIN	6 ME OFF MAD.	_
Agenda Item Number on which you request to speak M BLIN	D 7 LIVE IN HARDISON	CY
Your comments are presenting a position of: SUPPORT	OPPOSITION	- O

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

AND HAVE USED THIS TRANSPORTATION FOR MANY YRS. AND HAVE BEEN NOTIFIED THAT I SOON WOULD BE EXCLUDED BEING ABEL TO USE YOUR SERVICE TO TRANSPORT FROM MY HOUSE TO VARIOUS AREAS WITHIN S.D. COUNTY - ALLA I'M VERY ACTIVE BLIND CITIZEN. THAT IS A CHEM OF DEPT. OF READO. THEY ARE PAYING FOR MY EDUCATION AS WELL AS MY TRANSPORTATION
THAT YOU ARE PROVIDING FOR ME AT THIS TIME! For tot Out THAM? YOU STEFFANÎ



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

Agenda

Item No. <u>6</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board San Diego Transit Corporation, and San Diego Trolley, Inc. LEG 492 (PC 30100)

December 9, 2004

Subject:

MTDB: FINALIZED AUDIT REPORT ON THE INFORMATION TECHNOLOGY CONTROL ENVIRONMENT

RECOMMENDATION:

That the Board of Directors receive the Information Technology (IT) Audit Report (Attachment A).

Budget Impact

None.

DISCUSSION:

During August 2004, the MTDB Internal Auditor performed a limited review of the IT control environment. The objective of the audit was to assess the adequacy of IT controls. As a result of this review, several recommendations were offered to improve controls. Management has accepted these recommendations, and action is underway to implement the recommendations.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Mark Abbey, 619.557.4573, mark.abbey@sdmts.com

JGarde/DEC9-04. 6.MABBEY

Attachment: A. IT Audit Report (Board Only)





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

Memorandum

DATE:

November 16, 2004

LEG 492 (PC 30100)

TO:

Daniel Bossert

FROM:

Mark Abbey

SUBJECT: AUDIT REPORT: INFORMATION TECHNOLOGY REVIEW

EXECUTIVE SUMMARY

I have completed a limited review of the Information Technology (IT) control environment. The review was performed in accordance with the approved audit plan.

Audit Objectives and Scope

The objective of the review was to assess the adequacy of the IT control environment.

The scope of the audit included a limited review of:

- network security;
- contingency planning;
- software modifications and change control; and
- follow-up on KPMG audit recommendations.

Background

The IT group functions as a centralized department providing IT services to all three agencies (MTDB, San Diego Transit Corporation [SDTC], and San Diego Trolley, Inc. [SDTI]). The group provides services including user support, network security, programming, data security, and backup.

The group consists of a total of 11 staff members who are aligned into two areas: Program Development, and IT Systems Support.



The March 17, 2004, KPMG management letter to the SDTC Board contained two recommendations for improvements to IT controls. The first recommendation related to improvement of the organization's disaster recovery plan. The second recommendation concerned suggested improvements to the *IT Policies and Procedures Manual*. Efforts have been made to address these areas. The IT Department has also been challenged by the departure of key personnel to the San Diego Association of Governments (SANDAG) and a number of deficiencies with the new Ellipse software.

Observations and Recommendations

Progress has been made in addressing the recent KPMG recommendations. The *IT Policies and Procedures Manual* is a very comprehensive tool for managing the organization's IT processes. Although progress has been made in dealing with the Ellipse deficiencies, efforts are still underway to resolve the few remaining work requests for program changes addressing program functionality and system performance.

To further improve the IT control environment, the following recommendations are offered for management's consideration:

- Devote resources toward improving the organization's disaster recovery and business continuity plan.
- Perform a complete physical inventory of IT equipment on an annual basis and maintain documentation of counts.
- Disable network user identifications (IDs) for former employees and establish a process to ensure network access is disabled when employees leave the organization.

A detailed explanation of these recommendations is provided below under *Detailed Observations*. I wish to thank IT personnel for their cooperation and assistance during the course of this review.

DETAILED OBSERVATIONS

1.0 <u>Disaster Recovery and Business Continuity</u>

In its March 17, 2004, management letter, KPMG recommended that "SDTC along with MTDB management assign resources to assist with the business continuity planning effort. The personnel should assess the current disaster recovery plan and perform a gap analysis to address both automated and manual business processes required for successful continuity of critical operations in the event of a disaster. In addition, management should ensure that plans are updated and tested regularly to ensure appropriateness."

My review of the status of this recommendation determined that more work is still required to achieve these objectives. For example, documentation has not yet been established on how each critical business function would manually perform its duties if the computer systems were unavailable. In addition, a testing schedule has not yet been established and followed to test the disaster recovery process.

The IT Department on its own cannot fully implement an adequate disaster recovery plan. Management should ensure that all concerned departments have a plan in place to ensure

-2-

critical business functions can be performed in the event that computer systems are unavailable.

Recommendation

Devote resources toward improving the organization's disaster recovery and business continuity plan.

Management Response

Management is in agreement with the recommendation to devote resources toward improving the business continuity plan and testing the appropriateness' of the disaster recovery plan.

The effort of this undertaking requires committing resources at the business level to review internal processing requirements to support transaction activities using a manual process while the business application system is made operational. Discussions with Executive Management will be conducted with the objective of organizational wide focus to improve the internal processing strategy in the event that a critical business system is compromised or unavailable.

The priority of the IT Department, in the event of a critical business system failure, is to devout the necessary manpower and resources to bring the business system back on line so that normal business transaction processing can resume.

The business continuity plan however, is a developed strategy that defines how a manual process will be used to at the business level to ensure continuity until the business application is restored to accept normal transaction processing.

Some of the elements that are currently in place for the business continuity plan are as follows.

- Vendor maintenance contracts to supply replacement hardware to minimize down time of critical business transaction processing.
- Documented procedures for recovery of critical business application systems and data.
- Mock disaster recovery scenarios for business application systems that are planned and tested semiannually.
- Shell site relocation contracts to deliver operating equipment to predetermined business sites to enable temporary processing until a new location has been established.
- Automated systemwide backups to media tapes for recovery of data.

1.1 Physical Inventory of IT Equipment

A complete physical inventory of IT hardware and software should be performed on an annual basis. My review determined that only a partial inventory had been done in the past 12 months. In order to provide assurance that all assets are accounted for, a complete annual physical count of IT assets should be performed. The count should be reconciled with MTDB's

accounting records and all differences investigated and resolved. Documentation should be maintained on file of the physical count and reconciliation. Failure to perform regular counts could result in a loss of control over IT assets.

Recommendation

Perform a complete physical inventory of IT equipment on an annual basis and maintain documentation of counts.

Management Response

Management agrees with the recommendation and will conduct physical inventories on an annual basis. The Information Technology Department maintains and controls a complete inventory listing of all networking and computer equipment deployed in the organization. The equipment inventory is stored in the agency's help desk database software application called *TrackIT*. Equipment audits are conducted on any new purchases and entered into the application that records the serial number, manufacturer, equipment type, and standard warranty information. The equipment is then deployed and assigned to a network user and this information is updated in the help desk application identifying where the equipment was placed within the agency.

The IT Department's *Policy and Procedures Manual* identifies the inventory process as monthly counts of at least 25 equipment items by sampling from the inventory database. These counts include workstations, printers, laptops, monitors, and application servers. Technical systems staff also verifies and audits equipment asset identifications when performing any support effort at a workstation. The effort to conduct an annual physical inventory for the organization over the past year has been a challenge due to the constant moving and transferring of equipment related to consolidation efforts at both SANDAG and the three agencies within MTS.

Management is evaluating additional application software to monitor and remotely control every equipment item in the organization and currently uses a similar application for delivering virus protection updates remotely to the desktop, which audits the computer name and level of protection.

This, along with the current help desk application, allows the IT Department to control and identify all networking and computer equipment that will be incorporated by performing an annual physical inventory count for the three agencies.

1.2 Control of System Access

On July 28, 2004, I reviewed a list of active network user IDs. This list contained a number of former employees who had not been deleted or deactivated from network access. The risk exists that unauthorized access to the network could occur if user access is not adequately controlled. A process should be established to ensure that the Human Resources Department communicates with the IT Department when employees leave the organization. This will minimize the risk of unauthorized access to the network.

Recommendation

Disable network user IDs for former employees and establish a process to ensure network access is disabled when employees leave the organization.

Management Response

Management is in agreement and has completed the recommendation to disable former network employees for system access. Development of internal procedures is being discussed with the MTS Human Resources Department to disable network accounts when an employee leaves the agency.

JGarde/M-FINAL-ITCONTROLREVIEW

cc: Paul Jablonski Tiffany Lorenzen



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

Agenda

Item No. 7

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc. LEG 492 (PC 30100)

December 9, 2004

Subject:

MTDB: FINALIZED AUDIT REPORT ON THE RISK MANAGEMENT PROCESS

RECOMMENDATION:

That the Board of Directors receive the Risk Management Audit Report for information (Attachment A).

Budget Impact

None.

DISCUSSION:

During September 2004, the MTDB Internal Auditor performed a review of the risk management process. The objective of the audit was to assess the adequacy of controls over the risk management process at MTDB, San Diego Transit Corporation, and San Diego Trolley, Inc. As a result of this review, three recommendations were offered to improve controls. Management has accepted these recommendations, and action is underway to implement the recommendations.

Paul C. Jablonskí

Chief Executive Officer

Key Staff Contact: Mark Abby, 619.557.4573, mark.abbey@sdmts.com

JGarde/DEC9-04.7.MABBEY

Attachment: A. Risk Management Audit Report (Board Only)



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

Memorandum

DATE:

November 9, 2004

LEG 492 (PC 30100)

TO:

Jim Dow

FROM:

Mark Abbey

SUBJECT: AUDIT REPORT - RISK MANAGEMENT

EXECUTIVE SUMMARY

I have completed a review of the Risk Management process. The audit was performed in accordance with the approved audit plan.

Audit Objectives and Scope

The objective of the audit was to review the adequacy of internal controls over the risk management process at MTDB, San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI).

BACKGROUND

Currently, MTDB, in conjunction with SDTC and SDTI, outsources its claims administration function to two third-party administrators (TPAs). Hazelrigg Risk Management Services (Hazelrigg) is responsible for adjudicating and processing workers' compensation claims. McDowell Adjusting Company (McDowell) is responsible for adjudicating and processing liability claims.

Each agency has assigned contacts with the TPAs. MTDB has a Risk Management Coordinator who is responsible for the overall coordination of the risk management function for the three agencies. SDTC has a Risk Administrator who directly oversees the liability claims and workers' compensation functions for SDTC. At SDTI, the Human Resources group has an individual assigned to oversight of the workers' compensation process while the SDTI Safety Manager and senior management oversee the liability claims process.

Both TPAs operate under contract and are required to send monthly reports on active claims to MTDB. TPA and attorney billings are reviewed by the MTDB Risk Management Coordinator and the MTDB General Counsel prior to payment. The following is a summary of recent workers' compensation and liability claims by agency.



Number of Open Files as of July 31, 2004

AGENCY	LIABILITY	WORKERS' COMPENSATION
MTDB	15	0
SDTC	165	318
SDTI	122	48
TOTAL	302	366

OBSERVATIONS AND RECOMMENDATIONS

To further improve the risk management process, the following recommendations are offered for management's consideration:

- Perform periodic formal audits/file reviews at the TPA offices.
- Ensure consistent risk management processes at both SDTC and SDTI.
- Review the adequacy of the bus video systems.

Detailed explanation of these recommendations is provided in Detailed Observations below.

I wish to thank Risk Management personnel for their cooperation and assistance during the course of this review.

DETAILED OBSERVATIONS

1.0 Quality Assurance Review of the TPAs

MTDB does not perform formalized on-site quality assurance reviews of the TPAs. Regular audits should be performed at both Hazelrigg and McDowell offices to ensure that claims are properly adjusted, time and expense charges are appropriate for the tasks performed, and if the files contain appropriate/adequate documentation as required by industry standards.

Recommendation

Perform periodic formal audits/file reviews at the TPA offices.

Management Response

A formal audit of the third-party administrators is a good idea. A formal audit should help to assure that contract specifications are being met, claims administration functions are being carried out efficiently with minimal errors, and proper fiscal accounting is documented.

ACT	ION	TIMELINE
•	Identify scope of audit	Late 2004
•	Develop checklist	Late 2004
•	Involve MTS Internal Auditor	Early 2005
•	Implement	Spring 2005
•	Review/adjust process as applicable	Ongoing

1.1 Risk Management Processes at SDTC and SDTI

In my review of the risk management processes at SDTC and SDTI, inconsistencies were noted between the two agencies. For example, the Risk Administrator at SDTC oversees both the liability and workers' compensation claim processes. She also monitors TPA performance and makes settlement decisions on active claims. At SDTI, the workers' compensation process is monitored by Human Resources while the liability process is monitored by the System Safety Manager in conjunction with senior management. Settlement decisions are usually made by the TPA in consultation with SDTI senior management.

The processes have evolved in this fashion due to a number of factors. SDTC has historically had more claims and has had a risk management group while SDTI has had fewer claims and does not have in-house risk management personnel.

In order to ensure adequate monitoring of the TPAs for both SDTC and SDTI claims, consideration should be given to streamlining the processes across agencies. This may be accomplished through the integration of risk personnel into one group who could act as a quality assurance group for all three agencies.

Recommendation

Ensure consistent risk management processes at both SDTC and SDTI.

Management Response

Procedures are being reviewed and evaluated with a goal toward consolidation. Workers' compensation procedures are currently in draft form and under management's review, which should unify MTDB and SDTC. Systemwide goals have been established.

ACTION	TIMELINE
Develop a uniform accident investigation procedure for all three agencies	Target late spring 2005
Develop a worker's compensation procedure manual for all three agencies	Target late spring 2005
Develop a claims-reporting flow process for all three agencies	Target late spring 2005
Develop a uniform claims settlement process	Target late spring 2005

1.2 Bus Video Systems

During my review of the SDTC risk management process, concerns were expressed by SDTC personnel about the adequacy of the present video systems used on the SDTC buses. It is vital to have adequate videotaping systems available to record bus accidents in order to facilitate liability claim adjudication and improve future driver training.

The adequacy of the present system should be assessed and, if necessary, upgraded or replaced by a system which better meets the needs of risk management and operator training.

Recommendation

Review the adequacy of the bus video systems.

Management Response

Review of the adequacy of video systems is underway internally by SDTC. An effort to identify recent bus collisions where a bus video system may have assisted in claims resolution will be performed in late 2004. Following identification, matching records to determine if a system was installed and functioning should be assessed.

JGarde/M-FINAL-RISK.MABBEY 9/24/04

cc: Paul Jablonski, Tiffany Lorenzen - MTDB



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Agenda

Item No. <u>8</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc. LEG 491 (PC 10426.12)

December 9, 2004

Subject:

MTDB: MISSION VALLEY EAST LIGHT RAIL TRANSIT OWNER-CONTROLLED INSURANCE PROJECT PROGRAM EXTENSION AND FUNDING

RECOMMENDATION:

That the Board of Directors:

- ratify the Chairman's approval to extend the current Owner-Controlled Insurance Program (OCIP) insurance coverage until the completion of the Mission Valley East (MVE) Light Rail Transit (LRT) Project and bind insurance coverage at an estimated cost impact of approximately \$840,000; and
- authorize the transfer \$810,650 from the MVE LRT Project, Project Contingency line item (WBS #10426-3800) and \$150,000 from the La Mesa Segment Construction line item (WBS #10426-109918LM) into two different line items: \$555,325 into Tunnel Segment Construction line item (WBS #10426-1010), and \$405,325 into the Grantville Segment Construction line item (WBS #10426-109918GR) (as shown in Attachment A—Budget Transfer History) for continuation of the OCIP project.

Budget Impact

Funding to extend the OCIP shall be accomplished by the following activities:

 \$810,650 would be transferred from the MVE Construction Contingency line item (10426-3800) revising the line item budget amount to \$0. \$150,000 would be transferred from the MVE the La Mesa Segment Construction line item (WBS #10426-109918LM), revising the line item budget amount to \$63,600,000.









- \$555,325 would be added to the Tunnel Segment Construction line item (WBS #10426-1010), revising the line item budget amount to \$111,429,200; and \$405,325 would be added to the Grantville Segment Construction line item (WBS #10426-109918GR), revising the line item budget amount to \$72,729,200. The total project budget remains unchanged at \$491,107,852.
- \$840,000 for the OCIP extension would split evenly between the Tunnel Segment Construction line item (WBS #10426-1010), leaving a balance of \$34,441, and the Grantville Segment Construction line item (WBS #10426-109918GR), leaving a balance of \$29,133.

Funding for the OCIP extension transferred into the construction budget from the project contingency is shown in Attachment A. The project contingency would be reduced to zero with this action. Returning to the Board in January is anticipated for additional budget actions, including project reserve and project contingency funding.

DISCUSSION:

The original OCIP insurance policy covered the period from November 16, 2000, to November 16, 2004. After the OCIP Program was initiated, the MVE Project completion date was adjusted from November 2004 to May/June 2005. The adjustment of the project completion date necessitates an extension of insurance coverage for the corresponding time period.

The cost of extending the primary liability insurance layer with Zurich American Insurance Company (Zurich) was negotiated and confirmed in May 2003. At that time, MTDB discussed the options and decided to defer the purchase of the extension until a clearer picture was established as to whether an extension of the policy would actually be necessary. The cost of extending that primary layer with Zurich until June 30, 2005, was quoted and fixed at a price of \$350,000, with a 50 percent minimum earned premium covering the first 60-day duration of the extension.

As the original OCIP policy period termination date approached, various methods to provide insurance coverage were contemplated. An alternative method initiated was to terminate the OCIP as originally scheduled and have the bulk of insurance coverage assumed by the contractors. As the contractor costs for this selected alternative were received, it became apparent that an extension of the original OCIP program would afford the necessary coverage at the most cost-effective price.

In order to avoid a lack of or lapse of coverage that would result in additional delays and costs to MTDB, authority to authorize an extension of the OCIP was requested pursuant to MTDB Policy No. 4, paragraph 4.6. The estimated cost of extending the OCIP was determined to be approximately \$840,000. The approval to extend the OCIP was authorized November 15, 2004 by the MTDB Chairman. This action was deemed necessary because the extension involved expenditures in excess of \$100,000, and there was not sufficient time to wait for approval until a meeting of the full Board of Directors.

Authorization to bind insurance coverage on behalf of MTDB for the OCIP program was made to cover the policy period November 16, 2004 through June 30, 2005. Coverage authorized includes the following:

- Workers' compensation (statutory limits) and employer's liability (\$2,000,000 limit) until contract completion. Self-insured retention is \$250,000 per occurrence.
- Primary commercial general (\$2 million limit) and automobile liability (subcontractors only--\$4 million excess of \$1 million underlying limit). The insurance carrier is Zurich for an extension until project completion. Self-Insured retention is \$250,000 per occurrence.
- Excess liability (\$50 million limit in excess of \$2 million underlying). The insurance carrier is AIG for the first layer.
- Builder's risk (\$265 million Limit). The insurance carrier is Allianz until project completion.
- Professional liability and contractor's pollution liability (\$25 million limit). The insurance carrier is Zurich for an extension until project completion.

Paul C Jablonski

Chief Executive Officer

Key Staff Contact: Jim Dow, 619.557.4562, jim.dow@sdmts.com

JGarde/DEC9-04.8.JDOW 11/22/04

Attachment: A. Budget Transfer History (Board Only)

Att. A, Al 8, 12/9/04, LEG 491

MISSION VALLEY EAST **BUDGET TRANSFER HISTORY**

Budget Transfers

			33	34	35	36	_	
	Board A	Approval Date>	6/24/2004	7/8/2004	9/23/2004	12/9/2004		Current
	Boar	d Item Number>	#15	#6	#7		Cumulative	Approved
WBS	Budget Line Item	@ FFGA					Changes	Budget
0100	Admin	14,900,000					-	14,900,000
0599SDSU	SDSU Utility Betterments						1,500,000	1,500,000
0610	Design Tunnel	6,800,000	(400,000)				8,400,350	15,200,350
0618	Design Line Segment	14,500,000	700,000				12,950,000	27,450,000
0700	Construction Management	21,300,000			1,800,000		23,800,000	45,100,000
0800	Prof. Services	2,400,000					1,000,000	3,400,000
0900	Right of Way	31,200,000					1,700,000	32,900,000
1010	SDSU Construction*	86,500,000		1,300,000	1,500,000	555,325	24,929,200	111,429,200
1099	SDSU Mitigation	-		(300,000)	(1,000,000)		12,189,000	12,189,000
1018	Const. Line Segment	179,400,000					(179,400,000)	•
109918GR	Const. Grantville		·	300,000		405,325	72,729,200	72,729,200
109918LM	Const. La Mesa			(800,000)		(150,000)	63,600,000	63,600,000
109918TS	Const. Track & Sys.			(500,000)			46,500,000	46,500,000
109910SR	SDSU Steam Line Repair						1,960,102	1,960,102
1300	Vehicles	30,000,000					7,850,000	37,850,000
1400	Fare Collection	1,100,000	(300,000)		(200,000)		(900,000)	200,000
1500	Communications	1,100,000					(600,000)	500,000
1900	Start up	2,400,000					-	2,400,000
3800	Contingency	31,400,000				(810,650)	(29,689,350)	-
4000	Contaminated soils	1,000,000					300,000	1,300,000
		404.000.000					CO 040 500	404 407 953

Totals** 424,000,000

0

68,818,502

491,107,852 Approved Budget 487,647,750 MTDB Funded Budget

3,460,102 SDSU & Insurance Claim

3900	Project Reserve

(2,100,000)

(22,547,750)

1,352,250 Available Reserves

* - Inlcudes \$4,000,000 in SDSU Utility Relocations

^{**-} excludes 7,000,000 in planning budget



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Agenda

Item No. 9

Joint Meeting of the Board of Directors for the Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc. ADM 122.2 (PC 30100)

December 9, 2004

Subject:

MTDB: AN ORDINANCE AMENDING ORDINANCE NO. 5 RELATING TO THE ENFORCEMENT AUTHORITIES OF CODE COMPLIANCE INSPECTORS, ASSISTANT CODE COMPLIANCE SUPERVISORS, THE CODE COMPLIANCE INSPECTION SUPERVISOR, AND TAXICAB INSPECTORS I & II; AND AN ORDINANCE AMENDING ORDINANCE NO. 13, AN ORDINANCE TO REPEAL AND ADOPT DOCUMENT NO. 164, CODIFIED RULES AND REGULATIONS, AS ORDINANCE NO. 13: SECOND READING

RECOMMENDATION:

That the MTD Board of Directors adopt the attached ordinances "An Ordinance Relating to Enforcement Authorities of Code Compliance Inspectors, Assistant Code Compliance Supervisors, the Code Compliance Inspection Supervisor, and Taxicab Inspectors I & II" and "An Ordinance to Repeal and Adopt Document No. 164, Codified Rules and Regulations, as Ordinance No. 13," and direct publication of the ordinance summaries.

Budget Impact

None.

DISCUSSION:

The proposed amendments to Ordinance Nos. 5 and 13 were introduced at the Board meeting of November 18, 2004. The amendment to Ordinance No. 5 would add Health and Safety Code (H&S) § 11532 to Section 5.3 *Duties and Authorizations of Compliance Inspectors*. H&S Code § 11532 states, "It is unlawful for any person to loiter in any public place in a manner and under circumstances manifesting the purpose and with the intent to commit [drug-related activity]." This section further describes what "circumstances may be considered in determining whether a person has the requisite









intent to engage in drug-related activity." The proposed amendment to Codified Ordinance No. 5 is included as Attachment A with the additions made in bold.

Codified Ordinance No. 13 would be amended to add Section 13.5(T), which would include loitering as one of the prohibited activities on or about the transit facility. Section 13.5(T) would incorporate the language of Penal Code § 555.2 and would read as follows: "No person shall loiter in the immediate vicinity of any posted property."

The proposed amendment to Codified Ordinance No. 13 is included as Attachment B with the additions made in bold.

MTDB Authority to Prohibit Loitering

In MTDB's enabling legislation under Public Utilities Code § 120451, MTDB is vested with the authority to issue citations for loitering in or about transit facilities. Public Utilities Code § 120451 states, "[The] violation of any ordinance . . . enacted by the board prohibiting . . . loitering in or about transit facilities owned or controlled by the board, is an infraction punishable by a fine not exceeding fifty dollars (\$50)."

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Tiffany Lorenzen, 619.557.4512, tiffany.lorenzen@sdmts.com

JGarde DEC9-04.9.TLOREN 11/22/04

Attachments: A. Ordinance Amending Ordinance No. 5 (proposed final text version)

B. Ordinance Amending Ordinance No. 13 (proposed final text version)

Board Only

PROPOSE REVISED TEXT VERSION OF AMENDING ORDINANCE

SAN DIEGO METROPOLITAN TRANSIT DEVELOPMENT BOARD

AMENDMENT TO ORDINANCE NO. 5

An Ordinance Amending Ordinance No. 5

Relating to the Enforcement

Authorities of Code Compliance Inspectors, Assistant Code Compliance Supervisors,

the Code Compliance Inspection Supervisor,
and Taxicab Inspectors I & II

The Board of Directors of the San Diego Metropolitan Transit Development Board (MTDB) do ordain as follows:

Section 5.1 Statutory Authorities

- A. The Metropolitan Transit Development Board has been created by State law (Public Utilities Code Section 120000 through 12054) as a public agency with the authority and duty to plan and construct exclusive public mass transit guideways (Section 120260) and to acquire, construct, maintain, and operate or let a contract to operate public transit systems and related transportation facilities and services (Section 120264).
- B. Additionally, the Board is vested with the duty to adopt all ordinances and make all rules and regulations proper and necessary to regulate the use, operation, and maintenance of its property and facilities, including its public transit systems and related transportation facilities and services (Section 120105). The violation of any ordinance, rule or regulation enacted by the Board relating to evasion of fares in any transit facility owned or controlled by the Board is an infraction and upon a violation after the second conviction is a misdemeanor (Section 120450).
- C. The provision of information known to be false to a Code Compliance Inspector, Assistant Code Compliance Supervisor, the Code Compliance Inspection Supervisor, or the Transit Security Administrator (hereinafter cumulatively referred to as Inspectors) is similarly an infraction or misdemeanor (Section 120450.5).
- D. The violation of any ordinance, rule, or regulation prohibiting unauthorized operation or manipulation of transit facilities or prohibiting unauthorized tampering or interference with transit facilities is similarly an infraction or misdemeanor (Section 120451).
- E. The violation of any ordinance, rule, or regulation prohibiting the unauthorized entering into, climbing upon, holding onto, or in any manner attaching oneself to vehicles operated upon exclusive public mass transit guideways is an infraction or misdemeanor (Section 120452).
- F. In implementation of those provisions of State law, the Board has adopted Ordinance No. 13, prohibiting specified conduct onboard transit vehicles and prohibiting specified actions on or about the transit facilities. The Board has further adopted Ordinance No. 2 requiring proof of fare payment by passengers using the San Diego Trolley and Ordinance No. 3, regulating parking in the San Diego Trolley parking lots and other transit facilities.

- The Board is authorized to contract with cities and the County to license or regulate by G. ordinance any transportation services within such cities or the unincorporated area (Section 120266) and has done so by adoption or Ordinance No. 11, the enforcement of which will be done by Taxicab Inspectors I & II, and other Taxicab Administration staff designated in Section 5.3.
- Pursuant to Penal Code Section 836.5, the Board may authorize public officers and H. employees to arrest a person without warrant, including officers and employers of a nonprofit transit corporation wholly owned by a local agency and formed to carry out the purposes of the local agency and San Diego Trolley, Inc., is such a corporation.

(Section 5.1 amended 7/12/01)

(Section 5.1 amended 9/26/96)

(Section 5.1 amended 1/11/96)

(Section 5.1 amended 11/10/94)

(Section 5.1 amended 8/12/93)

Section 5.2 Purposes

In view of the multitude of regulations applicable to the facilities and vehicles of the San Diego Metropolitan Transit Development Board, it is desirable to clarify and specify the authority of the Inspectors, relative to various acts committed on or about the property.

Section 5.3 <u>Duties and Authorizations</u>

- Inspectors employed by the San Diego Metropolitan Transit Development Board (MTDB) A. and Inspectors employed by San Diego Trolley, Inc., are hereby vested with the duty to enforce MTDB Ordinances No. 2, No. 3, No. 4, No. 11, and No. 13. Business and Professions Code Sections 4140 and 25662, Health and Safety Code Sections 11364, 11357(b), and 11532, Public Utilities Code Sections 5411.5, 120450, 120450.5, 120451, and 120452, Penal Code Sections 148, 219.2, 308(b), 369g, 470(a), 481.1, 555.1, 555.2, 594, 594.1, 594.2, 594.4, 602(f), 602(n), 602(p), 640, 640(a), 640.5, and 647(c), Vehicle Code Sections 21456, 21955, 22507, 22521, and 22526, and San Diego City Municipal Code Section 56.54 (at transit facilities owned, controlled, or used by the Board, including but not limited to transit centers, rail stations, bus shelters, and bus stops on public and private property), and in accordance with Penal Code Section 836.5 are authorized to arrest a person without a warrant whenever an Inspector has reasonable cause to believe that the person to be arrested has committed an infraction or misdemeanor in the Inspector's presence which is a violation of the statutes and ordinances which he or she has the duty to enforce.
- Regulatory Specialists and the Taxicab Administrator, employed by MTDB, are hereby vested with the duty to enforce MTDB Ordinance No. 11 and, in accordance with Penal Code Section 836.5, are authorized to arrest a person without a warrant whenever a Taxicab Inspector has reasonable cause to believe that the person to be arrested has committed an infraction or misdemeanor in the Inspector's presence which is a violation of the statutes and ordinances which he or she has the duty to enforce.

C. Right-of-Way Agents, designated by the General Manager and employed by MTDB are hereby vested with the duty to enforce MTDB Ordinance No. 3 and, in accordance with Penal Code Section 836.5, are authorized to arrest a person without a warrant whenever an agent has reasonable cause to believe that the person to be arrested has committed an infraction or misdemeanor in the Agent's presence which is a violation of the statutes and ordinances which he or she has the duty to enforce.

(Section 5.3 amended 10/3/02) (Section 5.3 amended 7/12/01) (Section 5.3 amended 3/23/00) (Section 5.3 amended 9/26/96) (Section 5.3 amended 1/11/96) (Section 5.3 amended 11/10/94) (Section 5.3 amended 8/12/93)

Section 5.4 Severability

The provisions of this Ordinance are severable, and if any of the provisions, clauses, sentences, subsections, sections, words, or parts thereof is held illegal, invalid, or unconstitutional or inapplicable to any person or circumstance, such illegality, invalidity, unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, subsections, sections, words or parts of this Ordinance or their application to other persons or circumstances. It is hereby declared to be the legislative intent that this Ordinance would have been adopted if such illegal, invalid or unconstitutional provision, clause, sentence, subsection, section, word or part had not been included therein or such person or circumstance to which the Ordinance or part thereof is held inapplicable has been specifically exempted therefrom.

Amended: 10/3/02 Amended: 8/9/01 Amended: 3/23/00 Amended: 9/26/96 Amended: 1/11/96 Amended: 11/10/94 Amended: 8/12/93

Repealed & Readopted: 12/12/91

Amended: 2/8/90 Amended: 10/13/88 Amended: 10/4/84 Amended: 2/27/84 Adopted: 7/25/83

DDarro CD-ORD5-OCT3.JLIMBE 10/9/02

PROPOSE REVISED TEXT VERSION OF AMENDING ORDINANCE

SAN DIEGO METROPOLITAN TRANSIT DEVELOPMENT BOARD

AMENDMENT TO ORDINANCE NO. 13

An Ordinance Amending Ordinance No. 13

An Ordinance to Repeal and Adopt

Document No. 164, Codified Rules and Regulations, as Ordinance No. 13

The Board of Directors of the San Diego Metropolitan Transit Development Board (MTDB) do ordain as follows:

Section 13.1: General

The use of the San Diego Metropolitan Transit Development Board (MTDB) facilities shall be conditioned upon the observance of this ordinance or any rules and regulations hereafter promulgated by MTDB or pursuant to its authority; all rights, privileges, licenses and permits, express or implied, for the use of MTDB facilities are revocable; and each such right, privilege, license or permit shall at the option of MTDB or its duly authorized representative be revoked and canceled by and upon the breach of this ordinance or of the violation while in or upon MTDB facilities or any applicable laws or ordinances.

Nothing herein contained or omitted from this ordinance shall be construed to relieve any person whatsoever from exercising all reasonable care to avoid or prevent injury or damage to persons or property.

Any requirement or provision of these rules relating to any prohibited act shall respectively extend to and include the causing, procuring, aiding or abetting, directly or indirectly, of such act; or the permitting or the allowing of any minor in the custody of any person, doing any act prohibited by a provision hereof.

Any act otherwise prohibited by these rules shall be lawful if performed under, by virtue of, and strictly in compliance with the provisions of an agreement, permit, or license issued or approved by MTDB and/or San Diego Trolley, Inc. (SDTI), and to the extent authorized thereby.

These rules are in addition to and supplement all applicable laws or ordinances.

Section 13.2: <u>Definitions</u>

The following terms, as used in this ordinance shall, unless otherwise expressly stated or unless the context clearly requires a different interpretation, have the following meaning.

- A. <u>Bicycle</u> A "bicycle" is a device upon which any person may ride, propelled exclusively by human power through a belt, chain, or gears, and having two wheels.
- B. <u>Bus</u> A "bus" is any motor vehicle, other than a motortruck or truck tractor, designed for carrying more than 10 persons including the driver, and used or maintained for the transportation of passengers, except that any motor vehicle, other than a motortruck or truck tractor, designed for

carrying not more than 12 persons, including the driver, which is maintained and used in the nonprofit transportation of adults to and from a work location as part of a carpool program or when transporting only members of the household of the owner thereof, shall not be considered to be a bus for the purposes of this section.

- C. <u>Facility or Transit Facility</u> A "facility" or "transit facility," includes, but is not limited to, transit centers, rail stations, bus shelters, and bus stops on public or private property.
- D. <u>Pedestrian</u> A "pedestrian" is any person who is afoot or who is using a means of conveyance propelled by human power other than a bicycle.
- E. <u>Trolley</u> A "trolley" is a vehicle which is propelled by electric power obtained from overhead trolley wires and is operated upon rails.

Section 13.3: Fares

Passengers shall be permitted on a transit vehicle or in a transit station owned, controlled, or used by MTDB or its subsidiaries only upon payment of such fares and under such circumstances as may from time to time be ordained by MTDB. It is unlawful for any person to refuse to pay, or to evade or attempt to evade the payment of such fares.

Section 13.4: Prohibited Conduct Onboard Trolleys

It shall be unlawful for passengers or occupants while aboard a trolley while said vehicle is transporting passengers in regular route service, contract, special, or community type service, within the MTDB jurisdictional area to:

- A. Consume any food or beverage while on any trolley.
- B. Smoke or carry alighted or smoldering pipe, cigar, cigarette, or tobacco in any form in or upon any trolley.
- C. Operate any radio, phonograph, tape player, or other such instrument on a trolley that is audible to any other person on the vehicle.
 - D. Expectorate in or upon any trolley.
 - E. Discard litter in or upon any trolley.
- F. Extend his/her head, hand, arm, foot, leg, or other portion of the body through any window of a trolley.
 - G. Interfere in any manner whatsoever with the operator or operation of the trolley.
 - H. Possess an open alcoholic beverage container while onboard a trolley.
 - I. No person shall ride any bike, skateboard, or scooter while onboard the trolley.

Section 13.5: Prohibited Actions on or About the Transit Facility

A. No person (except MTDB/SDTI/SDTC employees, agents, or authorized visitors) shall enter upon the roadbed, tracks, structures, or other parts of the transit facility which are not open to passengers or to the public.

- B. No person shall drink any alcoholic beverage or possess an open alcoholic beverage container on the transit facility except on premises licensed therefor.
- C. No person shall sit, lie, or stand with any portion of his/her body extending within 8 feet 6 inches of the centerline of the outside rail on straight track of within 9 feet 6 inches of the centerline of the outside rail on curved track except while entering or alighting from a trolley stopped at that station.
 - D. No person shall ride upon the outside or roof of any trolley.
- E. No person shall injure, deface, destroy, loosen, remove, or tamper with the transit facility.
- F. No person shall injure, mutilate, deface, alter, change, displace, remove, or destroy any sign, notice, signal, or advertisement on the transit facility.
- G. No person shall interfere with any lamp, electric light, electric fixture or density on the transit facility.
- H. No person shall write, paint, or draw any inscription or figure on or deface any transit facility.
- I. No person shall disobey or disregard the notices, prohibitions, instructions, or directions on any sign posted on the transit facility.
- J. No person shall interfere with, encumber, obstruct, or render dangerous any transit facility.
- K. No person shall throw or project a stone or other missile at any trolley, bus or at any person or thing on the transit facility.
- L. No person shall throw or project a stone or other missile from any transit facility or vehicle.
- M. No person shall fail or refuse to comply with any lawful order or direction of any MTDB inspector, security officer, or any peace officer.
- N. No person shall do, aid, abet, or assist in doing any act which may be dangerous, harmful, or injurious to any person or property within the transit facility, said act being not specifically prohibited herein.
- O. No person shall put his foot on any seat provided for any passengers of the transit facility or place any article on such seat which would leave grease, oil, paint, dirt, or any other substance on such seat.
- P. No person shall urinate or defecate in or upon unauthorized locations on the transit facility.
- Q. No person shall post, distribute, or display commercial signs, advertisements, circulars, handbills, or written material of a commercial nature on or within the transit facility, nor shall any person engage in any verbal solicitations of a commercial nature on or within said facility.
 - R. No person shall climb upon or jump the trolley couplers.
 - S. No person shall discard litter in any transit facility or vehicle.

T. No person shall loiter in the immediate vicinity of any posted property.

Section 13.6: Animals

No person shall bring, carry unto or convey upon the transit facility, a dog or other animal unless it is completely enclosed in a carrying case which can be accommodated in the lap of a passenger with no danger or annoyance to other passengers. This rule shall not apply to a "service" or "assistance" animal. A "service" or "assistance" animal is trained to assist persons with disabilities. Such animals shall be properly harnessed when possible. MTDB reserves the right to inquire about the status of such animals.

Section 13.7: Meetings

No person shall hold any meeting, perform any ceremony, make any speech, address or oration, exhibit, or distribute any sign, placard, notice, declaration, or appeal of any kind or description within any transit facility or upon any transit vehicle or platform without written permit from an MTDB official.

Section 13.8: Selling, Peddling, Leasing, Etc.

No person shall exhibit, sell, or offer for sale, hire, lease, or let out in or about the transit facility or a transit vehicle any object or merchandise, whether corporeal or incorporeal, except concessions under contract to MTDB.

Section 13.9: Bicycles

Bicycles are permitted on trolleys under the following conditions:

- A. Bicyclists must be at least 16 years of age and have a valid proof of payment of fare.
- B. Only one bicycle is allowed onboard a trolley during the hours of 6:00 a.m. to 9:00 a.m. and 3:00 p.m. to 6:00 p.m. weekdays.
- C. Bicycles will be permitted to board vehicles at the rear doors only and must be placed against the rear driver's cab. No more than two bicycles per car will be allowed and no bicycles will be permitted in the aisleways at any time.
 - D. Bicyclists must remain with their bicycles at all times.
- E. When part of a group charter, more than two bicycles per car will be permitted at any time.

DDarro CD-ORD13.JLIMBE 8/16/01

Adopted:

8/9/01



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

Agenda

Item No. 10

CIP 10426.7.5

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc.

December 9, 2004

Subject:

MTDB: MISSION VALLEY EAST LIGHT RAIL TRANSIT PROJECT: CONTRACT CHANGE ORDERS

RECOMMENDATION:

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

- execute Contract Change Order (CCO) No. 34 with Stacy & Witbeck, Inc. (SWI), in substantially the same form as Attachment A, for the installation of signal revisions to the existing Orange Line and new Green Line, under Contract LRT-10426.5, in an amount not to exceed \$326,035.00; and
- 2. execute CCO No. 81, Supplement No. 2, with Modern Continental Construction Company (MCC) in an amount not to exceed \$31,289.60, in substantially the same form as shown in Attachment B, and ratify MTDB's previous General Manager's signature on CCO No. 81, for a total of \$127,289.60, for changes in quantities of concrete barrier on the Grantville Segment of the Mission Valley East (MVE) Project (Contract LRT-10426.3).

Budget Impact

 A total of \$326,035.00 for CCO No. 34 with SWI would be encumbered from available funds in the Trackwork and Systems (Contract LRT-10426.5) Construction Contingency (WBS #10426-109918TR), leaving a balance of \$1,444,281.00 in the LRT-10426.5 Construction Contingency.



2. A total of \$31,289.60 for CCO No. 81, Supplement No. 2, for the Grantville Segment would be encumbered from the MVE LRT Extension Construction Contingency, line item (WBS #10426-109918GR), leaving a balance of \$344,955.00 in the Grantville Segment Construction Contingency line item. The funds for the original CCO No. 81 and Supplement No. 1 have already been encumbered under this Construction Contingency.

DISCUSSION:

SWI, under Contract LRT-10426.5, is the contractor for the installation of trackwork and systems on the infrastructure constructed by the two line segment contractors and San Diego State University (SDSU) contractors. They have been working on the MVE Extension Project since January 2003.

CCO No. 34 is to pay SWI to make revisions and additions to the signaling systems of the existing Orange Line and the new Green Line. The drawings upon which SWI bid and was awarded the contract contained railroad signaling system drawings that did not accurately reflect all of the work that the contractor would have to do to upgrade the Orange Line or complete the Green Line and then integrate the two. The contractor, working with staff, took several months to make the necessary revisions, incorporating numerous route and circuit changes, factory engineering, wiring, testing, and field coordination to design a system that would work with the proposed operating plan for the Green Line and integrate it into the Orange Line signal system. The signal subcontractor, Safetran Systems, and staff have now come up with a signal design that will accommodate the new operations and will provide a safe operating system. The cost for this work is for an agreed-upon price. The CCO final cost is the net cost after credit from the contractor for original bid items that will no longer be used.

The Board is requested to approve CCO No. 34 for \$326,035.00 to pay the contractor for making these revisions, which are beyond those called for in the original contract documents.

For information purposes, the SWI Workforce Report is included as Attachment C.

MCC is the prime contractor for the construction of the Grantville Segment (LRT-10426.3), beginning work in December 2001. CCO No. 81, Supplement No. 2, is requested for decreased quantities of Concrete Barrier Type 25 and Type 26 Modified (bid items 196 and 197, respectively) not installed and to pay MCC for increased quantities of Concrete Barrier Type 25 Modified installed on top of the Alvarado Creek Road Bridge at Force Account.

During the original construction of the barrier, sections were blocked out pending the decision of the City of San Diego for the type of ornamental streetlight that would be installed. Fifteen locations were blocked out and poured at a later date, using a different type of barrier. The cost of this CCO Supplement No. 2 is net after the contractor gave MTDB credit for portions of the original concrete barrier not installed.

Staff has evaluated the contractor's cost and pricing proposal for this extra work, finds it reasonable, and recommends that this CCO be approved.

For information purposes, the MCC Workforce Report is included as Attachment D.

Paul C. Jablonski

Chief Executive Officer

Key Staff Contact: Dennis L. Wahl, 619.235.2635, dwa@sandag.org

LTorio/AI 16-04DEC9.DWAHL 11/22/04

Attachments: A. SWI CCO No. 34

B. MCC CCO No. 81, Supplement No. 2

C. SWI Workforce Report

D. MCC Workforce Report

Board Only

CONTRACT CHANGE ORDER (CCO)

Report Date: 11/17/04

Contract No. LRT-426.5

MVE Trackwork & Systems

File: CIP10426.7

Page 1 of 9 pages

CCO NO.

34

SUPPLEMENT NO. REVISION NO.

0

Stacy and Witbeck Inc.

You are hereby directed to make the herein described clianges from the plans and specifications or do the following described work not included in the plans and specifications on this

	NOTE: This change order is not entective tinni approved by the statement of the statement o
	Description of work to be done, estimate of quantities, and prices to be paid. Segregate between additional work at contract price, agreed price and force account. Unless otherwise stated, rates for remail of equipment cover only such time as equipment is actually used and no allowance will be made for idle time. Change requested by Eaglucer
	The last percentage shown after each hid item is the net accumulated increase or decrease from the original quantity in the engineer's estimate. Description of Changes in Contract Item Work at Contract Prices
	In accordance with Section 4-1.03B of the Standard Specifications, the following Bid Items #143 "Intermediate Signal, In Tunnel, 3-Aspect, Complete", #159 "AC Track Circuit" and #162 "1500A Impedance Bond" have been decreased per the CCO #34 revised drawings. Setimate of Decrease in Contract Item Work at Contract Prices
1	Complete Complete

Item 143	Inter Signal, In Tunnel, 3-Aspect, Complete -1 EA (-100.00%) @ \$11,000.00 =	•	(\$11,000.00)	(-100.00%
Irem 159	AC Track Circuit -1 EA (1.61%) @ \$9,300:00 =		(\$9,300.00)	(-3.23%)
Ir.em 162	1500A Impedance Bond -2 EA (-2.08%) @ \$8,753.00 =		(\$17,506.00)	(-2.08%)
Decrease			ű.	

Extra Work at Agreed Price

Total Change This Supplement: (continued next page)

\$326,035.00 (Increase)

	<u>.</u>	
ubmitted by:	Resident Engineer Steven Dill	Date
1	Resident Engineer Steven Dill	
secommended by:		Date
(0001111121101211 0)	Construction Project Manager Mark Benson	
		Date
Approved py:	Construction Engineer William A. Prey	
Concurred by:	Director of Engineering & Construction Ji	Date
and the second s		im binemicum
Concurred by:	General Manager Paul Jablonski / CEO	Date
	General Manager Paul Jablonski / CEO	



CONTRACT CHANGE ORDER (CCU)

Contract No. LRT-426.5

MVE Trackwork & Systems

File: CIP10426.7

Report Date: 11/16/04

Page 2 of 9 pages

CCO NO.

34

SUPPLEMENT NO. REVISION NO.

0

TO:

0

Stacy and Witbeck Inc.

In accordance with Section 4-1.03D, Extra Work, of the Standard Specifications, provide labor, material, and equipment necessary to implement various signaling changes as indicated on the amended Change Order #34 drawings; the drawings were amended by red-line corrections as noted in the following paragraph. The added costs to the Contractor for this change order include additional design coordination; added factory engineering, wiring, and testing; added field coordination and testing; engineering travel costs; and payment for material on-hand for deleted signal work. Pages 6 through 9 list the material on hand.

The Change Order #34 drawings were amended with red-line drawing revisions at a design coordination meeting that included Mass Electric, Safetran Systems, Mission Valley Designers, MTDB, and Washington Group International, on October 1, 2003. The amended drawings are incorporated into this change order.

Page 3 of the change order summarizes the negotiated amounts to the Contractor's estimate. Pages 4 and 5 of this change order provide a list of drawing revisions issued under this change.

The Contractor shall contact Ed Foster, SDTI Senior Maintenance Supervisor, at 619-595-4926 to arrange delivery of spare parts.

A lump sum payment of \$363,841 will be made for the above work. This sum constitutes full compensation, including all markups for this change.

There will be no adjustment of contract time by reason of this change:

Agreed Price \$363,841.00

Estimate of Adjustment Compensation

In accordance with Section 4-1.038(2), Decreases of More Than 25 Percent, of the Standard Specifications, no adjustment will be made for units of work for bid item #159 & #162, which under-ran the Engineer's Estimate by more than 25 percent. In accordance with Section 4-1.03B(3), Eliminated Items, of the Standard Specifications, no adjustment shall be provided for eliminating Item #143 in its entirety due to no costs incurred in connection with such elimination.

Adjustment Comp. Estimate \$0.00

Total Change This Supplement:

'\$326,035.00 (Increase)

Att. B, Al 10, 12/9/04, CIP 10426.7.5 CONTRACT CHANGE ORDER (CCO) Report Date: 11/03/04

Contract No. LRT- 426.3

MVE GRANTVILLE SEGMENT

File: 104267

Page 1 of 1 pages

CCO NO. SUPPLEMENT NO.

81 2 Ω

REVISION NO.

Modern Continental

You are hereby directed to make the herein described changes from the plans and specifications or do the following described work not included in the plans and specifications on this

NOTE: This change order is not effective until approved by The General Manager

Description of work to be done, estimate of quantities, and prices to rates for rental of equipment cover only such time as equipment is a	o be paid. Segregate be actually used and no all	tweet additional work	ou contract price, as for idle time.	preed price and force account. Unless otherwise stated,
Change requested by Engineer				

The last percentage shown after each bid item is the net accumulated increase or decrease from the original quantity in the engineer's estimate.

Description of Changes in Contract Item Work at Contract Prices

Delete an equivalent of Concrete Barrier Rail, Type 25, on RW 100L & 101L, and Type 26 (Modified) on Alvarado Creek Bridge which was blocked out and installed at extra work (at Force Account) to support the Ornamental Lights.

Estimate of Decrease in Contract Item Work at Contract Prices

Item 196 Concrete Barrier Type 25

-3.6 M (-0.83%) @ \$150.00 =

(\$540:00) (~0.83%)

Item 197 Concrete Barrier Type 26 Mod

-4.19 M (-0.72%) @ \$160.00 =

(\$670.40) (-0.72%)

Decrease (S1,210.40)

Estimate of Extra Work at Force Account

In accordance with Section 4-1.03D, Extra Work, & 9-1.03, Force Account Payment, of the Standard Specifications, and as directed by the Engineer, provide labor, material, and equipment necessary to construct the Type 25 (Mod.) and Type 26 (Mod.) concrete barrier, previously blocked out for the Ornamental Light (OL) base support, on top of the Alvarado Creek Bridge (ACB).

This work will be paid as Extra Work at Force Account in an amount not to exceed \$32,500.00.

Force Account Estimate \$32,500.00

Total Change This Supplement:	\$31,289.60 (Increase)
By reason of this order the time of completion will be adjusted as follows: No Adjustment	
Submitted by: Resident Engineer Ramon Ruelas	Date 11-3-04
Recommended by: Construction Engineer William A. Prey	
Recommended by: Director of Engineering & Construction	Date
Approved by: General Manager Paul Jablonski - CEO	Date
We, the undersigned contractor, have given careful consideration to the change proposed and hereby agree, if this pre- materials, except as may otherwise be noted above, and perform all services necessary for the work above specified, it	oposal is approved, that we will provide all equipment, furnish all and will accept as full payment therefor the prices shown above.
Accepted, Date Contractor: Modern Continental	
Ву	Title
If the contractor does not sign acceptance of this order, his attention is directed to the requirements of the specification within the time therein specified.	ons as to proceeding with the ordered work and filling a written protest

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	African American Hispanic			r Pacific nder	Nat Amer		Ott	Other			
Category	M	F	M	F	M	F	M	F	M	F	Total
Executive/Managerial									1		1
Engineers/Architects/ Surveyors			2						2		4
Professionals (N.E.C.)											
fechnicians											
Sales											
Administrative Support										1	11
Protective Services											
Services (N.E.O.)											
Craft Workers (Skilled)	1	1	28	1	1				5	1	38
Machine Operators, Assemblers and Inspectors			1	,					9		10
Transportation and Material Moving											
Laborers (Unskilled)											
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Kathy Chin			Office	Manage	r			11/18/20	004		
NAME OF SIGNEE			TITLE				DAT	E			
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Kathy Chin. 7171 Alva	ITADO RO	ad, Suite	102, La	Mesa, CA	91941	Phone: 6	19-644-35	i00 - Fax	c: 619-64-	3504	

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	African American		Hispanic		Asian or Pacific Islander		Nat Amei		Oti	Overall	
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Engineers/Architects/ Surveyors					,	·			2		2
Professionals (N.E.C.)											
Technicians											
Sales											
Administrative Support				. 1		·					
Protective Services			,								
Services (N.E.C.)							·				<u> </u>
Craft Workers (Skilled)			G						14		23
Machine Operators, Assemblers and Inspectors											
Transportation and Material Moving											
Laborers (Unskilled)			6						4		10
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G. NAME, ADDRESS AN		E NUMBE			O CONT	ACT REG	ARDING	THIS RE	PORT.	1.10	37.62-7

4464 Alvarado Convon Rog

LTorio/WORKFORCE6-01



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

Agenda

Item No. <u>11</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc. FIN 300 (PC 30100)

December 9, 2004

Subject:

MTDB: PARKING REVENUE FOR THE JAMES R. MILLS PARKING STRUCTURE

RECOMMENDATION:

That the Board of Directors receive this report for information.

Budget Impact

None at this time.

DISCUSSION:

This report is an update on the income derived from parking for special events, such as Padres games.

The San Diego Regional Building Authority has ownership of the MTS Tower/ James R. Mills Building. MTS's share of this Joint Powers Agency is 27.61%. Expenses for the building, net of all revenues, constitute one portion of budgeted rent expense. This portion was budgeted at \$250,000 for FY 05. Included in the above-mentioned revenues, reducing some of the expenses is parking structure income. The FY 05 budget estimated this event revenue to be \$75,000.



For FY 05 to September (July 2004 through September 2004), the actual revenue received was \$79,484 (MTS's share). The attached chart (Attachment A) shows the parking lot detail for Calendar year 2004 to September. All of the numbers referenced on the attachment are at the Building Authority's 100%; MTS's share is 27.61%.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Tom Lynch, 619.557.4538, Tom.Lynch@sdmts.com

JGarde DEC9-04.11.TLYNCH 11/23/04

Attachment: A. Operating Statement (Board Only)



Operating Statement James Mills Auto Park Lot 0526 September 2004

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					An army market of the Supplemental	JUN'		AUG:	SEP (001257	MOA-: -	RIEDAN MER	AND TAINING CO.
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INCOME		2.060.25	1.814.00	1,820.25	893.00	1,412.16		3,800.00	10.426.00	0.00	0.00	0.00	77,528.50
Transient Revenue	1,869.25		9,915.00	8,430.00	5,465.00	7,290.00	7,795.00	0.00	5,120.00	0.00	0.00	0.00	20,480.00
Monthly Revenue	8,900.00	15,507.50	2,560.00	2,560.00	2,560.00	0.00	2,560.00	0.00	0.00	0.00	0.00	0.00	40.00
Monthly Overages	2,560.00	2,560.00	0.00	0.00	0.00	0.00	40.00	72.569.00	93,923.00	0.00	0.00	0.00	448,726.00
Transient Nights	0.00	0.00	0.00	74,753.00	52,775.00	66,841.00	87,865.00	0.00	2,625.00	0.00	0.00	0.00	16,275.00
Event Income	0.00	0.00		750.00	2,475.00	1,875.00	1,875.00		0.00	0.00	0.00	0.00	64.00
Token	2,550.00	2,250.00	1,875.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	42,757.00
Key Card	64.00	0.00	0.00	0.00	0.00	0.00	21,530.00	11,995.00		\$0.00	\$0.00	\$0.00	\$620,302.41
Special Event Income	0.00	920.00	8,312.00		r:\$64,168.00	\$77,418.16	\$123,060.75	, \$89,716.75	\$113,908.50	\$0.00	. \$0.00	V 0.00	, ,
TOTAL INCOME	\$15,943.25	\$23,297.75	\$24,478.00	\$88,313.25	EN SOA! I DO TO TO TO	FREE STATES CONTRACTOR							
IO IAL INCOME	* * * * * * * * * * * * * * * * * * *			,								0.00	17,889.43
						1,526.66	1,282.25	2,042.45	2,119.73	0.00	0.00	0.00	10,672.42
OPERATING EXPENSES	1,574.42	1,616.48	2,230.18	3,684.26	1,813.00	•	929.77	1,318.99	1,481.33	0.00	0.00	0.00	
Cashier's Wages	1,078.01	1,140.00	1,148.94	1,186.75	1,207.83	1,180.80	783.06	1,189,95	1,274.78	0.00	0.00	0.00	10,623.88
Supervision		975.79	1,196.21	2,237.32	1,069.37	958.44	110.60	168.07	285.05	0.00	0.00	0.00	1,716.95
Payroll Overhead	938.96	137.82	168.96	316.01	262.45	135.37	299.00	299.00	299.00	0.00	0.00	0.00	2,691.00
Clerical Fees	132.62	299.00	299.00	299.00	299.00	299.00	0.00	0.00	40.00	0.00	0.00	0.00	86.00
Health and Welfare	299.00	0.00	0.00	0.00	46.00	0.00		22.52	19.11	0.00	0.00	0.00	380.42
Shopping Tests	0.00	62.78	0.00	112.68	83.00	80.33	0.00	218.75	194.27	0.00	0.00	0.00	1,333.17
Supplies	0.00	55.61	67.44	174.45	132.97	197.78	230.98	79.22	48.93	0.00	0.00	0.00	2,203.42
Uniforms	60,92	33.01	42.30	307.09	0.00	0.00	23.30	0.00	242.43	0.00	0.00	0.00	4,262.68
Tokens and Tickets	1,702.58	0.00	2.969.65	749.94	0.00	300.66	0.00	0.00	0.00	0.00	0.00	0.00	30.11
Signs	0.00	0.00	0.00	0.00	30.11	0.00	0.00		0.00	0.00	0.00	0.00	250.00
Keys and Locks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	250.00	0.00	0.00	0.00	0.00	2,234.06
Sweeping	0.00	0.00	0.00	182.87	472.17	224.64	905.35	250.00	1,190.00	0.00	0.00	0.00	10,710.00
Equipment Repairs	199.03	0.00		1,190.00	1,190.00	1,190.00	1,190.00	1,190.00	0.00	0.00	0.00	0.00	34.00
Insurance - Liability	1,190.00	1,190.00	1,190.00 0.00	0.00	34.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,208.40
Business License and Taxes	0.00	0.00		0.00	0.00	0.00	1,208.40	0.00	0.00	0.00	0.00	0.00	338.74
Property Taxes	0.00	0.00	0.00	121.64	0.00	136.14	0.00	60.77		0.00	0.00	0.00	52.95
Xerox and Printing	20.19	0.00	0.00	0.00	10.00	11.32	25.75	0.00	0.00	0.00	0.00	0.00	354.45
Telephone and Pager	5.88	0.00	0.00		24.41	27.54	16.44	96.64	28.58		0.00	0.00	2,203.42
Bank Service Charge	27.55	64.44	35.52	33.33	239.46	289.60	234.31	208.73	268.56	0.00	0.00	0.00	25,968.85
Credit Card Charge	0.00	0.00	364.74	598.02	3,033.00	4,189.64	5,730.00	5,524.75	5,457.47	0.00	0.00	0.00	592.07
	0.00	0.00	0.00	2,033.99	146.10	0.00	0.00	258.44	0.00	0.00		0.00	8.47
Padres Expense	0.00	0.00	0.00	187.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,614,75
Misc Expense	8.47	0.00	0.00	0.00		1,722.75	2,697.50	1,839.50	1,956.00	0.00	0.00		96,787.22
Customer Service	170.00	242.00	307.25	1,483.50	1,196.25		-	44 - 15,017.78	14,905.24	0.00	0.00	0.00	20,101.22
Incentive Fee	7/407/62	5,783.92	10,020.19	~ 14,898:38	5, 11,289.12 £	12,410.01	1, 167, 171 1,150	Marie Court To be seen					
TOTALEXPENSES	SEAPER DESIGN	LENDESCH PROGRAMMENT	•					474 698 97	\$99,003.26	\$0.00	\$0.00	\$0.00	\$523,515.19
مع داده و		37,513.83 ≽.	\$14,455.81	3\$73,414.87 . \$	\$52,878.88	\$64,947.49	**************************************	Standardings.	et and the second				Ε΄.
NET INCOME (LOSS)	\$8,535.62	SPERITED STATES	A 1.41 in 2.12 to										Att
•													· 🚾



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

Agenda

Item No. <u>12</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc. LEG 491 (PC 30100)

December 9, 2004

Subject:

MTDB: LEGAL SERVICES CONTRACT AMENDMENT

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to enter into a contract amendment with Julie Morris Soden of the Law Offices of Grant & Soden (MTDB Doc. No. G0719.6-02, Attachment A), and David Skyer of the law firm Susson & Parrett (MTDB Doc. No. G0749.4-02, Attachment B) for general liability services, in substantially the same form as attached, and ratify prior amendments entered into under the CEO's and/or previous General Manager's authority(ies).

Budget Impact

Unknown at this time. Not to exceed \$60,000 for Julie Morris Soden, and not to exceed \$40,000 for David Skyer.

DISCUSSION:

On December 13, 2001, the MTD Board approved a list of qualified attorneys for general liability and workers' compensation for use by MTDB, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) (hereinafter referred to as Agencies) staffs on an as-needed basis. MTDB thereafter contracted with 26 local attorneys at an average of \$25,000 per initial contract.

Pursuant to MTD Board Policy No. 13 (Procurement of Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000. Some attorneys have multiple cases that are proceeding or have proceeded to trial, and the total cost of their legal services will exceed \$100,000.



Julie Morris Soden is currently under contract with the Agencies for \$220,000. Ms. Soden has successfully defended SDTI in a number of cases. Outstanding invoices currently total approximately \$28,600, and multiple cases are in process; therefore, request additional authority of \$60,000, for a total authorization of \$280,000.

David Skyer is currently under contract with the Agencies for \$100,000. Mr. Skyer has successfully defended SDTC in a number of cases. Outstanding invoices currently total approximately \$16,900; therefore, we request additional authority of \$40,000, for a total authorization of \$140,000.

The CEO has approved prior amendments for both of these contracts totaling \$100,000. Board ratification of the prior contracts/amendments is also requested.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: James Dow, 619.557.4562, jim.dow@sdmts.com

JGarde/DEC9-04.12. JDOW 11/22/04

Attachments: A. MTDB Contract No. G0719.6-02

B. MTDB Contract No. G0749.4-02

Board Only



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





Att. A, Al 12, 12/9/04, LEG 491

December 9, 2004

MTDB Doc. No. G0719.6-02 LEG 491 (PC 30100)

Ms. Julie Morris Soden Law Offices of Grant & Soden 12707 High Bluff Drive, Suite 220 San Diego, CA 92130-2035

Dear Ms. Soden:

Subject: AMENDMENT NO. 6 TO MTDB DOC. NO. G0719.0-02: LEGAL SERVICES—GENERAL LIABILITY

This letter will serve as Amendment No. 6 to MTDB Doc. No. G0719.0-02. This contract amendment authorizes additional costs not to exceed \$60,000 for professional services. The total value of this contract, including this amendment, is \$280,000. Additional authorization is contingent upon MTDB approval.

If you agree with the above, please sign below and return the document marked "original" to the Contracts Administrator at MTDB. The other copy is for your records.

Sincerely,	Accepted:
Paul C. Jablonski Chief Executive Officer	Julie Morris Soden Law Offices of Grant & Soden
.JGarde/CL-G0719.6-02.JDOW	Date:

Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a public agency, San Diego Transit Corporation, and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is also the Taxicab Administrator for eight cities, A-1 and MTDB is the owner of the San Diego and Arizona Eastern Railway Company.

MTDB Member Agencies include: 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, and the County of San Diego.



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





Att. B, Al 12, 12/9/04, LEG 491

December 9, 2004

MTDB Doc. No. G0749.4-02 LEG 491 (PC 30100)

Mr. David Skyer Susson & Parrett 18201 Von Karman Avenue, Suite 1020 Irvine. CA 92612-1000

Dear Mr. Skyer:

Attachment:

Subject: AMENDMENT NO. 4 TO MTDB DOCUMENT NO. G0749.0-02: LEGAL SERVICES—

GENERAL LIABILITY

This letter will serve as Amendment No. 4 to MTDB Document No. G0749.0-02. This contract amendment authorizes additional costs not to exceed \$40,000 for the above-referenced legal services. The total value of this contract, including this amendment, is \$140,000. Additional authorization is contingent upon MTDB approval.

If you agree with the above, please sign below and return the document marked "original" to Contracts Administrator at MTDB. The other copy is for your records.

Sincerely,	Accepted:	
Paul C. Jablonski Chief Executive Officer	David Skyer Susson & Parrett	
JGarde/CL-G0749.4-02.JDOW	Date:	

Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a public agency, San Diego Transit Corporation, and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is also the Taxicab Administrator for eight cities **B-1** and MTDB is the owner of the San Diego and Arizona Eastern Railway Company.

MTDB Member Agencies include: 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, and the County of San Diego.

Federal Requirements (not attached)



1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619.231,1466. FAX 619.234.3407

Agenda

Item No. <u>13</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc.

December 9, 2004

CIP 10488, CIP 10489

Subject:

MTDB: CREATIVE BUS SALES CONTRACT AMENDMENT

RECOMMENDATION:

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

- 1. execute Amendment No. 1 to MTDB Doc. No. B0389.0-03 with Creative Bus Sales;
- 2. establish Capital Improvement Project (CIP) 10489 Chula Vista Nature Center Bus, and transfer \$300,000 from CIP 10488 to CIP 10489; and
- add \$18,000 in City of Chula Vista local Transportation Development Act (TDA) funds to CIP 10489 Chula Vista Nature Center Bus, contingent upon City of Chula Vista Council approval.

Budget Impact

- An additional \$128,000 would be encumbered to Project Code 10488-1300 line item of capital project Chula Vista Transit Bus Acquisition for six buses, leaving a balance of \$21,000 in this line item.
- Transfer \$300,000 from CIP 10488 to CIP 10489 Chula Vista Nature Center Bus project. Transfer encumbrance of \$304,000 from 10488-1300 to 10489-1300.



 Add \$18,000 to CIP 10489 Chula Vista Nature Center Bus Project in local City of Chula Vista TDA funds, increasing the project from \$300,000 to \$318,000, contingent upon City of Chula Vista Council approval.

DISCUSSION:

On April 23, 2003, the MTD Board of Directors authorized execution of an agreement with Creative Bus Sales for delivery of seven midsize low-floor compressed natural gas (CNG)-powered buses. Six of the buses would be for Chula Vista Transit to retire older diesel transit buses that have exceeded their useful life. One new bus would be for the Chula Vista Nature Center and is funded with Air Pollution Control District (APCD) funding and local City of Chula Vista TDA funds. The Chula Vista Nature Center bus would also replace an older diesel bus. After funding delays, the Notices to Proceed were issued for five buses on July 6, 2004, and two buses on August 25, 2004. Over the past few months, MTS staff and staffs from Creative Bus Sales and El Dorado National have met on several occasions and finalized the production order.

There are two significant changes that are being added to the order based on the preproduction meeting discussions:

- Video surveillance cameras would be installed in the six Chula Vista Transit buses. Security continues to be a concern in the region, and option pricing was provided for this order. Support equipment to operate the cameras would also be provided.
- Rear exit doors would be installed in the six Chula Vista Transit buses. The pricing to accomplish this was attractive, and this was deemed a good operating decision to ensure quick exiting from a bus.

The revised pricing form includes other minor technical adjustments that may occur as part of the preproduction analysis.

Due to partial use of Traffic Congestion Relief Program (TCRP) funds, Creative Bus Sales has committed to MTDB to complete production of all seven buses no later than June 2005. It is our understanding that the buses will begin production in February 2005, and all will be complete by June 2005.

The Chula Vista Nature Center Bus was originally budgeted at \$300,000, including \$165,000 funding from APCD and \$135,000 from City of Chula Vista local TDA. The final pricing of the Chula Vista Nature Center bus is roughly \$304,000, excluding inspection, administrative services, and final exterior paint and decals. The total cost

estimate for the Chula Vista Nature Center bus is \$318,000. City of Chula Vista transit staff will request their city council approval for the additional \$18,000.



Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Elliot Hurwitz, 619.595.7031, elliot.hurwitz@mtdb.sdmts.com

JGarde DEC9-04.13.EHURWITZ 11/23/04

Attachment: A. Draft Contract No. B0389.1-03 (Board Only)



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

DRAFT



Att. A, AI 13, 12/9/04, CIP 488, 489

MTDB Doc. No. B0389.1-03 CIP 10488, 10489

December 9, 2004

Mr. Michael L. Dirnberger Creative Bus Sales 13501 Benson Avenue Chino, CA 91710

Dear Mr. Dirnberger:

Subject: AMENDMENT NO. 1 TO MTDB DOC. NO. B0389.0-03 FOR SEVEN CHULA VISTA

TRANSIT BUSES

In accordance with Article 2, "Changes," of our original agreement (MTDB Doc. No. B0389.0-03), MTDB amends the agreement to add video surveillance cameras, rear exit doors, and other technical modifications to the bus order.

The contract pages shall be amended as follows:

- Page 1 (Standard Procurement Agreement cover page). The dollar amount in the text block second paragraph that represents the total procurement cost (including sales tax and delivery) shall be replaced with "\$2,249,000."
- <u>Pricing Form.</u> Attach the revised pricing form to the contract, which includes six video surveillance camera systems and related support equipment, rear exit doors for six buses, and additional technical changes.

All other conditions remain unchanged. If you agree with the above, please sign below and return the document marked "original" to the Contracts Administrator at MTDB. The other copy is for your records.

Sincerely,	Agreed:					
Paul C. Jablonski Chief Executive Officer	Michael L. Dirnberger Creative Bus Sales					
JGarde CL-B0389.1-03.EHURWITZ	Date:					

Attachment: Revised Pricing Form dated 11/23/04

A-1

Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a public agency, San Diego Transit Corporation, and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is also the Taxicab Administrator for eight cities, and MTDB is the owner of the San Diego and Arizona Eastern Railway Company.

MTDB Member Agencies include: 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, and the County of San Diego.

	Chula Vista Transit (6 buses 30- foot)	CIP 10488			
ITEM#	ITEM DESCRIPTION	QTY	UNIT PRICE	EXTENDED PRICE	
1	Thirty foot (30') buses (Base Qty) 26 passenger	6	\$268,564.00	\$1,611,384.00	
1A	Second Entry door and Seats Adjustment	6	\$6,500.00	\$39,000.00	
2	Kneeling System	6	\$595.00	\$3,570.00	
3	Wheelchair Ramp	6	\$4,000.00	\$24,000.00	
4	Wheelchair Restraints (2 per bus)	6	\$2,424.00	\$14,544.00	
5	Elderly and Handicapped Seating (2 per bus)	6	\$2,797.00	\$16,782.00	
6	Video Surveillance System, Kalatel (Optional)	6	\$8,760.00	\$52,560.00	
6A	Video Surveillance Kalatel Docking Station	1	\$1,800.00	\$1,800.00	
6B	Video Surveillance System, Kalatel Extra System	1	\$8,760.00	\$8,760.00	
7	Extra Hard Drives (one per bus), Kalatel (Optional)	4	\$4,234.00	\$16,936.00	
8	not used			\$0.00	
9	not used			\$0.00	
10	Delivery	6	\$120.00	\$720.00	
11	Training	1	\$860.00	\$860.00	
12	Cummins Engine Software (Insite Plus) Including necessary adapters	1	\$1,900.00	\$1,900.00	
13	Cartridge for World Transmission ATEC With Prolink DDR	2	\$1,765.00	\$3,530.00	
14	Wabco ABS Cartridges	1	\$420.00	\$420.00	
16	Fire Suppression and Gas Detection Equipment Test Kits (including electronic reader)	1	\$3,660.00	\$3,660.00	
17	Thermo King Intelligent Reader	2	\$0.00	\$0.00	
18	Laptop PC for Engine Diagnostics, Bus PLC, and Destination Sign Programming (Toshiba Satellite Pro 6100/1600 Mhz, Part #PS610U-018F90)	1	\$1,904.00	\$1,904.00	
1B	Deletions from Base Bus + Arrows on mirrors (delete transfer hooks, 8 pocket holders and add arrows)	6	(\$5.00)	(\$30.00	
1C	Revised paint scheme set-up cost	6	\$400.00	\$2,400.00	
19	7.75% CA Sales Tax (Items #1, 6 thru 9, 12 thru 18)			\$135,177.36	
20	Payment Terms Net 30 Days				
21	Total Amount (6 Buses)			\$1,939,877.36	
22	Vehicle Contingency	6	\$853.77	\$5,122.64	
	TOTAL Contract Award			\$1,945,000	

C	Chula Vista Nature Center Bus (30- foot)		CIP 10489		
ITEM#	ITEM DESCRIPTION	QTY	UNIT PRICE	EXTENDED PRICE	
1	Thirty foot (30') buses (Base Qty)	1	\$268,564.00	\$268,564.00	
1A	Additional Seating over Wheel Wells	1	\$3,000.00	\$3,000.00	
2	Kneeling System	1	\$595.00	\$595.00	
3	Wheelchair Ramp	1	\$4,000.00	\$4,000.00	
4	Vheelchair Restraints (2 per bus)		\$2,424.00	\$2,424.0	
5	Elderly and Handicapped Seating (2 per bus)	1	\$2,797.00	\$2,797.00	
6	not used			\$0.00	
7	not used			\$0.00	
8	not used			\$0.00	
9	not used	-		\$0.00	
10	Delivery	1	\$120.00	\$120.00	
11	Training	1	\$140.00	\$140.00	
12	not used			\$0.00	
13	not used			\$0.00	
14	not used			\$0.00	
16	not used			\$0.00	
17	not used			\$0.00	
18	not used			\$0.00	
1B	Deletions from Base Bus + Arrows on mirrors+ CD Changer	1	\$572.00	\$572.00	
19	7.75% CA Sales Tax (Items #1, 6 thru 9, 12 thru 18)			\$21,090.54	
20	Payment Terms Net 30 Days				
21	Total Amount (Base plus one option)			\$303,302.54	
22	Vehicle Contingency		\$697.46	\$697.46	
	TOTAL Contract Award			\$304,000	
IEW BUS CB	S Contract Revised - 7 buses CVT.11.23.04		·		



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

Agenda

Item No. <u>14</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc.

FIN 310 (PC 30100)

December 9, 2004

Subject:

MTDB: SEPTEMBER 2004 QUARTERLY INVESTMENT REPORT

RECOMMENDATION:

That the Board of Directors receive the quarterly investment report for information.

Budget Impact

None.

DISCUSSION:

MTD Board Policy No. 31, "Investments," and California Government Code Section 53646 outline the requirements for the treasurer or chief financial officer of a local agency in reporting to the legislative body of the local agency. The investment portfolio is managed by LM Capital Management. A list of investments under its management is included as Attachment A and its report is included as Attachment B.

<u>Certifications</u>. As required by state law, the Finance Manager reports that this portfolio will provide the necessary liquidity to meet the expenditure requirements of MTDB for the next six months. This portfolio is in compliance with MTD Board Policy No. 31 and state law.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Lauren Warrem, 619.557.4531, lauren.warrem@sdmts.com

JGarde/DEC9-04.14.LWARREM/11-9-04

Attachments: A. Detail of Portfolio Balances

B. LM Capital Quarterly Review Board C



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

Portfolio Statement As of 09/30/2004

SAN DIEGO METRO TRANSIT DEVELOPMENT BD OPERATING FDS Acct #: 18113239-A WORKING CAPITAL ACCOUNT 1255 IMPERIAL AVE STE. 1000 SAN DIEGO, CA 92101-7490

Weight Ratin	Description	<u>Quantity</u>	Cost Basis		Current Value	Current Price	Unrealized Gain (Loss)	Current Yield C
US TREASURY	SECURITIES				-			
7.36% AAA	US TREASURY NOTE 12/31/2005 1.875%	1,000,000	997,382.81	99.738	994,880.00	99.488	(2,503)	1.9% 91
6.07% AAA	Accrued Income US TREASURY NOTE 11/15/2006 3.50%	800,000	846,062.48	105.758	4,687.50 814,032.00	101.754	(32,030)	3.4% 91
	Accrued Income			_	10,500.00			
13.43%	•	1,800,000	1,843,445.29		1,824,099.50		(34,533)	2.6%
US GOVERNMI	ENT AGENCY SECURITIES							
17.79% AAA	FEDERAL HOME LOAN BANK 12/15/2004 2.125%	2,400,000	2,430,562.50	101.273	2,400,744.00	100.031	(29,819)	2.1% 31
17.49% AAA	Accrued Income FEDERAL NATL MTGE ASSOC 06/16/2006 1.75%	2,400,000	2,394,912.00	99.788	14,875.00 2,363,256.00	98.469	(31,656)	1.8% 31
17.38% AAA	Accrued Income FEDERAL HOME LOAN BANK 03/14/2008 2.75%	2,400,000	2,363,846.40	98.494	12,133.33 2,358,000.00	98.250	(5,846)	2.8% 31
	Accrued Income		 ,	_	2,933.33	_		
52.66%		7,200,000	7,189,320.90		7,151,941.66	·	(67,321)	2.2%
CORPORATE S	ECURITIES							
6.67% A	CIT GROUP INC 07/29/2005 2.10%	900,000	900,000.00	100.000	902,592.00	100.288	2,592	2.1% 12
6.55% A	Accrued Income CATERPILLAR FIN SERV CRP 09/15/2006 2.35%	900,000	885,051.00	98.339	3,307.50 888,516.00	98.724	3,465	2.4% 14
6.83% A+	Accrued Income MERRILL LYNCH & CO 11/15/2007 4.00% Accrued Income	900,000	902,988.00	100.332	881.25 913,731.30 13,500.00	101.526	10,743	3.9% 59
20.05%		2,700,000	2,688,039.00	-	2,722,528.05	-	16,800	2.8%
							,	
CONSUMER 6.54% A+	STAPLES SARA LEE CORP.	000 000	906 905 00	00.655	000 507 00	07.040	(4 (000)	
0.5470 11.	06/15/2008 2.75%	900,000	896,895.00	99.655	880,587.00	97.843	(16,308)	2.8% 80
	Accrued Income				7,218.75			
TECHNOLO	GY						٠	
6.63% A+	INTL BUSINESS MACHINES 11/01/2006 2.375%	900,000	888,795.00	98.755	892,296.00	99.144	3,501	2.4% 45
	Accrued Income				8,846.88			
33.22%		4,500,000	4,473,729.00	_	4,511,476.68	-	3,993	2.7%

Portfolio Statement As of 09/30/2004

SAN DIEGO METRO TRANSIT DEVELOPMENT BD OPERATING FDS Acct #: 18113239-A

Weight Ratin	Description	Ouantity	Cost Basis	Unit Cost	Current Value	Current Price	Unrealized Gain (Loss)	Current <u>Yield</u> C
0.69%	NEY FUNDS HIGHMARK US GOVT MONEY M		94,342.54		94,342.54			0.0%
99.42%	William a terri	13,500,000	13,600,837.73	,	13,502,976.84	÷.	(97,861)	2.4%
100.00%	Total Accrued Income			_	78,883.54 13,581,860.38			

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

Portfolio Statement As of 09/30/2004

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

Weight Ratin	Description		<u>Ouantity</u>	Cost Basis	Unit <u>Cost</u>	Current Value	Current Price	Unrealized Gain (Loss)	Current <u>Yield</u>
US GOVERNMI 2.22% AAA	ENT AGENCY DISCOUNT NO FHLB DISCOUNT NOTE 10/01/2004	OTES <3>	1,030,000	1,021,860.43	99.210	1,030,000.00	100.000	8,140	
US TREASURY 2.16% AAA	US TREASURY NOTE 12/31/2004 1.75%	<4>	1,000,000	1,005,039.06	100.504	999,920.00	99.992	(5,119)	1.8%
4.31% AAA	Accrued Income US TREASURY NOTE 02/28/2005 1.50%	<3>	2,000,000	2,008,046.88	100.402	4,375.00 1,996,720.00	99.836	(11,327)	1.5%
2.15% AAA	Accrued Income US TREASURY NOTE 05/31/2005 1.25%	<4>	1,000,000	997,500.00	99.750	2,500.00 994,843.75	99.484	(2,656)	1.3%
1.07% AAA	Accrued Income US TREASURY NOTE 07/31/2005 1.50%	<4>	500,000	495,976.56	99.195	4,166.67 497,460.00	99.492	1,483	1.5%
2.15% AAA	Accrued Income US TREASURY NOTE 12/31/2005 1.875%	<1>	1,000,000	997,382.81	99.738	1,243.21 994,880.00	99.488	(2,503)	1.9%
1.78% AAA	Accrued Income US TREASURY NOTE 11/15/2006 3.50%	<1>	800,000	846,062.48	105.758	4,687.50 814,032.00	101.754	(32,030)	3.4%
13.63%	Accrued Income		6,300,000	6,350,007.79	-	10,500.00 6,325,328.13	•	(52,152)	1.8%
VIO COLUMNIA									
4.34% AAA	ENT AGENCY SECURITIES FEDERAL HOME LOAN BA 12/15/2004 2.125%	<3>	2,000,000	2,001,015.63	100.051	2,000,620.00	100.031	(396)	2.1%
5.20% AAA	Accrued Income FEDERAL HOME LOAN BA 12/15/2004 2.125%	<1>	2,400,000	2,430,562.50	101.273	12,395.83 2,400,744.00	100.031	(29,819)	2.1%
6.06% AAA	Accrued Income FEDERAL NATL MTG ASS 12/15/2004 1.875%	<4>	2,800,000	2,810,281.25	100.367	14,875.00 2,800,000.00	100.000	(10,281)	1.9%
3.24% AAA	Accrued Income FEDERAL HOME LN MORT 01/15/2005 1.875%	<4>	1,500,000	1,509,785.16	100.652	15,312.50 1,497,721.50	99.848	(12,064)	1.9%
3.25% AAA	Accrued Income FEDERAL HOME LOAN BA 04/15/2005 1.625%	<4>	1,500,000	1,498,495.50	99.900	5,859.38 1,495,781.25	99.719	(2,714)	1.6%
2.16% AAA	Accrued Income FEDERAL HOME LOAN BA 04/15/2005 1.625%	<3>	1,000,000	1,004,146.00	100.415	11,171.88 997,187.50	99.719	(6,959)	1.6%
2.14% AAA	Accrued Income FEDERAL HOME LN MORT 08/15/2005 1.50%	<3>	1,000,000	999,102.00	99.910	7,447.92 993,125.00	99.313	(5,977)	1.5%
5.12% AAA	Accrued Income FEDERAL NATL MTGE ASS 06/16/2006 1.75%		2,400,000	2,394,912.00	99.788	1,875.00 2,363,256.00	98.469	(31,656)	1.8%
7.10% AAA	Accrued Income FEDERAL HOME LN MORT 08/09/2006 2.50%	<6>	3,300,000	3,300,000.00	100.000	12,133.33 3,283,863.00	99.511	(16,137)	2.5%
	Accrued Income					11,687.50			

Portfolio Statement As of 09/30/2004

SAN DIEGO MTDB Acct #: COMPOSITE

Weight Ratin	Description		<u>Quantity</u>	Cost Basis	Unit Cost	Current Value	Current Price	Unrealized Gain (Loss)	Current Yield
US GOVERNM	ENT AGENCY SECURITIES							•	
3.68% AAA	FEDERAL NATL MTGE ASS 08/11/2006 2.75% Accrued Income	<5>	1,700,000	1,686,718.75	99.219	1,700,531.25	100.031	13,813	2.7%
5.09% AAA	FEDERAL HOME LOAN BA 03/14/2008 2.75% Accrued Income	<1>	2,400,000	2,363,846.40	98.494	6,363.19 2,358,000.00 2,933.33	98.250	(5,846)	2.8%
47.38%	reduce medite		22,000,000	21,998,865.19	•	21,992,884.36		(108,036)	2.1%
CORPORATE S	SECURITIES								
FINANCE									
1.95% A	CIT GROUP INC 07/29/2005 2.10%	<1>	900,000	900,000.00	100.000	902,592.00	100.288	2,592	2.1%
1.92% A	Accrued Income CATERPILLAR FIN SERV C 09/15/2006 2.35%	<1>	900,000	885,051.00	98.339	3,307.50 888,516.00	98.724	3,465	2.4%
2.00% A+	Accrued Income MERRILL LYNCH & CO 11/15/2007 4.00% Accrued Income	<1>	900,000	902,988.00	100.332	881.25 913,731.30	101.526	10,743	3.9%
5.0404	Accided income				-	13,500.00			
5.86%			2,700,000	2,688,039.00		2,722,528.05		16,800	2.8%
CONSUMER	STAPLES								
1.91% A+	SARA LEE CORP. 06/15/2008 2.75%	<1>	900,000	896,895.00	99.655	880,587.00	97.843	(16,308)	2.8%
	Accrued Income					7,218.75			
TECHNOLO	GY			•					
1.94% A+	INTL BUSINESS MACHINE 11/01/2006 2.375%	<1>	900,000	888,795.00	98.755	892,296.00	99.144	3,501	2.4%
	Accrued Income					8,846.88			
9.72%			4,500,000	4,473,729.00	-	4,511,476.68		3,993	2.7%
C. C. C. L. L. L. C.									
CASH AND MO 0.63%	CASH	<2>		204 500 10		204 500 10		-	
11.22%	CASH	<3>		294,598.18 5,209,454.18		294,598.18			0.0%
0.09%	CASH	<6>		41,260.48		5,209,454.18 41,260.48			0.0%
14.73%	CASH	<4>		6,838,456.62		6,838,456.62			0.0% 0.0%
0.20%	HIGHMARK US GOVT MO	<1>		94,342.54		94,342.54			0.0%
0.18%	WELLS FARGO TRSRY PLU	<5>		84,499.00		84,499.00			0.0%
27.06%			•	12,562,611.00	-	12,562,611.00			0.0%
Augus an Propin					_				
99.65%		11 - 12 - 17 	33.830,000	48,407,073.41		46,259,018 53		(148,055)	1.6%
	Total Accrued Income				_	163,281.62			
					_	46,422,300.17			

<1>	SAN DIEGO METRO TRANSIT DEVELOPMENT BD WORKING CAPITAL ACCOUNT 1255 IMPERIAL AVE STE 1000 SAN DIEGO, CA 92101-7490	OPERATING FDS	Acct #
	SAN DIEGO METRO TRANSIT DEVELOPMENT RO	'A' PESERVE ELIND	Acc

 SAN DIEGO METRO TRANSIT DEVELOPMENT BD COPS, SRS A, RES FUND
 1255 IMPERIAL AVE, SUITE 1000
 SAN DIEGO, CA 92101

2004 RAN Acct #: 325536

Portfolio Statement As of 09/30/2004

<3>

<7>

SAN DIEGO MTDB Acct #: COMPOSITE

<3>	SAN DIEGO METRO TRANSIT DEVELOPMENT BD COP 02-A RTMS PROCEEDS 1255 IMPERIAL AVE. STE 1000 SAN DIEGO, CA 92101	COP 2002-A PROCEEDS
<4>	SAN DIEGO METRO TRANSIT DEVELOPMENT BD COP 2003-B PROCEEDS 1255 IMPERIAL AVE STE 1000 SAN DIEGO, CA 92101	COP 2003-B PROCEEDS
<5>	SAN DIEGO METRO TRANSIT DEVELOPMENT BD COP 02-A RTMS RESERVE FD 1255 IMPERIAL AVE, SUITE 1000 SAN DIEGO, CA 92101	COP '02-A RESERVE FD
<6>	SAN DIEGO METRO TRANSIT DEVELOPMENT BD COP 2003-B RESERVE FD 1255 IMPERIAL AVE, SUITE 1000 SAN DIEGO, CA 92101	COP '03-B RESERVE FD

SAN DIEGO METRO TRANSIT DEV. (CLOSED)

1255 IMPERIAL AVE STE 1000 SAN DIEGO, CA 92101

L M CAPITAL GROUP, LLC

GLOBAL BOND MANAGEMENT

SAN DIEGO METROPOLITAN
TRANSPORTATION DEVELOPMENT BOARD

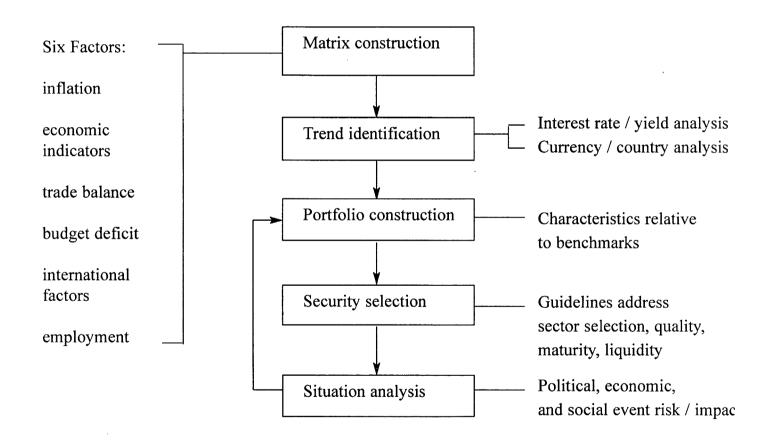
3rd Quarter 2004 Review

Our business is focused entirely on fixed income

Fixed-income specialists	
Established in 1989, in San Diego, Califo	ornia Fixed Income Assets as of 09/30/04
San Diego MTDB total assets \$13,581,86	\$1.55 billion in assets
	Short Term total assets \$173,418,065
65% employee-owned, minority business	
	Employees
	Employees
	Employees 3 portfolio manager
65% employee-owned, minority business enterprise	Employees 3 portfolio manager 1 trader/analyst
	Employees 3 portfolio manager 1 trader/analyst 2 analysts

LM Capital process:
Global Scenario Planning

Fundamental economic analysis



LM CAPITAL GROUP, LLC

Economic and Market Commentary

Sept. 30, 2004

Economic Commentary

Economic data continue to support a forecast of sustained economic growth through early 2005. Growth estimates for third quarter GDP center around 4.0% despite concerns over higher energy and commodity prices dragging the economy. Inflationary pressures appear low despite double digit increases in energy and commodity prices over the past year, yet these higher prices appear to be negatively impacting consumer spending to some degree. As a balance to these price increases, businesses seek to increase productivity while consumers hope to benefit from lower Federal income taxes. Meanwhile, the Federal Reserve's interest rate hikes have not had any noticeable effect on the economy as they move away from a very accommodative monetary policy adopted in the face of deflationary fears. In 2005, we believe that the direction of interest rates will depend on the potential impact of higher energy and commodity prices; will the economy slow, necessitating stable or lower rates, or will inflation pressures build requiring the Fed to continue further rate increases?

San Diego Economy

The regional economy remains very strong with leading indicators continuing to signal a strong economy into 2005. The unemployment rate remains below the state and national average and housing prices stabilized in June. Passenger arrivals and departures at Lindbergh Field recovered from 9-11 during this quarter and are setting new records. The construction, tourism, healthcare and financial industries remain very strong in the region. The only negative remains the high cost of living, which is one of the highest in the nation and fueled by housing, utilities and gas prices.

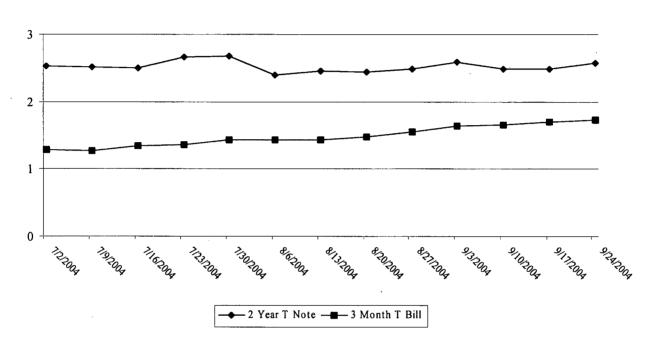
Portfolio Commentary

The portfolio was positioned defensively as the Federal Reserve continued to raise interest rates. Attention to liquidity was sought in order to better meet actual and expected withdrawal requirements.

 $\begin{array}{c} L\ M\ C\ {\scriptstyle \mathsf{APITAL}}\\ G\ {\scriptstyle \mathsf{ROUP}},\ {\scriptstyle \mathsf{LLC}} \end{array}$

Short Term Fixed Income

Short Term Interest Rates
June 30, 2004- September 30, 2004

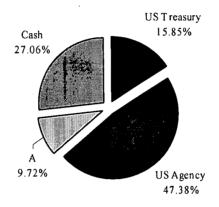


	SD MTDB Operating Funds	ML 1-3 Year Govt/Corp
Average Maturity	1.94 years	1.80 years
Modified Duration	1.85 years	1.71 years
Yield to Maturity	2.69%	2.71%
Average Ouality	ΔΔ1	ΔΔ1

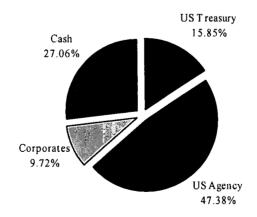
L M C APITAL G ROUP, LLC

Portfolio Characteristics

Quality Breakdown as of September 30, 2004 (All portfolios)



Sector Allocation as of September 30, 2004 (All portfolios)



 $\begin{array}{c} L\ M\ C\ {\text{APITAL}} \\ G\ {\text{ROUP}},\ {\text{LLC}} \end{array}$

Investment Performance

Sept. 30, 2004

San Diego Metropolitan Transportation Development Board

	SD MTDB Operating Funds Portfolio	MTDB Benchmark*
July 2004	0.42%	0.44%
August 2004	0.59%	0.75%
September 2004	0.03%	-0.06%
3rd Qtr., 2004	1.04%	1.13%

^{*}Benchmark for the period 09/30/00 to 90/30/01 was the ML 1 Year Treasury Bill Index, from 09/30/01 to present the benchmark is the ML 1-3 Year Govt/Corp >A rated Index. Performance data reflects all assets in all accounts, Operating funds, COP proceeds and Bond Reserve fund.



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

Agenda

Item No. <u>30</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc.

December 9, 2004

This Number Not Used











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

Agenda

Item No. 31

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board. San Diego Transit Corporation, and San Diego Trolley, Inc.

ADM 121.1 (PC 30100)

December 9, 2004

SUBJECT:

MTDB: SANDAG CONSOLIDATED TRANSPORTATION AGENCY DRAFT ANNUAL REPORT

RECOMMENDATION:

That the MTB Board of Directors receive the San Diego Association of Governments' (SANDAG's) Draft Consolidation Report and request that the SANDAG Transportation Committee approve the inclusion of the language presented in Attachment B into the "Transit Agency Perspective" section (page 51) of the draft report.

Executive Committee Recommendation

At its meeting on December 2, 2004, the Executive Committee recommended that the Board request SANDAG Transportation Committee approve the inclusion of the language presented in Attachment B into the "Transit Agency Perspective" section (page 51) of the draft report.

Budget Impact

None.

DISCUSSION:

Senate Bill (SB) 1703, amended by Assembly Bill (AB) 361, requires the consolidated agency, SANDAG, to submit to the Governor and the Legislature a progress report by December 31, 2004, and each even-numbered year, thereafter. Attached is the draft annual report prepared by SANDAG staff and presented to the North County Transit District (NCTD) and SANDAG Boards in November 2004. This report focuses on efforts made in implementing the provisions of SB 1703, identifies findings related to consolidation, and recognizes accomplishments and challenges faced over the last two









years. The final report will be presented to the SANDAG Board in December for approval prior to submittal to the Governor and Legislature. Conclusions

The report presents five primary conclusions:

- 1. The transition is complete SANDAG is functioning as the Consolidated Agency.
- 2. The effort to make consolidation "work" now begins The three agencies need to build effective and efficient interrelationships among the three agencies.
- 3. The functional relationships are being redefined The integration of SANDAG's transit development activities with the transit agency's operational responsibilities will need time to work out.
- 4. Consolidation offers additional opportunities for gaining efficiencies, identifying cost savings, and achieving improved results in the pursuit of federal and state dollars Efficiencies gained include consolidating the Boards of SDTC, SDTI, and MTDB (spurred on by SB 1703) and consolidating the Automated Regional Justice Information System (ARJIS) under SANDAG, while combined advocacy efforts resulted in the receipt of \$123 million in federal discretionary funds for FY 2004.
- 5. SANDAG's new governance structure resulting from consolidation is off to a good start Changes to the governance structure include more proportional representation on the SANDAG Board, weighted votes based on population, and establishment of four policy advisory committees.

Findings

The report identifies the following key findings:

- Regional efforts completed during the two-year transition period include the adoption of the Regional Comprehensive Plan, development of the Ordinance and Expenditure Plan for the extension of TransNet, and advancement of the Regional Transit Vision.
- Consolidation was complicated due to the functional, structural, cultural, and philosophical differences among the three agencies, the consolidation of limited functions vs. a complete consolidation, and external factors such as the state budget problems and the lack of a reauthorized federal transportation bill that limited the Consolidated Agency's ability to plan and implement projects.
- Must continue efforts to build trust and respect among the three agencies.
- Through the input from Board members, chief operating officers, and staff from the three agencies and other stakeholders, some of the following opinions were consistently identified and are included in the draft consolidation report.
 - A significant "transition period" still lies ahead, and it is too early to make judgments about success or failure.

- Some apparent immediate successes are the result of work in progress long before consolidation and likewise; the real fruits of consolidation will not likely be evident until well into the future.
- Funding shortfalls in the region caused by a variety of factors and the effect on future funding decisions could have the potential to overshadow the impacts of organizational restructuring in the region.
- The stated purpose of SB 1703 was to "implement an efficient regional transportation system and develop a comprehensive plan coordinated with the regional transportation plan with the goals of "reducing traffic congestion, limiting sprawl, and improving the quality of life for San Diegans." However, there is an expectation of budgetary savings and a desire to minimize costs of duplicative functions and to achieve cost savings through consolidated planning and implementation actions. Efforts to monitor and identify areas where cost savings can be achieved have been and will continue to be a high priority of the SANDAG Board and management.
- The policy committee structure as defined in SB 1703 provided SANDAG the authority to define and delegate roles and responsibilities. The Transportation Committee has been delegated significant authority by the SANDAG Board and it is viewed as a particularly effective body due to its transit-knowledgeable membership and the inclusion of transit Board representation as voting members.

Next Steps

The final report will be presented to the SANDAG Board on December 17, 2004. Following its approval, the report will be forwarded to Governor Schwarzenegger and the California Legislature. In addition to this biennial report, the Legislative Analyst's Office (LAO) is required to prepare a report to the Governor and the Legislature by December 31, 2005, which evaluates and makes recommendations on effectiveness of the consolidated agency. SANDAG's efforts to assist the LAO in developing its report will begin shortly.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Conan Cheung, 619.515.0933, conan.cheung@sdmts.com

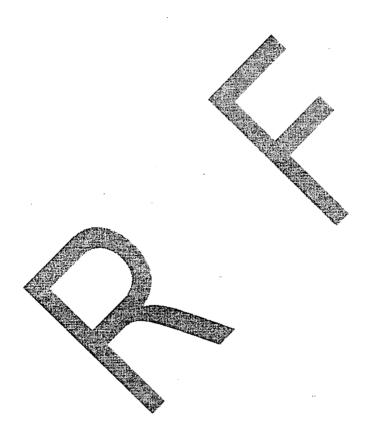
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Attachments: A. Consolidated Transportation Agency Draft Annual Report

B. Language to be included Draft Report

Board Only

SANDAG DRAFT CONSOLIDATION REPORT



BOARD OF DIRECTORS



The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus, makes strategic plans, obtains and allocates resources, plans, engineers and builds public transportation, and provides information on a broad range of topics pertinent to the region's quality of life.

> CHAIR: Hon. Mickey Cafagna VICE CHAIR: Hon. Mary Sessom **EXECUTIVE DIRECTOR:** Gary L. Gallegos

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(A) Hon. David Allan, Councilmember
(A) Hon. Emie Ewin, Vice Mayor

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Hon. Dianne Jacob, Chairwoman (A) Hon. Greg Cox, Supervisor

CALIFORNIA DEPARTMENT OF TRANSPORTATION

(Advisory Member) Jeff Morales, Director

(A) Pedro Orso-Delgado, District 11 Director

METROPOLITAN TRANSIT SYSTEM

(Advisory Member) (Advisory Meniper) Leon Williams, Chairman (A) Hon. Jerry Rindone, Vice Chairman (A) Hon. Bob Emery, Board Member

NORTH SAN DIEGO COUNTY TRANSIT DEVELOPMENT BOARD

(Advisory Member)
Hon. Judy Ritter, Chair
(A) Hon. Tom Golich, Vice Chair (A) Hon. Ed Gallo, Board Member

IMPERIAL COUNTY

(Advisory Member) Hon. Victor Carrillo, Supervisor (A) Hon. David Ouzan, Mayor

U.S. DEPARTMENT OF DEFENSE

(Advisory Member) CAPT Daniel King, USN, CEC Commander, Southwest Division Naval Facilities Engineering Command (A) CAPT Richard Gamble, USN, CEC

SAN DIEGO UNIFIED PORT DISTRICT

(Advisory Member) Jess Van Deventer, Commissioner (A) Michael Bixler, Commissioner (A) Vacant

SAN DIEGO COUNTY WATER AUTHORITY

(Advisory Member) Hon. Bud Lewis, Director (A) Bernie Rhinerson, Director

BAJA CALIFORNIA/MEXICO

(Advisory Member) Hon. Luis Cabrera Cuaron Consul General of Mexico

As of October 19, 2004

ABSTRACT

TITLE:

Consolidated Transportation Agency: Annual Report

AUTHOR:

San Diego Association of Governments

DATE:

November 19, 2004

SOURCE OF

San Diego Association of Governments

COPIES:

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(619) 699-1900

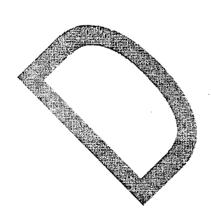
NUMBER OF

PAGES:

54 (+ Exhibits A - H)

ABSTRACT:

The Consolidated Transportation Agency: Annual Report provides a review of progress made in implementing and carrying out provisions of Senate Bill (SB) 1703 and Assembly Bill (AB) 361. This report will be submitted to the Governor and the Legislature by December 31, 2004. The report will also serve as a repository of key materials related to consolidation as the new Consolidated Agency evolves over time.



ACKNOWLEDGEMENTS

Steve Peace, former California State Senator

Christine Kehoe, California State Assembly Member

San Diego Association of Governments Board of Directors

Metropolitan Transit System Board of Directors

North San Diego County Transit Development Board of Directors

Gary Gallegos, Executive Director, San Diego Association of Governments

Paul C. Jablonski, Chief Executive Officer, Metropolitan Transit System

Karen King, Executive Director, North (San Diego) County Transit District

Thomas F. Larwin, Chief Deputy Executive Director, Policy, San Diego Association of Governments, former General Manager, Metropolitan Transit Development Board

Eric Pahlke, Chief Deputy Executive Director Operations, San Diego Association of Governments

Bob Parrott, former Deputy Executive Director, San Diego Association of Governments

Jack Limber, General Counsel, San Diego Association of Governments, former Deputy General Manager and General Counsel, Metropolitan Transit Development Board

Debra Greenfield, former General Counsel, San Diego Association of Governments

Julie Wiley, Deputy General Counsel, San Diego Association of Governments

Jack Boda, Director of Mobility Management and Project Implementation, San Diego Association of Governments

Leslie Campbell, Director of Administration, San Diego Association of Governments

Bob Leiter Director of Land Use and Transportation Planning, San Diego Association of Governments

Jeff Tayman, Director of Technical Services, San Diego Association of Governments

Renee Wasmund, Director of Finance, San Diego Association of Governments, former Director of Finance and Administration, Metropolitan Transit Development Board

Garry Bonelli, Communications Director, San Diego Association of Governments

Ellen Roundtree, Director of Government Relations, San Diego Association of Governments, former Director of Government Relations, North (San Diego) County Transit District

Tom Lichterman, Director of Rail Services, North (San Diego) County Transit District

Employees of All Three Agencies: North (San Diego) County Transit, Metropolitan Transit System, San Diego Association of Governments

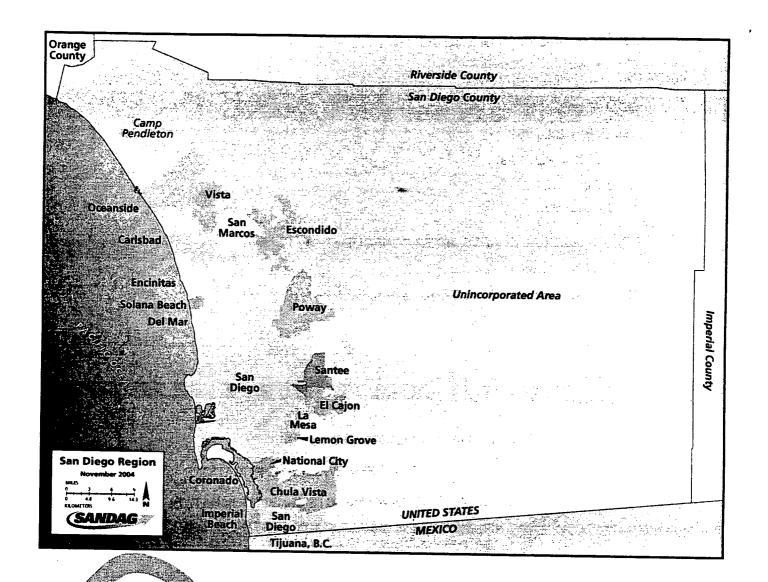
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A REGION ON THE MOVE WITH OVER 3 MILLION RESIDENTS

EXECUTIVE SUMMARY AND CONCLUSIONS

On September 20, 2002, California Senate Bill (SB) 1703 was signed into law. The law consolidates the roles and responsibilities of the San Diego Association of Governments (SANDAG) with the transit planning, programming, project development, and construction responsibilities of the San Diego Metropolitan Transit Development Board (MTDB) and the North San Diego County Transit Development Board (NCTD). This report fulfills a requirement of SB 1703 and Assembly Bill (AB) 361 that SANDAG complete an evaluation of progress in carrying out its responsibilities under the legislation, and report on the findings to the Governor and California Legislature by December 31, 2004. AB 361 was signed into law on September 25, 2003.

CONCLUSIONS

There are five primary conclusions regarding implementation progress:

- 1. The transition is complete. SANDAG has taken all actions required by State legislation [SB 1703 (2002) and AB 361 (2003)] and is now functioning as the Consolidated Agency.
- 2. The effort to make consolidation "work" now begins. Now that the consolidation pieces are in place, they serve as a foundation for what remains: that is, the need to build effective and efficient interrelationships among the three agencies at both the policy and working levels with a focus on regional strategies.
- 3. The functional relationships are being re-defined. The completion of the Regional Comprehensive Plan (RCP) in July 2004 demonstrates the advantages of the closer ties between transportation and land use planning; however, this is a beginning versus an end. The foundation offered by this initial RCP provides the opportunity for significant integrated planning and subsequent implementation.

The integration of transit development activities of SANDAG with the operational responsibilities of MTDB and NCTD is going to need some additional time to work out. There is recognition that the institutional redefinition among the three agencies and development of effective work processes will take time, and up to several annual cycles to create the efficiencies expected.

4. Consolidation offers additional opportunities for gaining efficiencies, identifying cost savings, and achieving improved results in the pursuit of federal and state dollars. The consolidation of ARJIS (Automated Regional Justice Information System) under SANDAG, and the reorganization of the San Diego Transit Corporation and San Diego Trolley, Inc., Boards within MTDB have been spurred on by the legislation. An example of costs savings is related to SANDAG's need to implement a new financial system. Because of consolidation, SANDAG was able to utilize MTDB's financial package, thereby, avoiding an expense of nearly \$2 million to purchase a new accounting system. Also with consolidation, MTDB, NCTD, and SANDAG

combined advocacy efforts with improved results. As an example, the region received over \$123 million in federal discretionary transportation funding in FY 2004.

Other noteworthy opportunities to be gained by consolidation include expanded partnering with the transit operators on projects such as Intelligent Transportation Systems (ITS), regional smart cards and farebox technology systems, and the use of shared fiber optic lines. The consolidated diverse work force is marked by a team of experienced professionals that should lead to improved delivery of highway, rail, bus rapid transit, and other transportation projects.

- 5. SANDAG's new governance structure resulting from consolidation is off to a good start.

 SB 1703 made three significant changes affecting governance.
 - It expanded the governance structure for the Consolidated Agency from 19 members to 20 members by adding a second member from the City of San Diego; as a result, the Board of Directors is composed of one primary representative selected by the governing body of each city in the county, with the exception of the City of San Diego, which has two representatives, and a member of the San Diego County Board of Supervisors. This change was made in recognition of the City of San Diego's population and the desire to ensure that the voters receive proportional representation on the Board.
 - It also defined the voting formula for the Board of Directors in order to act on any item which required a vote (i.e., not on consent) to include both a majority of member votes and a majority of weighted votes as determined by the respective population of each jurisdiction. This change resulted in the SANDAG voting structure emulating the balanced and tested bicameral system used by the State Legislature.
 - Finally, the legislation formalized four policy advisory committees: Executive, Transportation, Regional Planning, and Borders.

The effectiveness of this governance structure, including increased opportunity for public participation, accountability, and proportional representation, is one of the areas to be evaluated by the Legislative Analyst's Office (LAO) in its legislatively-required December 2005 evaluation. The SANDAG Board members that were interviewed believed that significant progress has been made in this area, as the new structure and voting system appear to be working well. Also, a basis for future efficiencies is in place as a result of the significant delegation of responsibilities handed down by the SANDAG Board to the Transportation Committee. Despite a good start, opinions of Board members from the transit operators were mixed, with a general feeling that it was too early to tell.

FINDINGS

The function, structure, culture, and philosophy of SANDAG, MTDB, and NCTD were and continue to be considerably different. Because of the differences, no one thought the consolidation would be easy. Complicating it further, is the fact that this was not a complete consolidation, but a consolidation of very specific functions, adding to the complexity of function, structure, and work flow issues. While many of the original functions of the Transit Boards were transferred, their most basic role to provide the most efficient and effective transit service for the public has nonetheless remained constant. Furthermore, in the midst of the transition, tremendous external factors beyond the agencies' control have had a direct

impact on the ability to implement and plan projects; i.e., the state's budget problems, and the lack of a reauthorized federal transportation bill.

During the two-year transition period, SANDAG's member agencies, including the Transit Boards, completed and adopted a first-ever Regional Comprehensive Plan (RCP), developed and adopted the Ordinance and Expenditure Plan for the extension of a half-cent sales tax *(TransNet)*, and advanced the Regional Transit Vision contained in the adopted Regional Transportation Plan.

The next few years will continue to be challenging. Efforts to build on the trust and respect of each agency and all of the individuals must continue.

Through the input from Board members, Chief Operating Officers, and staff from the three agencies and other stakeholders, the following opinions were consistently identified.

- A significant "transition period" still lies ahead and it is too early to make judgments about success or failure.
- Some apparent immediate successes are the result of work in progress long before consolidation and likewise, the real fruits of consolidation will not likely be evident until well into the future.
- Funding shortfalls in the region caused by a variety of factors, and the effect on future funding decisions, could have the potential to overshadow the impacts of organizational restructuring in the region.
- The primary intent of SB 1703 was to gain more efficiency over time, to garner more dollars by joining together with one regional unified message and, most importantly, to make better regional decisions for the future. However, there is an expectation of budgetary savings and a desire to minimize costs of duplicative functions, and to achieve cost savings through consolidated planning and implementation actions. Efforts to monitor and identify areas where cost savings can be achieved have been and will continue to be a high priority of the Board and management.
- The committee structure as defined in SB 1703 provided SANDAG the authority to define and delegate roles and responsibilities. The Transportation Committee has been delegated significant authority by the SANDAG Board and it is viewed as a particularly effective body due to its transit-knowledgeable membership and the inclusion of Transit Board representation as voting members.
- There is unresolved concern about the process, criteria, and consequences of future funding allocation decisions. This concern is evident among the operating agencies and across local jurisdictions, largely along North County and South County lines.

SUMMARY OF LEGISLATION

SB 1703 (Peace) was signed in September 2002. The bill was referred to as the "San Diego Regional Transportation Consolidation Act." The law, which became effective January 1, 2003, declared in Section 1 that the "...act is an incremental step toward establishing a regional agency having authority over a range of regional issues." The section further established that there is "...a clear need for a regional agency having sufficient land-use authority to implement an efficient regional transportation system and develop a comprehensive plan coordinated with the regional transportation plan." Certain provisions contained in SB 1703 were amended in September 2003 through the passage of AB 361 (Kehoe).

Thus, the Act recognized the important relationships that exist between regional land use and transportation decisions and the need for both a Regional Transportation Plan and a Regional Comprehensive Plan.

Below is a summary of key features of SB 1703 (Exhibit A), including amendments resulting from AB 361 (Kehoe, 2003) (Exhibit B). These features are identified with the associated bill number:

- Consolidated transportation agency to be permanent with mandated participation by member agencies (SB 1703).
- Consolidation of SANDAG with the planning and programming functions of MTDB and NCTD in an initial transfer to take place prior to July 1, 2003 (SB 1703).
- Consolidation of the project development and construction functions of MTDB and NCTD in a subsequent transfer to take place prior to January 30, 2004 (SB 1703).
- Governance structure consisting of 20 locally elected representatives with weighted voting based on population as agreed to by the Board, and the County of Imperial as an ex officio member (SB 1703).
- A committee structure as agreed to by the Board consisting of Executive, Transportation, Regional Planning, and Borders Committees (SB 1703).
- Authority for the consolidated transportation agency to call an election, including an advisory election, in the County of San Diego on any ordinance or measure regarding the governance of or matters related to the powers, privileges, or duties of the consolidated transportation agency (SB 1703). To change the current governance structure a public vote is mandatory pursuant to AB 361.
- A report must be prepared by SANDAG and submitted to the Governor and the State Legislature every two years beginning in December 2004 regarding its progress in carrying out the provisions of the bill (SB 1703). AB 361 revised date, as shown.
- By December 31, 2005, the Legislative Analyst's Office must prepare a report to the Governor and the State Legislature which evaluates and make recommendations on the consolidated transportation agency concerning governance structure; effectiveness in addressing the transportation needs of the region, including coordination and efficiencies in transportation

planning and implementation as a result of the consolidation; effectiveness of agencies in addressing quality-of-life indicators; and the adequacy of the scope and authority for regional decision-making (SB 1703). *AB 361 revised date, as shown.*

- Revised language to reinforce the linkage between the Regional Comprehensive Plan (RCP) and the Regional Transportation Plan (RTP) so they effectively work together to accomplish land use and transportation objectives, and encourage the provision of financial incentives to implement the RCP. Various other technical amendments related to updates of the RCP and public participation (AB 361).
- Specified that there will be a public vote to make effective any legislation enacted to change the governance structure of the consolidated transportation agency from local officials of city and county government to any other governance structure (AB 361).

To better understand the intent of the legislation, a section of the bill discussing Findings and Declarations of the Legislature is shown below

"132350.1(a) There is an imperative need for comprehensive planning and implementation of regional transportation projects in the San Diego region. Diminution of congestion on the streets and highways in the San Diego region will facilitate passage of all Californians traveling through San Diego, and especially benefit persons who live or work in San Diego County who must commute to points within and outside the San Diego region on a daily basis. (b) Several separate limited-purpose transportation agencies have been established in the San Diego region, however, the San Diego region would benefit from coordinated and comprehensive planning by these agencies. (c) In view of the limited powers of the San Diego Association of Governments (SANDAG), to provide the needed comprehensive transportation planning and implementation without consolidation of certain responsibilities of the Transit Boards, the Legislature finds that consolidation of the planning, programming, project development, and construction activities of various transportation agencies in the San Diego region will improve the efficiency and effectiveness of implementing needed transportation infrastructure and services and provide for a focus on meeting the mobility needs of the region."

ACCOMPLISHMENTS AND CHALLENGES

Significant progress was made during the past two years, and while there were some bumps in the road, there is much to delebrate. As required by SB 1703, the transition activities are complete. The consolidation brought together employees from three different cultures, areas of focus, and philosophies. The structure and responsibilities for the SANDAG Board as well as the two Transit Boards changed dramatically due to the consolidation. Recognition and respect of the agencies' differences have been and will continue to be a vital component towards developing and maintaining strong working relationships. As well, continuous communication and open dialogue between the consolidated transportation agency and the transit agencies were key to the process and will continue to be a priority of the consolidated transportation agency.

Some immediate efficiencies were gained by the consolidation, but the major gains will be realized over time. As intended by the legislation, the most significant impacts will be mid-to-long-term with a focus on:

Improved coordination of transit services throughout the county.

- Improved integration of highway and transit decision-making, including multimodal project planning and financing.
- Improved integration of transit planning with land use and development decisions and with other infrastructure plans and investments.
- Through unity and regional comprehensive planning, successful pursuit of federal and state dollars to enable the implementation of infrastructure and services.

While this has been a challenging two years, continued care and focus will be needed for many years to come in order to accomplish these goals. Still, there is a great deal to celebrate. All of the provisions of SB 1703 have been implemented, and communications and collaboration between the three agencies continue to improve. Public transit has a more prominent position and is thought of as an integral part of the transportation solution. There is a respect for the new Board structure, and the policy advisory committees (PACs). There is evidence that the unified advocacy efforts enacted since SB 1703 have been more effective in pursuing federal and state dollars. As an example, the region was awarded \$123 million in federal transportation funds in the FY 2004 appropriations bill. There is a heightened recognition of and willingness of locally elected officials to act on a regional agenda, as evidenced by the adoption of the Regional Comprehensive Plan and the TransNet Ordinance and Expenditure Plan.

In addition to the considerable work and accomplishments related to consolidation, the agency has many other achievements as well as challenges to report since the enactment of SB 1703.

- TransNet: The SANDAG Board developed an Ordinance and Expenditure Plan (Proposition A) that was approved (although not certified) by 66.68 percent of the voters countywide on November 2, 2004. The extension of the half-cent sales tax program known as TransNet will generate more than \$14 billion for highway, transit, and local road improvements over a 40-year period.
- Regional Comprehensive Plan (RCP): Through the collaborative efforts of policymakers and planning directors from the 19 local jurisdictions, local and regional stakeholders, and SANDAG staff, a Regional Comprehensive Plan was developed and adopted by the Board in July 2004. The RCP provides a strategic planning framework in which local and regional decisions can be made that foster a healthy environment, a vibrant economy, and a high quality of life.
- Regional Transit Vision During the past two years, SANDAG has advanced a number of projects throughout the region that will help San Diego achieve its Regional Transit Vision to attract new riders by providing higher speed and more attractive transit integrated into our communities. Progress is being made on the planning, design, and environmental work on a variety of bus rapid transit (BRT) priority treatments, such as arterial street transit lanes, signal priority and intersection queue jumpers, and high-quality stations with customer amenities integrated into communities. One such project is a BRT on Interstate 15 (I-15). Also under development is the Mid-Coast Light Rail Transit (LRT) extension between Old Town and University City.
- Completion of Major Transportation Projects: The Transit Boards continued with the implementation of two major infrastructure projects, the Mission Valley East Trolley Extension, which will run directly under the heart of the San Diego State University campus and connect to the existing Orange Line, and the Oceanside-Escondido Rail project (the SPRINTER). As allowed for in the legislation, construction of both of these projects remained with their respective

Transit Boards; however, SANDAG has supported both construction projects through staffing and/or funding resources.

There have been other challenges beyond the agency's control that have had a significant effect on the implementation of projects and services, including California's budget problems and the still-pending reauthorization of the multi-year federal transportation bill.

It is important to commemorate the achievements of the last two years, but it is also important to look towards the future by reviewing lessons learned, remembering the intent of the legislation, and continuing to focus on the path of regional decision-making.

To help guide us in the right direction, an independent review was conducted recently, included as Exhibit G. The reviewer conducted interviews of Board members, chief executive officers, and senior staff from SANDAG, MTDB, and NCTD. There was broad recognition that the consolidation process was handled as effectively as possible, and that there is a true willingness to make the consolidation work over the long term. Not unexpectedly, there was an isolated set of issues discussed that if not attended to carefully could have the potential of slowing or diminishing chances for success.

The consultant findings are listed below.

Challenges to Governance and Decision-Making

- Reaching fairness and balance in allocating resources to investment needs, north and south, both short- and long-term, is a concern.
- Priorities from a regional perspective will at times be at odds with priorities from the local perspective.
- Funding constraints now and in the future will require tradeoffs.
- Effective functioning and decision making on critical issues to the county and the region will require resolution of the role and relationship of the Consolidated Agency and the County Board of Supervisors.
- Maintaining a clear focus on the most important measures of success may be an ongoing challenge; sustained progress will likely take several annual cycles of activity and decision making.

Issues Related to Day-to-Day Management

- Roles, responsibilities, and staff capacity to effectively plan and manage day-to-day operations at the operating agencies remain to be resolved.
- More precise descriptions of policy-making processes may be needed as well as internal management procedures/requirements.

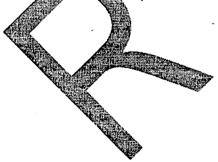
- Communications with and across staff need to be improved with respect to the policymaking processes and management systems.
- Clearer plans are needed for the long-term resolution of residual human resource disparities. For example, a classification and compensation study to better align the employees who are now employed by the Consolidation Agency has been under development for several months and is nearly complete.

Issues related to funding constraints will always be a challenge as transportation funding can be unpredictable; and regional and local perspectives can be at odds at times and complicated. Plans and policies (i.e., the Regional Comprehensive Plan and the Service Planning Policy), however, have already been adopted that focus on balance and fairness in the region as a whole.

Regarding the issues related to day-to-day management listed above, many resolutions have been put into place. This last year was largely one of transition and there were some "kinks" to work out. For example, the sharing of transit service planning responsibilities required special effort to settle. Procedures for improved communication have been implemented, and a classification study to resolve some of the human resource disparities is nearly complete.

Mindful of these issues and lessons learned over the past two years, we continue to look for resolutions.

The remainder of this report focuses on the legislation, the transition process, the implementation of the provisions of the "Act," the accomplishments and progress to date, and the next steps to assist the Legislative Analyst's Office (LAO) in its December 2005 report to the Governor and the State Legislature. The evaluation results are contained in Chapter 5.



1. INTRODUCTION AND BACKGROUND

PURPOSE

The purpose of this report is to demonstrate to the Governor and the State Legislature the progress made in implementing and carrying out provisions of SB 1703, amended by AB 361. This report will serve as a repository of key materials related to the consolidation, which are included as exhibits. The report will also serve as a tool to remind us of the intent of consolidation and the ongoing commitment to ensure its success. It should also be noted that, as required by legislation, the focus of the report is on SANDAG as the Consolidated Agency and not on the two transit operators.

Future submittals to the Governor and State Legislature are required by SANDAG each even-numbered year hereafter.

BOARD GOVERNANCE STRUCTURE

SB 1703 changed the organizational structure for the consolidated transportation agency. The Board of Directors now consists of 20 members comprised of one primary representative selected by the governing body of each city in the county, with the exception of the City of San Diego, which has two representatives, and a member of the San Diego County Board of Supervisors. Each city or county may select up to two alternates to serve when the primary is unavailable.

A majority of the member agencies constitute a quorum for the transaction of business. Approval of actions require a majority vote of the members present on the basis of one vote per agency, and a majority of the weighted vote of the member agencies present. The City of San Diego determines how to allocate its single agency vote and its weighted votes between its two members. To accommodate the new voting structure, an automated voting system was implemented. Representatives from Caltrans, MTDB, NCTD, Imperial County, United States Department of Defense, San Diego Unified Port District, San Diego Water Authority, and Baja California/Mexico serve as advisory members.

The legislation calls for four standing policy advisory committees named the Executive, Transportation, Regional Planning, and Borders Committees.

The **Executive Committee** consists of six voting members with Board members representing east county, north county coastal, north county inland, south county, and the mayor or council member from the City of San Diego, and a supervisor from the County of San Diego.

The **Transportation Committee** consists of nine voting members with Board members or alternates representing east county, north county coastal, north county inland, south county, and the mayor or council member from the City of San Diego, a supervisor from the County of

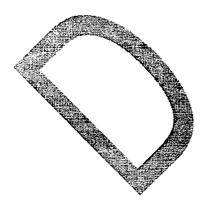
San Diego, a member from the MTD Board, a member from the NCTD Board, and a member of the San Diego County Regional Airport Authority.

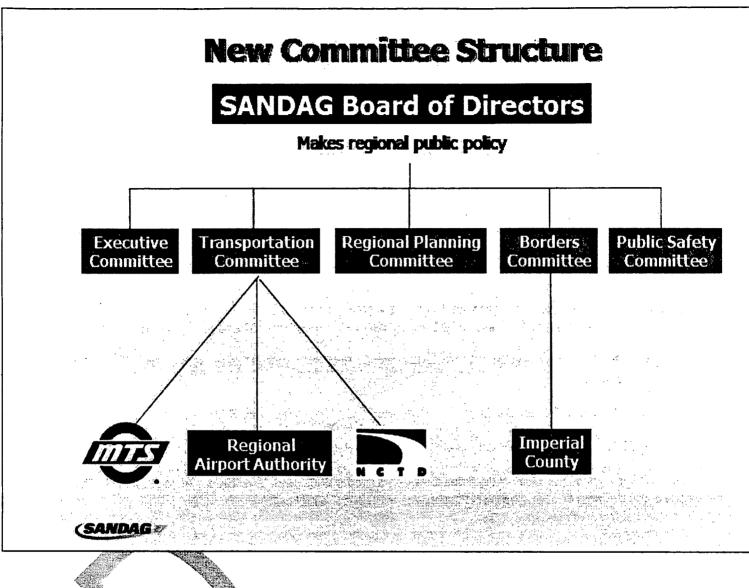
As included in SB 1703, "Among its transportation responsibilities, the Transportation Committee shall provide a strong focus and commitment to meeting the public transit needs of the San Diego region, set transit funding criteria and recommend transit funding levels, and undertake transit responsibilities resulting from the consolidation as delegated by the Board." Recognizing this intent, the Initial Transition Plan approved by the SANDAG Board delegates a high level of responsibility and authority to the Transportation Committee.

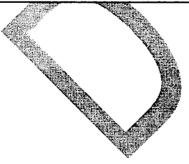
The **Regional Planning Committee** consists of six voting members with Board members or alternates representing east county, north county coastal, north county inland, south county, and the mayor or council member from the City of San Diego and a supervisor from the County of San Diego.

The **Borders Committee** consists of seven voting members with Board members or alternates representing east county, north county coastal, north county inland, south county, the mayor or council member from the City of San Diego, a supervisor from the County of San Diego, and a mayor, council member, or supervisor from the County of imperial.

The legislation allows the Board to appoint other standing and at those working groups to advise it in carrying out its responsibilities. Discussed in more detail on page 17, the Board approved the formation of a new policy advisory committee on Public Safety at its December 19, 2003, Board meeting.







2. TRANSITION PROCESS

BOARD MEMBER, STAFF, AND PEER INVOLVEMENT

The transition from pre-SB 1703 to a "consolidated transportation agency" involved staff and Board member efforts from all three agencies: SANDAG, NCTD, and MTDB. There were necessary actions taken by each agency at committee and Board levels. In addition, there were two primary joint agency teams formed: one that involved Board members, and the other which included management staff.

Board Member Ad Hoc Working Group on Transition

An Ad Hoc Working Group on Transition was established consisting of three Board members, each appointed from SANDAG, NCTD, and MTDB, for a total of nine members. These members were:

- SANDAG: Jim Madaffer (City of San Diego), Ron Morrison (National City), Lori Holt Pfeiler (Escondido)
- NCTD: David Druker (Del Mar), Pia Harris-Ebert San Marcos), Judy Ritter (Vista)
- MTDB: Tom Clabby (Lemon Grove), Bob Emery (Poway), Jerry Rindone (Chula Vista)

This Working Group met numerous times between october 2002 and May 2003. At the outset of the process the Working Group adopted a "Statement of Purpose" as follows:

"Improving the quality of life for the region by improving mobility, with an emphasis on transit. We will work to get landing and then spend it wisely. We will deliver the services we promise."

The statement was signed by all of the Ad Hoc Working Group members.

The two required transition plans were developed through this Ad Hoc Working Group and recommended to the three Boards for action. In its last meeting in May 2003, the Ad Hoc Committee recommended that the consolidation oversight function be transferred to the **Joint Committee on Regional Transit** (JCRT). The JCRT was expanded to include representation from the SANDAG Board of Directors. The first meeting of the newly constituted JCRT was held in September 2003. The original JCRT consisted of three Board members from each of the Transit Boards, and one Board member from SANDAG serving in an advisory role. With the expanded JCRT, the membership consists of three Board members from each agency, for a total of nine.

Staff Transition Team

A Staff Transition Team comprised of management staff from each of the three agencies also was established. This Team first met in mid-September 2002 and continued meeting through July 2003 when the final stages of the "subsequent" transition plan were being readied for Board action.

Early in the transition process the Team developed what was referred to as a "laundry list" of over 60 internal tasks that were necessary to implement the consolidation of required functions among the three agencies. Nearly all of the internal tasks are complete, with the balance anticipated within the next few months. Internal tasks still remaining include the completion of the transfer of contracts and grants from the transit agencies to SANDAG. This is not an immediate concern as the contractors are performing their original functions and the reimbursements from funding agencies are continuing as appropriate. The other internal task remaining which is nearing completion is the classification study and associated position responsibility statements.

Peer Review Team

Another key element of the transition process included the use of a Peer Review Team. This Team was comprised of five members, all with various and extensive experience related to the functions of the three agencies, and the future function of the consolidated transportation agency:

- Rita Geldert, City Manager, City of Vista
- Steve Heminger, Executive Director, San Francisco Bay Area Metropolitan Transportation
 Commission (MTC)
- Arthur T. Leany, Chief Executive Officer, Orange County Transportation Authority (OCTA)
- David Rowlands, City Manager, City of Chula Vista
- Robert G. Stanley, Principal Cambridge Systematics, Inc.

The Peer Review Team met in San Diego on January 20-21, 2003, and conducted interviews with major participants involved in the transition process from the three agencies. From this interview process, the Team prepared a report that included various recommendations related to consolidation. The Peer Panel Discussion Summary and observations was presented at the January 2003 SANDAG Board of Directors Retreat. The Team was utilized again in May 2003 to gain its input on the "Subsequent Transition Plan."

Legal and Policy Actions

The SANDAG Executive Committee and Board of Directors received monthly updates on the consolidation process during September through December 2002. Various actions were approved in preparation for January 2003 implementation of SB 1703:

- October 2002 appointment of the Ad Hoc Working Group and associated work program.
- December 2002 draft bylaws and initial policies reviewed.

In January 2003, the new consolidated Board met for the first time and included the expanded representation and new voting structure as required by SB 1703. The changes to the Bylaws and SANDAG's first new policy since consolidation regarding agency operations (Policy 001) were adopted.

In February 2003, consistent with the schedule called for in SB 1703, the **Initial Transition Plan** (Exhibit C1) was approved by the SANDAG Board, and called for transition of the planning and programming functions from NCTD and MTDB in July 2003. Although not required by legislation, MTDB and NCTD concurred with the Plan prior to the SANDAG Board action.

The next key date was the June 2003 SANDAG Board meeting when the Transit Service Planning Policy (Policy 018) and the required **Subsequent Transition Plan** (Exhibit C2) were both adopted. The new policy essentially confirmed in policy format the planning provisions agreed to by the three Boards in the Initial Transition Plan. The Subsequent Transition Plan was approved at the June 27, 2003, SANDAG Board meeting, several months ahead of the September 30, 2003, schedule called for in SB 1703.

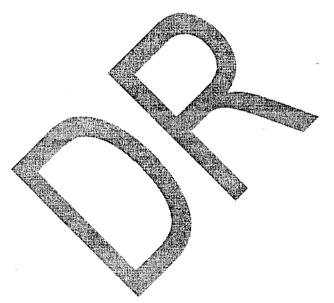
Related to the expanded functions of the consolidated transportation agency, particularly with respect to implementation, new and revised policies were developed and adopted during the course of the year. New policies were reviewed with one or more Board policy committees prior to scheduling Board action. The JCRT was consulted on those policies as they related to transit matters.

The following policies were adopted by the SANDAG Board since enactment of SB 1703

001	Operations Policy for New Agency	N.	January	y	2003
002	Policies and Procedures for Policy Advisory Committees	Januar	y ·	2003	
003	Investment Policy		January	/	2003
004	Rules of Procedure for Board of Directors and Committe	es	June		2003
005	Sponsorship of Events		June		2003
006	Proclamations		June		2003
007	Equal Employment Opportunity (EEO) Program	June		2003	
800	Legal Matters		June		2003
009	Discrimination Complaint Procedures		October	r	2003
010	Ballot Measures	June		2003	
011	Travel Expenses		June		2003
012	Local Technical assistance		June		2003
013	Conflict Resolution Procedure		June		2003
014	Environmental Quality		June		2003
015	Records Management		June		2003
016	Procurement of Services		October	•	2003
017	Delegation of Authority	Februa	ry	2004	
018	Regional Transit Service Planning		Septem	ber	2004

Each of the policies are available on the SANDAG Web site, http://www.sandag.org/index.asp?fuseaction=about.bylaws

019	Project Plans, Specifications and Estimates	November	2003
020	Quality Assurance/Quality Control (QA/QC)	November	2003
	for Capital Improvement Projects		
021	Acquisition of Real property Interests	November	2003
	and Relocation Assistance		
022	Utility Agreements and Relocation	November	2003
023	Procurement and Contracting – Equipment & Supplies	November	2003
024	Procurement and Contracting – Construction	November	2003
025	Public Participation for Project Development, Construction,	November	2004
	Environmental Justice, Service Planning, Fare Changes	·	
026	Public Safety Policy Advisory Committee	December	2003
027	TDA Guidelines	February	2004
028	Capital Assets	April	2004
029	Transportation and Land Use Coordination	January	2005 [†]
030	Regional Fare Policy	October	2004
		2.4	



[†] Scheduled for committee review in November and December 2004.

3. TRANSITION PLANS AND CONSOLIDATION

Section 132353.1 of SB 1703 stated that the transition plan for the **Initial Transfer of Planning and Programming Functions** must be developed no later than February 28, 2003, with implementation to occur no later than July 1, 2003. These deadlines were successfully met.

- The SANDAG Board approved the transition plan for the Initial Transfer on February 28, 2003.
- Implementation of the plan began immediately after approval of the Initial Transition Plan and was completed by July 7, 2003. MTDB employees performing planning and programming functions were transferred to SANDAG on July 7, 2003. NCTD employees were officially transferred to SANDAG on September 1, 2003.

Section 132353.2 of SB 1703 states that the transition plan for the Subsequent Transfer of Project Development and Construction Functions must be developed no later than September 30, 2003, with implementation no later than January 30, 2004. These deadlines were successfully achieved.

- The SANDAG Board approved the transition plantor the Subsequent Transfer on June 27, 2003.
- Following the transfer of NCTD employees in September 2003, a centralized Procurement and Contracts division was created within SANDAG and transferred NCTD and MTDB employees.
- Implementation of the plan was completed by October 13, 2003, with employees from MTDB and NCTD performing project development and construction functions transferring to SANDAG.
- In December 2003, the SANDAG Board approved consolidating Web site functions by combining and transferring to the consolidated transportation agency the staff members performing those functions from MTDB and SANDAG.

The Initial and Subsequent Transition Plans are included as Exhibits C1 and C2, respectively.

INITIAL TRANSITION PLAN

As directed by the legislation, the Initial Transition Plan focuses on the roles and responsibilities of the consolidated transportation agency and the Transit Boards in planning for services and programs, including service and operational planning. The Plan identified a process that recognizes the close tie between short-range transit planning by the consolidated transportation agency and the preparation of a service implementation plan by the transit agencies. Recognizing existing service concepts, the Plan assures that revenue hours/miles budgeted in FY 2003 would be considered as minimum levels of service for each Transit Board and would assume net service levels to be added upon completion of the Oceanside to Escondido and Mission Valley East rail projects. The Plan did, however, acknowledge that if future funding shortfalls occur necessitating cutbacks in service, there would be a regionwide process of

examining service levels, protecting a "lifeline" system of services. The Plan defines local route planning as intra-community service, with lower speeds, frequent stops, and community-based shuttles. The Plan additionally grants transit operators the discretion to make minor service changes, and defines minor as less than 25 percent of revenue miles/hours of a route and within the operator's existing approved budget. Regional transit service is defined as Corridor and Regional Service in the 2030 Regional Transportation Plan, along with inter-community service with lower speed and frequent stops.

With respect to the programming element of the Initial Transition Plan, two flow charts were developed that demonstrate different processes for operating funds and major capital projects. Flexibility is provided to allow the Transit Boards to act as the claimant and grantee for operating items. The transit agencies would continue to develop annual operating budgets and related documentation for the annual claim process for Transportation Development Act (TDA), State Transit Assistance (STA), and other operating funds, and would provide input for the development of programs and projects to be funded with various capital funding programs.

SUBSEQUENT TRANSITION PLAN

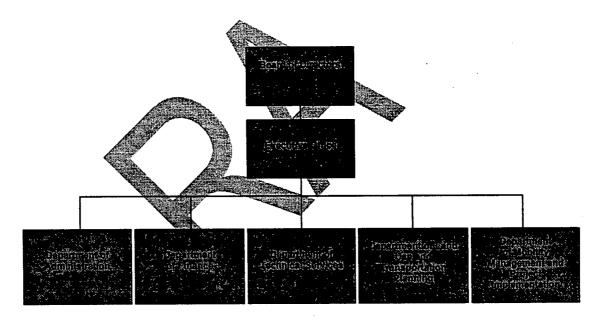
The Subsequent Transition Plan further interprets statutory definitions in SB 1703, including local and minor improvement projects as required by the legislation. The definition of construction was defined as projects that expand the capacity of a current asset or involve the construction of a significant new asset which would fall within SANDAG's construction responsibilities. Examples include future double-tracking projects, major bridge and infrastructure replacements; new maintenance facilities, new grade separations, and new regional transit centers. Used and Minor improvement Projects mean projects which maintain, preserve, or repair an existing asset without expanding its capacity or capability, and are further categorized as operations or maintenance related.

The Subsequent Transition Plan includes a matrix of transferred and retained projects. Although the legislation excludes the Mission Valley East and Oceanside to Escondido Rail (SPRINTER) projects from transfer, the Plan provides the authority to transfer employees assigned to these projects to SANDAG if mutual agreement is reached. Separate and mutual agreements were reached. MTDB employees working on the Mission Valley East project were transferred to SANDAG on October 13, 2003. The NCTD Board approved an agreement stating that the employees assigned to the SPRINTER will transfer to SANDAG upon completion of the project and will be afforded the same benefits and protections as all employees transferred as part of the consolidation at its December 2003 Board meeting. With the exception of the operation of public transit systems, the legislation provides for the transfer and consolidation of any or all functions, personnel, and funding of either agency to the consolidated transportation agency, if agreed to by both parties. As such, there were a few more transfers that occurred in subsequent stages. In January 2004, the MTDB employees performing Web site services transferred to SANDAG and in April 2004, two additional employees in the Information Technology (IT) department transferred.

CONSOLIDATED ORANIZATION STRUCTURE

With the incorporation of planning, programming, project development, construction functions, and related support functions, the SANDAG team nearly doubled in size, from 99 positions to 174 positions. Sixty-seven positions transferred from MTDB and 8 positions transferred from NCTD. Current organization charts for SANDAG and NCTD are displayed in Exhibit D; MTDB's revised organizational structure is still under development. To accommodate the new roles and responsibilities at SANDAG, the structure changed dramatically. Five departments, plus the executive office, have been created which include:

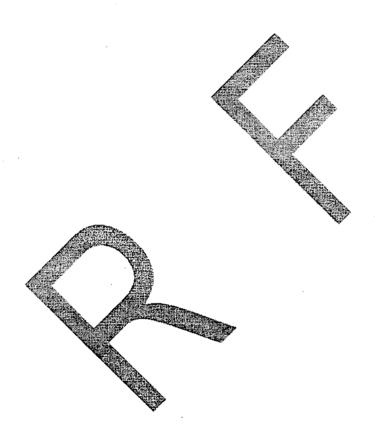
- Executive Office
- Administration
- Finance
- Technical Services
- Land Use and Transportation Planning
- Mobility Management and Project Implementation



Consolidation, changing roles and responsibilities, along with other dynamic factors not necessarily related to consolidation prompted the need for reorganization at both NCTD and MTDB. At NCTD, transfer to SANDAG of certain functions and employees necessitated functional restructuring of some parts of the organization. Additionally, construction of the SPRINTER and start-up of this additional new service mode were factored into the new organization structure. NCTD's current organizational chart is shown as Exhibit D-2.

MTDB's organization structure changes are still in process and are more far-reaching as a result of the large numbers of employees and additional responsibilities transferred to SANDAG, and with the consolidation of San Diego Transit Corporation (SDTC) and San Diego Trolley, Inc. (SDTI), into MTDB that occurred in June 2003. However significant progress has been made; Accounting/Budget, Human Resources, and Planning functions have been recreated and centralized by drawing staff resources from

SDTI and SDTC, and Board administration in terms of agenda preparation and Board clerical duties has been re-established. More work is still needed to create a consolidated accounting system as well as standardized employee benefits and policies. The next step will be to examine the respective procurement, risk management, and facilities maintenance functions of the organizations to determine if greater efficiencies can be achieved by centralization. A revised organizational structure is anticipated early next year.



4. CONSOLIDATED AGENCY INTERNAL ACTIONS

As with any consolidation it was important to recognize the different cultures of the three agencies, including differences in policies, benefits, and structure. As noted earlier, to address all of the differences, an implementation list was developed. More than 60 individual tasks were identified and categorized by areas of responsibility. Through the tremendous efforts of many individuals, nearly all of the internal tasks are complete and the few remaining tasks are anticipated for completion over the next few months. The consolidation tasks addressed administrative procedures, compensation and benefits, procurement, financing and procurement systems, contracts, and office space.

The checklist below provides a summary of the administrative work completed over the course of the past 24 months since the date that SB 1703 became effective.

PROGRESS REPORT

	Task	***	Status
>	Administrative Rules and Regulations Manual	✓	
>	Consolidated Transportation Agency Organizational Chart		✓
>	Consolidated Transportation Agency Benefits Program	✓	
>	Integrated Accounting System	✓	
>	Projects, Contracts, Grants Consolidation		✓
>	Legislative Advocacy Services Consolidation		✓
>	Centralized Procurement		✓
>	Office Space		✓
>	Information Systems and Technology Consolidation		✓

To accommodate all of the employees transferring to the consolidated transportation agency, a comprehensive search for office space was initiated. Proximity to transit services and the ability to house all of the employees in one building were essential requirements. The cost of the lease, including the necessary tenant improvements was another critical factor in the decision-making process. Following a thorough search, the decision was made to remain at 401 B Street and to lease portions of three additional floors to augment the existing two floors. The lease was signed on July 25, 2003, and space plans were developed. All tenant improvements are now complete and employees subject to transfer have transferred to their new work spaces.

Consolidation of the differing benefit packages was one of the most challenging items on the implementation list. Article 6 of SB 1703 states that no employee would suffer loss of employment or reduction in wages, health, and welfare and other benefits; seniority, retirement benefits, or contributions made to retirement plans; or any other condition of employment as a result of the consolidation. All three agencies had very different salary and benefit packages. As it would have been cost-prohibitive for all employees to receive all of the benefits institutionalized at the three agencies, an overall approach was taken. In other words, the employees were granted in whole, the same overall package, but not necessarily the same individual benefits to which they were accustomed. There were some classification disparities between the consolidated staffs from the three agencies and to address the differences an external consultant was hired for the purpose of conducting a comprehensive classification study. That study is almost complete.

Other challenges included the integration of finance systems, centralizing procurement, transferring contracts and grants, and the development of administrative policies. The integration of the finance systems is now complete, and contracts and procurements for the agency are now centralized under one function. An internal procurement manual was developed and is being followed. The manual is a living document that will be updated as appropriate. All of the policies related to consolidation, with the exception of the Transportation and Land Use Policy have been approved by the Board. Final approval of the Transportation and Land Use Policy is anticipated for December 2004.

Other internal tasks still remaining include the completion of the transfer of contracts and grants from one transit agency to SANDAG. Over 100 contracts have already been transferred via assignment agreements from the Transit Boards to SANDAG, however, some still need to be formally assigned. This is not an immediate concern as contractors are continuing to perform their original functions without interruption and the reimbursements from funding agencies are continuing. Completion of the transfer of the remaining contracts and grants is anticipated over the next few months.

SANDAG updated its Administrative Rules and Regulations Handbook in February 2004. Some changes were needed as a result of consolidation; some would have been implemented regardless. The Handbook includes various administrative policies. Changes related to consolidation of benefits include: paid time off, management leave, a health insurance plan option, and participation in the transportation incentive program.

The following are administrative policies that were either newly implemented or revised since enactment of SB 1703:

• Employment of Relatives (July 2003) - This policy outlines the restrictions on employment of relatives other than spouses, employment of spouses, and co-employees who marry. Primarily,

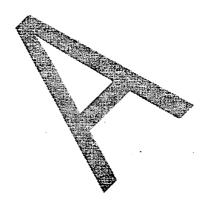
individuals will not work in a direct, supervisory relationship with each other or be in the same line of authority or supervision.

- Sexual Harassment and Complaint Procedures (July 2003) This policy is derived from SANDAG's equal employment opportunity policy which prohibits discrimination on the basis of race, color, religion, national origin, ancestry, disability, medical condition, sex (gender), marital status, sexual orientation, age, or military status. It is SANDAG's policy to ensure that its offices and activities are free of sexual harassment or discrimination.
- Discrimination (July 2004) This policy of SANDAG establishes a work environment that is free from harassment or discrimination. Prohibited actions include but are not limited to the use of derogatory verbal comments, slurs, jokes, or derogatory images, refusing to hire or promote an employee due to pregnancy; derogatory comments regarding age; or failing to provide reasonable accommodation to an employee with a known mental or physical disability.
- Emergency Procedures & Building Safety Systems (February 2004) This policy sets guidelines
 to help staff respond to emergencies and minimize the effects of such events.
- Family Care and Medical Leave (July 2003) This policy establishes leave for pregnancy disability, combining with the California Family Rights Act (CFRA) and the Family and Medical Leave Act (FMLA). This policy also addresses CFRA and FMLA in relationship to other than pregnancy leave.
- Home Computer Purchase Program (September 2003) This policy defines the cash incentives to employees purchasing home personal computers.
- Catastrophic Leave Program (July 2003) this policy permits employees with accrued vacation or Paid Time off (PTO) to voluntarily donate under certain conditions up to 160 hours of leave credits to other employees who have experienced catastrophic illness or injury.
- Flexime Program (February 2004) This policy defines flextime policies and principles. SANDAG supports the concept and use of alternative work schedules and recognizes that a flextime program can maximize employee productivity, improve employee morale, and reduce traffic congestion during peak travel periods.
- Tele-work Program (October 2003) This policy defines the terms and regulations for tele-working. SANDAG supports tele-working as an innovative work option benefiting SANDAG employees and the region, and recognizes that a tele-working program can maximize employee productivity, improve employee morale and motivation, and reduce traffic congestion during peak travel periods.
- Delegation of Authority by Executive Director (February 2004) This policy defines the various delegations of authority by the Executive Director to a limited number of selected staff members.

ADVOCACY EFFORTS

Although SB 1703 did not require consolidated "lobbying" efforts, the bill did state that the consolidated transportation agency, NCTD, and MTDB would work together to obtain funds for transit projects and services. Toward that end, an agreement was executed in May 2003 between the three agencies, and including the City of San Diego for the purpose of contracting for federal and state lobbying services. And, for the first time, MTDB, NCTD, and SANDAG developed a joint federal legislative agenda and together visited the San Diego Congressional Delegation in Washington, D.C., with a unified message. These joint efforts proved very successful with over \$123 million in federal discretionary transportation funds appropriated to the San Diego region in FY 2004.

Joint lobbying efforts between SANDAG, the Transit Boards, and the City of San Diego will continue with SANDAG as the lead coordinator. Options to address contracting for future legislative representation are under consideration.



5. EVALUATION OF PROGRESS AND MEASURES OF SUCCESS

SB 1703, as amended by AB 361, requires the consolidated transportation agency to submit a report to the Governor and Legislature by December 31 of even-numbered years beginning in 2004 regarding the progress in carrying out the provisions of the Act. In this chapter, following a brief discussion is a section-by-section performance review of SB 1703 and AB 361.

SB 1703

Since enactment of SB 1703, SANDAG has been faced with a series of internal and external challenges, including the state's budget problems, uncertain funding due to the delay in the reauthorization of the Federal Transportation Bill, and the reauthorization of *TransNet*, the region's half-cent transportation sales tax which sunsets in 2008. Despite these challenges, the complicated and complex process of consolidation continued, and all of the provisions of SB 1703 have been implemented.

SANDAG understands that it is just as important to carry out the large-scale intent of SB 1703 as it is to ensure that the details of the law have been implemented. Throughout the past year, surveys and interviews were conducted with Board members, CEOs, employees, and other stakeholders. They were asked their opinions in the same areas that the LAO has been charged with evaluating so that SANDAG could track its success in addressing the intentions behind consolidation. The areas and summary of responses are below:

- Effectiveness of current governance structure; including but not limited to public participation, accountability, proportional representation, and examination of various alternative governance structures.
 - With respect to effectiveness in governance and decision-making, there was a mix of responses. SANDAG Board members were more definite about significant progress, while the opinions of Board members from other agencies were mixed, with a sense that it was too early to tell.
 - With regard to stakeholders' responses in this area, the scores were in the middle.
- Effectiveness in addressing transportation needs of the region, including coordination and efficiencies in transportation planning and implementation as a result of the consolidation.
 - For the most part, it is too early to tell; however, there is an ability to respond more
 effectively in the future due to the renewed focus on operations.

- There is progress in coordination among agencies even if it is too early to see the results in actual service delivery.
- Responses from stakeholder surveys indicated that consolidation will have a positive effect on addressing the transportation needs of the region.
- Responses from stakeholder surveys indicated that consolidation will have a positive effect on coordination and efficiencies in transportation planning and implementation.
- Effectiveness of addressing quality-of-life indicators, including but not limited to, land use patterns, a viable and sustainable economy, affordable public transportation, affordable housing, transportation mobility options, air and water quality, and open space and natural habitat preservation, including but not limited to the agency created by the Act (SANDAG) and the County Board of Supervisors.
 - Most interviewed agreed that there has been little evidence to date, and that it is too early to expect consolidation to impact key quality-of-life indicators.
 - The average score from stakeholders on whether consolidation will have an effect on quality-of-life indicators was 1.7 (1 = positive, 3 = negative).
- Adequacy of scope and authority for regional decision-making
 - There were mixed reviews. The SANDAG interviewees, both Board and staff, saw more progress than interviewees from the operating agencies.
 - One important cause for this difference at this stage is likely to be the perceived lack of resolution on the roles of SANDAG and the operating agencies.
 - The lack of direct authority on transportation projects of regional significance" led some to suggest that authority under the Consolidated Agency is not adequate to the missions or expectations.
 - Most of the respondents were unable to point to anything specific and expressed hope that the open space protection and related provisions would be effective in bringing land use and transportation decision-making together.

Table 1 describes in detail the provisions of SB 1703 and the progress in implementing these provisions.

Table 1		
Measuring Progress Related To C	onsolidation	
<u>Provisions</u>	<u>Actions</u>	
§132351.0	Concur ☑	
The consolidation of SANDAG and the Transit Boards will consolidate responsibilities under the organization and governance structure with the powers, duties, functions, and authority as set forth.	Chaptered on 9/20/02	
§132351.1	Concur ☑	
(a) Board of Directors consisting of 20 members	Effective and in place beginning 1/1/03	
(b) Delegation of powers by the Board to "offices, officers, or committees"		
(c) Composition of the Board		
(d) Selection of alternates		
(e) Advisory representatives (e.g., County of Imperial)		
§132351.2	Concur ☑	
(a) Quorum is a majority of member agencies	Effective and in place beginning 1/1/03	
(1) consent items require majority of members present on basis of one vote per agency	·	
(2) all other items require both (1) and a majority of the weighted vote of member agencies present		
(b), (c), (d), (e), (f) Spells out the formula for weighted vote, and for supermajority vote, and procedures for updating and adding new members.	•	
<u>§132351.3</u>	Concur ☑	
Agency is:	Confirmed	
successor agency to the San Diego Association of Governments (SANDAG), continues to maintain federal, state and local designations		
statutorily created regional transportation planning agency		
Metropolitan Planning Organization		
San Diego County Regional Transportation Commission		
congestion management agency		

formed an ad hoc working group on consolidation that met regularly between September 2002 and June 2003. Ad-Hoc committee recommended that the Joint Committee on Regional Transit (JCRT expand to assume oversight and review of consolidation on behalf of all three agencies	Table 1 Measuring Progress Related To Consolidation		
(a) four standing policy advisory committees with responsibilities and expanded membership established by the Board; Section of legislation defines membership as follows: (1) executive committee with six voting members representing the city and county of San Diego, each, and four subregions the city and county of San Diego, each, and four subregions with addition of MTDB, NCTD, and airport authority and with "strong focus and committee with nine voting members, with addition of MTDB, NCTD, and airport authority and with "strong focus and committeen to meeting the public transit needs of the San Diego region, set transit funding levels, and undertake transit responsibilities resulting from consolidation." (3) regional planning committee with six voting members as in (1) above (4) borders committee with seven members, adding an elected official from Imperial County (b) The Board may appoint other standing and ad hoc working groups consolidation that met regularly between September 2002 and June 2003. Ad-Hoc committee on Regional Transit (JCRT expand to assume oversight and review of consolidation on behalf of all three agencies The expanded JCRT's first meeting was held on 9/11/03. Confirmed Confirmed Conciliation of the set of all three agencies The expanded JCRT's first meeting was held on 9/11/03. Confirmed Conciliation of the set of all three agencies The expanded JCRT's first meeting was held on 9/11/03. Confirmed Confirmed	council of governments for the San Diego region		
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\$132351.5 (a), (b) Deals with member compensation to be determined by the Board. \$132351.6 Caltrans (District 11) shall coordinate on transportation planning for all projects in which the department and the Agency have common	(c) No Board member may serve as a member of more than two	Joint Committee on Regional Transit (JCRT) expand to assume oversight and review of consolidation on behalf of all three agencies. The expanded JCRT's first meeting was held	
(a), (b) Deals with member compensation to be determined by the Board. S132351.6 Caltrans (District 11) shall coordinate on transportation planning for all projects in which the department and the Agency have common		Confirmed	
Board. §132351.6 Concur ☑ Caltrans (District 11) shall coordinate on transportation planning for all projects in which the department and the Agency have common	<u>§132351,5</u>	Completed ☑	
Caltrans (District 11) shall coordinate on transportation planning for all projects in which the department and the Agency have common	(a), (b) Deals with member compensation to be determined by the Board.	Confirmed	
Caltrans (District 11) shall coordinate on transportation planning for all projects in which the department and the Agency have common	<u>§132351.6</u>	Concur Ø	
1	projects in which the department and the Agency have common		
§132352 Completed ☑	§1323 <u>52</u>	Completed ☑	

Table 1 Measuring Progress Related To Consolidation		
Agency may adopt bylaws and other rules.	Confirmed .	
§132352.1	Concur 🗹	
All meetings of the Consolidated Agency shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act; Ten members constitute a quorum for transaction of business.	Confirmed	
§132352.2 Acts of the Board shall be expressed by motion, resolution, or ordinance.	Concur 2 Confirmed	
§132352.3	Concur ☑	
The officers of the Board are the chairperson and the vice chairperson. No member may hold more than one office, the term of the office for the officers of the Board shall be established by the Board.	Confirmed	
§132352.4	Completed ☑	
(a) Agency shall have the authority to establish and use a flexible contracting process to maximize efficient use of public funds (b) Describes contracting powers and limitations	The SANDAG Board approved Policies 023 and 024, Procurement of Equipment/ Supplies, and Construction, respectively, in November 2003.	
(1) may make contracts; either in connection with eminent domain proceedings or otherwise		
 (2) may contract with any department or agency of the U.S. or State local governmental authorities, including those in Mexico (3) if construction costs exceed \$59,000, written bids are required and award shall go to the lowest responsible bidder or all bids must be rejected. Rules for procurement of construction of public works projects must be established. Agency may contract for construction of buildings, structures, roads, bridges in accordance with provisions of the Public Contract Code 		

Table 1	lidation
Measuring Progress Related To Co	onsolidation ,
(4) except in cases of sole source, all contracts for acquisition or lease of materials, supplies, equipment in excess of \$50,000 shall me made to lowest responsible bidder (excluding sales tax)	
(5) if estimated costs of services exceed \$100,000 cannot use an entity described in paragraph (2) above, and may require bids if not within the §4525 of the Government Code	
(6) architectural, landscape architectural, engineering, environmental, land surveying, services, and construction project management in excess of \$50,000 shall be let in accordance with §4525 of the Government Code	
(7) Can use competitive negotiation process; the Agency shall maintain acquisition and contracting guidelines for procurement of goods and services; these guidelines may be in the form of standard or model formats	
§132352.5 (a)	Concur ☑
Privileges and immunities of officers, agents, or employees of a public agency when performing their respective function shall apply to employees of the Consolidated Agency	Confirmed
§132352.5 (b)	Concur 🗹
Deals with claims for money or damages against the Consolidated Agency or its employees.	Consistent with Policy No. 008 approved by the SANDAG Board in June 2003.
§132352.6 (a)	Completed ☑
Administration – The Consolidated Agency shall submit a progress report to the Governor and Legislature by December 31, of even numbered years, beginning in 2004.	Board concurrence December 2004
§132352.6 (b)	Concur ☑
Administration – By December 31, 2005, the Legislative Analyst Office shall submit a report to Governor and Legislature which shall evaluate and make recommendations four areas below.	Discussions have begun with the LAO; the draft report completed in January 2003 was sent to their office.

Table 1	·
Measuring Progress Related To Co	onsolidation
The effectiveness of the current governance structure within the region, including but not limited to, public participation, accountability, proportional representation and to examine various alternative governance structures.	Initial stakeholder and employees surveys to establish benchmarks have been conducted
(2) The effectiveness in addressing the transportation needs of the region	
(3) The effectiveness of quality of life indicators	
(4) The adequacy and the scope and authority for regional decision making.	₽*
§132352.6 (c)	Completed ☑
The Consolidated Agency shall pay for the costs of the study to be capped at \$150,000.	SANDAG's FY 2005-2006 budget will include a line item to cover this potential expenditure.
§132352.6 (d) (1)	Not an applicable SANDAG action
Should LAO recommend change in governance structure and if legislation is enacted for change, a vote of the people in San Diego would be required,	
§132352.6 (d)(2)	Not applicable at this time.
Deals with public participation should LAO recommend a change in governance structure and legislation is enacted.	
§132352.6 (d) (3)	Completed ☑
Act remains in effect until an election pursuant to paragraph 132352.6 9 (d)(1).	Confirmed
§132353.0	Completed ☑
Definitions of Construction, Planning, Programming and Project development	Further clarifications of these definitions were approved in the transition plans, policies and subsequent agreements between SANDAG and the Transit Boards.
§132353.1	Completed ☑
Initial Transfer – Not later than July 1, 2003, all public transit and other transportation planning and programming responsibilities of	SANDAG Board of Directors approved plan on 2/28/03
MTDB and NCTD shall be consolidated; a transition plan shall be developed by February 28, 2003.	Responsibilities consolidated as of 7/1/03
	Initial MTDB and NCTD positions transferred on 7/7/03 and 9/1/03, respectively
§132353.2(a)	Completed ☑
Subsequent Transfer – A transition plan for the transfer of project	SANDAG Board of Directors approved plan on 6/27/03

Table 1	
Measuring Progress Related To	Consolidation
development and construction responsibilities of the Transit Boards shall be developed no later than September 30, 2003; the transfer and consolidation shall occur no later than January 30, 2004.	A partial transfer of subsequent positions occurred on 10/13/03 MOU between SANDAG and NCTD provides for subsequent transfer.
§132353.2(b), (c)	Completed ☑
Defines what is in the transition plans; functional roles and responsibilities; service and operational planning; programming; project development and construction; guidelines for the development of local route planning, scheduling and local financial planning	Defined in approved transition plans; further refinement of planning and programming was part of subsequent policies, i.e. the Transit Service Planning Policy, TDA Guidelines, and the Capital Asset policies, and agreements between SANDAG and the Transit Boards.
§132353.2(d)	Concur ☑
Allows for additional consolidation.	Various support functions related to the consolidation of the four basic functions were transferred. Any additional consolidation will be subject to future evaluations.
§132353.2(e)	Completed ☑
Programming of Transportation Development Act (TDA) funding and federal Section 5307 funds should be allocated in a manner which will help the Transit Boards meet their obligations and responsibilities, recognizing the methodology and historic funding levels; Agency shall conduct periodic review of the allocation and methodology for all formula-based funding.	TDA Policy Guidelines approved 02/04.
§132353.2(f)	Completed ☑
All three agencies should work together to obtain funding for transit projects and services.	An agreement combining advocacy efforts was signed by MTDB, NCTD, SANDAG and the City of San Diego in 05/03. A plan to utilize and coordinate legislative advocacy efforts more effectively in under development.
§132353.2(g)	Concur ☑
Future consolidation of transit operations into Agency should be comprehensively evaluated by the Agency; implementation would occur only if it is determined to be appropriate by the Consolidated Agency and enacted by legislature.	There is no action at this time.
§132353.3	Concur ☑
Only if 132353.2 (g) is enacted.	N/A
§132353.4 (a-e)	
Only if 132353.2 (g) is enacted.	Concur ☑ N/A

7.11.4		
Table 1 Measuring Progress Related To Consolidation		
<u>§132354.0</u>	Concur ☑	
Powers and functions.	Confirmed	
<u>§132354.1</u>	Concur ☑	
Post audit of financial transitions and records made at least annually.	Annual independent financial audits by a Certified Public Accountant are part of SANDAG's business practice.	
§132354.2	Concur ☑	
Related to Public health, safety, and welfare.	Confirmed	
§132354.3	Concur ☑	
Intent that federal government, state, and local agencies shall participate in support of the Consolidated Agency; financial support for activities of Consolidated Agency will be made available from sources normally available for transportation and other planning purposes for those functions consolidated.	N/A	
§132354.4	Concur ☑	
Consolidated Agency is excluded from requirements of a local agency" as set forth in Section 53091 of the Government Code.	NA .	
<u>§132354.5</u>	Concur ☑	
This act does not authorize Consolidated Agency to operate public transit systems.	N/A	
§132354.6	Concur ☑	
Consolidated Agency shall not have any authority over local land use decisions affecting permitting or zoning of public or private development projects, except as otherwise provided by law.	N/A	
§132355.0	Completed ☑	
Administrative authority for the Consolidated Agency is vested with the executive director who serves as the pleasure of the Board. Executive director may appoint employees to carry out function of the Consolidated Agency.	Delegation of Authority Policy adopted 02/04.	
§132355.1	Completed ☑	
Employees of consolidated entities who become employees of the Agency shall suffer no loss of employment or reduction in wages or benefits.	Conditions of employment letters were sent to all transferred employees. There was no reduction in wages or loss of employment. Compensation and employee benefits from the three agencies were reviewed during development of the transition plans. A	

Table 1 Measuring Progress Related To Consolidation		
	consolidated benefits program was established and incorporated into the SANDAG's Administrative Rules and Regulations Handbook last updated February 2004.	
§132355.2(a) (b) (c)	Concur 🖾	
(a) All affected employees of the Agency at their existing or substantially equivalent classifications, salaries, and benefits; all sick leave, seniority, and vacation credits shall be in accordance with records of the consolidated entity that previously employed them; (b) regular employees shall be deemed qualified; probationary employees shall retain said status; (c) related to transfer of any public benefit corporation owned solely by MTDB.	Same as 132355.1; SANDAG is currently undertaking a classification and compensation study that is nearly complete.	
§132355.3(b)(c) (d)(e)	Completed ☑	
(b) PERS continuation. Any expense related to this agreement shall be borne by the Consolidated Agency; (c)(d) related to retired employees of the Consolidated Agency; (e) relates to the combining of service credits which shall be contained in a provision in the Consolidated Agency's contract with PERS.	Same as 132355.1 (e) The "Final Resolution" and the "Certification of the Governing Body's Action" to amend the agency's contact with PERS providing for the merge of employees transferred from MTDB and NCTD was approved on 07/04, making the new contract effective on 07/26/04.	
§132355.4(a)	Concur ☑	
Relates collective bargaining and provisions of conduct of employee- employer relations.	N/A	
§132355.4 (b)	Concur 🗹	
For purposes of wage orders, Consolidated Agency shall be considered a special district.	N/A	

Table 1 Measuring Progress Related To Consolidation

§132360 (a)

Completion of a public process by June 30, 2004, to prepare and adopt a regional comprehensive plan (RCP) based on the local general and regional plans that integrate land uses, transportation systems, infrastructure needs, and public investment strategies within a regional framework, in cooperation with member agencies and the public. The RCP should be updated as necessary for the Consolidated Agency to comply with Section 132360.2.

Completed ☑

The public process to prepare the RCP which began in March 2002 was substantially completed by June 30 and quite extensive. Described in more detail in the RCP section of the document, participants in the process included policymakers planning directors and local and regional stakeholders. More than 40 workshops and forums were held in communities around the region to gain input from residents on the RCP. Additionally, a number of community-based organizations, representing a diverse range of ethnicities, income levels, and age ranges throughout the region, performed outteach in their communities on RCP issues.

§132360 (b)

The RCP should be updated as necessary for the Cons Agency to comply with Section 132360.2.

Completed ☑

The RCP is a living document that will be updated as necessary, in conjunction with the updates to the Regional Transportation Plan.

§132360.1 (a-h)

It is the intent of the Legislature that the RCP

- (a) preserve and improve the quality of life, maximize mobility and transportation choices, and conserve and protect natural resources
- (b) harmonize the needs of the region as a whole
- (c) engage in a public collaborative planning process
- (d) cooperation and consideration of recommendations from other agencies and groups
- related to providing and assistance to local agencies to develop, implement and update general plans based shared goals and objectives of the RCP.

Completed ☑

Based on shared goals and objectives, the Regional Comprehensive Plan:

- Identifies practical ways to connect transportation and land use plans using smart growth principles;
- Uses transportation and land use plans to guide decisions regarding environmental and public facility investments;
- Promotes collaboration and incentives to implement regional goals and objectives;
- Establishes a context in which to address regional infrastructure financing needs; and
- Actively engages our regional neighbors and tribal governments in the planning process.

§132360.2 (a)

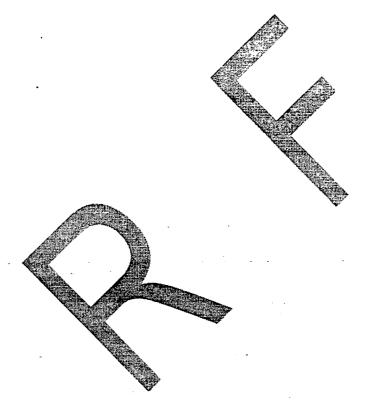
The regional transportation plan and the regional comprehensive plan should be compatible. The regional comprehensive plan should set the framework for the type of changes to subsequent regional transportation plans.

Completed ☑

The current RCP includes all of these components.

Table 1	
Measuring Progress Related To	Consolidation
§132360.2 (b)	Completed ☑
Water supply component shall be consistent with the urban water management plan and other adopted regional water facilities and supply plans of the San Diego County Water Authority.	RCP is consistent.
§132360.3 (a)(b)(c)	Completed ☑
RCP shall harmonize needs of the region; adoption of a public process procedure that addresses and responds to recommendations from the public; Consolidated Agency shall see cooperation from member agencies and other local government agencies.	Confirmed
Plan policies and objectives for RCP shall be made available to all local agencies; the Consolidated Agency shall provide assistance to local agencies to develop, implement, and update general plans.	Completed ☑ Confirmed
Maintain the data, maps, and other information in the development of the RCP in a form suitable to assure consistent view of development trends and made available for use by other government agencies and private organizations.	Completed ☑ Confirmed
§132360.6 Member agencies should review federal and state regulated or mandated actions made by the Consolidated Agency and report these actions to their respective jurisdictions.	Completed ☑ Confirmed
§132360.7 All documents are subject to the California Public Records Act.	Completed ☑ Agree
§132632	Completed ☑
The Agency may call for an election regarding the governance of or matters related to the powers, privileges, or duties of the Agency, including but not limited to, merge or complete consolidation of the Transit Boards.	Pursuant to AB 361 (132352.6 (d)(1)), if legislation is passed changing the governance structure or the authority or responsibility of the Consolidated Agency, the change shall be submitted to the voters of San Diego; (132352.6 (d)(2) legislation requires public participation for any change related to a governance structure change.
<u>§132634</u>	Completed ☑
The County shall conduct an election, including an advisory election, called by the Consolidated Agency in the same manner as provided by law for the conduct of elections by a county.	Yes

Table 1 Measuring Progress Related To Consolidation		
§132370.1-10 Provides the Consolidated Agency the ability to issue bond, and other financing mechanisms. Completed ☑ Adoption of Investment Policy (#3) in Janua 2003.		
§32372.1-4 Provides the Consolidated Agency the ability to purchase and lease of transit equipment.	Completed ☑ Confirmed	



AB 361

Compliance with the provisions of AB 361 is summarized in substantial detail in Table 2. For the most part, the required compliance dealt with Article 6.5, as related to the adoption of the Regional Comprehensive Plan (RCP).

Following two years of meetings, public outreach, policy discussions, and reviews that resulted in the development of a long-term planning framework for the San Diego region, on July 23, 2004, the SANDAG Board adopted a resolution that:

- Certified the Final Program Environmental Impact Report,
- Adopted the Environmental Findings Pursuant to CEQA (California Environmental Quality Act)
- Adopted a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program
- Adopted the Regional Comprehensive Plan (RCP) for the San Diego region. The Executive Summary of the RCP is attached as Exhibit F.

The RCP balances regional population, housing, and employment growth with habitat preservation, agriculture, open space, and infrastructure needs, and moves the region toward a sustainable future. The RCP is comprehensive in its scope and looks beyond San Diego's borders by considering the planning and growth underway in Imperial, Orange, and Riverside Counties as well as Baja California, Mexico. Although each city and community in the region makes their own decisions regarding land use, the RCP looks at these individual decisions as a whole; assesses their collective impacts, and examines cumulative development trends well into the future. The RCP builds upon the elements of existing local general plans and regional infrastructure plans, and provides a blueprint for the future. The RCP identifies challenges that the region faces and offers guidance toward making better choices, both individually and together providing an alternative to where the region could end if business is continued as usual.

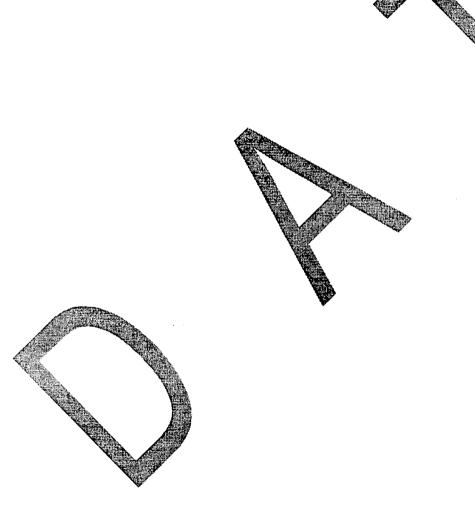
Citizens and representatives from the region's 18 cities and county government crafted the RCP. Together the following vision statement was endorsed.

"To preserve and enhance the San Diego region's unique feature—its vibrant and culturally-diverse communities, beaches, deserts, mountains, lagoons, bluffs, and canyons, and its international setting, and promote sustainability, economic prosperity, and an outstanding quality of life for everyone".

The RCP was not designed as a regulatory plan, but rather a guidance plan. Implementation of the RCP will be a dynamic and iterative process. The preferred implementation approach is for local and regional agencies to incorporate recommended policy objectives into their local and regional plans, when appropriate. Updates to local and general plans will then be reflected in SANDAG's regional growth forecast, the Regional Comprehensive Plan, and the Regional Transportation Plan.

The RCP will function as a "living" document, evolving over time as specific policies and programs are advanced. The plan will be updated every few years to reflect the region's accomplishments, and address the region's changing needs.

Consistent with the requirements of AB 361, the RCP aims to strengthen the relationships among local and regional plans and policies, and the connection between land use and transportation. The plan enables local governments as well as the region to proactively plan for change and growth. The RCP contains an incentive-based approach to encourage and channel growth into existing and future urban areas and smart growth communities.



Public Utilities Code Section	Demonstration of Compliance
§132360 (a)	Completed ☑
Completion of a public process by June 30, 2004, to prepare and adopt a regional comprehensive plan, based on the local general and regional plans that integrates land uses, transportation systems, infrastructure needs, and public investment strategies within a regional framework, in cooperation with member agencies and the public.	Described below, the public process to prepare the RCP was extensive and spanned a period of more than two years (March 2002 to July 2004). The RCP was substantially complete by the June 30, 2004 deadline. Adoption of the RCP occurred on July 23, 2004, to provide additional public review and input into the final plan. • Monthly meetings were held by three groups: SANDAG's Regional Planning Committee (policymakers representing each subregion within the San Diego region), the Technical Working Group (planning directors from the 19 local jurisdictions), and the Stakeholders Working Group (local and regional stakeholders).
	More than 40 workshops and forums were held in local communities around the region to gain input from residents on the RCP.
	 In addition to conventional efforts, an innovative approach to public outreach and involvement was incorporated into the RCP. SANDAG provided direct grants to five community based organizations, representing a diverse range of ethnicities income fevels, and ages. These community-based partners developed strategies and performed direct outreach in their communities on RCP issues. These efforts enabled SANDAG to consider the views of traditionally underserved communities in the development of the RCP. Other SANDAG Policy Advisory Committees also provide input into the
·	plan. The Borders Committee provided policy guidance on the Borders chapter of the RCP, which addresses issues related to Imperial, Orange, and Riverside Counties, Mexico, and tribal governments. The Transportation Committee provided input on the RCP's Transportation chapter.
	Ideas from all of the meetings, workshops, and forums were incorporated throughout the plan. SANDAG also established and maintained a dedicated RCP Web site that included dates, times, and locations of all meetings and workshops, the results of all forums, and electronic copies of the RCP and related materials.
	The SANDAG Board of Directors accepted the draft RCP for public comment on December 19, 2003, and accepted the draft Environmental Impact Report (EIR) for public comment on March 26, 2004. The review period generated almost 800 comments on the draft RCP and more than 300 comments on the draft EIR. The Regional Planning Committee and its Working Groups reviewed a revised working draft RCP, addressing the comments received during the comment period, on May 24, 2004, and June 25, 2004. The final draft RCP was produced based on the Committee and Working Groups' feedback. The SANDAG Board of Directors certified the final EIR and approved the final RCP on July 23, 2004.
	RCP Chapter 1 (Introduction) and Appendix 3 (Public Involvement and Outreach) provide additional detail on SANDAG's public involvement efforts for the plan.

Public Utilities Code Section	Demonstration of Compliance
§132360 (b)	Completed ☑
The RCP should be updated as necessary for the Consolidated Agency to comply with Section 132360.2.	As stated on page 29, the RCP is a living document that will be updated in conjunction with updates to the Regional Transportation Plan (RTP).
§132360.1	Completed ☑
If the Consolidated Agency (agency) prepares an RCP, it is the intent of the legislature that the RCP: (a) Preserve and improve the quality of life in the San Diego region, maximize mobility and transportation choices, and conserve and protect natural resources.	 The RCP: Establishes a shared vision and core values for the San Diego region based on public input from the first round of RCP workshops (Chapter 2); Establishes a new approach to planning based on a planning framework that parallels the framework died by local jurisdictions in preparing their general plans, and a policy framework that focuses on connecting local and regional transportation and land use plans (Chapter 4); and Sets forth goals, policy objectives, and actions that promote smart growth and sustainability in the following areas: Urban Form, Transportation, Housing, Healthy Environment, Economic Prosperity, and Public Facilities (Chapters 4A – 4F); Borders (Chapter 5); and Integrated Regional Intrastructure Strategy (Chapter 7). By integrating the various subject areas described above, the RCP identifies specific ways to preserve and improve quality of life; maximize mobility and transportationscloices (transit, vanpooling, carpooling, walking, biking, and solo during) for all assignants, and protect natural resources (open space, habitat, shoreline, water quality, and air quality). Based on the shared goals and objectives, the RCP: Identifies practical ways to connect transportation and land use plans using smart growth principles; Uses transportation and land use plans to guide decisions regarding environmental and public facility investments; Promotes collaboration and incentives to implement regional goals and objectives; Establishes a context in which to address regional infrastructure financing needs; and
	Actively engages our regional neighbors and tribal governments in the planning process.

- Adoption and	Administration of Regional Comprehensive Plan (RCP)
Public Utilities Code Section	Demonstration of Compliance
§132360.1	Completed ☑
(b) Harmonize the needs of the region as a whole, the plans of the county and the cities of the region.	The RCP identifies challenges that the region faces and offers guidance toward making better choices, both individually and together. The RCP recognizes that currently, no overall framework exists for coordinating local plans with each other, or with related regional plans and programs. It provides a new planning framework, one which pulls together the various local plans of the 19 jurisdictions and regional plans, and establishes a coordinated regional planning document that serves as an organizing framework and guidance document for the myriad plans in the region.
	The RCP identifies future outcomes if local plans are left unchanged; these include reduced open space, more expensive housing and fewer types of housing, imbalances between housing and jobs, and environmental degradation. The plan acknowledges that cooperation and consensus building are key to realizing the shared vision of the future. The RCP is a bottom-up approach that springs from our neighborhoods and communities, building upon current smart growth efforts and providing transportation funding incentives to support those efforts. Chapter 9 (Implementation) includes a table (Table 9.1) that sets forth guidelines for strengthening the connections between the RCP, general plans, and smart growth opportunity areas. The RCP is a starting point for comprehensive planning efforts in the San Diego region, and will be monitored and updated on an ongoing basis.
§132360.1	Completed ☑
(c) The agency shall engage in a public collaborative planning process; recommendations from that process shall be made available and considered for integration into the plan. A procedure to carry out this process including a method of addressing and responding to recommendations from the public shall be adopted.	The SANDAG Board of Directors and its Regional Planning Committee established a comprehensive, coordinated, and collaborative public participation program for the RCP in July and August 2002. This program was based on the concept of a continuous feedback loop, where issues would be (1) worked through the elected officials, the planning directors, the public works directors, and key stakeholders; (2) tested at subregional workshops; and (3) brought back to the elected officials for consider in the development of the RCP.
	As described in the response to §132360.1(a) above, the public process for preparing the RCP was extensive. It included monthly meetings of policymakers representing the six subregions; monthly meetings of local planning directors and stakeholders; three rounds of public workshops; and innovative outreach efforts by community-based organizations representing traditionally underserved communities. Together, these efforts resulted in more than 40 forums throughout the region; periodic joint meetings of
	SANDAG's Regional Planning, Borders, and Transportation Committees; and regular updates to the SANDAG Board of Directors on the progress of the RCP. RCP Appendix 3 (Public Involvement and Outreach) provides a detailed overview of the public participation program.

Table 2 Assembly Bill 361

Demonstration of Compliance with Article 6.5 Adoption and Administration of Regional Comprehensive Plan (RCP)

Public Utilities Code Section

Demonstration of Compliance

§132360.1

(d) In forming and maintaining the RCP, cooperation and consideration of recommendations by member agencies, and other local government agencies, state and federal agencies, educational institutions, research organizations, civic groups, private individuals, and governmental jurisdictions bordering the region shall be sought.

Completed ☑

SANDAG had many partners in the development of the RCP, including the planning and public works directors from the 19 local jurisdictions, and state and federal agencies such as Caltrans, LAFCO, and the military. In addition to public agencies, the Stakeholders Working Group (SWG) represented a broad array of interests with geographic representation from throughout the region; the SWG included local universities, housing advocates, business interests, environmentalists, underrepresented communities, and others.

During the preparation of the RCP, SANDAG's Borders Committee also addressed mutual land use and transportation issues with southwestern Riverside County policymakers through the I-15 Interregional Partnership (IRP). The purpose of the IRP was to develop strategies to address the jobs-housing imbalance between San Diego and Riverside Counties, and its effects on transportation and other regional issues. The recommendations of the I-15 IRP, which was approved by the SANDAG Board of Directors on July 23, 2004, were integrated into the RCP. The Borders Committee also addressed binational issues with Mexico, emerging land use and transportation issues with Imperial County, and transportation and economic development issues with the 17 tribal governments within the San Diego region. RCP Chapter 5 (Borders) provides a comprehensive discussion of border-related issues.

§132360.1

(e) The RCP, policies, and objectives shall be made available to all local agencies; the agency shall provide assistance and enhance the opportunities for local agencies to develop, implement, and update general plans that recognizes, at a minimum, land use, transportation compatibility, and a jobs-to-housing balance with the RCP.

Completed ☑

Goals, policy objectives, and actions included in the RCP continue to be made available to all local agencies and the public. Actions to implement the RCP have been prioritized through a list of "Strategic Initiatives," an initial work program that organizes the concepts and recommended actions from each RCP chapter into sets of related work elements. Strategic Initiatives identify early work efforts (FY 2004 and FY 2005) as well as future efforts to ensure the compatibility of land use and transportation and the balance of jobs and housing.

The RCP also includes the development of incentive programs that direct regional transportation investments into areas of existing or planned smart growth development. It includes guidelines for strengthening the connection between local and regional plans. The guidelines serve as a tool for local jurisdictions to consider where their local plans might better connect to the goals and policy objectives of the RCP at two levels: the entire planning area and specific "smart growth opportunity areas." For detailed discussions of these concepts, see RCP Chapters 4 (Regional Planning & Policy Framework) and 9 (Implementation).

Table 2 Assembly Bill 361

Demonstration of Compliance with Article 6.5
Adoption and Administration of Regional Comprehensive Plan (RCP)

Public Utilities Code Section

Demonstration of Compliance

§132360.1

(f) The agency shall maintain the data, maps, and other information used in the development of the RCP in a form suitable for the availability and use by other agencies and organizations.

Completed ☑

All data, maps, and other information used in the preparation of the RCP continue to be accessible to the public on the SANDAG Web site or by contacting SANDAG at (619) 699-1900 or rcp@sandag.org.

§132360.1

(g) The components of the RCP may include, but not be limited to, transportation, housing, water quality, infrastructure, and open space, including habitat. Components such as water supply, air quality, solid waste, economy, and energy should be part of the RCP in the future. Performance standards and measurable criteria shall be established.

Completed ☑

The RCP includes the components, or chapters, addressing transportation; housing; water quality, open space, and habitat (grouped in Healthy Environment chapter); infrastructure (Integrated Regional Infrastructure Strategy chapter); and performance monitoring.

To provide a comprehensive evaluation, this first RCP also includes additional components/chapters that address air quality and shoreline preservation (grouped in Healthy Environment chapter); water supply, energy, and waste management (grouped in Public Facilities chapter); economic prosperity; urban form; borders; social equity and environmental justice; and implementation.

The Performance Monitoring chapter establishes measurable annual and periodic indicators. Short- and long-term performance targets will be developed during FY 2005 in conjunction with the first baseline monitoring report for the RCP.

§132360.1

(h) Any water supply component or provision of the regional infrastructure strategy regarding water supply in the RCP shall be consistent with the urban water management plan and other adopted regional water facilities and supply plans of the San Diego County Water Authority.

Completed ☑

The Water Supply section of the Public Facilities chapter was developed with the assistance and cooperation of the San Diego County Water Authority, and is consistent with the Water Authority's Urban Water Management Plan and Regional Water Facilities Master Plan.

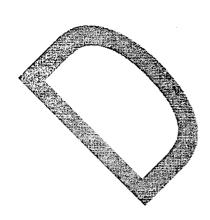
§132360.2

The regional transportation plan (RTP) and the regional comprehensive plan should be compatible. The regional comprehensive plan should set the framework for the type of changes to subsequent regional transportation plans.

Completed ☑

The currently adopted RTP, MOBILITY 2030, was used in the development of this first RCP for the San Diego region. The collaborative planning approach called for in the RCP is an "iterative" process – in other words, updates to local general plans will feed into the regional growth forecast and the next update of the RTP. In turn, the next RTP update (scheduled to begin in FY 2005 and culminate in FY 2006) will affect the development of the next update of the RCP.

Public Utilities Code Section	Demonstration of Compliance
§132360.3	Completed ☑
Same as §132360.1 (f)	See response to §132360.1 (f).
§132360.4	Completed ☑
Each member agency should review the actions that the Consolidated Agency makes on state and federally regulated or mandated items and report these actions to their respective jurisdictions for review.	SANDAG will continue its standard practice of public outreach and presentations to local jurisdictions and other interested parties on all state and federally regulated or mandated items, such as the RTP, the RCP, and other work programs. In addition, agendas, reports, and actions of the SANDAG Board and its five Policy Advisory Committees (Executive, Transportation, Regional Planning, Borders, and Public Safety) are distributed on a regular basis to each member agency and are readily available on the SANDAG Web site at www.sandag.org or by contacting SANDAG at (619) 699-1900 or the public information office (ipo) @sandag.org.
<u>§132360.5</u>	Completed ☑
All documents created in compliance with the article shall be made available and ready for public review in compliance with the California Public Records Act.	All draft and final RCP-related agendas and documents were made available during the planning process. The final RCP and its related documents continue to be available on the SANDAG Web site at www.sandag.org/rcp , or can be requested by contacting SANDAG at (619) 699-1900 or rcp@sandag.org.



COST IMPACTS ASSOCIATED WITH CONSOLIDATION

The primary intent of SB 1703* was to gain more efficiency over time, to garner more dollars by joining together with one regional unified message and, most importantly, to make better regional transportation decisions for the future. In the legislation there was neither expectation of nor mention of cost savings. Even so, there was an underlying desire to minimize costs of duplicative functions and to achieve cost savings through consolidated planning and implementation actions. Although it is recognized that significant cost savings by the three agencies will not likely be realized in the short term there is attention by SANDAG Board and management on gaining cost controls and savings wherever possible. Efforts to monitor and identify areas where cost savings can be achieved will continue to be a high priority.

A first attempt to identify immediate cost savings and efficiencies was performed in early 2004. This effort that included an analysis of staffing levels, number of Board meetings, office space requirements, and other business practices was transmitted to Board members in April 2004 and is attached as Exhibit H. This first analysis showed:

- A zero net change in full-time equivalent staff positions.
- The overall number of Board meetings between the three agencies, SANDAG, MTDB, and NCTD
 was reduced resulting in minor costs implications.
- Proportionately the increase in rent costs is substantially less than the space increase.
- Nearly \$1.9 million in costs was avoided with the integration of a financial system.
- Unified advocacy efforts in Sacramento and Washington, D.C., have proven to be effective.

The April analysis prepared prior to the completion of the tenant improvements and the physical transfer of all of the employees. All consolidated employees are now under one roof and have been since the summer of 2004; however, this is still a period of transition and will continue as the consolidated mixture of staff get to work together for a year or more. Nevertheless, further analysis of the costs associated with consolidation, as of October 2004, has been updated and is discussed in the following paragraphs.

^{*} Section 132350.1 of the Public Utilities Code is where the Legislature declares its findings and intent:

[•] In Subsection (c) it states "...the Legislature finds that consolidation...will improve the efficiency and effectiveness of implementing needed transportation infrastructure and services and provide for a focus on meeting the mobility needs of the region."

In Subsection (d) it states that it is "...the intent of the Legislature in enacting this chapter to
consolidate SANDAG and certain responsibilities of the transit boards to provide for sufficient
power and authority to solve the transportation problems in the San Diego region and the needed
comprehensive transportation system."

Staffing

The analysis conducted in April indicated that there was a net change of zero in full-time equivalent (FTE) staff positions. Since that time, SANDAG adopted a Regional Transit Service Planning Policy that more clearly defined roles and responsibilities among the transit agencies and SANDAG. As a result, funding for three service planning positions was transferred to MTDB. SANDAG is evaluating its staffing needs to fulfill its roles for regional service planning in relation to existing and new responsibilities, and expects to make a determination regarding its long-term staffing needs during the current fiscal year.

Also related to staffing as a result of consolidation is a new approach in managing resources. For example, when appropriate, utilization of full-time positions in areas where temporary employees or professional consultants were used historically. A transfer to this approach will take some time, but it is anticipated that significant cost savings and considerable efficiencies will be realized even though staffing levels might increase.

As well, many internal business practices have been centralized with the consolidation, for example, in the areas of contracts and procurement. By centralizing these functions, work that might have been performed by project managers previously will be performed in a centralized department, thus providing project managers more time to manage and perform the technical work, requiring less consultants and providing for more consistent and accurate contracting procedures.

It should be noted that the strength of merging experienced professionals from the three agencies is expected to result in more efficient and effective work products. Not quantifiable in the short-term, improved delivery of highway, rail, transit, bus rapid transit, and other transportation projects are anticipated as time goes on. For example, SANDAG functioning as the consolidated agency will not initiate a major transit development until 2005. The rewards of a consolidated process will be known once the agency proceeds through that project development process, start to finish.

Board Meetings

As discussed in the April analysis, to accommodate the additional work resulting from consolidation, one additional policy committee meeting per month was added to the SANDAG calendar. Prior to consolidation, the Transportation Committee met once per month and, beginning in 2004, the Committee began meeting twice a month. The cost implication associated with the additional meeting is dependant upon attendance by alternates and ranges from an increase of \$16,000 to \$36,000 per year. Both of the Transit Boards continue to have the same number of meetings as before consolidation although the business conducted at their meetings has changed.

Due to the reduction of meetings, regional savings of approximately \$7,200 per year is a result of the merger of San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) Boards under MTDB. There had been an initial expectation for the Chairs of the SDTI and SDTC Boards to serve as ex officio members to the MTS Board for one year. A decision was made in September 2004 to retain the ex officio members on the MTD Board for an additional year. The eventual termination of this arrangement will result in an annual savings of \$13,000.

As mentioned in the earlier analysis, counting the number of meetings and the associated cost implications, while measurable, does not speak to the dramatic change of business conducted and decisions made by the regional body.

Legislative Services

With an annual cost of approximately \$300,000, four firms currently represent SANDAG's, MTDB's, and NCTD's transportation and other interests in Washington, D.C., and Sacramento. As a first step in consolidating these efforts, in May 2003, SANDAG, MTDB, and NCTD, executed an agreement to join together for the purposes of contracting for federal and state lobbying services and joint lobbying efforts. Joint lobbying efforts began almost immediately after consolidation with SANDAG assuming the lead role. However, due to California's budget woes and its effect on transportation funding and the still pending reauthorization of the federal transportation bill, in December 2003, the decision was made to delay any changes to the legislative services contracts.

Throughout 2004, staff continued to monitor and assess the most effective way to utilize existing resources. This is an area where spending funds wisely has the potential to return significant financial benefit to our region.

A Request for Qualifications for regional federal legislative services is currently under development. Cost savings are anticipated in this area, or at the minimum, status quo.

Costs Related to Employee Benefits

As a result of the consolidation, the region is saving direct outlay related to the costs of Social Security benefits. Both transit agencies, MTDB and NCTD, are subject to Social Security; however SANDAG is not, thus the employees who transferred to SANDAG are no longer subject to paying for or receiving this benefit. The savings is two-fold: the reduction of the employer's Social Security obligation will save the region more than a quarter of a million dollars each year. The employee also benefits by not paying his/her equal share of the Social Security, thereby affording the employee more net income. The disadvantage to some employees will be the possibility of the loss of Social Security benefits once retired.

6. BOARD ACTIONS RELATED TO CONSOLIDATION AND OTHER REGIONAL EFFORTS

During the last two years, SANDAG has made considerable strides in terms of unity, regional policy decisions, streamlining processes and procedures, understanding the role that public transportation plays in the network of transportation solutions, and the importance of improving connections between land use and transportation.

The following highlights are examples of major actions taken by the SANDAG Board that demonstrate the effectiveness of consolidation, comprehensive regional policy decisions, and more streamlined processes resulting from the change in Board and Committee structure.

CONSOLIDATION OF LOBBYING EFFORTS

In December 2002, the SANDAG Board supported a joint legislative program by incorporating the legislative programs from the Transit Boards.

DELEGATION OF AUTHORITY TO TRANSPORTATION COMMITTEE

The SANDAG Board delegated considerable responsibility and authority to the Transportation Committee the committee that provides voting power to the Transit Boards and the Regional Airport Authority in January 2003

- Provide oversight for consolidated transit responsibilities.
- Provide policy oversight for transportation plans, and corridor and systems studies.
- Establish/approve transportation prioritization criteria.
- Establish/approve policies and monitor "use it or lose it "project funding.
- Approve TDA (Transportation Development Act) Claim, RTIP (Regional Transportation Improvement Program), and STIP (State Transportation Improvement Program) amendments.
- Recommend funding allocations to the Board.
- Approve transit operator budgets for funding.
- Approve Short-Range Transit Plans (SRTPs).

- Approve a regional fare policy (consistent with the transition plan).
- Conduct public hearings as delegated by the Board.
- Approve contracts for transit up to the amount approved by the Board (for expenditures outside the Board-approved budget).
- Advise the Board on other transportation policy-level issues.
- Recommend a legislative program for transportation and transit

DECISION MAKING IN THE FACE OF A FUNDING SHORTFALL

As an example of a particularly challenging decision, SANDAG, as the consolidated transportation agency, faced a major test at an October 2003, Transportation Committee meeting. This issue revolved around a \$300 million shortfall due to cost increases and the temporary suspensions of the Traffic Congestion Relief Program (TCRP) and the State Transportation Improvement Program (STIP) funding programs. The Transportation Committee approved a series of adjustments to the programming and scheduling of various projects and other colicy decisions that reduced the shortfall and delayed specific projects. This will likely be the first of many challenging decisions that the consolidated transportation agency will be faced with over the next few years.

TRANSNET REAUTHORIZATION AND EXPENDITURE PLAN ORDINANCE

In May 2004 the SANDAG Board adopted the *TransNet* Reauthorization Ordinance and Expenditure Plan to forward to the voters in November 2004. The half-cept sales tax is expected to provide \$14 billion for transportation programs and services over a 40-year period. The measure, which reauthorizes an existing tax, funds highways, transit, and local streets and roads programs, environmental mitigation, bicycle and pedestrian paths, and smart growth development.

REGIONAL COMPREHENSIVE PLAN

In July 2004 the SANDAG Board adopted the Regional Comprehensive Plan and certified the Final Program Environmental Impact Report, adopting the Environmental Findings pursuant to the California Environmental Quality Act (CEQA). The action summarized two years of meetings, public outreach, policy discussions, and review that resulted in a long-term planning framework for the San Diego region.

INTERREGIONAL PARTNERSHIP

In July 2004, the SANDAG Board approved an Interstate 15 (I-15) Interregional Partnership Report, a collaborative effort between SANDAG and southwestern Riverside County. The plan offers strategies to reduce the demand for interregional communities by creating a better balance between jobs and housing in San Diego County and southwestern Riverside County, and ease traffic congestion by offering transportation alternatives.

SANDAG-ARJIS CONSOLIDATION

Although not directly related to SB 1703 another regional building block action taken by the SANDAG Board at its December 2003 meeting was approval of the Automated Regional Justice Information System (ARJIS)/SANDAG Consolidation Plan. Beginning in April 2003, the consolidation of ARJIS into SANDAG was actively pursued by the ARJIS/SANDAG Consolidation Committee a working group composed of members from both the ARJIS Board and Chiefs'/Sheriffs' Management Committee. The consolidation is now complete and became effective in March 2004 with the approval of the revised ARJIS Joint Powers Agreement. This consolidation is viewed as very beneficial for the community, regional public safety activities, ARJIS, and SANDAG.

MTDB-TRANSIT BOARDS CONSOLIDATION

In June 2003, MTDB combined the San Diego Transit Corporation (SDTC) and San Diego Trolley, Inc. (SDTI), Boards under the umbrella of the Metropolitan Transit Development Board. Consistent with this action, MTDB decided to change its name to the Metropolitan Transit System (MTS), effective by statute January 2005. Although not a SANDAG Board action, the MTS consolidation was spurred by consolidation under SB 1703.

EXTERNAL INDICATORS

In July 2003 Moody's Investors Service assigned an A1 rating with a stable outlook to the San Diego Metropolitan Transit Development Board. Its summary included an opinion that "a recent merger among MTDB, SANDAG, and the North San Diego County Transit Development Board is a credit strength."

Table 3 provides a comprehensive list of Board and other actions related to consolidation.

TABLE 3 BOARD AND OTHER ACTIONS AND DATES RELATED TO CONSOLIDATION

Action	Date due	Date Accomplished	Body
The SANDAG Board supported a joint legislative program incorporating the	N/A	December 2002	SANDAG Staff MTDB Board
legislative programs from the Transit Boards			NCTD Board
The SANDAG Board delegated	N/A	January 10 2003	SANDAG Board
considerable responsibility and authority to the Transportation			
Committee, the committee that			
provides voting power to the Transit Boards.			
Transition Plan for Initial Transfer	February 28, 2003	February 28, 2003	SANDAG Board
Implementation of Initial Transfer	July 1, 2003	Functions transferred	
	· ·	by July 1, 2003.	
		Physical transfers in various stages	
Transition Plan for Subsequent Transfer	September 30, 2003	June 27, 2003	SANDAG Board
SDTC) and San Diego Trolley, Inc. SDTI), consolidated under the	IN/A	July 10, 2003	MTD Board
Metropolitan Transit Development Board; name change to Metropolitan Fransit System (MTS)			:
mplementation of Subsequent Fransfer	January 30, 2004	October 13, 2003; Physical transfers in various stages	SANDAG Board
MOU between NCTD and SANDAG egarding transfer of functions and essociated funding	N/A	December 1, 2003	NCTD Board
Consolidation of Web site services	N/A	December 19, 2003	SANDAG Board
onsolidated Legislative Program	N/A	December 19, 2003	SANDAG Board

TABLE 3 BOARD AND OTHER ACTIONS AND DATES RELATED TO CONSOLIDATION					
MOU between NCTD and SANDAG regarding transfer of Sprinter Construction project employees	N/A	December 18, 2003	NCTD Board		
Automated Regional Justice Information, System (ARJIS)/SANDAG Consolidation Plan	N/A	December 19, 2003 April 2003	SANDAG Board Approval of JPA by all member agencies		
Public Participation Policy	N/A	January 23, 2004	SANDAG Board		
First Short-Range Transit Plan (SRTP) by Consolidated Agency	N/A	February 6, 2004	SANDAG Transportation Committee		
Guidelines for Development of Transit Operating Budgets	N/A	February 6, 2004	SANDAG Transportation Committee		
Creation of Regional Transit Access Advisory Committee	N/A	February 6, 2004	SANDAG Transportation Committee		
Transportation Development Act Administration Policy	N/A	February 20, 2004 February 27, 2004	SANDAG Transportation Committee SANDAG Board		
Transit Operating Revenue Estimates and Allocations	N/A	February 20, 2004 April 23, 2004	SANDAG Transportation Committee SANDAG Board		
Master MOU (Related to Transition Plan(s)) between SANDAG/MTDB and NCTD and First Amendment on Asset Ownership and Disposition	N/A	April 23, 2004 March 18, 2004 March 25, 2004	SANDAG Board NCTD Board MTDB Board		
Impacts of Consolidation after One Year	N/A	April 1, 2004	Informal		
Transfer of Two Information Technology positions from MTDB to SANDAG	N/A	April 23, 2004	SANDAG Board		

	BOARD AND OTH	LE 3 ER ACTIONS AND O CONSOLIDATION	
MOU between NCTD and SANDAG related to financing of the Oceanside-Escondido Rail project (the Sprinter)	N/A	April 23, 2004	SANDAG Board
Proposed Fare Increase for Coaster Commuter Rail Service	N/A	May 21, 2004	SANDAG Transportation Committee
Transit Operator Preliminary FY 2005 Budgets and Five-Year Projections	N/A	June 18, 2004	SANDAG Transportation Committee
First Reading of TransNet Ordinance	N/A	May 21, 2004	SANDAG Board Policy
Second Reading and Adoption of Ordinance and Resolution for TransNet	N/A	May 28, 2004	SANDAG Board Policy
Adoption of Resolution needed to amend the agency's contract with the California Public Employees' Retirement System providing for the employees transferred from MTDB and NCTD	N/A	July 23, 2004	SANDAG Board
Completion of the public process for a Regional Comprehensive Plan (RCP)	June 30, 2004	June 30, 2004	Public Process substantially complete
Adoption of the RCP, certification of the Final Program Environmental mpact Report, and adoption of Environmental Findings pursuant to CEQA		July 2, 2004 July 23, 2004	SANDAG Regional Planning Committee SANDAG Board
Adoption of Regional Transit Service Planning Policy	N/A	August 12, 2004 September 3, 2004 September 24, 2004	Joint Committee on Regional Transit SANDAG Transportation Committee SANDAG Board

TABLE 3 BOARD AND OTHER ACTIONS AND DATES RELATED TO CONSOLIDATION					
Updated Public Participation Policy Distribution for a 45-day Public Review Approve	N/A	September 10, 2004 September 24, 2004 November 19, 2004	SANDAG Executive Committee SANDAG Board SANDAG Board		
Adoption of Regional Fare Policy	N/A	August 12, 2004 September, 2004 October 01, 2004 October 22, 2004	Joint Committee on Regional Transit MTDB and NCTD Board of Directors SANDAG Transportation Committee SANDAG Board of Directors		
Comprehensive Fare Ordinance	N/A	Next few months Early 2005 Early 2005	Regional Fare Working Group MTDB and NCTD Board of Directors SANDAG Board of Directors		



7. INPUT FROM OTHERS

The Peer Review Panel, whose role was discussed in Chapter 2 of this report, cautioned not to expect immediate results and not to focus on cost savings in the short-term. Rather the panelists suggested looking for savings and efficiencies in the mid- to long-term and identified areas in which the success of the consolidation could be measured.

- Improved transit service and improved quality for the travel experience.
- Capturing added resources for transit investment and expanded travel options.
- Streamlining decision-making processes and heightened responsiveness to transportation needs and markets.
- Increased efficiency in both service delivery and resource use.
- An increased sense of trust and a shared sense of accomplishment on behalf of agency staff, Board members, and citizens.

The most significant impacts will be mid to long-term with a focus on improved integration of transit services throughout the county; improved integration of highway and transit decision-making, including multimodal project planning and financing; and better integration of transit planning with land use and development decisions and with other infrastructure plans and investments.

The Panel pointed out that recognition of the different corporate cultures due to a different reference of timeframes has been and will continue to be critical. Planning organizations have a focus that extends years and decades into the future, whereas operating agencies have a focus that is defined in days, hours, and minutes. Effective and continuous communication has been and will continue to be essential to the process, including regular dialogue with the other agencies that are undergoing fundamental changes.

It is also important to recognize that there are external forces such as the State's budget problems and the still pending reauthorization of the Transportation Equity Act for the 21st Century (TEA-21) that are affecting the agency's ability to implement programs and services. Consolidation should not be considered the cause of delay in project and service delivery as these are factors outside of the agency's control.

To assist with our assessment of consolidation and to be able to provide valid input to the LAO, SANDAG plans to gather opinions from varying sources and viewpoints through the following methods:

- stakeholder surveys;
- periodic interviews with key staff members by the Chief Deputy Executive Directors;

- employee surveys;
- independent review;
- focus groups.

As well, other methods could be initiated in the future.

STAKEHOLDER SURVEY

The first effort aimed at gathering information and creating a benchmark was the development of an opinion survey (Exhibit E1) for our stakeholders. The survey was sent to 299 stakeholders and 101 responses (34 percent) were received. The results, shown in detail in Exhibit E2, are generally positive. Respondents revealed that consolidation would have the most positive effects on the agency's ability to address transportation issues and to promote development patterns that improve residents' housing, travel, and employment choices. Although still favorable, consolidation is thought to have less of a potential effect on our ability to increase the supply of housing, preserve natural habitats, and improve air and water quality. The survey provided an opportunity for comments, which are included in the same exhibit.

The questions are intended to garner opinions as to the effectiveness of consolidation and whether SANDAG adequately represents the views and interests of the region. The survey will be conducted again in spring 2005 to help evaluate changes in perceptions and opinions about the effectiveness and impacts of consolidation over time.

INTERNAL SURVEY

Consolidation had significant impacts internal to SANDAG. The doubling of staff size brought about changes to many internal practices. Change affected each employee in many different ways. Therefore to gain first-hand insight from the employee's point of view in May 2004, both Chief Deputy Executive Directors conducted personal interviews with staff members across all departments. These informal interviews were useful and gauged employee attitudes regarding the impacts of consolidation on them and their job at SANDAG. As a result of these interviews certain internal corrective actions were taken by management.

For additional employee input, an employee survey was conducted in August 2004 that included questions related to consolidation. This survey will be used as a benchmark with the intent of re-initiating the survey within a year. Not unexpected given the amount of employees affected and the large workload shared by most everyone, work overload, increased levels of bureaucracy, and lack of communication were listed as areas requiring attention.

INDEPENDENT REVIEW

In the summer of 2004, a decision was made to enlist the help of an external and independent consultant for the purpose of soliciting insights and observations regarding activities completed or underway related to the consolidation of functions. Bob Stanley, a consultant working for Cambridge Systématics, was chosen for this task because of his previous involvement with the Peer Review Panel that assisted with the development of the transition plans. Mr. Stanley's report is included as Exhibit G.

His scope of work included conducting interviews with Board members, CEOs, and senior staff from SANDAG, MTDB, and NCTD. The interviews were structured to cover:

- General impressions of progress to date in consolidating planning, programming, project development, and construction.
- The impact of specific selected actions, including Board restructuring, committee process, policy development, and other management decisions.
- Progress to date in the four main functional areas: planning, programming, project development, and construction.
- Pursuit of legislative goals, efficiencies, and effectiveness in governance and decision-making, response to mobility needs, coordination of services, and impact on quality of life indicators and adequacy of authority, all of which are consistent with the areas that the LAO is tasked with reviewing.
- Progress against measures of success as recommended by the Peer Review Panel, i.e., transit service improvements, improved quality in the customer travel experience, ability to garner additional funding, streamlined decision-making, increased efficiency in service delivery, increased efficiently in resource use and increased trust and a sense of shared accomplishment.

The report identifies areas of progress and areas of some concern. There are varying views from the Board members, the CEOs, and the senior staff. The Board members tended to more positive. The CEOs, similar to most of the Board members, saw major advantages in the increased attention to planning issues on a regional scale and the stronger emphasis on the role of transit in the region. The CEOs recognized the unresolved processes and procedural issues as normal "growing pains." Senior staff concerns tended to be more about the day-to-day processes and procedures. Most interviewees agreed that it is too early to make judgments, but provided many examples of noteworthy progress toward agency goals, and broader goals for the region.

Summary of the Findings Identified in the Report

- The interviewees generally agreed that the mechanics of the consolidation process have been carried out as effectively as could be expected.
- Despite what was referred to as "growing pains" all interviewed expressed a sense of optimism that the processes and relationships will be worked out, and that the region will ultimately benefit from consolidation.

- There was a shared view that a significant "transition period" still lies ahead and that it is too early to make judgments about success or failure in achieving many of the goals that were either noted in the legislation or the Peer Review Panel report. The length of a transition period will be associated with the time required to go through more than one cycle of planning and programming as well as multiple stages involved in multi-year construction.
- It was pointed out by both management and Board members that funding shortfalls in the regions caused by a variety of factors, and the effect on future funding decisions, could have the potential to overshadow the impacts of organizational restructuring in the region. We have to be cognizant of this in our self-evaluation and when providing input to the LAO.
- Board members had the most positive outlook on consolidation efforts. Management, exposed to the details of day-to-day stresses, was able to define issues that will require continued attention over the next few years.

The report also highlights areas where the interviewees cited the usefulness and promise of consolidation.

- The preparation and adoption of the Regional Comprehensive Plan was cited as evidence of the willingness and recognition by the locally elected official to act on a regional agenda.
- From the Board member perspective, policy and high order decision-making processes have been focused and streamlined, and the multiple circles of decision-making have been reduced.
- The Committee structure at SANDAG has been simplified. The Transportation Committee is viewed as a particularly effective body due to the transit-knowledgeable membership and the inclusion of Transit Board representation as voting members.
- A growing appreciation of and strengthened support for public transportation as a critical element in countywide planning and investment was cited as a result of consolidation.
- With the region speaking with one voice to state and federal officials and funding agencies, the interviewees believed that the pursuit of federal and state funds to be more effective.
- Although not mandated by SB 1703, the MTDB reorganized and consolidated into the Metropolitan Transit System in 2003 (the name change becomes effective January 2005). This was cited as a potential for significant streamlining in decision-making and a more effective focus on service quality.
- The need for enhanced communication and collaboration at the staff levels offers an opportunity for more effective cross-fertilization in pursuit of both local and regional goals, although the time demands on staff to stay engaged and communicating fully have risen considerable in the early stages.

The report also includes issues that are not fatal flaws, but that need attention according to those interviewed.

- There is unresolved concern about the process, criteria, and consequences of future funding allocation decisions. This concern is evident among the operating agencies and across local jurisdictions, largely along North County and South County lines.
- Because many decisions have moved away from the Transit Boards to SANDAG, a substantial added burden on staff in terms of the added time required to track and adequately engage in the restructured stream of policy-making activities and formal approval actions was cited particularly by Transit Board staff.
- According to some of the interviewees, specific business process and functional responsibilities remain to be clearly defined, sorted out, and carried out with consistent efficiency and effectiveness.
- The need for resources to carry out operations planning responsibilities.
- The relationship between fare setting, which is now set by SANDAG and the day-to-day operational implications, might not be fully appreciated.
- Clarification of the scope and scale of budgetary flexibility and authority for the transit agencies.
- Acceptance by SANDAG staff for new processes and procedures in the areas of procurement, administration, and finance.
- Identification with different organizational cultures, however, this has not resulted in any dysfunction.
- The expectation of significant early budgetany savings by many interviewees is misplaced.

Mr. Stanley's assessment provides us with good feedback, much of which is not unexpected. It serves as a benchmark for future assessments. Many of the issues that were brought up have been resolved or nearly resolved, while other issues will take time and positive experiences for trust in the process and the regional commitment to follow.

Issues related to funding constraints will always be a challenge as transportation funding can be unpredictable, and regional and local perspectives can be at odds at times and challenging. Plans and policies, however, such as the Regional Comprehensive Plan and the Transit Service Planning Policy, have been adopted that focus on balance and fairness within the region as a whole.

In regard to the issues related to day-to-day management listed above, many resolutions have been put into place. This last year was largely one of transition and there were some "kinks" to work out. For example, some functions initially transferred to the Consolidated Agency have since transferred back to the Transit Boards. Procedures for improved communication have been implemented, and a classification study to resolve some of the employee classification disparities is nearly complete.

Mindful of issues and concerns, we continue to look for resolutions.

Input From Local City Managers

To gauge the perspective of local jurisdictions regarding how consolidation has worked, informal interviews were conducted in October 2004 with the two city managers (from Chula Vista and Vista) who participated in the Peer Process in early 2003. The results of these interviews were very positive, especially with regard to the planning function with both managers indicating that a noticeable improvement was evident. They cited the example of the Regional Comprehensive Plan process that ended with the plan being unanimously adopted by the SANDAG Board of Directors in July 2004 following significant coordination between SANDAG and the local jurisdictions. They also felt that there was improved communication and expanded opportunities for participation between the cities and SANDAG in the other planning processes that they observed. However, although there is consistent opinion that it is too early in the process to have achieved success in the areas of project development and construction, they also expressed an opinion that there is a heightened awareness and a respect for public transportation resulting from consolidation.

Transit Agency Perspective

Developing and implementing a common vision is never easy work, especially when people have significant ownership in the way things have been done in the past or can't agree on what is best for the future. There has been great success in bringing everyone to the table to examine these kinds of issues and to develop mutually supported strategies to parry us forward.

The consolidation has provided us an opportunity to evaluate today's situation and what is needed for tomorrow, and to develop polices and programs that aren't constrained by past practice. NCTD, MTDB, and SANDAG have worked together to set a course that will be aggressive in getting the work done in the best and most efficient manner so that there will be recognizable benefit to the residents of the region. This report primarily addresses changes that have been implemented at the consolidated agency. Both NCTD and MTDB, now MTS, have concurrently been making major organizational changes to reflect their new and continuing roles. Re-engineering of business processes at these two agencies has been necessary and will continue through this next year, and perhaps beyond, as responsibilities and decision-making processes continue to evolve. A major change in regional governance such as this does not happen overnight and we need to recognize that it will be a long, continuous, and evolving process.

Overall substantial progress in implementing SB1703 has been made. The Transportation Committee has had good leadership and active participation by its members and for the first time both the Transit Board's have a vote at SANDAG through the Transportation Committee. The Transportation Committee and the SANDAG Board have just started to wrestle with some of the difficult issues and trade-offs that will become a regular part of the consolidated agency's business as they take on more responsibility for public transit. There will be learning as we go and a need to allow some room for the mistakes, oversights, and "do overs" that come along with change of this magnitude.

From the Transit Board perspective, there are still some remaining tasks to be completed and issues to be resolved. They include:

- Further clarification of decision-making roles and responsibilities between SANDAG and the transit agencies;
- Clarification of span of authority for each agency;

- Development of a regional fare ordinance;
- Clarification of legal responsibilities related to major construction projects;
- Equitable and effective allocation of resources; and
- Utilization of and charges for transferred functions.

Although these issues have been addressed, perhaps with interim resolutions, more time and experience will be needed for them to be fully resolved.

As we measure the strides that have been made through implementation of SB 1703 and AB 361, we must be realistic and retain a clear picture of the starting point to know how far we've come. Implementation of these bills has helped to broaden the transit knowledge of regional policy makers. It has changed the regional view of what needs to be achieved. We encourage SANDAG to continue to ask some bottom-line questions that are important not only to the Transit Boards, but to transit customers and the general public, as well.

- Have processes been streamlined?
- Has there been a more efficient/effective use of resources?
- Have more resources been brought into the San Diego region?
- Has there been a benefit to transit riders with more travel options or greater frequencies?
- Have either long-neglected (transit-less areas) or new and growing areas received service?
- Have capital projects benefited through better planning or construction practices?

There has not been enough time to draw clear conclusions in these important areas. It will take continued dialogue, consensus building, and implementation of ideas to make this consolidation a true model in the nation; one that will answer "YES" to all of the above questions.

Much change was precipitated by SB 1763 and the ensuing transition plans. As with any change of this magnitude, it should be expected that further refinements to those initial plans might result in greater efficiencies once the respective organizations have had a chance to operate under them. All of the affected organizations should embrace any further changes that would improve efficiency and effectiveness in delivering service to the public, consistent with law.

Focus Groups

Additionally efforts to collect ideas, perceptions, and other information with key community leaders through a series of focus groups are planned for spring 2005.

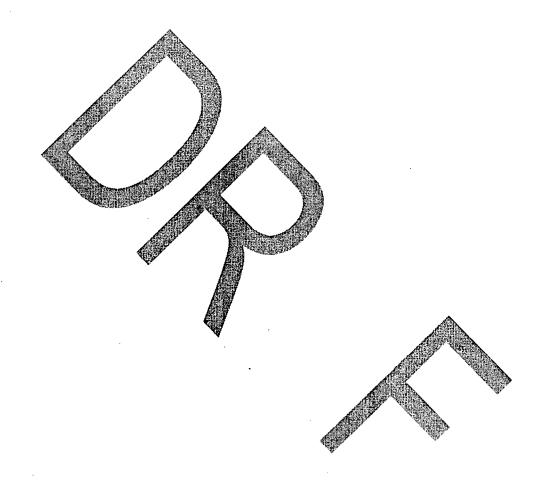
8. Legislative Analyst's Office (LAO) Report

SB 1703, as amended by AB 361, requires the LAO to prepare a report to the Governor and the Legislature by December 31, 2005, which evaluates and makes recommendations on the consolidated transportation agency. The LAO is charged with evaluating the following:

- Effectiveness of current governance structure; including but not limited to public participation, accountability, proportional representation, and examination of various alternative governance structures.
- Effectiveness in addressing transportation needs of the region, including coordination and efficiencies in transportation planning and implementation as a result of the consolidation.
- Effectiveness of addressing quality of life indicators including but not limited to land use patterns, a viable and sustainable economy, affordable public transportation, affordable housing, transportation mobility options, air and water quality, and open space and natural habitat preservation, including but not limited to the agency created by the Act (SANDAG) and the County Board of Supervisors.
- Adequacy of scope and authority for regional decision-making.

Discussions with LAO staff began earlier this year and they received a copy of the January 2004 Draft Report. A copy of the SANDAG'S Final Report to the Governor and Legislature will be forwarded to the LAO staff. Information from the various surveys, interviews, and focus groups will provide SANDAG with valuable input to assist the LAO withits report.

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Proposed addition to the SANDAG progress report on consolidation under "Transit Agency Perspective" or as a supplement thereto; pages 51-52.

Senate Bill 1703 (SB 1703) provided that planning, programming, project development, and construction would transfer to the "consolidated agency." The transition of staff from MTDB began over one year ago, progressed through the last half of 2003, and concluded in the second quarter of 2004. Sixty-three positions or nearly 60% of the MTDB staff was transferred, (both whole and partial departments) to the consolidated agency. MTDB has been re-organizing itself and its subsidiary organizations, San Diego Transit Corporation and San Diego Trolley, Inc., to rebuild a single organization. While only four months have passed since the transition concluded, sufficient time has passed to assess the impact of the transition of staff from MTDB to SANDAG on the effectiveness and efficiency of the MTS operating agency.

It is clear that a number of positions were transferred to SANDAG while much of the functional responsibility still rests with MTDB. Further, based on preliminary assessments, it is apparent that returning certain positions to MTDB will improve the efficiency and effectiveness of public transportation in the region. In consideration of this issue, a thorough functional review and analysis of the business impacts of consolidation on MTDB will be conducted. Findings and recommendations will be submitted to SANDAG shortly after the first of the year.

PDT;rga M-SB1703



Language Approved by the MTDB Executive Committee on December 2, 2004

Senate Bill 1703 (SB 1703) provided that planning, programming, project development, and construction would transfer to the "consolidated agency." The transition of staff from MTDB began over one year ago, progressed through the last half of 2003, and concluded in the second quarter of 2004. Sixty-three positions, or nearly 60 percent of the MTDB staff, were transferred (both whole and partial departments) to the consolidated agency. MTDB has been reorganizing itself and its subsidiary organizations, San Diego Transit Corporation and San Diego Trolley, Inc., to rebuild a single organization. While only four months have passed since the transition concluded, sufficient time has passed to assess the impact of the transition of staff from MTDB to SANDAG on the effectiveness and efficiency of the MTS operating agency.

It is clear that a number of positions were transferred to SANDAG while much of the functional responsibility still rests with MTDB. Further, based on preliminary assessments, it is apparent that returning certain positions to MTDB will improve the efficiency and effectiveness of public transportation in the region. In consideration of this issue, a thorough functional review and analysis of the business impacts of consolidation on MTDB will be conducted. Findings and recommendations will be submitted to SANDAG shortly after the first of the year.

Language Proposed by the Joint Committee on Regional Transit:

Transition of staff from the transit agencies has occurred over the past two years. Sixty-three positions, or nearly 60% of the MTDB staff, was transferred (both whole and partial departments) to the consolidated agency. Eight positions were transferred from NCTD. MTDB has been reorganizing itself and its subsidiary organizations, San Diego Transit Corporation and San Diego Trolley, Inc., to rebuild a single organization. While it has only been a short time since the transition concluded, an assessment of the impact of the transition on staff from the transit agencies is recommended to identify impacts to the effectiveness and efficiency of the transit operating agencies.

In the case of MTDB, a number of positions were transferred to SANDAG while some of the functional responsibility still rests with MTDB. Further based on preliminary assessments, returning some of these positions to MTDB would improve the efficiency and effectiveness of public transportation in the region. In consideration of this issue, a thorough functional review and analysis of the business impacts of consolidation on the transit agencies should be conducted. Findings and recommendations should be submitted to SANDAG as soon as possible.

gail.williams/consolidation/language 12/8/04



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Agenda

Item No. <u>32</u>

CIP 10426.13

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc.

December 9, 2004

Subject:

MTDB: MISSION VALLEY EAST FINAL MARKETING PLAN

RECOMMENDATION:

That the Board of Directors approve the Final Marketing and Communications Plan for the Mission Valley East (MVE) Extension.

Budget Impact

The Board previously allocated \$400,000 for MVE start-up communications and marketing activities in the FY 05 budget (Attachment A).

DISCUSSION:

At the October 7, 2004, meeting the Board approved the Interim Marketing and Communications Plan and directed staff to bring back a Plan. The Final Marketing and Communications Plan (FMCP) expands the Interim Plan by adding marketing and opening event components. The FMCP's overall strategy is to develop a coordinated community outreach, news media, special events, and safety education program that will maximize "opening day" market conditions for the new MVE Light Rail Transit (LRT) Extension.

The FMCP (Attachment B) outlines each of the components, highlights key tasks, and budget allocation. The tasks are designed to achieve a coordinated information and



marketing program to reach San Diego and Tijuana residents and visitors between now and opening day. The FMCP's components include:

<u>Marketing</u>. Launch a coordinated print, on-line, outdoor, radio, and television program which will: compliment the existing MTS marketing program and increase recognition, awareness, and understanding. Marketing will also develop incentives to attract new riders to the segment and to the new, existing, and reconfigured bus routes in the MVE corridor.

<u>Opening Events</u>. Create events that introduce the new extension to the community, stakeholders, riders, and the region at large. These activities culminate in a major dedication ceremony featuring federal, state, and local dignitaries with participation from a diverse representation from the community, regional stakeholders, and customers.

<u>Community Outreach and Partnership Development</u>. Increase awareness and provide recognition to the various citizen, civic, community, planning, and stakeholders' groups that are within the sphere of influence of the project. Leverage relationships with existing and new partners to enhance each of the tasks and create opportunities that will maximize opening-event activities and ridership.

<u>Public Information</u>. Update all MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) information materials and create new relevant materials to showcase MVE and maximize ridership potential. New information will include public safety to educate youth and adult riders, pedestrians, and motorists who live in or travel through the corridor on safety procedures.

<u>Media Outreach</u>. Solicit support from various local, state, and national print and electronic news media to generate positive media coverage.

In addition to specifically targeting the MVE Extension, the plan supports MTS's existing goals to increase general awareness and appreciation of the region's public transit investment.

Paul C. Jablønski Chief Executive Officer

Key Staff Contact: Judy Leitner, 619.699.6926, jle@sandag.org

JGarde DEC9-04.32.JLEITNER 11/24/04

Attachments: A. MTS FY 05 Budget Detail

B. Final Marketing and Communications Plan

Board Only

APPENDIX A

REGIONAL TRANSIT MARKETING

Regional Transit Marketing

The marketing plan for FY 05 will continue with activities to increase:

- public awareness of the MTS system;
- support for the public transit system; and
- gains in ridership and revenues.

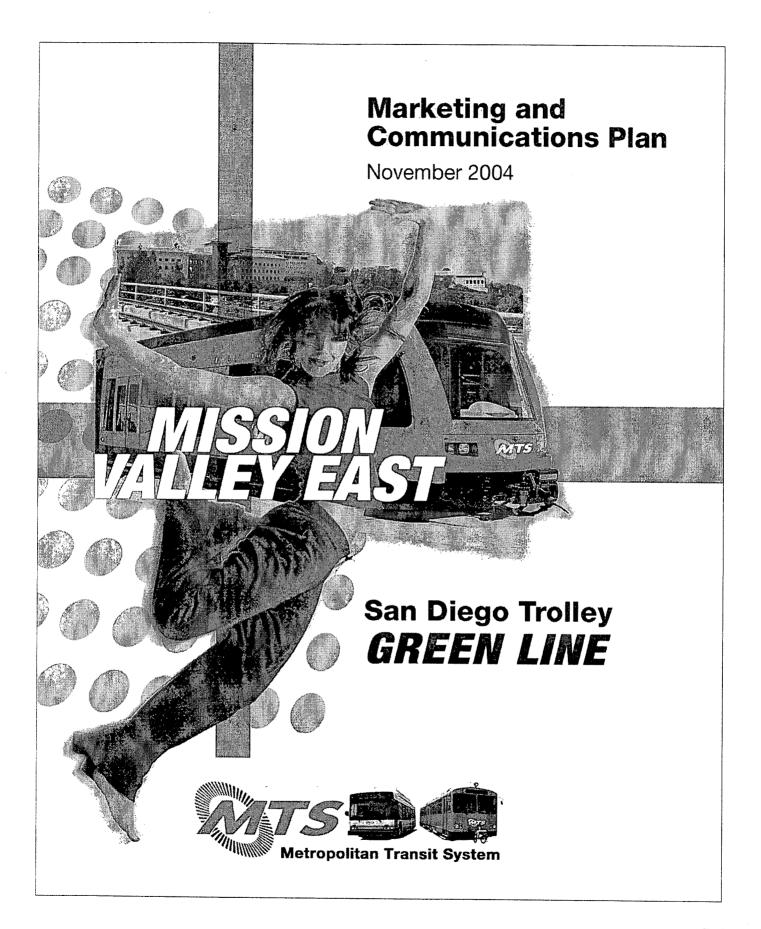
Marketing funds will be used to develop and implement a marketing campaign for the openings of the San Ysidro Intermodal Transportation Center and the Mission Valley East LRT extension. Marketing funds will also be allocated to continue the regional image campaign to boost awareness of

Marketing Goals

- 1. Enhance public image
- Increase public support for transit 2.
- 3. Increase system-wide ridership and revenue 4.
- Leverage business and market opportunities

Marketing Budget

General Marketing Budget Marketing related to Mission Valley East LRT Start-up	\$496,000 <u>\$400,00</u> 0
TOTAL MTS REGIONAL TRANSIT MADISTRA	



Metropolitan Transit System

COMMUNITY OUTREACH AND MARKETING PLAN MISSION VALLEY EAST/GREEN LINE SAN DIEGO TROLLEY EXTENSION OPENING AND START OF SERVICE

November 2004 – June 2005

November 2004

Prepared by
Metropolitan Transit Development Board
San Diego Association of Governments
San Diego Transit Corporation
San Diego Trolley, Inc.
(Marketing, Communications, Passenger Services, and Operations Staffs)

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PLAN OBJECTIVES

This plan's key objectives are to:

- 1. introduce Mission Valley East (MVE) to the community, users, and project partners;
- 2. create a public information program to reach more than four million San Diego/Tijuana residents and two million visitors;
- 3. initiate community outreach for safety and education programs targeting youth, seniors, and disabled riders:
- 4. implement a series of preopening activities culminating in a dedication ceremony; and
- 5. implement a comprehensive marketing program that spans a 60- to 90-day period before and after opening day.

INTRODUCTION

The MVE Light Rail Transit (LRT) Project is a major segment of San Diego's LRT system envisioned more than 25 years ago. It is in its final phase of construction and poised for opening.

The MVE LRT opening presents MTDB with several unique opportunities. It provides the opportunity to capture new riders through the corridor and major trip generators than ever before. It marks the completion of a regional public transit improvement project that will not be repeated sooner than 2007. This plan outlines the various actions that will bring the project to the public's attention to maximize the project's opening day market climate.

This plan emerges out of construction outreach activities and is comprised of the following major components or work tasks:

- <u>Community Outreach and Partnership Development</u>. Increase awareness and provide recognition to various citizen, civic, community, planning, and stakeholders groups that are within the sphere of influence of the project. In addition, this would encourage relationships with existing and new partners that would enhance the other tasks and leverage dollars spent.
- <u>Public Information</u>. Update all operator information materials, create new relevant materials to showcase MVE, and maximize ridership potential. New information will include public safety to educate youth and adult riders, pedestrians, and motorists who live in or travel through the corridor on safety procedures.
- <u>Media Outreach</u>. Solicit support from various local, state, and national print and electronic news media to generate positive media coverage.

- Marketing. Launch a coordinated print, on-line, outdoor, radio, and television program which will: compliment the existing marketing program, increase recognition, awareness, and understanding. Marketing also will develop incentives to attract new riders to the Green Line and reconfigured bus routes in the MVE corridor.
- Opening Events. Create a variety of events to introduce the new extension to the community, stakeholders, riders, and the region at large. Each event in the series will showcase an aspect of the project's unique and beneficial features, and outreach to specific demographics. Events will also recognize those responsible for that aspect of the project, acknowledge the milestone, and increase awareness of the project as part of the region's public transit system. The activities culminate in a major dedication ceremony featuring federal, state, and local dignitaries with participation from a diverse representation from the community and regional stakeholders and customers.

DETAILED PLAN COMPONENTS

- I. Community Outreach, Partnership Recognition, and Development (Estimated Budget \$20,000)
 - Create 10 to 15 events to educate the general public. Events will also recognize key stakeholders, community leaders, elected officials, civic groups, funding partners, planning, design and construction teams, and/or organizations, which have provided valuable contributions to the project.
 - Set up 10 to 15 "behind-the-scenes" tours for key business sectors to maximize project awareness, first-year ridership, and future transit ridership. Potential groups include:
 - Alvarado Hospital and Medical Center:
 - Allied Gardens, College, Del Cerro, Grantville, and Navajo community, civic, business, and planning groups;
 - La Mesa community, planning, and business groups;
 - SDSU faculty, staff, student leadership, alumni, Foundation, and community involvement groups;
 - Project leaders and participants:
 - San Diego and Tijuana visitor industry;
 - > The real estate industry:
 - Public and private schools; and
 - Regional transit operators and Amtrak.
 - Solicit community, public agency, and private sector partner participation for opening-event collaborations.
 - Coordinate internal volunteer team to assist in community outreach activities.

II. News Media Outreach (Estimated Budget \$9,000)

- Develop media packet with ten or more feature stories about the MVE project. Stories
 would profile the project, public art at each of the four stations, and state-of-the-art aspects
 related to planning, design, and construction, including the tunnel, computer/electrical
 system, and bridges. The packet will also include examples of recent coverage.
- Develop a miniature digital versatile disc (DVD) or compact disc (CD) to send out to key media outlets. DVD/CD would contain video or digital photos to support printed materials.
- Expand the library of video and digital photos to accompany news releases.
- Meet with key members of print and electronic media editorial boards, starting in 2005.
- Issue news releases for key start-up milestones; i.e., first trolley to run on the new segment, etc., and cover preopening activities to increase general awareness about the project and its specific attributes.
- Contact public affairs programs to schedule interviews and in-studio guest appearances on local, state, and national radio and television public affairs programs.
- Target local, state, national, trade, and niche market print and electronic media outlets.
- Monitor and document coverage and continue awareness program after opening.

III. Public Information (Estimated Budget \$95,000)

- Temporary station signs and/or banners with the signature MVE image to promote the project, recognize funding sources, and promote the opening date.
- Update website pages and add new pages as appropriate.
- Update all brochures and industry materials produced by convention and visitor bureaus, North County Transit District (NCTD), Chamber of Commerce, etc.

IV. Safety Education and Americans with Disabilities Act (ADA) (Estimated Budget \$40,000)

- Schedule orientation tours/presentations for educators and key staff from organizations such as Accessible San Diego, Blind Center, and the Paratransit Coordinating Council. Programs will educate MTS Access staff and customers who are seniors or disabled.
- Train-the-trainer program targeting 500-plus school, park and recreation, and public nursing educators and staff to reach approximately 76,000 school-age children residing within the MVE corridor.
- Community and civic group presentations targeting adults who live and work in the MVE corridor.
- Develop, produce, and distribute bilingual safety materials appropriate to various youth demographics. Items include: coloring books (25,000), posters (5,000), trolley punch-outs (30,000), and training manuals (1,000).

V. Marketing Program (Estimated Budget \$150,000)

- Create estimated 21 million impressions with key messages about the project to an overall market of 6 million people.
- Key messages will include:
 - Opening of the extension.
 - Start of New Green Line Service.
 - Closing the gap in Mission Valley between the Mission San Diego and Grossmont Center Stations.
 - Improved transit services to SDSU, Alvarado Hospital, and the Grantville, Del Cerro, and La Mesa communities.
 - Improved connectivity between East County and Mission Valley destinations via the Green Line.
 - Improved rider experiences with Smart Card automated fare collection system.
 - New MTS system brand.
- Deliver messages via:
 - Print Newspaper and magazine ads and special editorial sections targeting residents traveling to and through the corridor from destinations outside of the area.
 - Radio and Television Placement of 30- and 60-second ads and promotional announcements/events on stations that provide the most cost-effective way of reaching the targeted residents and the region as a whole. Partnership programs will also enhance awareness of the various special events.
 - On-line media and promotions to include the transit website and other partners' websites.
 - Outdoor media to include, but not limited to, bus shelters, bus benches, bus sides, and electronic message boards.
- Conduct research as needed to determine awareness of MVE extension and/or Green Line and MTS brand and effectiveness of Marketing Plan.

VI. Opening Event Celebrations (Estimated Budget \$75,000)

 Plan events to showcase the four new stations which, highlight each station's unique features and feature adjacent destinations and community.

- Leverage events that MTS already participates in or events planned within the community, such as the Martin Luther King, Jr. Parade, SDSU commencement ceremonies in May 2005; the start of SDSU summer school and/or fall semester 2005; SDSU Professional Studies, special events at SDSU performance venues, and Aztec sporting events to promote opening of the MVE Extension.
- <u>Community Ride Day(s)</u>. Organize a traditional Community Ride Day that allows the public to preview new segment, stations, and destinations. Community Ride Day traditionally includes activities that can be held at the new stations to create incentives to current riders and potential riders to try out the system.
- Opening Day Dedication and Inaugural Train. This is a celebratory event to acknowledge the MTD Board and its funding partners for bringing the project to fruition. A project of this magnitude would be expected to attract state and federal dignitaries and major local and state civic, business, and elected leadership. The project involves a long lead time to set the date, invite the dignitaries, and produce invitations, programs, first-ride tickets, and other necessary collateral materials.
- <u>Tijuana</u>. Highlight the cross-border synergy with event(s) targeting key groups on both sides of the border. Prepare bilingual materials to support this effort.

Each of the above efforts would be documented and would become part of the final Marketing/Communications MVE Final Report.

The tracking format, which provides a snapshot of accomplishments by category to date, begins on page B-11.

COMMUNICATIONS AND MARKET DEMOGRAPHIC OVERVIEW

<u>Market Reach</u>. Our target is to reach 6 million-plus potential riders and nonriders a minimum of three times. The market is made up of:

- three million San Diego County residents with targeted emphasis on:
 - > 35,000 SDSU students, faculty, and staff:
 - > 225,000 adults 20 and older who live within five miles of the new segment;
 - > 76,000 youth (ages 5 through 19) who live within five miles of the new segment;
 - 48,000 commuters who work within the MVE corridor in the 91942, 92115, and 92120 ZIP codes; and
 - > 1.9 million South County residents.
- 1.4 million Tijuana¹ residents with emphasis on the 128,000 daily commuters who cross the border into San Diego.

Tijuana population estimate from the IMPLan (Instituto Municipal de Planeacion de Tijuana) at 1.4 million residents.

- 2 million visitors² expected to travel through the MVE extension or to one of the new MVE stations with emphasis on the 400,000 visitors to SDSU sporting and special events on campus at Qualcomm Stadium.
- 32,000-plus commuters to San Diego from Imperial, Orange, Riverside, and San Bernardino Counties, with emphasis on those who use the Interstate 8 (I-8) and I-15 corridors.
- 230,000 annual SDSU campus visitors who are drawn to the campus to tour it or attend one of the many art programs, concerts, lectures, or special functions, take advantage of the library and research opportunities or attend a conference.
- 200,000 (100,000 in San Diego County) Aztec alumni.

MVE MARKETING AND COMMUNICATIONS PLAN BUDGET SUMMARY

Task	<u>Budget</u>
Community Outreach and Partnership Development	\$31,000
Media Outreach	\$9,000
Public Information	\$95,000
Safety Information	\$40,000
Marketing	\$150,000
Community Ride/Dedication Ceremony	\$75,000
Total	\$400,000

MVE MARKETING AND COMMUNICATIONS PLAN DEMOGRAPHIC OVERVIEW

<u>Jurisdiction</u>	2004 Population Estimates
County of San Diego ZIP Codes that include stations	3.1 million 146,750
City of San Diego Council Districts (3 and 7) City of La Mesa	317,236 54,749
Tijuana, Baja California SDSU	1.4 million
Youth (5-19 within above ZIP codes and La Mesa)	35,000 76,000

MVE (GREEN LINE) MARKETING AND COMMUNICATIONS PLAN TEAM MEMBERS

MTS Marketing and Community Relations:

- Gonzalo Lopez, Director
- Julie Andrews, Communications Design Manager
- Jessica Krieg, Marketing Coordinator II
- Paulina Gilbert, Community Relations Coordinator
- Lisa Peters, Communications Designer III
- Chris Bell, Communications Designer III.
- Sheila Matias, Intern

San Diego Convention & Visitors Bureau estimates 2004 visitors at 27 million. SDSU estimates 100,000 visitors (in addition to students) to campus each year.

SDTI:

• Tom Doogan, Special Events Coordinator

SDTC:

• Mark Lowthian, Manager Passenger Services

SANDAG Communications:

- Judy Leitner, Business Development Manager
- Troy Anderson, Senior Public Information Officer
- Joy DeKorte, Public Information Specialist

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MISSION VALLEY EAST COMMUNITY OUTREACH AND MARKETING TRACKING LISTS

I. COMMUNITY OUTREACH

A. Events/Milestone Celebrations

EVENT	DATE/ LOCATION	DESCRIPTION	STATUS	BUDGET	NOTES
Public Open House for New Light Rail Vehicle	10/30/04 – 10:00 a.m. to 12:00 p.m. in Santee	Display new vehicle to the community.	Complete	\$3,500	150-plus members of the public turned out. Santee Vice Mayor Brian Jones was Master of Ceremonies. KUSI-TV covered the event, which included a partnership with Coca-Cola.
Holiday Bowl booth at the Family Festival	12/30/04 – Broadway Pier following the parade	Full-page space in the membership newsletter; "thank you" to MTS on stadium matrix board; sponsor listing in manual; sponsor recognition, etc.	Booth space confirmed	\$2,000 (full-page Mission Valley East ad in game day program)	Partnership with Holiday Bowl.
MTS Customer Appreciation	San Ysidro/Tijuana Transfer Station	December 2005	In progress		
Martin Luther King, Jr. Parade	1/05 Downtown	MTS bus in parade; Mission Valley East souvenirs distributed.	In progress	\$2,000	
San Diego State University Transit Way Opening	To be determined	Invite the community to celebrate the opening of SDSU Transit Way		\$2,000	
Riverfest	5/05 Mission Valley	Participate in this annual event.	In progress	\$2,000	
East County Welcomes the new Green Line	5/05 and 6/05 in East County	Coordinate with community and civic leaders. Ed Zohar from the City of La Mesa is spearheading the effort.			Celebration overview attached.

B. Behind-the-Scenes Tours

PARTICIPANTS	DATE	DESCRIPTION	STATUS	BUDGET	NOTES
Staff for Senators Boxer and Feinstein	9/20/04	Drive by of new Mission Valley East stations.	Completed	\$0	
San Diego Councilmember Jim Madaffer	10/04	Tour of new Mission Valley East stations.	Completed		
San Diego State University Presidents Cabinet	To be determined	Tour of San Diego State University Station			
San Diego State University Associated Students	To be determined	Tour of San Diego State University Station			
San Diego State University Explore	4/9/05	Tour of San Diego State University Station	In progress	Zenerowskie	
San Diego State University Campanile Foundation Board	To be determined	Tour of San Diego State University Station			
San Diego State University Alumni Board	To be determined	Tour of San Diego State University Station			
San Diego State University Ambassadors for Higher Education	To be determined	Tour of San Diego State University Station			
San Diego Convention and Visitors Bureau and Tijuana Convention and Visitors Bureau	To be determined	Tour of Mission Valley East Stations			
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C. Partnerships

PARTNER	PARTNERSHIP DETAILS	STATUS	MONETARY/IN-KIND DONATIONS	NOTES
Coca-Cola			Beverages for public events.	
Alvarado Hospital	To be determined			
San Diego State University	To be determined			

II. NEWS MEDIA OUTREACH

A. Feature Stories on Activities and/or Project Milestones

DATE	FEATURE STORY TITLE	DESCRIPTION	STATUS	NOTES
	The reserved of the second of	Media advisory sent to all local media.		
	Field trip to see the new light rail	San Diego Union-Tribune photographer	AVV A	Front-page story in the San Diego
9/13/04	vehicle in Sacramento	and reporter covered the story.	Completed	Union-Tribune "Local" section.
	Board and media tour of the new			Multiple stories at local television stations;
	San Diego State University Trolley	Bus tour to San Diego State University;		front-page story in the San Diego
10/7/04	Station	tour of Aztec Green and platforms.	Completed	Union-Tribune "Local" section.
	Board and media unveiling of new	New light rail vehicle presented to the		
10/28/04	light rail vehicle in San Diego	MTD Board and local media.	Completed	Multiple stories in local television stations.
	Public unveiling of new trolley vehicle	Trolley welcomes public aboard new		
10/30/04	at the Santee Town Center Station	vehicles.	Completed	Coverage by one television station.
	Ribbon cutting at San Diego State	Media to take a high-rail tour on new	ln	
11/04	University Transit Way	extension.	progress	
				Participants to include MTS Operations
	New bus stop at Alvarado Medical	Photo opportunity for community print	In	and Engineering Departments and
11/04	Center Station	media.	progress	medical center representatives.

B. Library of Video and Digital Photos

DATE	VIDEO/DIGITAL IMAGE	DESCRIPTION	LOCATION	STATUS	NOTES
distribution of the state of th	New light rail vehicle	Five-minute video	Contraction in a fine - to - annual activity to an annual activity to a second and a second activity to a second a	Parameter and the second secon	
	New light fall vehicle	rive-illillute video		In progress	
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C. Meet with Key Members of Print and Electronic Medial Editorial Boards

DATE ATTENDE	ES STATUS NO	

D. News Releases for Key Startup Milestones and Preopening Activities

NEWS RELEASE	DATE	DESCRIPTION	STATUS	NOTES
Media preview "Next Generation" San Diego Trolley for the new Mission Valley East trolley extension tour of the Siemens plant in Sacramento	9/10/04	Media Advisory	Completed	San Diego Union-Tribune reporter and photographer attended. Full-page story in the "Local" section on September 26, 2004.
Tour of San Diego Trolley's New Signature Underground San Diego State University Station set for Thursday, October 7, 2004, from 12:00 noon to 1:30 p.m.	9/29/04	Media Advisory	Completed	Multiple television and Union-Tribune reporters and photographers attended. Multiple television reports. Front-page color photo story in "Local" section of Union-Tribune on October 8, 2004.
Next generation San Diego Trolley rolls into San Diego	10/25/04	Media Advisory	Completed	Multiple television stations and Union-Tribune reporter attended.
Santee Town Center to showcase next generation trolley vehicles	10/22/04	News Release	Completed	KUSI-TV attended. Reports aired on Saturday, October 30 and Sunday, October 31, 2004.

E.	Feature Stories and Interviews	(Local,	State.	and National F	Radio and	Television)
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MEDIA OUTLET	FEATURE STORY TITLE	DATE	DESCRIPTION	STATUS NOTES
KUSI-TV	10:00 a.m. news	October 28, 2004	In-studio live interview with Santee Councilmember Jack Dale regarding the new light rail vehicle.	Completed

F. Miscellaneous

EVENT TITLE	DATE/TIME/LOCATION	DESCRIPTION	STATUS	BUDGET	NOTES
MTS Celebration	Spring 2005	Celebrate new MTS brand image on buses and trolleys	In the planning stage		
				90	
				3	

III. PUBLIC INFORMATION

A. Station Signs and Banners

PRODUCT	PURPOSE	DATE	STATUS	BUDGET/FUNDING SOURCE	NOTES
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		AND THE RESIDENCE OF THE PROPERTY OF THE PROPE			7777444

B. Update Website

DATE	DESCRIPTION OF IMAGE/TEXT UPDATED	STATUS	NOTES
September 2004	Mission Valley East Fact Sheet	Updated	
November 2004	Mission Valley East and Project Pages	Updated	Added new photos of final construction at stations.
		77	
		And the second s	

C. Update Brochures, Collateral, and Other Industry Materials

PRODUCT	DESCRIPTION	QUANTITY	STATUS	COST	NOTES
Trolley Timetables	Blue, Orange, and Green Lines				
Trolley Pocket Guides	The state of the s		7		
Visitor Map Pads	Downtown, Tijuana, and Mission Valley		Transmission and the second	Transcription (
Wheelchair Users Guide			(Final Action)		
Fun Places to Go Guide		TETOTORY			
Regional Transit Map					
W 170-0-110-1-48846-1-118-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-					-
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IV. EDUCATION, SAFETY, AND AMERICANS WITH DISABILITIES ACT (ADA)

A. Orientations and Presentations

ACTIVITY	DATE/TIME/LOCATION	DESCRIPTION	STATUS BUDGET	NOTES
Teacher Zoo Night	November 9, 2004, 4 p.m. to 8 p.m. at the Zoo	Booth display. Distribute information about Classroom Day Tripper passes, Mission Valley East, new vehicles, etc.	Booth and table confirmed	The state of the s
Operation Lifesaver		Coordinate with group to bring rail safety messages to corridor.	In planning	
Library Readings	Spring 2005	Coordinate Safety Coloring Book readings at public libraries in corridor.	In planning	
		10 - 11 - 12 - 12 - 12 - 12 - 12 - 12 -	And 100 marks an	

B. Train-the-Trainer Program

EVENTITILE	DATE/TIME/LOCATION	1 / 1 200 2 7 8	ESTIMATED ATTENDANCE	STATUS	BUDGET	NOTES

				7771	Province	
				***************************************	111	

C. Community and Civic Group Presentations for Adults That Live/Work in the Mission Valley East Corridor

GROUP	DATE/ITIME	ESTIMATED ATTENDANCE	STATUS	BUDGET.	NOTES
			200	1	

	D.	Develop/Produce/Distribute	Bilingual Safety	/ Collateral
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COLLATERAL NAME	DESCRIPTION	QUANTITY	DISTRIBUTION LOCATIONS	STATUS	BUDGET NOTES
	3				

V. MARKETING PROGRAM

A. Create Over 21 Million Impressions with Key Mission Valley East Messages

MEDIA OUTLET (Print, radio; television, on-line, outdoor)	DESCRIPTION	DOVERNMENT OF STREET SERVICES AND ASSESSMENT OF STREET	ESTIMATED	COST	STATUS	NOTES

VI. OPENING EVENT CELEBRATIONS

A. Showcase New Trolley and Bus Facilities

STATION/EVENT/NAME	DATE/TIME	DESCRIPTION	STATUS	BUDGET	NOTES
San Diego State University Transit Bus Center	To be determined				
Alvarado Medical Center Bus Stop	To be determined				
Alvarado Medical Center Station					
Grantville Station					
70th Street Station					
San Diego State University Trolley Station Opening					
Mission Valley East Opens/Start of Green Line Service					
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MVE Marketing & Community Outreach Plan Overview

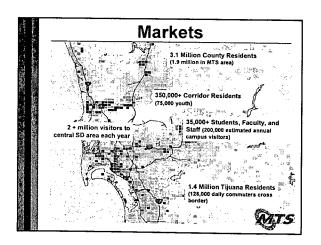
- Objectives
- Overview
- Effectiveness
- · Plan Update



Objectives

- · Identify Market Groups
- Community Outreach and Partnership Development
- Public Information and Education Programs
- · Media Outreach
- Special Events and Dedication Ceremony
- Marketing Messages and Methods





Community and Partnership Outreach

- Increase awareness to various citizen, civic, community, and key rider groups
- Recognize various stakeholder groups and funding partners
- Encourage and create mutually beneficial relationships between existing and new private and public organizations



Public Information

- Update collateral information materials (printed and on web)
- · Create new materials as needed
- Update information disseminated by partner organizations
- Begin public safety program targeting youth, senior and disabled riders, pedestrians, and motorists



Media Outreach

- Organize opportunities to showcase the MVE LRT Project to relevant media outlets
- Develop media packet with print, photographs, and video showcasing project benefits, unique characteristics, achievements
- · Highlight key milestones



Marketing

- Deliver key messages via targeted advertising effort within corridor and umbrella campaign to region
- Leverage existing campaign format in print, electronic, outdoor and on line media
- Key messages
 - New Green Line service
 - New/improved MTS Bus services
- Improved connectivity
- Automatic Fare Collection/Smart Card
- MTS Brand



Opening and Special Events

- Leverage participation in existing community events to increase Green Line awareness
- Highlight community where each station located; and stations' unique design and public art
- Maximize awareness of cross-border synergy with Tijuana
- "Community Ride Day" (as in previous openings) gives general public opportunity to experience new extension
- "Dedication Ceremony" provides appropriate recognition for MTS Board, local, state, and federal funding partners, and stake holders



Effectiveness Summary

- · Community Outreach and Partnerships
 - 15 events and 15 'behind the scenes' tours
- Media Coverage
 - Develop and distribute Media Kit and CD
 - 500 minutes
 - 1,000 inches in print; three covers
- Public Information
 - Update print and web site information pages
 - Information signs at new stations
 - 500,000 new hits on Web site

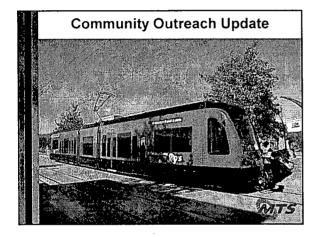


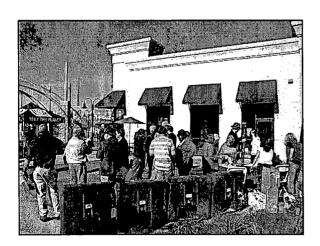
Effectiveness Summary (cont.)

- Safety Education and ADA
 - Youth, pedestrians, and motorists in corridor
 - Accessibility training for seniors and disabled riders

- Marketing
 21 million impressions
 15,000 Trip Plans (internet and phone)
 Special Events
- - Tijuana and cross-border synergy
 Station and project milestone events
 Community Ride Days
 Community Celebrations
 Dedication Ceremony

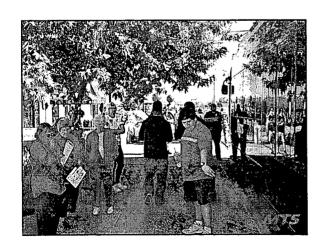




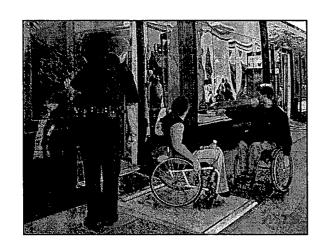














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Partnership Update

- · East County Ed Zouhar
 - La Mesa, El Cajon, Santee celebrate new Green Line with Trolley Day
- · Coca-Cola Charles Simpson
- County Office of Education Jim Esterbrooks
- · SDSU Jack Beresford
 - 3-minute video that includes video of Trolley and will be shown to all VIP campus tours (journalists, elected officials, etc.)
 - Trolley station noted during walking tour for 14,000 + prospective students each year





Media Update

- Print
 - 400+ inches (4K words and photos) in local newspapers and one trade magazines
- · Web sites
 - 4K+ words and photos in local newspaper, television SANDAG, and SDSU sites
- Television
 - 32+ minutes on local news casts in October







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Agenda

Item No. 33

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc.

OPS 970.2 (PC 30102)

December 9, 2004

Subject:

SDTI: PADRES BASEBALL 2004 YEAR-END SUMMARY

RECOMMENDATION:

That the Board of Directors receive this report for information.

Budget Impact

None.

DISCUSSION:

The 2004 San Diego Padres baseball season began with the opening of their new ballpark and some promising additions to the team's lineup. These two factors had a positive effect on attendance. Throughout the final development phase of the project, San Diego Trolley, Inc. (SDTI), staff collaborated with the Padres, San Diego Police Department, and the City of San Diego to develop a parking and transportation plan that included an aggressive public information campaign.

SDTI participated in several town hall meetings where the transportation plan was presented to interested parties. Each meeting ended with a question-and-answer period and inquiries regarding trolley service. The core operating plan included expanded manual ticket sales, increased service levels on both the Orange and Blue lines, and the operation of Special Event Green Line service between Qualcomm Stadium and the Gaslamp Quarter Stations.



Initially, the expanded service plan included extra tripper trains operating on the Orange and Blue lines east of Imperial Avenue. Eventually, this Orange and Blue Line tripper service was scaled back after ridership counts and travel patterns indicated it was unnecessary. As the season progressed, the event operation plan was modified to reflect observed patterns. Ultimately, the plan called for Green Line service to operate at 15-minute intervals beginning three hours prior to each game and then transition to 7.5-minute intervals closer to game time. Fifteen-minute headway operated from 12th & Imperial Transfer Station on the Orange and Blue lines until 11:30 p.m. for night games. This included late service into Santee beyond normal scheduled hours.

Attendance and Ridership Recap

The 2004 campaign was vastly different from the 2003 season as far as the Padre's overall record and placement in the standings. The team finished in third place in the National League West after finishing in fifth (last) place in 2003. The team also remained in competition in the National League Wild Card race up until the final week of the season. The competitive success added to the attraction and resulted in strong attendance figures.

Ballpark attendance was up 55% from 2003 (2,688,127 over 83 games in 2004 vs. 1,731,561 over 81 games at Qualcomm Stadium). Average attendance was also up 52% (32,387 vs. 21,377) when compared to last year. Trolley ridership to the game was up 278% (587,272 vs. 155,447). Additionally, average ridership increased 269% (7,076 vs. 1,919) when compared to last year.

<u>Ticket Booth Revenue – Ballpark Summary</u>

Ticket sales were conducted for all 83 games in 2004. For most games, sales were conducted at 11 to 17 locations, based on attendance projections. Manual sales revenues were up 342% over 2003 (\$254,573 vs. \$1,123,838). The average amount collected per game increased to \$13,540, compared to \$3,143 last year.

Cost Recovery

A summary evaluation comparing incremental revenue vs. expenses was conducted over a 13-game home stand between July 26, 2004, and August 8, 2004, at PETCO Park. This series was the longest of the year and featured high-profile, divisional opponents Los Angeles and San Francisco, as well as opponents that typically do not draw quite as well (Pittsburgh and Philadelphia).

A comparison was made between the incremental expenses incurred as a result of event operations verses all revenue generated by event ridership. Personnel wages included an amount for benefit additives to reflect the true cost of the operations. Revenue included monies collected at ticket booths and ticket vending machines.

Operation Cost/Revenue Comparison

Categor	Υ .	Revenue	<u>Expenses</u>
• T	icket Sales	\$310,715.00	
•	Coaster	\$3,038.00	
• 5	Security		(\$84,469.00)
• T	ransportation Department		(\$56,079.00)
•	Car Miles		(\$13,696.00)
• F	Revenue Department		(\$13,487.00)
• L	ight Rail Vehicle Maintena	nce	(\$7,796.00)
• F	Facilities Department		(\$7,381.00)
• V	Vayside Maintenance		(\$2,053.00)
• 1	Total Costs		(\$184,961.00)
• 7	Total Revenue	\$313,753.00	
•	Net Revenue	\$128,792.00	

Resource Issues

The centralized hub location of the ballpark provided for reasonable trip times from any point in the system. The vast majority of trips originated between Old Town and Qualcomm Stadium. Still, significant ridership was realized from downtown, East County, and South Bay. The number of light rail vehicles required to operate expanded service over the entire system proved to be problematic at times. In contrast to Qualcomm Stadium event operations, for which event shuttles operate over a limited distance, the addition of Green Line service to the downtown ballpark necessitated the use of as many as 96 to 102 vehicles for most weeknight games. This often meant that there were a very limited number of spare consists available to use as gap trains during minor service delays on the Orange and Blue lines. At times, the Green Line operations were compromised in order to maintain posted schedules. While this still provided a means for Green Line passengers to get to the ballpark via regular Blue Line trains, many fans either chose not to ride the Blue Line or were unaware of their options. The sustained level of expanded service required significant extra hours by train operators, security, and facilities personnel for set up of barricades and manual ticket sales locations. This will continue to be an issue for the upcoming 2005 season.

Summary Conclusion

The 2004 season marked the first season that SDTI provided service to baseball games at PETCO Park. Overall, the season was considered overwhelmingly successful. Station enhancements, including passenger control and lighting elements, improved safety and ambiance. Additional station enhancements at Imperial Avenue include a wireless microphone connection to the station public announcement (PA) system and use of the new visual message signs.

Ridership, as a percentage of the gate, remained remarkably consistent through the year. After the initial 11-game home stand, when the average gate percentage was 28%, ridership patterns remained relatively consistent with rare exceptions. Over the remaining 70 regular season games, the average gate percentage settled in at 21%. Other factors that affected gate percentage included the two midweek day games (26.6% average gate percentage) and the fan appeal of the visiting team; i.e., New York Mets – 25.6%; Arizona Diamondbacks – 19.7%. The day of the week seemed to have very little effect on gate percentage. Mondays were somewhat lower throughout the season in spite of the fact that three of the seven Monday games fell on major holidays when the "Friends Ride Free" promotion was in effect. This promotion did not result in any apparent increase over nonholiday Mondays.

Day (Number of Games)	Average Attendance	Average Ridership	Average Gate %
Monday (7)	26,367	5,798	19.7%
Tuesday (13)	28,906	6,162	21.3%
Wednesday (13)	29,402	6,268	21.3%
Thursday (10)	32,075	6,983	21.8%
Friday (12)	35,297	8,066	22.9%
Saturday (14)	36,939	8,344	22.6%
Sunday (14)	33,077	7,265	22.0%

Issues Affecting Attendance and Ridership

As the season progressed, many fans discovered that reasonably priced parking was readily available within a short walk of the ballpark. In addition, the severe traffic conditions that had been feared by some never materialized. According to reports from ACE Parking, the outer lots that had been offering the lowest rates, but required a 15- to 20-minute walk to the ballpark, were the ones to never realize their share of the event market. Additional parking resources with competitive pricing became available throughout the season. The 1,000-space 6th and K parking structure was opened in time for the final month of the season. Following that opening at the beginning of September, trolley ridership recorded the lowest gate percentage of the season. Considering these factors, SDTI gate percentage remained relatively consistent after the initial month of service.

Month	Gate %
April	27.1%
May	22.4%
June	22.8%
July	20.4%
August	19.8%
September	18.6%

Another factor that historically affects gate percentage is the attendance level. At Qualcomm Stadium, gate percentage would usually be much greater for events with higher attendance levels. Ostensibly, this is at least partly due to the ratio of available parking spaces verses demand. In previous years, the attendance pendulum would swing drastically from near capacity dates of 50 – 60,000 or more in attendance, to crowds of less than 10,000 for some midweek games. In 2004 at PETCO Park, these

extremes did not exist. First, the capacity of PETCO Park is approximately 42,500. Second, the newness of the facility and the competitive team record combined to keep attendance over 20,000 for every game in 2004. Thus, the attendance range was comparably narrow and gate percentage swings were tempered accordingly (see Attachment A). Continued efforts to refine the operating plan and exemplary effort on the part of those assigned to complete the necessary tasks resulted in an extremely successful inaugural 2004 baseball season at PETCO Park.

Inaugural Season Highs and Lows

CATEGORY	RESULT	DAY	DATE	OPPONENT
High Attendance	40,624	Thursday (Opening Day)	4/8/2004	San Francisco
Low Attendance	20,075	Wednesday	4/28/2004	Montreal
High Ridership	11,241	Saturday	4/10/2004	San Francisco
Low Ridership	4,445	Wednesday	4/28/2004	Montreal
High Gate %	30.7%	Saturday (Padres 1st game)	4/3/2004	Seattle (Exhibition)
Low Gate %	16.4%	Thursday	9/23/2004	Los Angeles

Follow-up Actions

SDTI staff will continue to refine the Padres service plan for the upcoming 2005 season in the following areas:

- Continue working with the Padres, PETCO Park, City of San Diego, and San Diego Police Department officials to refine transportation issues.
- Enhance crowd control elements to reduce personnel hours needed for set up.
- Upgrade to more prominent barriers and passenger channeling devices.
- Prepare for effects resulting from the opening of Mission Valley East.
- Arrange to play game radio broadcast over station PA.
- Add wireless microphone feature at Gaslamp Quarter Station for PA announcements.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Tom Doogan, 619.595.4984, tom.doogan@sdti.sdmts.com

JGarde/DEC9-04.33.TDOOGAN/11/8/04

Attachments: A. Attendance/Ridership Summary

B. MTS/Ace Padres Parking Counts

Board Only

PADRES 2004

Attendance / Ridership Summary

		,		GAME	CLIMAL II ATD/F	CURNIL ATRIC	%			TOTAL	%	CUM TOT	CUM TOT	-%	RIDERS	GAME	
1				ATT	CUMULATIVE GAME	CUMULATIVE ATTENDANCE	DIFF			RIDERS	OF GAME	RIDERS	RIDERS	DIFFER	FROM	TOTAL	
DAY	DATE	GAME #	TEAM	(GATE)	ATTENDANCE	2003	03 - 04	GASLAMP	IMPERIAL	TO GAME	ATT	TO GAME	2003	03 - 04	GAME	RIDES	COMMENTS
Sat	4/3	1	Seattle (Pre)	33,563	33,563	-	#DIV/0!	4,802	5,500	10,302	30.7%	10,302	-	#DIV/01	9,460	19,762	7:05pm Exhibition Game
Sun	4/4	2	Seattle (Pre)	25,678	59,241		#DIV/01	3,352	4,000	7,352	28.6%	17,654	-	#DIV/01	6,702	14,054	1:05 pm Exhibition Game
Thu	4/8	3	San Francisco	40,624	99,865	61,707	61.8%	4,588	6,072	10,660	26.2%	28,314	11,500	146.2%	10,275	20,935	7:05 pm Opening Day
Sat	4/10	4	San Francisco	39,551	139,416	91,912	51.7%	5,749	5,492	11,241	28.4%	39,555	14,720	168.7%	10,528	21,769	7:05 pm
Sun	4/11	5	San Francisco	38,146	177,562	105,130	68.9%	4,573	5,221	9,794	25.7%	49,349	16,483	199.4%	9,258	19,052	5:05 pm Easter
Tue	4/13	6	Los Angeles	32,562	210,124	121,308	73.2%	4,468	4,777	9,245	28.4%	58,594	18,204	221.9%	7,912		
Wed	4/14	7	Los Angeles	31,756	241,880	143,082	69.0%	4,809	4,132	8,941	28.2%	67,535	20,274	233.1%	8,178	17,119	
Thu	4/15	8	Los Angeles	36,084	277,964	176,619	57.4%	5,017	5,490	10,507	29.1%	78,042	22,927	240.4%	9,650	20,157	
Fri	4/16	9	Arizona	32,293	310,257	208,141	49.1%	4,653	4,908	9,561	29.6%	87,603	25,022	250.1%	8,542	18,103	7:05 pm
Sat	4/17	10	Arizona	36,369	346,626	226,875	52.8%	4,608	4,616	9,224	25.4%	96,827	26,729	262.3%	8,971	18,195	7:05 pm Fireworks
Sun	4/18	11	Arizona	37,920	384,546	254,909	50.9%	4,854	5,899	10,753	28.4%	107,580	29,153	269.0%	9,365	20,118	
Mon	4/26	12	Montreal	21,001	405,547	271,439	49.4%	2,314	2,272	4,586	21.8%	112,166	30,836	263.8%	4,329	8,915	
Tue	4/27	13	Montreal	22,889	428,436	284,193	50.8%	2,535	2,722	5,257	23.0%	117,423	31,936	267.7%	4,924	10,181	7:05 pm
Wed	4/28	14	Montreal	20,075	448,511	295,710	51.7%	1,994	2,451	4,445	22.1%	121,868	32,917	270.2%	3,663	8,108	7:05 pm
Thu	4/29	15	Montreal	21,347	469,858	305,578	53.8%	2,487	2,726	5,213	24.4%	127,081	33,868	275.2%	4,234	9,447	7:05 pm
Fri	4/30	16	New York Mets	39,627	509,485	323,174	57.7%	4,964	5,882	10,846	27.4%	137,927	35,350	290.2%	9,439	20,285	7:05 pm T-shirts
Sat	5/1	17	New York Mets	39,144	548,629	348,816	57.3%	4,819	4,838	9,657	24.7%	147,584	37,147	297.3%	8,291	17,948	7:05 pm
Sun	5/2	18	New York Mets	38,202	586,831	367,787	59.6%	4,524	4,731	9,255	24.2%	156,839	38,515	307.2%	7,955	17,210	1:05 pm Kids Floppy Hats
Tue	5/11	19	Cincinnati	25,038	611,869	379,671	61.2%	2,670	2,696	5,366	21.4%	162,205	39,243	313.3%	5,225	10,591	
Wed	5/12	20	Cincinnati	24,082	635,951	388,943	63.5%	2,809	2,680	5,489	22.8%	167,694	39,972	319.5%	4,727	10,216	7:05 pm
Thu	5/13	21	Cincinnati	29,165	665,116	396,620	67.7%	3,179	3,251	6,430	22.0%	174,124	40,714	327.7%	5,917	12,347	7:05 pm
Fri	5/14	22	Chicago	39,201	704,317	408,604	72.4%	4,798	4,505	9,303	23.7%	183,427	41 946	337.3%	7,396	16,699	7:05 pm 1984 "Cub Buster" pins
Sat	5/15	23	Chicago	39,581	743,898	428,579	73.6%	4,441	3,921	8,362	21.1%	191,789	43,500	340.9%	7,500	15,862	
Sun	5/16	24	Chicago	38,513	782,411	452,899	72.8%	4,590	3,599	8,189	21.3%	199,978	45,606	338.5%	7,396	15,585	1:05 pm Picture frame for kids
Mon	5/31	25	Colorado	32,548	814,959	471,519	72.8%	3,595	2,858	6,453	19.8%	206,431	47,452	335.0%	6,319	12,772	7:05 pm "Friends Ride Free"
Tue	6/1	26	Colorado	29,164	844,123	480,683	.75.6%	3,030	3,298	6,328	21.7%	212,759	48 117	342.2%	5,814	12,142	7:05 pm
Wed	6/2	27	Colorado	30,125	874,248	489,391	78.6%	4,274	4,360	8,634	28.7%	221,393	48,783	353.8%	8,207	16,841	12:35 pm
Fri	6/4	28	Milwaukee	38,810	913,058	498,135	83.3%	4,389	5,343	9,732	25.1%	231,125	49,508	366.8%	8,534	18,266	7:05 pm 2004 Padres Caps
Sat	6/5	29	Milwaukee	34,815	947,873	514,707	84.2%	4,372	3,492	7,864	22.6%	238,989	51,194	366.8%	7,049	14,913	7:05 pm
Sun	6/6	30	Milwaukee	34,688	982,561	543,041	80.9%	3,081	5,700	8,781	25.3%	247,770	53,025	367.3%	7,380	16,161	1:05 pm Hot Wheels for Kids
Tue	6/15	31	Tampa Bay	23,472	1,006,033	561,009	79.3%	2,734		5,103	21.7%	252,873	54 359	365.2%	4,897	10,000	7:05 pm
Wed	6/16	32	Tampa Bay	22,007	1,028,040	3FF 3F 571,210	80,0%	2,318	2,455	4,773	21.7%	257,646		368.5%	4,359	9,132	7:05 pm
Thu	6/17	33	Tampa Bay	23,376	1,051,416	582,447	80.5%	2,650	2,628	5,278	22.6%	262,924	55,857	370.7%	4,626	9,904	7:05 pm
Fri	6/18	34	Toronto	36,152	1,087,568	592,758	83.5%	4,106	4,163	8,269	22.9%	271,193	56,578	379.3%	7,123	15,392	7:05 pm Beach Towels
Sat	6/19	35	Toronto	35,084	1,122,652	602,976	86.2%	3,924		7,325	20.9%	278,518	57,599	383.5%	6,435	13,760	7:05 pm
Sun	6/20	36	Toronto	33,582	1,156,234	648,338	78.3%	3,855	3,245	7,100	21.1%	285,618	65,440	336.5%	5,672	12,772	1:05 pm 3-D Puzzle for Kids
Mon	6/21	37	Arizona	24,037	1,180,271	675,452	74.7%	2,273	2,430	4,703	19.6%	290,321	67,150	332.3%	4,199	8,902	7:05 pm
Tue	6/22	38	Arizona	25,825	1,206,096	689,817	74.8%	2,624	2,532	5,156	20.0%	295,477	68,220	333.1%	4,693	9,849	7:05 pm 7:05 pm 7:05 pm
Wed	6/23	39	Arizona	33,514	1,239,610	710,092	74.6%	4,417	3,206	7,623	22.7%	303,100	70,203	331.7%	6,725	14,348	7:05 pm

PADRES 2004

Attendance / Ridership Summary

Column C		Attendance / Macromp Gummary																
Company Comp					GAME	CHMULATIVE	CUMULATIVE	%			TOTAL	%	CUM TOT	CUM TOT	%	RIDERS	GAME	
DAY DAY GAME March CATE ATTENDANCE CATE ATTENDANCE CATE CAT	1 1				ATT			DIFF			RIDERS	OF GAME	RIDERS	RIDERS	DIFFER	FROM	TOTAL	
Fro 172 40	DAY	DATE	GAME #	TEAM	(GATE)			03 - 04	GASLAMP	IMPERIAL	TO GAME	ATT	TO GAME	2003	03 - 04	GAME	RIDES	COMMENTS
Sept 70 et	F.:			Vancon City				71.09/	3 885	3 580	7.465	21.8%	310 565	72 717	327 1%	6 995	14.460	7:05 pm. Cooler Bags
Euro 776 62																		
Note 170																		
Type 768 44 Moustern 28,511 1,390,718 5575,515,069 37,029 2,204 2,720 5,304 5,406 5,																		
Total Tota					-													
The Art Art Coloration 37,448 1,464,010 585,578 67,46 2,568 2,960 5,440 2,11% 3,484,99 6,602 3,034,91 4,865 1,038,770 70,5 pm Propy Metal 1,770 48 Colorado 31,428 1,652 20,000 1,677 3,081 4,020 7,000 1,722 2,14% 3,043,91 1,678 1,000 1								***************************************										
Fig. 179 47 Colorado 37,088 1,502,328 57,098 87,79 3,516 3,370 1,224 3,316 3,437 3,168 3,538 6,042 1,278 1,059 1,060 1,078 1,000 1,0			_															
Sept	-		+												······································			
Section Sect	1		•											·				
Mon. 1/201 50 San Francisco 56,889 1,583,580 1,523,5																		
Top 1772 51 San Francisco 35,986																		
Vision V			-	1														
Try 729 53 San Francisco 37,272 1,700.955 51553469 80.89 4,223 30.77 7,300 19.854 399,188 599,279 299,178 7,002 14,302 7,009 m 7	Tue			San Francisco							-							
Fro 1700 54 Los Angules 38.881 1.739.88 71.068.144 44.65 3.891 5.086 20.774 440.244 130.289 30.275 7.464 15.510 7.05 pm Fleworks 58.87 72.375 7.891 7.891 7.787 4.169 7.891	Wed	7/28	52	San Francisco	33,120	1,663,680			3,516	3,032								
Sam Pri 65 Los Angelies 40,141 1,780,017 1,191,137 1,919 1,781 1,7	Thu	7/29	53	San Francisco	37,275	1,700,955	1,058,040	60.8%	4,223	3,077	7,300	19.6%	396,188	99,279	299.1%	7,062	14,362	ļ
Second Prince Second Princ	Fri	7/30	54	Los Angeles	38,881	1,739,836	1,082,144	60.8%	4,165	3,891	8,056	20.7%	404,244	100,860	300.7%	7,454	15,510	7:05 pm Fireworks
Sun 8/1 56 Los Angeles 38,248 1,819.265 154.7644 26.285 3.868 3.763 7,831 20.9% 420,022 3504.464 102.896 6,863 14,494 105.876 705.776 70.776	Sat	7/31	55	Los Angeles	40,181	1,780,017	1,101,737	61.6%	4,787	4,160	8,947	22.3%	413,191	102,558	302.9%	7,489	16,436	7:05 pm
Tue 8/3 57 Philadelphia 30,454 1,484,719 1,145,475 6,167.8 3,549 2,919 6,738 1,959. 1,	Sun	8/1	56		38,248	1,818,265	1,117,084	62.8%	3,868	3,763	7,631	20.0%	420,822	104,464	302.8%	6,863	14,494	1:05 pm Batting Helmet for Kids
Wed Set Set Philodelphia 34,414 1,883,133 13,168;188 61/24 3,819 2,919 6,738 19,876 20,175 20,175 4,440 1,812,132 1,725 1,								61.7%	3,543	2,903	6,446	21.2%	427,268	106,811	300.0%	5,790	12,236	7:05 pm
Thu 86 59 Phillodephia 31,865 1914 798 3193 742 90.9% 3.342 3.033 3.375 20.1% 440.381 511.323 20.6% 6,844 12,829 7.05 pm PETCO T-shirts 531 87 6 6 6 6 6 6 6 6 6	_		+											{}			13,388	7:05 pm
Fri 86 60 Pittsburg 34,784 1,945,502 51,520,802 51,320,802 51,320,802 51,320,802 51,34,840,77	_		-										<u> </u>					
Salt 8/7 61 Pittsburg 35,471 1985.036 71,241 860 59.9% 3.937 3.509 7.446 21.0% 455,523 5716,541 298.3% 516,541 12.20 7.05 pm Back-to-School Sets Mon 8/16 63 Attanta 32,600 2.017.436 1,258.750 80.39% 2.841 2.873 5.414 17.0% 467,174 418,100 255.6% 5.239 10.853 7.05 pm Back-to-School Sets Mon 8/16 63 Attanta 32,062 2.079.574 1999.84 60.00 3.075 2.942 6.017 18.0% 473,181 11.973 255.5% 5.912 11.929 7.05 pm Back-to-School Sets Mon 8/16 63 Attanta 33,040 2.113.514 (193.388) 60.00 3.075 2.942 6.017 18.0% 473,181 11.973 255.5% 5.912 11.929 7.05 pm Wed 8/16 65 Attanta 33,540 2.113.514 (193.388) 60.00 3.075 2.942 6.017 18.0% 473,181 11.973 255.5% 5.912 11.929 7.05 pm Finds 33,160 2.146,700 3.113.514 (193.388) 60.95 3.375 2.931 6.00 18.0% 473,181 11.973 255.5% 5.912 11.929 7.05 pm Finds 33,160 2.146,700 3.113.52 0.99 6.95 3.375 2.931 6.00 18.0% 473,181 11.973 255.5% 5.912 11.929 7.05 pm Finds 33,160 2.146,700 3.113.52 0.99 6.955 3.00 3.240 6.249 19.1% 485,846 312.274 957% 5.849 12.189 7.05 pm Picture Frames Sat 8/21 67 Fiorida 33,574 2.185,274 91.352,099 6.1959 4.252 3.348 8,100 2.10% 493,946 312.274 957% 5.849 12.189 7.05 pm Picture Frames Sat 8/21 67 Fiorida 30,982 2.216,226 1368,965 67.95 2.696 2.782 5.476 17.7% 499,424 11.250 12.97 9% 5.055 10.533 10.5 pm Reco Poster for Kids Sat 944 70 Colorado 30,982 2.226,725 1368,965 67.95 2.696 2.782 5.476 17.7% 499,424 11.250 12.97 9% 5.055 10.533 10.5 pm Reco Poster for Kids San 944 70 Colorado 38,882 2.238,587 1392,332 64.0% 3.152 3.671 6.823 18.5% 512,413 12.741 9.021 8.003 12.858 7.05 pm Remote Sat 94 70 Colorado 38,882 2.238,587 1392,332 64.0% 3.152 3.671 6.823 18.5% 512,413 12.741 9.021 8.003 12.859 7.05 pm Remote Sat 94 70 Colorado 38,882 2.238,587 1392,332 64.0% 3.152 3.671 6.823 18.5% 512,413 12.75 pm Remote Sat 97.7 7.7 7.7 7.7 7.7 7.7 7.7 7.7 7.7 7.	-																	
Sun 8/8 62 Pittsburg 32,400 2,217,436 31,258,760 60,356 2,894 3,343 6,237 19,3% 461,740 8116,724 295,6% 5,841 12,078 10,59 pm Back-to-School Sets			+					7.						Manage Committee				
Mon 9/16 63 Atlanta 30,486 2,047,922 1,277,186 60,38 2,541 2,973 5,414 17,8% 467,174 118,100 25,5% 5,239 10,683 7,05 pm	-																	
Tue 8/17 64 Allents 32,962 2,079,974 1/29,948 60,095 3,075 2,942 6,017 18,8% 473,191 119734 255-28 5,12 11,929,705 pm (Word 9/18 65 Allents 33,540 2,113,514 (1)313,898 60,995 3,375 2,931 6,306 18,8% 479,497 12,111,12 255-96 5,6115 12,421 705 pm (Pitture Frames Sat 8/21 67 Florida 38,574 2,195,724 11328,099 6165-5 4,252 3,448 8,100 21,095 43,346 11,2247 2,9675 5,849 12,198,705 pm (Pitture Frames Sat 8/21 67 Florida 38,574 2,195,724 11,352,099 6165-5 4,252 3,448 8,100 21,095 433,446 11,2247 2,9675 5,849 12,198 7.05 pm (Pitture Frames Sat 8/21 67 Florida 38,574 2,195,724 11,352,099 6165-5 4,252 3,448 8,100 21,095 433,446 11,2247 2,9675 5,849 12,198 7.05 pm (Pitture Frames Sat 8/21 67 Florida 38,574 2,195,724 11,352,099 6165-5 4,252 3,448 8,100 21,095 433,446 11,725,000 21,095 11																		
Wed 8/18 65 Altanta 33,540 2,113,514 1,513,899 60,9% 3,375 2,931 6,306 18,8% 479,497 3,121,112 25,59% 6,115 12,221 7.05 pm Fr 8/20 66 Florida 33,186 2,146,700 51,526,093 6115% 3,109 3,240 6,349 119,1% 483,946 5112,471 296,7% 5,849 12,198 7.05 pm 11,298 7.05 pm 7.05 pm 7.05 pm 11,298 7.05 pm 7.05 pm <t< td=""><td>-</td><td></td><td>+</td><td></td><td></td><td></td><td> </td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	-		+															
Fin 8/20 66 Florida 33,186 2,146,700 13,186 2,146,700 13,186 2,146,700 13,186 2,146,700 13,186 2,146,700 13,186 2,146,700 13,186 2,146,700 13,186,74 2,185,7			-															<u> </u>
Sat 8/21 67 Florida 36,574 2,185,274 81 1352,909 615% 4,252 3,848 8,100 21.0% 493,946 124,398 297,1% 7,207 15,307 7.05 pm Sun 8/22 68 Florida 30,952 2,216,226 1,369,605 619% 2,996 2,782 5,478 17.7% 499,424 1,255,04 297,9% 5,055 10,533 17.05 pm Klesco Poster for Kids Sat 9/4 70 Colorado 36,862 2,283,587 1,392,302 64,0% 3,152 3,671 6,823 18,5% 512,413 17,419 302,1% 6,035 12,888 7.05 pm Swn 9/5 71 Colorado 26,483 2,310,070 1,409,309 69,9% 2,440 2,448 4,888 18,5% 517,301 128,550 30,25% 4,350 9,238 1.05 pm Mon 9/6 72 St Louis 25,404 2,335,474 1,430,614 62,3% 2,415 2,221 4,736 18,6% 522,037 129,902 301,9% 4,228 8,964 7,05 pm Find 9/7 73 St Louis 31,564 2,387,038 1,446,002 63,7% 3,019 3,024 6,043 19,1% 528,080 3,131,124 302,7% 5,138 11,181 7,05 pm Find 9/2 75 Louis 25,404 2,416 63,3% 2,841 2,816 5,657 23,9% 533,737 1,332,394 303,5% 4,855 10,512 12.35 pm Find 9/2 76 Los Angeles 31,086 2,421,799 1,481,414 83,5% 62,3% 3,170 2,714 5,884 16,4% 552,281 13,383 30,35% 5,387 11,380 7,05 pm Find 9/2 78 Arizona 28,440 2,521,100 1,555,70 6,23% 3,170 2,714 5,884 16,4% 552,281 13,383 13,394 3,894 10,59 pm Find 9/2 79 Arizona 38,801 2,557,901 1,559,948 6,29% 3,352 3,672 7,024 19,1% 564,379 13,500 30,35% 4,888 10,245 7,05 pm Find 9/2 79 Arizona 38,801 2,557,901 1,559,948 6,29% 3,352 3,672 7,024 19,1% 564,379 13,500 30,35% 4,888 10,245 7,05 pm Find 9/2 80 Arizona 28,440 2,521,100 1,555,056 50,36 2,479 2,402 4,881 17,0% 569,31 14,17,17,56 pm Find 9/2 80 San Francisco 30,361 2,616,952 1,561,56 63,0% 2,479 2,402 4,881 17,0% 569,31 14,17,17,56 pm Find 9/2 80 San Francisco 30,515 2,615,56 50,575 5,55% 3,269 3,473 6,742 17,1% 587,272 1,554,477 1,506,477 1,506 pm Find 9/2 80 San Francisco 30,515 2,615,56 50,0% 2,479 2,402 4,881 17,0% 569,31 14,17,56 10,589 7,05 pm Find 9/2 80 San Francisco 30,515 2,615,56 50,0% 2,479 2,402 4,881 17,0% 569,31 14,17,17,56 10,589 7,05 pm Find 9/2 80 San Francisco 30,515 2,615,56 50,0% 2,479 2,402 4,881 17,0% 569,31 14,17,17,56 10,589 7,05 pm Find 9/2 80 San Francisco 30,515 2			+				*************************************											
Sun 8/22 68 Florida 30,952 2,216,226 13,86,605 61°85 2,696 2,762 5,476 177% 499.424 152504 297.9% 5,055 10,533 1:05 pm Klesco Poster for Kids Fri 9/3 69 Colorado 30,499 2,246,725 1387,255 62,056 3,141 3,025 6,166 20.2% 505,590 125,794 298.7% 5,247 11,413 7.05 pm Gwynn Figurines Sun 9/4 70 Colorado 36,862 2,283,587 1,392,302 64,00% 3,152 3,671 6,823 18.5% 517,301 128,530 302,5% 6,335 12,858 7.05 pm Gwynn Jersey Retirem Sun 9/5 71 Colorado 26,483 2,310,070 1409,309 63,9% 2,440 2,448 4,888 18.5% 517,301 128,530 302,5% 4,350 9,238 1105 pm Mini-bals for Kids Mon 9/6 72 St Louis 25,404 2,335,474 1,430,641 63,2% 2,415 2,321 4,736 18.6% 522,037 129,02 3019% 4,228 8,964 7.05 pm Firehals Ride Free 19/21 75 Los Angeles 31,864 2,367,038 1446,002 63,7% 3,019 3,024 6,043 19.1% 529,080 131,124 302.7% 5,138 11,181 7.05 pm Wed 9/8 74 St Louis 23,675 2,390,713 1483,649 633% 2,811 2,814 2,816 5,657 23.9% 533,737 (8,132,394) 303,1% 4,855 10,512 12.35 pm 14,990 12.25 pm 14,990 14,9														· · · · · · · · · · · · · · · · · · ·			· · · · · · · · · · · · · · · · · · ·	
Fri 9/3 69 Colorado 30,499 2,246,725 1387,255 62.0% 3,141 3,025 6,166 20.2% 505,590 126,794 298.7% 5,247 11,413 7,05 pm Gwynn Figurines 31,947 70 Colorado 36,882 2,283,687 1,392,302 64.0% 3,152 3,671 6,923 118.5% 512,413 127,419 302,156 6,035 12,888 7,05 pm Gwynn Jersey Retirem 4,350 9,95 71 Colorado 26,483 2,210,070 1409,309 63.9% 2,440 2,448 4,888 18.5% 517,301 128,580 302,5% 4,350 9,238 105 pm Mini-bals for Kids Mon 9/6 72 St. Louis 25,404 2,335,474 1,430,641 63.2% 2,415 2,321 4,736 18.5% 52,037 129,902 3019% 4,228 8,964 7.05 pm Friends Ride Free Tue 9/7 73 St. Louis 31,564 2,367,038 1446,000 63.7% 3,019 3,024 6,043 19.1% 528,080 131124 302,7% 5,138 11,181 7.05 pm Wed 9/8 74 St. Louis 23,675 2,390/713 1,465,059 6,33% 2,841 2,816 5,557 2,390/713 1,483,549 1,451 63.3% 2,841 2,816 5,557 2,390/713 1,483,549 1,483,549 1,512 1235 pm Tue 9/21 75 Los Angeles 31,088 2,421,799 1,481,414 83.5% 2,813 3,866 6,679 21.5% 540,416 133,863 3037% 5,318 11,997 7.05 pm Wed 9/22 76 Los Angeles 34,884 2,456,683 1530,602 63.4% 2,812 3,151 5,963 117.1% 546,379 135,400 303,5% 5,387 11,350 7.05 pm Team Photos Sat 9/25 79 Arizona 36,801 2,557,901 1,552,075 62.3% 2,764 2,699 5,463 19.2% 557,726 138,391 303,0% 5,126 10,589 7.05 pm Team Photos Sat 9/25 79 Arizona 36,801 2,557,901 1,552,075 62.3% 2,764 2,699 5,463 19.2% 557,726 138,391 303,0% 5,126 10,589 7.05 pm Team Photos Sat 9/25 79 Arizona 36,801 2,557,901 1,552,075 62.3% 2,764 2,699 5,463 19.2% 557,726 138,391 303,0% 5,126 10,589 7.05 pm Team Photos Sat 9/25 80 Arizona 28,690 2,586,591 1,551,736 50.9% 2,479 2,402 4,881 17.0% 569,531 1441,170 30,35% 4,507 9,509 mm 1,734,561 233,608 3,473 6,742 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 587,272 155,447 17.1% 580,274 11.17,546																		
Sat 9/4 70 Colorado 36,852 2,283,597 1,392,302 64.0% 3,152 3,671 6,823 18.5% 512,413 127,419 3021% 6,035 12,858 7.05 pm Gwynn Jersey Retirem Sun 9/5 71 Colorado 26,483 2,310,070 1,409,309 63,9% 2,440 2,448 4,888 18.5% 517,301 128,503 302.5% 4,350 9,238 1.05 pm Mini-bats for Kids Mon 9/6 72 St. Louis 25,404 2,335,474 1,430,641 63.2% 2,415 2,321 4,736 18.6% 522,037 129,902 301.9% 4,228 8,964 705 pm Friends Ride Free Tue 9/7 73 St. Louis 31,564 2,397,038 1,446,602 63.7% 3,019 3,024 6,043 19,1% 528,608 133,144 302,7% 5,138 11,181 705 pm Friends Ride Free Tue 9/21 75 Los Angeles 31,085 2,421,79 14,814 63.5% 2,813 3,666 5,679 21,5% 543,79 135,640 303,7% 5,318 11,997 7.05 pm Wed 9/22 76 Los Angeles 34,884 2,456,683 1,650,364 2,812 3,151 5,963 17,1% 548,379 135,600 303,5% 5,387 11,350 7.05 pm Friends Ride Free Tub 9/21 77 Los Angeles 35,977 2,492,660 1,536,178 62,3% 3,170 2,714 5,884 16.4% 552,63 137,286 302,3% 6,100 11,984 7.05 pm Friends Ride Free Tub 9/24 78 Arizona 28,440 2,521,100 1,552,075 62,4% 2,764 2,699 3,352 3,672 7,024 19,1% 564,79 139,807 303,9% 6,441 13,485 7.05 pm Friends Ride Free Tub 9/26 80 Arizona 28,680 2,565,591 1,657,265 948 62,9% 3,352 3,672 7,024 19,1% 564,79 13,986 303,30 56 5,126 10,569 7.05 pm Friends Ride Free Tub 9/28 81 San Francisco 30,381 2,616,952 163,11,39 60,9% 2,729 2,402 4,881 17,0% 569,511 1141,170 303,5% 4,851 10,564 7.05 pm Frieworks 14,731,561 55,285 3,280 3,473 6,742 17,1% 587,272 18,80 7.05 pm Frieworks 11,731,561 55,285 3,280 3,473 6,742 17,1% 587,272 18,80 7.05 pm Frieworks 11,731,561 55,28 3,280 293,664 587,272 21,8% 587,272 21,8% 587,272 58,90 4,888 10,224 7.05 pm Frieworks 11,731,561 55,28 3,280 3,473 6,742 17,1% 587,272 58,60 7.05 pm Frieworks 11,731,561 55,285 3,280 3,473 6,742 17,1% 587,272 58,60 7.05 pm Frieworks 11,731,561 55,285 3,280 3,473 6,742 17,1% 587,272 58,60 7.05 pm Frieworks 11,731,561 55,285 3,280 3,473 6,742 17,1% 587,272 58,60 7.05 pm Frieworks 11,731,561 55,285 3,280 3,473 6,742 17,1% 587,772 18,547 7.05 pm Frieworks 11,731,561 55,285 3,280 3,473 6,742	Sun	8/22	68	Florida								78 787						
Sun 9/5 71	Fri	9/3		Colorado			\$						· · · · · · · · · · · · · · · · · · ·					
Mon 96 72 St. Louis 25,404 2,335,474 1,430,641 63,2% 2,415 2,321 4,736 18,6% 522,037 129,902 301,9% 4,228 8,964 7.05 pm Friends Ride Free	Sat	9/4	70	Colorado	36,862	2,283,587	1,392,302	64.0%	3,152					·····				
Tue 9/7 73 St. Louis 31,564 2,367,038 1,446,002 6537% 3,019 3,024 6,043 19.1% 528,080 131,124 302.7% 5,138 11,181 7.05 pm Wed 9/8 74 St. Louis 23,675 2,390,713 1,463,649 63.3% 2,841 2,816 5,657 23.9% 533,737 16,123,394 303.1% 4,855 10,512 12.35 pm Tue 9/21 75 Los Angeles 31,086 2,421,799 1,481,414 63.5% 2,813 3,866 6,679 21.5% 540,416 133,863 303.5% 5,318 11,997 7.05 pm Tue 9/22 76 Los Angeles 34,884 2,456,683 1,503,062 63.4% 2,812 3,151 5,963 17.1% 546,379 135,400 303.5% 5,318 11,997 7.05 pm Tue 9/23 77 Los Angeles 35,977 2,492,660 1,536,178 62.3% 3,170 2,714 5,884 16.4% 552,263 137,266 302.3% 6,100 11,984 7.05 pm Fire 9/24 78 Arizona 28,440 2,521,100 1,552,075 62.4% 2,764 2,699 5,463 19.2% 557,726 138,391 303.0% 5,126 10,589 7.05 pm Team Photos Sat 9/25 79 Arizona 36,801 2,557,901 1,569,948 62.9% 3,352 3,672 7,024 19.1% 564,750 139,807 303.5% 6,441 13,465 7.05 pm Fireworks Sun 9/26 80 Arizona 28,690 2,586,591 1,587,265 63.0% 2,479 2,402 4,881 17.0% 569,631 17.09 9/38 81 San Francisco 30,361 2,616,952 1,561,136 60.0% 2,723 2,819 5,542 18.3% 575,173 145,030 296,6% 5,042 10,584 7.05 pm Tue 9/28 81 San Francisco 31,886 2,646,638 1,670,679 58,5% 2,621 2,736 5,357 16.9% 580,530 148,875 289,9% 4,888 10,245 7.05 pm Tue 9/30 83 San Francisco 39,489 2,688,127 1,731,561 55,2% 3,269 3,473 6,742 17.1% 587,272 155,447, 277.8% 6,064 12,806 7.05 pm	Sun	9/5	71	Colorado	26,483	2,310,070	1,409,309	63.9%	2,440	2,448	4,888	18.5%						
Wed 9/8 74 St. Louis 23,675 2,390,713 1,463,649 633% 2,841 2,816 5,657 23,9% 533,737 1,412,394 303,114 4,855 10,512 12,35 pm Tue 9/21 75 Los Angeles 31,086 2,421,799 7,1481,414 63,55% 2,813 3,866 6,679 21,5% 540,416 133,663 303,7% 5,318 11,997 7,05 pm Wed 9/22 76 Los Angeles 34,884 2,456,683 1,503,042 63,4% 2,812 3,151 5,963 17,1% 548,379 135,400 303,5% 5,387 11,350 7,05 pm Thu 9/23 77 Los Angeles 35,977 2,492,660 1,536,178 62,3% 3,170 2,714 5,884 16,4% 652,263 137,266 302,3% 6,100 11,984 7,05 pm Fri 9/24 78 Arizona 28,440 2,521,100 1,552,075 62,4% 2,764 2,699 5,463 19,2% 557,726 138,391 303,0% 5,126 10,589 7,05 pm Team Photos Sat 9/25 79 Arizona 36,801 2,557,901 1,569,948 62,9% 3,352 3,672 7,024 19,1% 564,750 139,807 303,9% 6,441 13,465 7,05 pm Fireworks Sun 9/26 80 Arizona 28,690 2,586,591 1,597,265 63,0% 2,479 2,402 4,881 17,0% 569,631 141,170 303,5% 4,507 9,388 1,05 pm Tue 9/28 81 San Francisco 30,361 2,616,952 1,631,136 60,4% 2,723 2,819 5,542 18,3% 575,173 145,030 296,6% 5,042 10,584 7,05 pm Thu 9/30 83 San Francisco 31,886 2,648,628 1,731,561 55,2% 3,269 3,473 6,742 17,11/6 587,272 155,447 530,274 1,117,546	Mon	9/6	72	St. Louis	25,404	2,335,474	1,430,641	63.2%	2,415	2,321	4,736	18.6%	522,037					
Tue 9/21 75 Los Angeles 31,086 2,421,799 1,481,414 63.5% 2,813 3,866 6,679 21.5% 540,416 133,863 303/7% 5,318 11,997 7:05 pm Wed 9/22 76 Los Angeles 34,884 2,456,683 1,503,082 63.4% 2,812 3,151 5,963 17.1% 546,379 135,400 303,5% 5,387 11,350 7:05 pm Thu 9/23 77 Los Angeles 35,977 2,492,660 1,536,178 62.3% 3,170 2,714 5,884 16.4% 552,263 137,286 302,336 6,100 11,984 7:05 pm Fri 9/24 78 Arizona 28,440 2,521,100 1,552,075 62.4% 2,764 2,699 5,463 19.2% 557,728 139,807 303,0% 5,126 10,589 7:05 pm Team Photos Sati 9/25 79 Arizona 36,801 2,557,901 1,562,096 1,569,948 62.9% 3,352 3,672 7,024 19.1% 564,750 139,807 303,0% 5,126 10,589 7:05 pm Tierworks Sun 9/26 80 Arizona 28,690 2,586,591 1,587,265 63.0% 2,479 2,402 4,881 17.0% 569,631 141,170 303,5% 4,507 9,388 1:05 pm Tue 9/28 81 San Francisco 30,361 2,616,952 1,631,136 60,4% 2,723 2,819 5,542 18.3% 575,173 145,030 296,6% 5,042 10,584 7:05 pm Wed 9/29 82 San Francisco 31,686 2,648,638 1,670,679 58,5% 2,621 2,736 5,357 16.9% 580,530 148,875 289,9% 4,888 10,245 7:05 pm Thu 9/30 83 San Francisco 39,489 2,688,127 1,731,561 55,2% 3,269 3,473 6,742 17.1% 587,272 165,447 277.6% 6,064 12,806 7:05 pm TOTALS 2,688,127 Season 1,731,561 293,608 293,664 587,272 21.8% 587,272 155,447 277.6% 6,064 12,806 7:05 pm	Tue	9/7	73	St. Louis	31,564	2,367,038	1,446,002	63.7%	3,019	3,024	6,043	19.1%						
Wed 9/22 76 Los Angeles 34,884 2,456,683 1,503,082 63,4% 2,812 3,151 5,963 17.1% 548,379 135,400 303,5% 5,387 11,350 7.05 pm Thu 9/23 77 Los Angeles 35,977 2,492,660 1,536,178 62,3% 3,170 2,714 5,884 16.4% 552,263 137,286 302,3% 6,100 11,984 7.05 pm Fri 9/24 78 Arizona 28,440 2,521,100 1,552,075 62,4% 2,764 2,699 5,463 19,2% 557,720 139,891 303,0% 5,126 10,589 7.05 pm Team Photos Sut 9/26 80 Arizona 36,801 2,567,901 1,587,265 63,9% 3,352 3,672 7,024 19,1% 564,750 139,897 303,0% 5,126 10,589 7.05 pm Team Photos Sut 9/26 80 Arizona 28,690 2,586,591 1,587,255 63,9% 2,402	Wed	9/8	74	St. Louis	23,675	2,390,713	1,463,649	63.3%	2,841	2,816	5,657	23.9%	533,737	132,394	303.1%	4,855	10,512	12:35 pm
Wed 9/22 76 Los Angeles 34,884 2,456,683 11,503,082 63,4% 2,812 3,151 5,963 17.1% 546,379 135,400 303,5% 5,387 11,350 7:05 pm Thu 9/23 77 Los Angeles 35,977 2,492,660 1,536,178 62,3% 3,170 2,714 5,884 16,4% 552,263 137,266 302,3% 6,100 11,984 7:05 pm Fri 9/24 78 Arizona 28,440 2,521,100 1,552,075 62,4% 2,764 2,699 5,483 19,2% 557,261 139,897 303,0% 5,126 10,589 7:05 pm 7em Photos Sat 9/25 79 Arizona 36,801 2,557,901 1,567,265 63,0% 2,479 2,402 4,881 17.0% 564,750 139,807 303,9% 6,441 13,465 7:05 pm Fireworks Sun 9/28 81 San Francisco 30,361 2,616,952 1,631,136 60,4% <	Tue	9/21	75	Los Angeles	31,086	2,421,799	1,481,414	63.5%	2,813	3,866	6,679	21.5%	540,416	133,863	303.7%	5,318	11,997	7:05 pm
Thu 9/23 77 Los Angeles 35,977 2,492,660 1,536,178 62.3% 3,170 2,714 5,884 16.4% 552,263 137.268 302.3% 6,100 11,984 7:05 pm Fri 9/24 78 Arizona 28,440 2,521,100 1,552,075 62.4% 2,764 2,699 5,463 19.2% 557,726 138,391 303.0% 5,126 10,589 7:05 pm Team Photos Sat 9/25 79 Arizona 36,801 2,557,901 1,569,948 62.9% 3,352 3,672 7,024 19.1% 564,750 139,807 303.9% 6,441 13,465 7:05 pm Fireworks Sun 9/26 80 Arizona 28,690 2,586,591 1,557,265 63.0% 2,479 2,402 4,881 17.0% 569,631 141,170 303.5% 4,507 9,388 1:05 pm Tue 9/28 81 San Francisco 30,361 2,616,952 1,631,136 60,4% 2,723 2,819 5,542 18.3% 575,173 145,030 2,666 5,042 10,584 7:05 pm Wed 9/29 82 San Francisco 31,686 2,648,638 1,670,679 58,5% 2,621 2,736 5,357 16.9% 580,530 148,875 2,899% 4,888 10,245 7:05 pm Thu 9/30 83 San Francisco 39,489 2,688,127 1,731,561 55,2% 3,269 3,473 6,742 17.1% 587,272 155,447 277.8% 6,064 12,806 7:05 pm	-					2.456.683		63.4%	2,812	3,151		17.1%	546,379	135,400	303.5%	5,387	11,350	7:05 pm
Fri 9/24 78 Arizona 28,440 2,521,100 1,552,075 62/4% 2,764 2,699 5,463 19.2% 557,726 138,391 303.0% 5,126 10,589 7:05 pm Team Photos Sat 9/25 79 Arizona 36,801 2,557,901 1,569,948 62.9% 3,352 3,672 7,024 19.1% 564,750 139,807 303.9% 6,441 13,465 7:05 pm Fireworks Sun 9/26 80 Arizona 28,690 2,586,591 1,587,265 63.0% 2,479 2,402 4,881 17.0% 569,631 141,170 303.5% 4,507 9,388 1:05 pm Tue 9/28 81 San Francisco 30,361 2,616,952 1,631,136 60.4% 2,723 2,819 5,542 18.3% 575,173 145,030 296,6% 5,042 10,584 7:05 pm Wed 9/29 82 San Francisco 31,686 2,648,638 1,670,679 56.5% 2,621 2,736 5,357 16.9% 580,530 148,875 289.9% 4,888 10,245 7:05 pm Thu 9/30 83 San Francisco 39,489 2,688,127 1,731,561 55.2% 3,269 3,473 6,742 17.1% 587,272 155,447 277.6% 6,064 12,806 7:05 pm GRAND TOTALS 2,688,127 Season Total 1,731,561 293,608 293,664 587,272 21.8% 587,272 155,447 530,274 1,117,546									_				552,263	-	302.3%	6,100	11,984	7:05 pm
Sat 9/25 79 Arizona 36,801 2,557,901 1,569,948 62,9% 3,352 3,672 7,024 19,1% 564,750 199,807 303,9% 6,441 13,465 7:05 pm Fireworks Sun 9/26 80 Arizona 28,690 2,586,591 1,587,265 63,0% 2,479 2,402 4,881 17.0% 569,631 141,170 303,5% 4,507 9,388 1:05 pm Tue 9/28 81 San Francisco 30,361 2,616,952 1,631,136 60/4% 2,723 2,819 5,542 18.3% 575,173 145,030 296,6% 5,042 10,584 7:05 pm Wed 9/29 82 San Francisco 31,686 2,648,638 1,670,679 55,5% 2,621 2,736 5,357 16.9% 580,530 148,875 289,9% 4,888 10,245 7:05 pm Thu 9/30 83 San Francisco 39,489 2,688,127 1,731,561 55,2% 3,269																		
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Thu 9/30 83 San Francisco 39,489 2,688,127 1,731,561 55;2% 3,269 3,473 6,742 17.1% 587,272 165,447 277.8% 6,064 12,806 7:05 pm GRAND TOTALS 2,688,127 Season Total 1,731,561 293,608 293,664 587,272 21.8% 587,272 155,447 530,274 1,117,546																		
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GRAND Season Total Season Total TOTALS 2,688,127 1,731,561 293,608 293,664 587,272 21.8% 587,272 155,447 530,274 1,117,546	Thu	9/30	83	San Francisco	39,489	2,688,127	1,731,561		3,269	3,473	6,742	17.1%	587,272	1		6,064	12,806	17.00 ρπ
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Per Game Averages 32.387 24.377 3.537 3.538 7.076 11,919 6.389 13,464			<u></u>	TOTALS								21.8%	587,272					
		Per Gar	me Averag	es	32,387		21,377		3,537	3,538	7,076	L	<u> </u>	1,919		6,389	13,464	l

2004 Padres Baseball Parking Counts

			<u> </u>					
Date	Туре	Video Count	Revenue	Date	Туре	Video Count	Rever	nue
				2-Jul	Padres	540	\$6,480	
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8-Apr	Padres	595 407	\$10,115	5-Jul	Padres	510	\$6,120	
10-Apr	Padres	427	\$7,259 \$4,080	6-Jul 7-Jul	Padres	381 266	\$4,572	
11-Apr	Padres	240	\$4,080	11 '	Padres		\$3,192	
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30-Apr	Padres	575	\$6,900	J		7,707		\$92,484
Monthly Sub total	i adies	5,875	\$78,74			7,101		402,40 4
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1-May	Padres	685	\$8,220	3-Aug	Padres	409	\$4,908	
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				·				
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23-Jun	Padres	510	\$6,120	24-Sep	Padres	418	\$5,016	
		5,798	\$69,57	76 25-Sep	Padres	599	\$7,188	
				26-Sep	Padres	437	\$5,244	
				28-Sep	Padres	457	\$5,484	
				29-Sep	Padres	472	\$5,664	
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				11 30 300	. 20.00	6,922		\$83,064
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				Summary				
				April		5,875	\$78,740	
				May		4,637	\$55,644	
				June		5,798	\$69,576	
				July		7,707	\$92,484	
				August		6,336	\$76,032	
				-				
				September		6,922	\$83,064	
				Season Totals		37,275	\$455,540	

Padres Baseball

2004 Year-End Summary

Board of Directors Meeting December 9, 2004 By Tom Doogan



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LRT Service Overview

Initial Plan

- Green Line service between Qualcomm Stadium and the Gaslamp Quarter
 - 15-minute service 3 hours before each game
 - 7.5-min. service 2 hours before game time
- Enhanced Orange and Blue Line service
 - extra pre-game "tripper" trains
 - extended 15-minute service throughout the event
- Late night Orange Line service into Santee
- Frequent post-event departures in all directions until approximately 90 minutes after final out

LRT Service Overview Service Adjustments (Refinements)

 Pre-game "tripper" service eliminated for most games due to ridership counts and travel patterns indicating it was unnecessary

- Note: Blue Line weeknight service remained at 7.5-minute interval as scheduled
- Green Line transition to 7.5-minute service adjusted to occur closer to game time resulting in fewer train sets and trips needed



8000

Ticket Booth Revenue Ballpark Summary

- Manual tickets sales were conducted at up to 17 locations based on attendance projections
- Booth revenue up 342% over 2003
- Over 475,900 one-way equivalent tickets sold at ticket booths (5,734 average per game)
- Station ticket vending machines also recorded significant sales volume increases

MTS

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Cost Recovery

A summary evaluation was conducted comparing incremental operating cost increases vs. event-generated revenue

A 13-game series (longest of the year) was chosen to provide a broad sample

All personnel hours, including benefit additives, were accounted for, in addition to costs associated with train operations



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Cost Recovery (continued)

Category	Revenue	Expenses
Ticket sales	\$310,715	
Coaster	\$3,038	
Security		(\$84,469)
Transportation Dept.		(\$56,079)
Car Miles		(\$13,696)
Revenue Dept.		(\$13,487)
LRV Maintenance		(\$7,796)
Facilities Dept.		(\$7,381)
Wayside Maintenance	•	(\$2,053)
Total Costs		(\$184,961)
Total Revenue	\$313,753	

Cost Recovery (continued) Net Revenue – 13 game sample: = \$128,792 (over \$9,900 per game average) Projected over 81-game season = \$801,900 (estimated) **Attendance & Ridership Statistics** • Attendance: 2.6 million 1 55% 32,387 • Average attendance: 587,272 1278% • Ridership: • Average Ridership: 7,076 • Average Gate Percentage 22% • Total event passenger trips = <u>1,117,546</u> **Manual Ticket Sales Statistics** • Highest Single Game \$27,084 • Lowest Single Game \$3,850* *Friends Ride Free Holiday

• Average Per Game

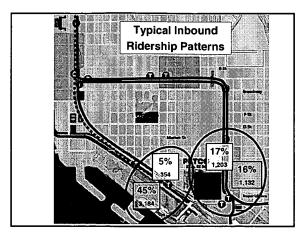
• Total Booth Sales =

\$13,540

9900

\$<u>1,123,838</u>

3



Resource Issues

- For high attendance weeknight games, as many as 102 light rail vehicles were used
- This left few, if any, spares for other operational needs or system recovery
- This also left a limited number of vehicles set aside for maintenance
- Green Line trains were sometimes used to cover the posted Blue Line schedule



Summary Conclusion

- Station enhancements (lighting & passenger control) improved safety and ambiance
- Wireless mic added at Imperial for on-site announcement capability
- New visual message signs used to keep passengers informed
- After initial 11-game series, ridership patterns remained consistent

Summary Conclusion (continued)

- Season gate percentage = 22%
- Two weekday games resulted in ridership spike
- Day of the week had little overall effect on gate percentage
- New parking lots opened mid-season (this had an impact on ridership)
- Some other lots offered reduced rates
- No low-attendance games; ballpark and team combined to attract record numbers

Inaugural Season Highs & Lows

Category:	Result:	Day:	Date:	Opponent:
High Attendance	40,624	Thursday (Opening Day)	4/8/04	San Francisco
Low Attendance	20,075	Wednesday	4/28/04	Montreal
High Ridership	11,241	Saturday	4/10/04	San Francisco
Low Ridership	4,445	Wednesday	4/28/04	Montreal
High Gate %	30.7%	Saturday (1st game)	4/3/04	Seattle (Exhibition)
Low Gate %	16.4%	Thursday	9/23/04	Los Angeles





Follow-up Actions

- Continue working with Padres, PETCO Park, City of San Diego, and SDPD
- Enhance crowd control elements to reduce personnel hours needed for set up
- Upgrade to more substantial barriers and passenger channeling devices
- Prepare for effects resulting from opening of Mission Valley East
- Arrange to play radio broadcast over station PA
- · Add wireless mic feature at Gaslamp

2004 Padres Baseball Parking Counts

Date	Туре	Video Count	Revenu	_{Je} 1	Date	Туре	Video Count	Reve	nue
Date	1,750	Video Codili	11646116	-	2-Jul	Padres	540	\$6,480	
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•	raules			70 740			7,707	'	\$92,484
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					Summary				
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•					July		7,707		
					•			\$92,484	
					August		6,336	\$76,032	
				•	COMMON		6,922	603 UE 4	
					September Season Totals		37,275	\$83,064 \$455,540	



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

Agenda

Item No. <u>34</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc.

OPS 920.1, 960.5 OPS 970.5 (PC 30103) (PC 30101, 30102)

December 9, 2004

Subject:

MTS: OPERATIONS STATUS REPORTS - OCTOBER 2004

RECOMMENDATION:

That the Board of Directors receive the October 2004 operation status reports for San Diego Transit Corporation (SDTC, Attachment A), San Diego Trolley, Inc. (SDTI, Attachment B), and Metropolitan Transit System (MTS) Contract Services (Attachment C).

Budget Impact

None at this time.

DISCUSSION:

These reports are designed to provide a snapshot of SDTC's, SDTI's, and MTS Contract Services' performances for October 2004. This report will address operating performance trends.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Susan Hafner, 619.595.3084, susan.hafner@sdmts.com

JGarde/DEC9-04.34.EHURWITZ

Attachments: A. SDTC's Operations Status Report

B. SDTI's Operations Status Report

C. MTS Contract Services' Operations Status Report

Board Only









Due to the new farebox installation, reporting of farebox data for October has been delayed. Therefore, October's statistics will be presented alongside of September's during the Board presentation. Updated packet will be supplied to the Board prior to that time with the comparative numbers.

This report provides an overview of service quality based on various performance indicators and a discussion of ridership and productivity for San Diego Transit Corporation (SDTC) for September 2004 and the first quarter of FY 2005.

Service Quality

<u>Service Reliability</u> The trip completion rate for the quarter ending September 30, 2004 was 99.524 percent. This represents a significant improvement over the 99.498% rate achieved during the year earlier period. Trip completion information by quarter is provided in Attachment A.

<u>Schedule Adherence</u> System on-time performance also improved substantially during the first quarter of FY 2005, reaching 80.4 percent. During the same period in FY 2004 the rate was 72.8 percent. The component showing improvement was late departures, which fell by one-third to 14.3 percent. The rate of early departures remained relatively flat at 5.3 percent. Attachment B provides performance trend data by quarter.

SDTC incorporated the first round of its new comprehensive ride check program with running time adjustments on weekdays on 18 routes in the September 2004 service changes. A second round of adjustments, which will be focused on weekend trips, will be implemented with the service change in January 2005.

<u>Customer Service</u> Total customer complaints increased in September 2004 to 24.79 per 100,000 passengers from 22.76 in September 2003. The three categories with the highest numbers of complaints during the last two years were passengers passed up, schedule adherence and service coverage. Total complaints by month during this period are presented in Attachment C.

System Safety In September, SDTC experienced a total collision accident rate of 3.14 per 100,000 miles, of which 1.99 were ruled preventable. For the first quarter of FY 2005, these rates were 2.65 and 1.49, respectively. When compared with the first quarter of FY 2004, the collision accident rate declined significantly from 3.32 per 100,000 miles while the preventable rate was virtually unchanged from 1.48 during the year earlier quarter. Attachment D provides monthly data on accident rates.

Ridership and Productivity

Ridership Total system ridership was 2,101,448 in September, a 7.9 percent decline when compared to September 2003. When adjusted for the truncation of Route 34 from downtown San Diego to Old Town, which became effective on February 1, 2004, the rate of decline was 6.7 percent. The new Planning and Performance Monitoring Department is evaluating MTS ridership trends to determine their causes as a preamble to the Comprehensive Operations Analysis. Attachment E provides a table with ridership changes by route and by fare component with month and fiscal year-to-date comparisons.

<u>Productivity</u> Changes in service levels directly impact ridership trends, which, therefore, are understood more fully on a rate basis. In September 2004, SDTC carried 2.48 passengers per revenue mile and 29.80 passengers per revenue hour, down from 2.64 and 32.26, respectively in September 2003. The monthly trends of these measures over the past three years are presented in Attachment F.

SDTC also tracks two cost effectiveness measures: the farebox recovery ratio (the percentage of costs recovered from farebox receipts) and the subsidy amount per passenger served. The results for the current period for these measures will be presented when the data are available.

Preventive Maintenance Program

The PM Program begun January 7, 2004 is a comprehensive overhaul program where buses are removed from service and thoroughly inspected for all mechanical and cosmetic deficiencies. These deficiencies are completely repaired prior to the bus being returned to service.

As of November 23, 2004, SDTC had completed 205 buses (75 percent of the fleet). The anticipated completion date of the PM Program is December 31, 2004.

Mean Distance Between Service Interruptions (MDBSI)

The National Transit Database (NTD) requires a report of Revenue Vehicle System Failures. Per the NTD, a Revenue Vehicle System Failure (RVSF) is defined as: A vehicle system failure that is mechanical and that affects the vehicle as follows:

- The vehicle does not complete its scheduled revenue trip, or
- The vehicle does not start its next scheduled revenue trip.

The NTD requires an annual report of RSVFs. SDTC is following these guidelines and equates NTD's definition of Revenue Vehicle System Failures to Service Interruptions that impact our customers. Since August 1, 2004, our MDBSI reporting structure easily accomplishes that reporting goal by ongoing data distinction.

A Service Interruption is defined as: A failure of some mechanical element of the revenue vehicle (bus) that prevents the vehicle from completing a scheduled revenue trip or from starting the next scheduled revenue trip. In other words, a service interruption will result if service to our customers or a schedule is impacted.

A bus exchange due to a mechanical system failure is not recorded as a service interruption if it occurs at a layover point or while deadheading and does not impact our customers or schedules.

In the month of September, SDTC had 41 Service Interruptions. The MDBSI was 24,893 miles.

In the month of October, SDTC had 59 Service Interruptions. The Mean Distance Between Service Interruptions (MDBSI) was 17,163 miles. The increased number of service interruptions in October is attributed to the farebox installation requiring more buses to be held out of service.

Mean Distance Between Failures (MDBF)

In the month of September, San Diego Transit's fleet had 126 Failures (includes both service interruption and non-service interruption type failures). This equates to an MDBF of 8,100 miles. In contrast, the MDBF for buses that had been through the PM Program was 8,450 miles, and the MDBF for non-PM Program buses was 7,531 miles.

In the month of October, San Diego Transit's fleet had 122 Failures (includes both service interruption and non-service interruption type failures). This equates to an MDBF of 8,300 miles. In contrast, the MDBF for buses that had been through the PM Program was 9,122 miles, and the MDBF for non-PM Program buses was 6,676 miles.

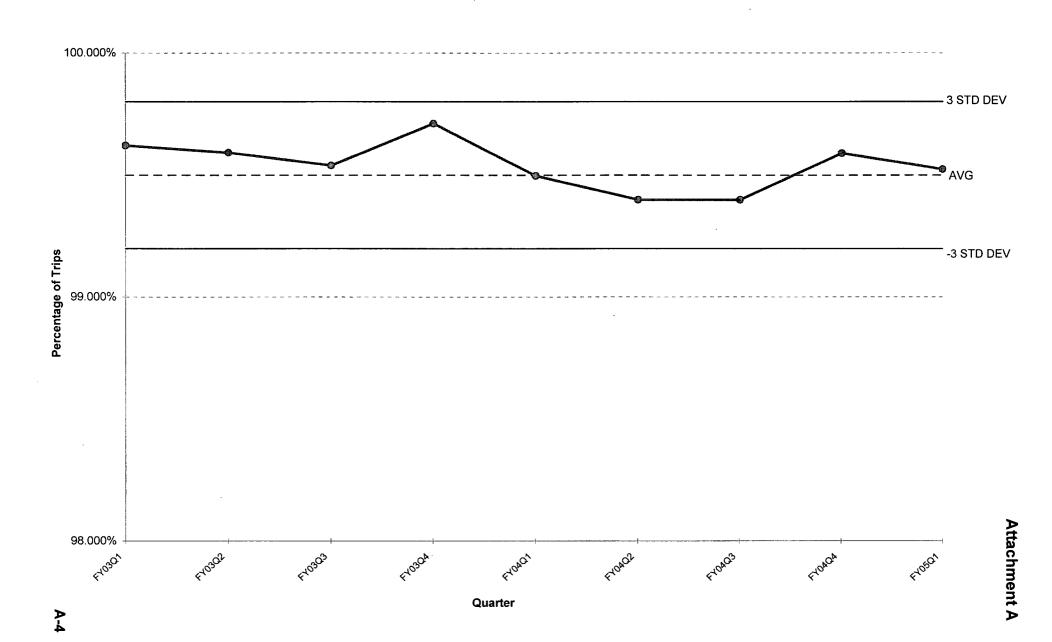
September's MDBF of 8,100 miles increased from August's 6,006 miles.

October's MDBF of 8,300 miles increased from September's MDBF of 8,100.

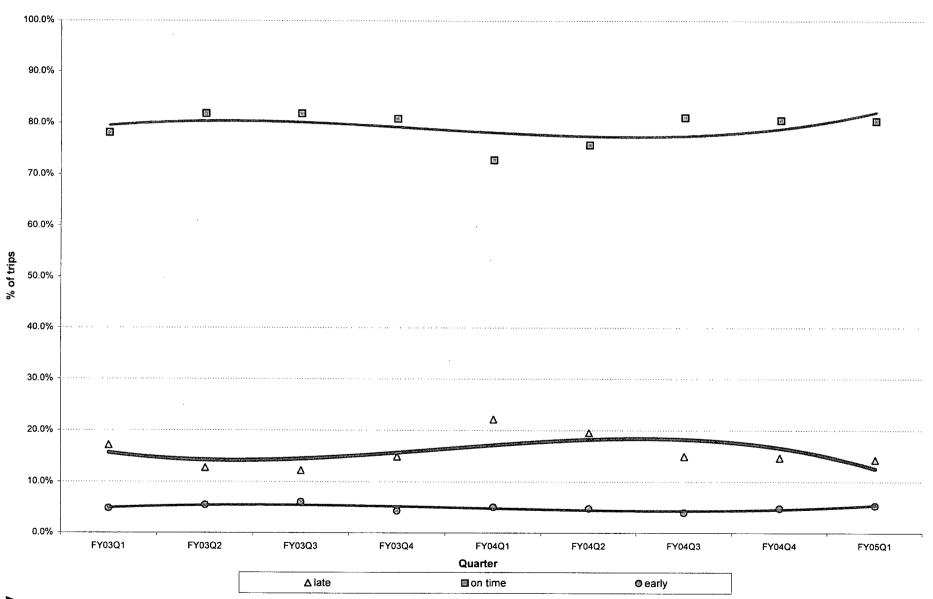
Attachments: Charts as Follows:

- A. Trip Completion
- B. On-time Performance
- C. Passenger Complaints
- D. Collision Accidents
- E. Ridership by Route & Fare Component
- F. Service Effectiveness
- G. SDTC MDBSI & MDBF September Report
- H. SDTC MDBSI & MDBF October Report

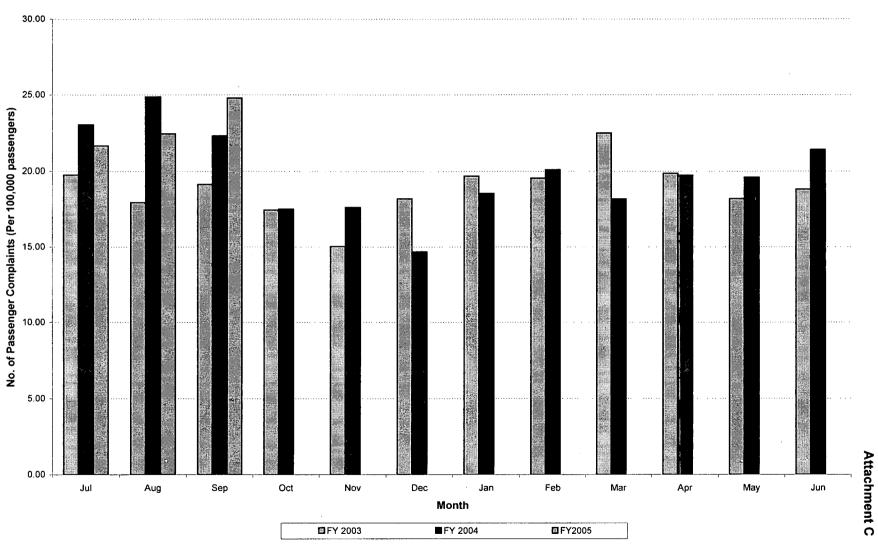
SDTC Trip Completion by Quarter (FY 2003 - FY 2005)

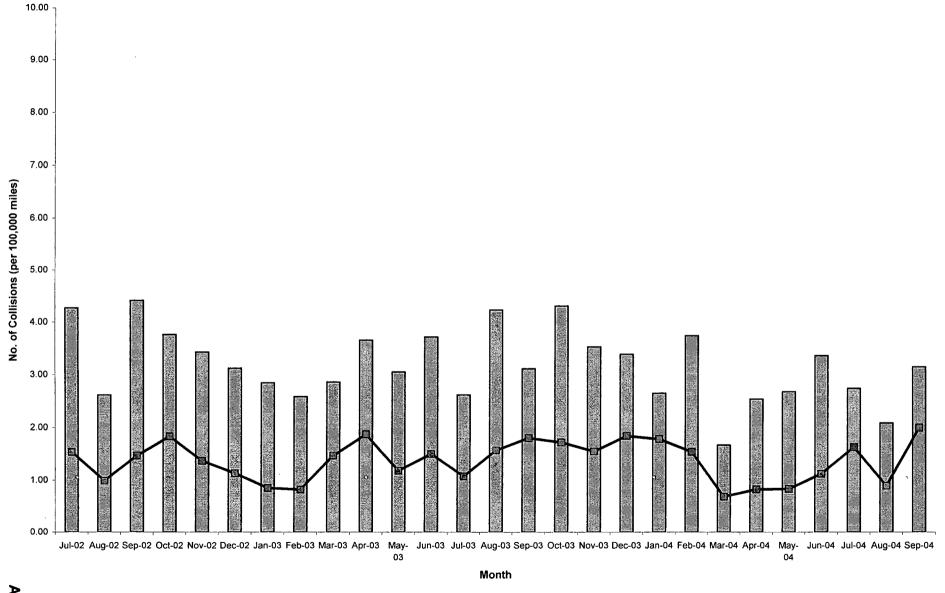


SDTC System On-Time Performance by Quarter - Revised Statistics (FY2003-FY2005)



SDTC Total Passenger Complaints (FY2003 - FY2005)





Total Collisions — Preventable Collisions

SDTC Ridership and Fare Components: September 2004 and FY 2005

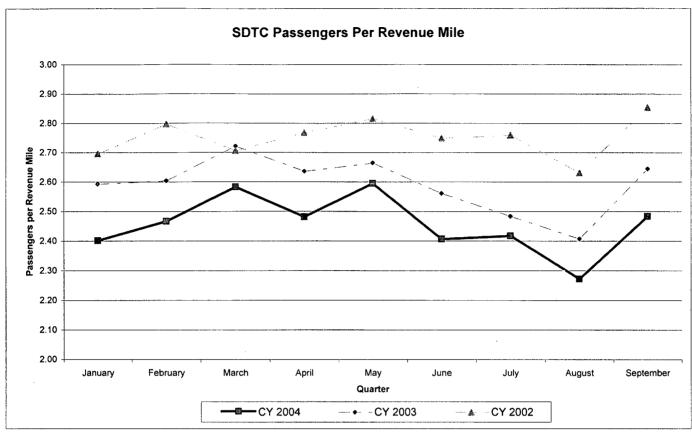
BY ROUTE

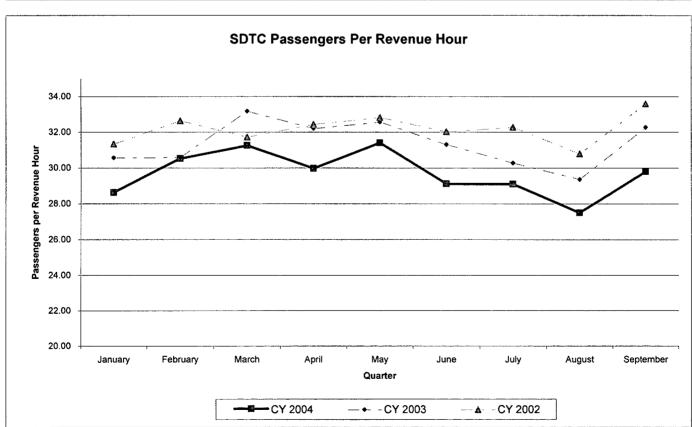
						iscal Year	
Route	Description	Sep-04		Change	FY 2005		Change
1	Downtown/El Cajon	76,296	71,785	6.3%	219,556	220,100	-0.2%
2	Downtown/University Heights	147,866	165,307	-10.6%	418,566	465,749	-10.1%
3	Mission Hills, Euclid Ave	123,913	137,473	-9.9%	366,558	388,942	-5.8%
4	Downtown/Lomita Village	59,269	79,933	-25.9%	181,215	238,096	-23.9%
5	UTC/College Grove	99,764	109,819	-9.2%	271,272	301,934	-10.2%
6	Old Town/North Park/32nd & Harbor	58,436	58,919	-0.8%	190,163	183,813	3.5%
7	Downtown/La Mesa	288,441	316,379	-8.8%	816,405	935,106	-12.7%
9	Old Town/Pacific Beach	48,627	38,725	25.6%	136,707	136,709	0.0%
11 -	SDSU/Skyline Hills	211,944	233,333	-9.2%	596,729	617,269	-3.3%
13	Fashion Valley/Euclid Ave	54,166	59,474	-8.9%	151,954	165,038	-7.9%
15	Downtown/El Cajon	110,577	112,397	-1.6%	318,478	327,227	-2.7%
16	Hillcrest/Euclid Ave	43,392	42,495	2.1%	115,167	130,019	-11.4%
20	Downtown/North County Fair	102,028	106,927	-4.6%	306,371	316,788	-3.3%
25	Downtown/Clairemont	71,322	79,900	-10.7%	214,648	234,421	-8.4%
26	Old Town/Point Loma	20,139	24,582	-18.1%	67,236	95,040	-29.3%
27	Fashion Valley/Clairemont Mesa	40,424	49,101	-17.7%	114,130	140,214	-18.6%
28	Old Town/Point Loma	26,905	18,045	49.1%	76,364	47,727	60.0%
30	Downtown/Scripps Ranch	68,913	65,721	4.9%	202,762	197,017	2.9%
34	Downtown/UCSD	124,716	154,455	-19.3%	421,315	505,429	-16.6%
35	Old Town/Ocean Beach	25,326	46,422	-45.4%	134,074	131,222	2.2%
40	Downtown/Fletcher Hills	5,364	2,456	118.4%	12,237	8,665	41.2%
41	La Jolla/Fashion Valley	78,954	74,994	5.3%	241,915	231,320	4.6%
44	Old Town/Clairemont	58,076	63,107	-8.0%	147,864	162,987	-9.3%
50	Downtown/UTC	28,856	29,643	-2.7%	73,583	82,955	-11.3%
51	Trolley			n/a	8,133		n/a
70	Downtown/69th & University Ave	5,538	8,814	-37.2%	14,032	25,451	-44.9%
72	Special Events - Padres		740	n/a		1,081	n/a
73	Special Events - Chargers	3,334	9600	n/a	5,914	11,794	n/a
75	Special Events - Charter]		n/a	396		n/a
76	Marketing	1	30	n/a	991	230	n/a
77	Coaster			n/a			n/a
81 .	Old Town/Grossmont Trolley	42,990	33,455	28.5%	115,291	92,450	24.7%
115	Downtown/El Cajon	57,235	64,943	-11.9%	178,461	178,104	0.2%
150	Downtown/UTC	11,763	16,335	-28.0%	33,622	43,219	-22.2%
210	Downtown/Mira Mesa	6,874	5,705	20.5%	16,794	15,447	8.7%
	- · - · ·	0.404.4:0	0.004.044	7 60/	0.400.000	0 004 500	7.00/
	System Total	2,101,448	2,281,014	-7.9% -7.9%	6,168,903	6,631,563	-7.0%
*	System Total Without Special Routes	2,098,114	2,270,644	-7.6%	6,153,469	6,618,458	-7.0%
*	System Total Without Special Routes and Rte 34	1,973,398	2,116,189	-6.7%	5,732,154	6,113,029	-6.2%

BY FARE COMPONENT

		Month		Fisca	al Year to Da	ate
Fare Component	Sep-04	Sep-03	Change	FY 2005	FY 2004	Change
S and D Pass	573,251	618,792	-7.4%	1,728,680	1,840,287	-6.1%
Ready Pass	427,654	482,215	-11.3%	1,292,058	1,390,377	-7.1%
Adult Cash	346,675	380,029	-8.8%	1,053,612	1,175,345	-10.4%
Transfers	323,400	355,323	-9.0%	986,673	1,104,152	-10.6%
Youth Pass	203,152	237,834	-14.6%	446,900	494,807	-9.7%
Free	113,231	94,915	19.3%	309,811	280,116	10.6%
Day Pass	59,328	54,403	9.1%	181,849	175,010	3.9%
S and D Cash	42,286	42,819	-1.2%	132,572	127,885	3.7%
Tokens	11,881	12,934	-8.1%	34,650	40,325	-14.1%
Tickets	590	1,750	-66.3%	2,098	3,259	-35.6%
System Total	2,101,448	2,281,014	-7.9%	6,168,903	6,631,563	-7.0%
System Total Without Special Routes	2,098,114	2,275,444	-7.8%	6,153,469	6,618,458	-7.0%
System Total Without Special Routes and Rte 34	1,973,398	2,120,989	-7.0%	5,732,154	6,113,029	-6.2%

SDTC Service Effectiveness





SEPTEMBER 2004 SDTC MDBSI REPORT

(Mean Distance Between Service Interruptions*)

Total Miles:	1,020,595			
Non-PM Miles:		361,496		
PM Miles:		659,099		
Total Service Interruptions:	41			
Non-PM Service Interruptions:		17		
PM Service Interruptions:		24		
MDBSI:	24,893			
Non-PM MDBSI:		21,264		
PM MDBSI:		27,462		

Service Interruptions are defined as the failure of some mechanical element of the revenue vehicle (bus) that prevents the vehicle from completing a scheduled revenue trip or from starting the next scheduled revenue trip. In other words, a Service Interruption will result if service to our customers or a schedule is impacted.

OCTOBER 2004 SDTC MDBSI REPORT

(Mean Distance Between Service Interruptions*)

Total Miles: Non-PM Miles: PM Miles:	1,012,605	273,724 738,881
Total Service Interruptions: Non-PM Service Interruptions: PM Service Interruptions:	59	18 41
MDBSI: Non-PM MDBSI: PM MDBSI:	17,163	15,207 18,021

Service Interruptions are defined as the failure of some mechanical element of the revenue vehicle (bus) that prevents the vehicle from completing a scheduled revenue trip or from starting the next scheduled revenue trip. In other words, a Service Interruption will result if service to our customers or a schedule is impacted.

SEPTEMBER 2004 SDTC MDBF REPORT

(Mean Distance Between Failure*)

Total Miles: Non-PM Miles: PM Miles:	1,020,595	361,496 659,099
Total Failures: Non-PM Failures: PM Failures:	126	48 78
MDBF: Non-PM MDBF: PM MDBF:	8,100	7,531 8,450

^{*}A Failure is defined as the failure of some mechanical element of the revenue vehicle (bus), regardless of whether it results in a service interruption to our customers. Failures are responded to by the Maintenance Department and by stand-by Operators. Standards were tightened in January 2004 by Claire Spielberg in an effort to get a more clearly defined synopsis of San Diego Transit's fleet.

Schedule H

OCTOBER 2004 SDTC MDBF REPORT

(Mean Distance Between Failure*)

Total Miles:	1,012,605	•
Non-PM Miles:		273,724
PM Miles:		738,881
Total Failures:	122	
Non-PM Failures:		41
PM Failures:		81
MDBF:	8,300	
Non-PM MDBF:		6,676
PM MDBF:		9,122

^{*}A Failure is defined as the failure of some mechanical element of the revenue vehicle (bus), regardless of whether it results in a service interruption to our customers. Failures are responded to by the Maintenance Department and by stand-by Operators. Standards were tightened in January 2004 by Claire Spielberg in an effort to get a more clearly defined synopsis of San Diego Transit's fleet.

SAN DIEGO TROLLEY, INC.

TRANSPORTATION DEPARTMENT SUMMARY

RIDERSHIP

During the month of October, according to statistical information provided by the San Diego Association of Governments (SANDAG), average daily ridership was fixed at 83,720. This represents a decrease of 1.16% in comparison to September (84,705 vs. 83,720). Ridership decreased on weekdays (-9,730), but increased on Saturdays (+3,106) and on Sundays (+34,515). Additionally, the average weekday ridership was fixed at 86,557.

When the current total monthly ridership level is compared with the same reporting period last fiscal year (2,187,992 vs. 2,595,328), an increase of 1.86% is realized.

SPECIAL EVENT SERVICE

Chargers Football

The San Diego Chargers played three home games at Qualcomm Stadium in October. Through the six games played to date, stadium attendance in down 8.3% (298,267 vs. 325,222) when compared to 2003. Trolley ridership is down 18.9% (45,349 vs. 55,899) and, as a percentage of the gate, ridership is also down (15.2% vs. 17.2%) when compared to 2003. Ticket booth revenue is also down 17.8% (\$125,960 vs. \$153,241) when compared to the first six games in 2003.

San Diego State University Aztecs Football

The Aztecs played two home games in October bringing their season total to four games played. Attendance is up 59% (147,320 vs. 92,629) and ridership is up 165% (8,650 vs. 3,269) when compared to the first four games in 2003. Revenue from manual ticket sales is up 1,478% (\$10,242 vs. \$649) when compared to 2003. Most of these increases can be attributed to having the 2004 Sky Show after the home opener in September, however the figures for the non-Sky Show games in 2004 reflect increases in each category when compared to the 2003 figures.

La Mesa Oktoberfest

The City of La Mesa's Annual Oktoberfest event was held on Friday, October 1, through Sunday, October 3, 2004. Manual ticket sales operations were conducted at six east county locations and extra service was provided each day of Oktoberfest to accommodate the increase in ridership. Revenue generated from manual ticket sales was down 16% (\$20,151 vs. \$24,102) compared to last year.

PERFORMANCE

During the month of October, there were 10,231 regular train trips scheduled and 10,223 were operated, representing a schedule adherence of 99.9%. Of the trips operated, 606 trains were delayed in excess of five minutes. Excluding contractor-related delays and those associated with multiple wheelchair use, the adjusted number of late trains was 211 with an on-time performance level of 97.9%.

ACCIDENTS

LRV/Truck/Automobile: Total = 0

LRV/Pedestrian: Total = 1

On Tuesday, October 19, 2004, as eastbound Train No. 8 initiated departure from the Harborside Station, a Hispanic female adult abruptly moved into the path of the train, however, the train operator was able to stop the train in advance of her position. After the woman had moved safely onto the platform, the train operator began to move the train slowly out of the station while carefully observing her position in the rear view mirror. Shortly thereafter, the train operator witnessed her attempt to jump between the coupled ends of the LRVs and applied emergency brake. The woman was struck at a very slow rate of speed and fell to the platform. Emergency response personnel were called to the scene and the woman, who suffered only minor injuries, was transported to a local hospital for observation. This accident was classified as non-preventable and resulted in a minor service delay

LRV/Other: Total = 0

Personal Injuries/Medical Problems: Total = 37

Of the 37 injuries reported, 15 were slips, trips, falls, or other injuries occurring on trains or transit property. There were 10 incidents involving a personal medical problem that was not trolley-related, and 12 incidents involving SDTI employee or security officer injuries.

Summary

During FY 2005 (commencing July 1, 2004) there have been 944,874 train miles operated. The total number of accidents in this fiscal year to date is six, representing 0.59 accidents per 100,000 miles operated.

LIFT SERVICE

In October, there were 6,425 wheelchairs carried compared to 6,749 in September. During the October reporting period, there were eleven failures (0.17 of total uses) and 287 delays due to excessive boarding/deboarding time involving multiple wheelchairs. In October, 169 wheelchair passengers were bypassed due to insufficient room onboard. There were no consecutive bypasses.

SAN DIEGO TROLLEY, INC.

LRV MAINTENANCE DEPARTMENT SUMMARY

LIGHT RAIL VEHICLES

The LRV-related performance indicator for the month of October was maintained at the level indicated below, and failed to met the goal established by the LRV Maintenance Department:

	<u>Actual</u>	<u>Goal</u>
Car Miles Between Service Failures	40,963	46,556

During this reporting period, the following LRV service failures occurred requiring field response:

- Six electronic failures.
- Two brake failures of the electro-hydraulic unit.
- One main breaker problem
- Two disc brake failures
- One blower failure
- Two door problems

Miscellaneous Other Activity

The following miscellaneous activities occurred during the month of September:

- Monthly safety classes were held involving all LRV personnel.
- LRV in-house training classes I, III, and IV continued this month.
- The fall semester at City College continued for apprentices in all departments.
- The SD100 LRV sanding/buffing program continues.

LRV Painting Program

The LRV painting and body restoration contract continued in October, with LRVs 1007 and 1048 accepted for the month. The total number of LRVs painted to date is 30.

SAN DIEGO TROLLEY, INC.

WAYSIDE MAINTENANCE DEPARTMENT SUMMARY

WAYSIDE/SIGNALS

All track switches, signals, crossing gates, and substations were inspected in accordance with Public Utilities Commission (PUC)- and Federal Railroad Administration (FRA)-required inspection intervals. Additional activities included the following:

- Monthly public address system inspection was completed, and repairs made.
- Penta voice messaging system (VMS) work continues at the American Plaza Transfer Station, and the San Ysidro/Tijuana.
- Substation inspections and preventative maintenance were completed.
- Station lighting was inspected with repairs made.
- Weekly safety meetings were held for all shifts.
- Catenary balance weight cables were replaced at Dairymart and Pacific Fleet.

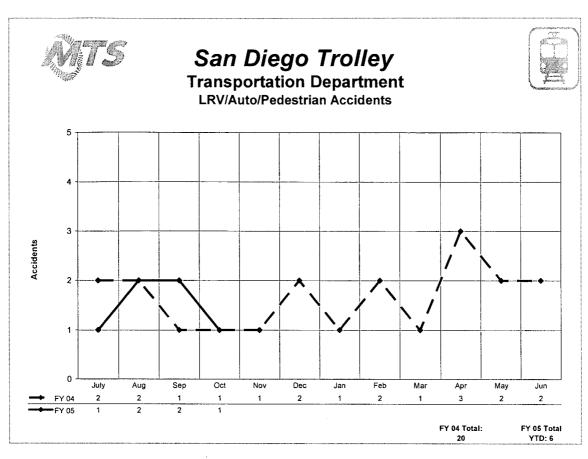
R.J. DONOVAN WAYSIDE CREW

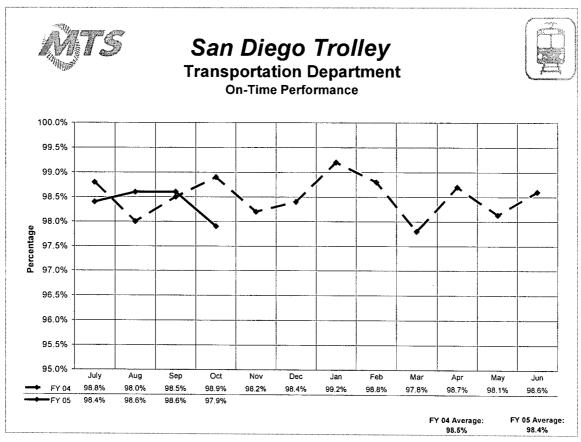
• Performed weed abatement at various locations on the Orange and Blue Lines.

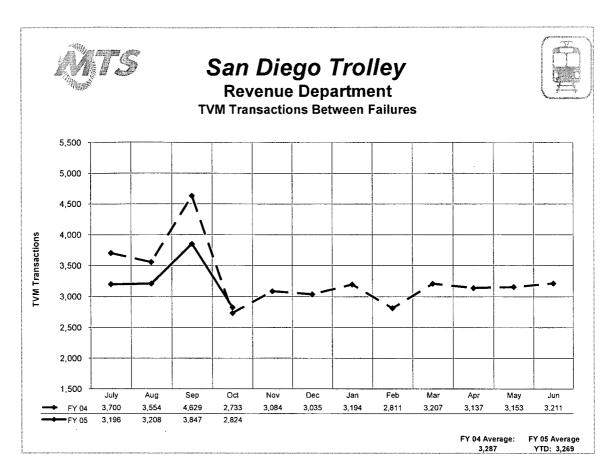
TRACK

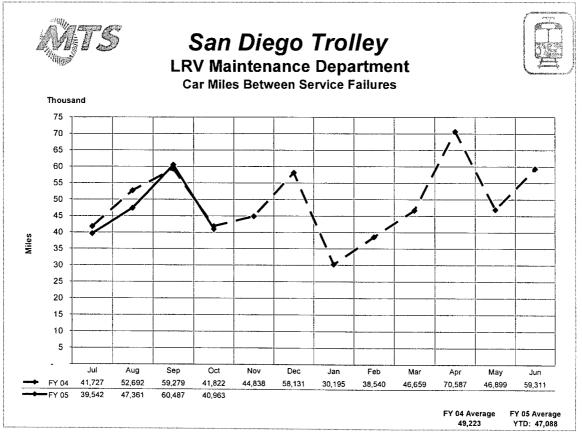
The track crew completed 100% of FRA-required monthly inspections. Their work also included the following:

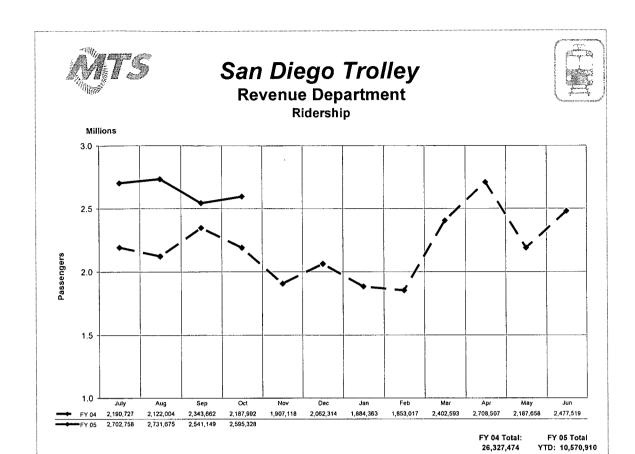
- A total of 65 crossties were replaced for a total of 241 this FY to a goal of 600.
- A broken rail was replaced at the 8th Street station in National City.











MTS CONTRACT SERVICES OPERATIONS STATUS REPORT OCTOBER 2004

Shown below are a few highlights summarizing the financial performance, ridership trends, and operating performance indicator trends covering the past two-year period and July through September 2004.

Ridership

- Ridership for October 2004 was flat compared to October 2003. Total passengers carried on all MTS Contract Services for October 2004 was 1,586,682 compared to 1,587,840 in October 2003. This month is somewhat unusual for comparison in that in October 2003 there were ridership impacts due to fires in the San Diego region. In October 2004, there were several days of rain that impacted ridership and there were only 21 weekdays and 10 weekend days. Despite these factors, overall average weekday ridership for MTS Contract Services was up about 2 percent compared to a year ago.
- Attachments C-3 and C-4 reflect the monthly ridership trend over the past two fiscal years in addition to the first quarter of FY 05. Attachments C-5 and C-6 reflect the passengers per revenue mile over the same period. The ridership trend has been generally positive since about February 2004. With a series of service cuts this past year and more recently in September 2004 geared toward increasing productivity, fixed-route productivity of the MTS Contract Services increased in October 2004 to 2.01 passengers per mile compared to 1.96 in October 2003. Paratransit productivity remained unchanged, and rural service productivity declined, in part, due to the rural service expansion in the past year.

On-time Performance

The FY 03, FY 04, and FY 05 charts are shown in Attachments C-7 and C-8 through September 2004. Data for the MTS Contract Services is compiled quarterly to ensure a valid statistical sample. This will be updated in the December 2004 report.

Miles Between Mechanical Failures

Miles between mechanical failures are shown in Attachments C-9 and C-10. The goal has been to achieve greater than 7,000 miles between mechanical failures. Only the larger fixed-route operating contracts have the performance incentives and penalties in this performance area. October 2004 miles between mechanical failures for all MTS Contract Services was 8,145 compared to 9,161 in October 2003 and 9,049 in September 2004.

Accidents

Accidents are shown in Attachments C-11 and C-12. These include all types of accidents, including preventable, nonpreventable, injury, and property damage. The goal is to achieve a rate of accidents below 4 per 100,000 miles. Both South Central (ATC/Vancom) and East County have significant monthly mileage and reflect a more consistent rate. The smaller operations were combined and are shown on the chart. For October 2004, the MTS Contract Services combined has averaged 2.1 accidents per 100,000 miles, meeting our goal.

Customer Service/Complaints

While there is no specific standard or goal, staff watches this category closely for trends. Customer comment cards are included on all MTS Contract Services buses and are received daily at the MTS offices. Attachments C-12 and C-13 show the customer complaints per 100,000 passengers carried for fixed-route services and Americans with Disabilities Act (ADA) paratransit services. These two charts have very different trends as ADA paratransit services have much higher complaints relative to the number of passengers carried. The fixed-route services have been in the range of 4 to 10 complaints per 100,000 passengers while the ADA complaints have been in the range of 50 to 200 complaints per 100,000 passengers. These charts are updated quarterly and will be updated for the December 2004 operations report.

Completed Trips

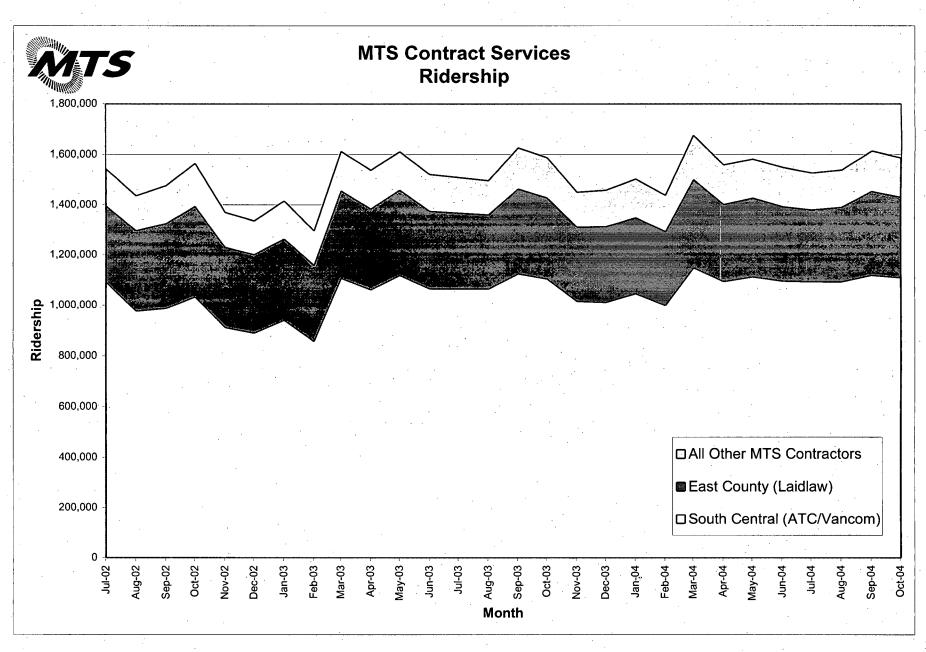
Completed trips are a significant factor in the reliability of service. It is one of three primary performance incentives for the contractors operating fixed-route services. The October 2004 completed trips ratio (see Attachments C-14 and C-15) was 99.96 percent, compared to the October 2003 total of 99.94 percent. This compares slightly higher than the September 2004 average of 99.95 percent. Use of standby buses on the South Bay, Central, and East County services, operated by ATC/Vancom and Laidlaw Transit Services since July 2002, have been very successful at reducing lost service. These standby buses are used frequently to respond to late buses due to wheelchair boardings and alightings, heavy traffic congestion, or mechanical failures impacting the service. Due to heavy school ridership on MTS Contract Services routes through Euclid Avenue Station in September 2004, an additional standby bus was deployed on weekday afternoons at Euclid Avenue Trolley to support Routes 916, 955, and 960.

EHurw/JGarde DEC9-04.34.ATTC.EHURWITZ 11/28/04



MTS Contract Services Ridership

Fiscal Year 2003													FY03
Contractor	Jul-02	. Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Total
South Central (ATC/Vancor	980,580	976,114	987,364	1,032,355	911,152	890,148	940,040	857,713	1,107,264	1,061,813	1,118,461	1,065,709	11,928,713
East County (Laidlaw)	308,575	320,847	338,426	361,585	318,646	311,207	323,495	300,510	348,458	322,276	340,179	309,212	3,903,416
Flex 961-965 (Southland)	32,152	28,726	37,817	44,019	37,170	35,025	37,662	34,200	39,949	37,464	37,481	35,595	437,260
Flex 800 Series (Laidlaw)	15,397	14,952	15,526	17,159	14,888	15,108	16,296	14,270	16,308	15,312	16,374	14,619	186,209
Poway (Laidlaw)	24,324	21,397	24,647	27,545	23,107	21,361	23,380	21,115	23,718	24,237	25,589	22,919	283;339
Express (Coach USA)	22,334	23,027	22,129	25,127	19,756	19,851	23,018	20,460	22,780	23,177	21,367	21,011	264,037
Fixed Route Subtotal	1,383,362	1,385,063	1,425,909	1,507,790	1,324,719	1,292,700	1,363,891	1,248,268	1,558,477	1,484,279	1,559,451	1,469,065	17,002,974
DART (Southland)	2,477	2,258	1,279	1,366	1,158	1,114	1,139	1,024	1,194	1,179	1,237	1,123	16,548
SVCC (Laidlaw)	15,705	16,460	15,143	17,670	15,063	12,522	16,323	15,578	16,884	17,296	15,205	16,815	.190,664
Paratransit-ADA (Laidlaw)	29,424	28,760	31,177	34,057	26,414	26,681	30,825	28,452	32,103	31,181	31,294	30,294	360,662
Demand Response Subtota	47,606	47,478	47,599	53,093	42,635	40,317	48,287	45,054	50,181	49,656	47,736	48,232	567,874
Rural Bus (Laidlaw)	3,268	3,625	3,326	3,563	3,383	3,568	3,651	3,459	3,928	3,671	3,956	3,485	42,883
All Other Contractors Subto	145,081	139,205	151,044	170,506	140,939	135,230	152;294	138,558	156,864	153,517	152,503	145,861	1,781,602
Grand Total	1,434,236	1,436,166	1,476,834	1,564,446	1,370,737	1,336,585	1,415,829	1,296,781	1,612,586	1,537,606	1,611,143	1,520,782	17,613,731
	2002/2016/5-1-1	s manerale	A 11 A 11 A 1990	CA CANAL CONTRACT	romanion e sen	OT. A PROMOTE N	09°43: W*7723.5005.	Applications of the Application	ABOUT TO SE	*	(*4 "A/SARWAZARIA	900.30000 (1.36 °04°	***
Fiscal Year 2004													FY04
Contractor	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Total
South Central (ATC/Vancor			1,124,871	1,104,896	1,015,850	1,011,588	1,045,585	998,999	1,148,646	1,094,723	1,112,865	1,096,130	12,911,070
East County (Laidlaw)	303,992	296,207	338,622	323,345	296,061	302,187	303,345	295,365	351,395	306,862	314,340	296,289	3,728,010
Flex 961-965 (Southland)	33,695	30,030	47,498	47,856	41,779	43,373	43,307	40,068	50,654	44,841	43,270	42,404	508,775
Flex 800 Series (Laidlaw)	14,037	13,244	14,570	15,923	13,601	13,996	15,530	14,014	16,132	14,162	14,958	14,985	175,152
Poway (Laidlaw)	23,302	20,571	24,413	22,535	19,660	20,468	22,569	20,490	25,497	22,112	22,905	21,494	266,016
Express (Coach USA)	21,965	20,350	21,969	20,965	16,783	19,086	20,223	19,124	23,189	21,199	19,789	21,349	245,991
Fixed Route Subtotal	1,488,871	1,445,439	1,571,943	1,535,520	1,403,734	1,410,698	1,450,559	1,388,060	1,615,513	1,503,899	1,528,127	1,492,651	17,835,014
DART (Southland)	1,133	1,060	1,176	1,156	952	1,150	1,195	1,061	1,309	1,117	1,093	1,119	13,521
SVCC (Laidlaw)	18,421	18,431	18,764	18,947	15,918	15,056	. 17,817	18,034	20,817	18,854	17,588	19,505	218,152
Paratransit-ADA (Laidlaw)	31,128	27,908	30,874	28,565	26,817	27,731	28,310	26,607	32,566	29,614	28,936	30,008	349,064
Demand Response Subtota	50,682	47,399	50,814	48,668	43,687	43,937	47,322	45,702	54,692	49,585	47,617	50,632	580,737
Rural Bus (Laidlaw)	3,337	3,556	3,623	3,652	3,387	3,749	4,703	4,457	5,516	5,456	5,475	5,328	52,239
All Other Contractors Subto	147,018	135,150	162,887	159,599	138,897	144,609	153,654	143,855	175,680	157,355	154,014	156,192	1,828,910
Grand Total	1,542,890	1,496,394	1,626,380	1,587,840	1,450,808	1,458,384	1,502,584	1,438,219	1,675,721	1,558,940	1,581,219	1,548,611	18,467,990
Fiscal Year 2005			F36-F132.321	•				To A	88 88.s e V. (. 8.5.)	estele en la la la seria de la			FY05
Contractor	Jul-04	Aug-04	Sep-04	Oct-04									Total
South Central (ATC/Vancor		1,093,182	1,118,919	1,109,886									4,415,572
East County (Laidlaw)	286,405	297,065	334,397	320,935									1,238,802
Flex 961-965 (Southland)	38,889	39,666	46,750	45,071	• '								170,376
Flex 800 Series (Laidlaw)	13,253	14,182	14,350	13,581									55.366
Poway (Laidlaw)	20,644	18,423	23,166	22,530									84.763
Express (Coach USA)	20,517	21,871	22,466	21,606								•	86,460
	1,473,293	1,484,389	1,560,048	1,533,609							-		6,051,339
DART (Southland)	947	947	1,100	1,028									4,022
SVCC (Laidlaw)	19,128	20,730	19,438	19,635									78,931
•	•		-	-							•		110,796
Paratransit-ADA (Laidlaw)	27,861	27,314	28,095	27,526									193,749
Demand Response Subtota	47,936	48,991	48,633	48,189									
Rural Bus (Laidlaw)	5,462	5,253	5,003	4,884			· · · · · · · · · · · · · · · · · ·						20,602
All Other Contractors Subto	146,701	148,386	160,368	155,861									611,316
Grand Total	1,526,691	1,538,633	1,613,684	1,586,682									6,265,690



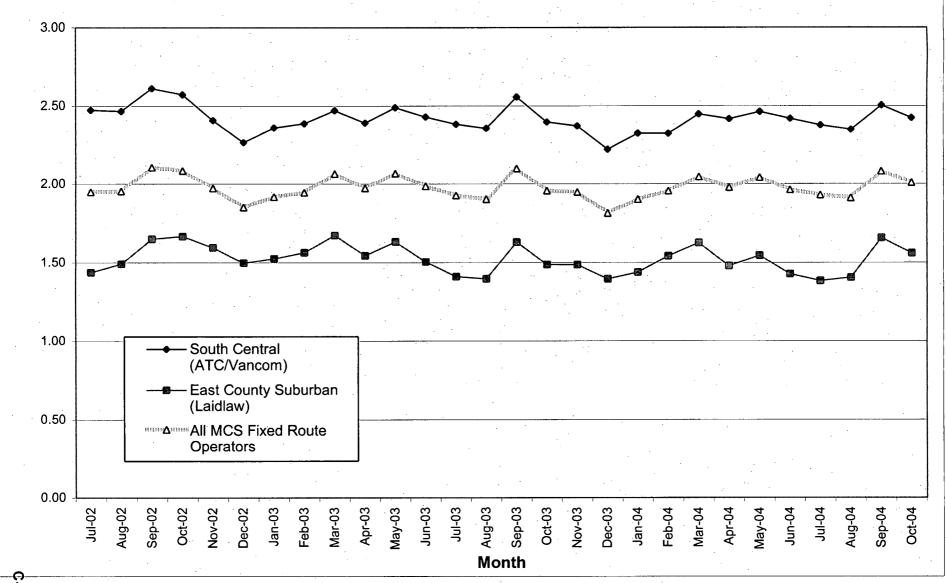


Board/Management Indicators MTS Contract Services Passengers per Revenue Mile Comparison by Fiscal Year and Month

Anna .			Cor	<u>mparison t</u>	oy Fiscal Y	<u>ear and Mo</u>	onth (•				
Fiscal Year 2003 Contractor	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	FY03 Total
South Central (ATC/Vancom)	2.47	2.47	2.61	2.57	2.41	2.27	2.36	2.39	2.47	2,39	2.49	2.43	2.45
East County (Laidlaw)	1.44	1.49	1.65	1.67	1.60	1.50	1.53	1.56	1.67	1.54	1.63	1.50	1.56
Flex 961-965 (Yellow Cab)	1.17	1.05	1.38	1.41	1.33	1.22	1.26	1.24	1.36	1.26	1.35	1.30	1.28
Flex 800 Series (Laidlaw)	1.04	1.03	1.15	1.16	1.09	1.06	1.10	1.10	1.18	1.08	1.16	1.07	1.10
Poway (Laidlaw)	0.87	0.77	0.92	0.97	0.89	0.79	0.84	0.83	0.86	0.88	0.93	0.86	0.87
Express (Coach USA)	0.78	0.81	0.85	0.84	0.76	0.72	0.81	0.83	0.84	0.81	0.78	0.76	0.80
Fixed Route Subtotal	1.95	1.95	2.11	2.09	1.97	1.85	1.92	1.94	2.07	1.97	2.07	1.99	1.99
DART (Yellow Cab)	0.24	0.23	0.24	0.23	0.24	0.23	0.20	0.20	0.21	0.23	0.23	0.23	0.23
SVCC (Laidlaw)	1.28	1.15	1.32	1.34	1.42	1.28	1.43	1.44	1.51	1.48	1.39	.1.50	1.37
Paratransit-ADA (Laidlaw)	0.12	0.12	0.11	0.12	0.12	0.10	0.11	0.10	0.11	0.11	0.11	0.11	0.11
Demand Response Subtotal	0.17	0.17	0.16	0.17	0.18	0.15	. 0.16	0.16	0.16	0.16	0.16	0.17	0.16
Rural Bus (Laidlaw)	0.24	0.28	0.26	0.26	0.31	0.33	0.30	0.32	0.37	0.34	0.34	0.33	0.30
Overall Total	1.43	1.44	1.50	1.50	1.49	1.36	1.37	1.38	1.50	1.44	1.51	1.47	1.45
Fiscal Year 2004												•	FY04
Contractor	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Total
South Central (ATC/Vancom)	2.38	2.36	2.56	2.40	2.37	2.22	2.33	2.33	2.45	2.42	2.46	2.42	2.39
East County (Laidlaw)	1.41	1.40	1.63	1.49	1.49	1.40	1.44	1.54	1.63	1.48	1.55	1.43	1.49
Flex 961-965 (YC/Southland)	1.17	1.08	1.45	1.35	1.38	. 1.27	1.31	1.34	1.42	1.31	1.38	1.24	1.31
Flex 800 Series (Laidlaw)	0.95	0.96	1.03	1.07	1.07	0.97	1,11	1.39	1.38	1.27	1.40	1.34	1.14
Poway (Laidlaw)	0.85	0.76	0.91	0.84	0.77	0.74	0.83	0.87	0.94	0.86	0.91	0.83	0.84
Express (Coach USA)	0.76	0.74	0.80	0.71	0.67	0.65	0.73	0.76	0.78	0.73	0.76	. 0.74	0.74
Fixed Route Subtotal	1.93	1.90	2.10	1.96	1.95	1.82	1.90	1.96	2.05	1.98	2.04	1.96	1.96
DART (YC/Southland)	0.21	0.21	0.23	0.22	0.23	0.24	0.25	0.25	0.25	0.23	0.22	0.24	0.23
SVCC (Laidlaw)	1.56	1.63	1.62	1.54	1.62	1.39	1.59	1.68	1.60	1.56	1.59	1.60	1.58
Paratransit-ADA (Laidlaw)	0.11	0.11	0.11	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12
Demand Response Subtotal	0.17	0.18	0.17	0.19	0.18	0.18	0.19	0.19	0.19	0.19	0.19	0.19	0.18
Rural Bus (Laidlaw)	0.24	0.20	0.24	0.22	0.20	0.09	0.12	0.10	0.11	0.10	0.11	0.10	0.12
Overali Total	1.43	1.44	1.54	1.49	1.48	1.37	1.42	1.44	1.49	1.44	1.50	1.44	1.46
Fiscal Year 2005 Contractor	Jul-04	Aug-04	Sep-04	Oct-04									FY05 Total
South Central (ATC/Vancom)	2.38	2.35	2.50	2.43						·			2.41
East County (Laidlaw)	1.38	1.41	1.66	1.56									1.50
Flex 961-965 (YC/Southland)	1.18	1.15	1.43	1.36									1.28
Flex 800 Series (Laidlaw)	1.23	1.28	1.18	1.30									1.24
Poway (Laidlaw)	0.81	0.71	0.92	0.87									0.83
Express (Coach USA)	0.75	0.76	0.74	0.70								·	0.74
Fixed Route Subtotal	1.93	1.91	2.08	2.01									1.98
DART (YC/Southland)	0.23	0.24	0.26	0.25									0.24
SVCC (Laidlaw)	1.39	1.39	1.37	1.40									1.39
Paratransit-ADA (Laidlaw)	0.12	0.11	0.12	0.12									0.12
Demand Response Subtotal	0.19	0.19	0.19	0.19									0.19
Rural Bus (Laidlaw)	. 0.10	0.10	0.10	0.09									0.10
Overall Total	1.42	1,41	1.53	1.49									1.46



MTS Contract Services Passengers per Revenue Mile





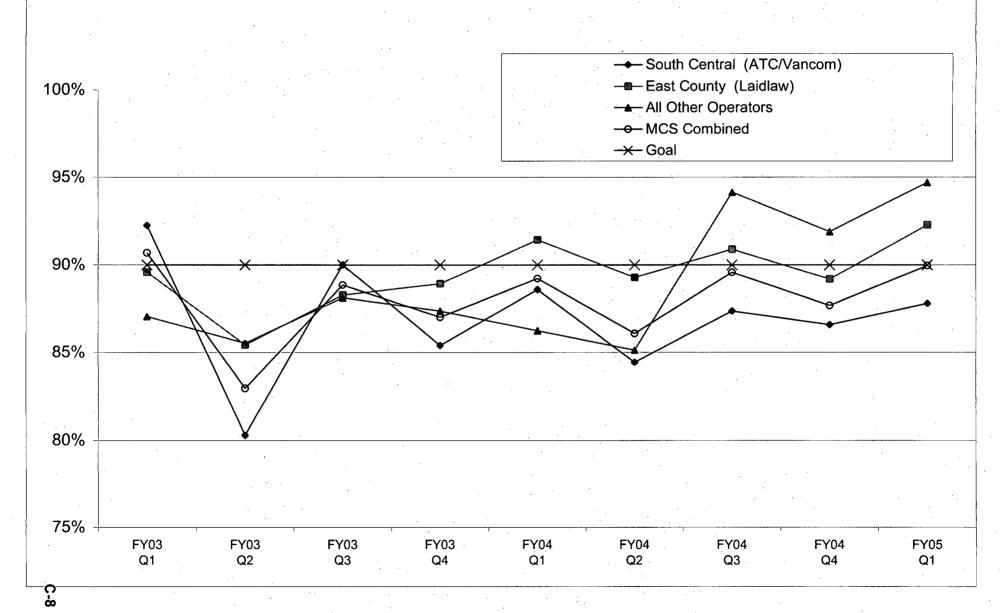
Board/Management Indicators On-Time Performance MTS Contract Services Fixed Route/Flex Comparison by Fiscal Year and Quarter

	* * .	FY03	FY03	FY03	FY03	On-Time	FY04	FY04	FY04	FY04	On-Time	FY05
Contractor		Q1	Q2	Q3	Q4	FY03	.Q1	Q2	Q3	Q4	FY04	Q1
South Central (ATC/Vancom)		92.2%	80.3%	90.0%	85.4%	87.4%	88.6%	84.4%	87.4%	86.6%	86.8%	87.8%
East County (Laidlaw)		89.6%	85.4%	88.3%	88.9%	88.2%	90.6%	88.2%	90.5%	89.2%	89.8%	92.3%
Flex 961-965 (YC/Southland)		100.0%	100.0%	100.0%	97.9%	99.5%	91.0%	94.7%	97.6%	93.6%	94.1%	77.8%
Poway (Laidlaw)		83.2%	84.7%	89.2%	90.9%	86.8%	84.0%	79.7%	88.2%	88.0%	84.9%	92.2%
Express (Coach USA)		89.3%	89.1%	88.9%	90.9%	89.8%	80.7%	78.4%	95.8%	100.0%	84.5%	98.2%
Flex 851, 853, 874		100.0%	100.0%	72.7%	85.7%	95.7%	83.3%	94.1%	100.0%	92.3%	93.2%	96.0%
Contract Services Combined		91.3%	83.5%	89.2%	87.6%	88.1%	88.9%	85.7%	89.2%	87.7%	88.0%	90.0%
Goal		90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%

Definition: Total number of checks on-time / total number of checks taken



MTS Contract Services Fixed Route/Flex On-Time Performance





Board/Management Indicators MTS Contract Services Miles Between Mechanical Failures Comparison by Fiscal Year and Month

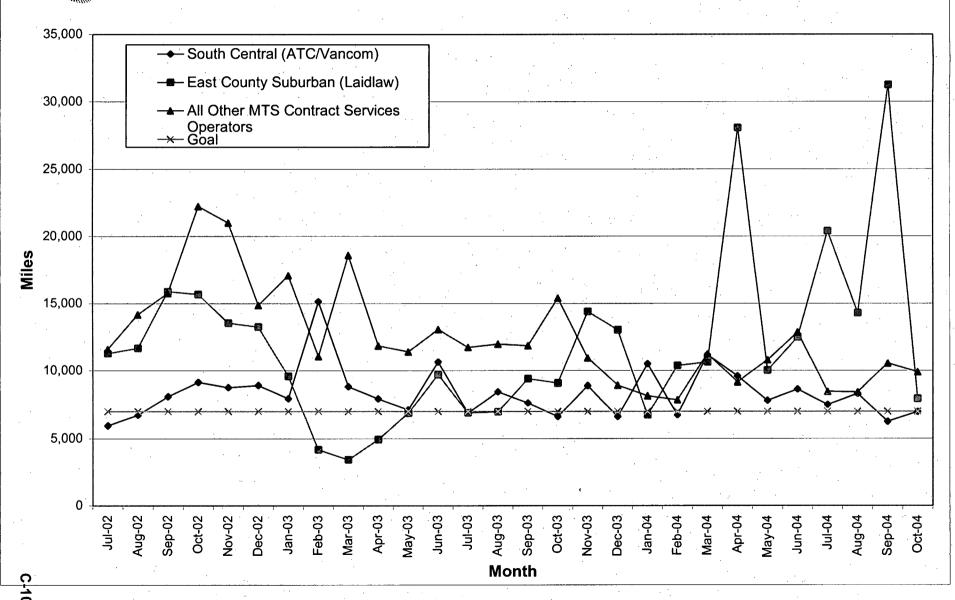
4														
Fiscal Year 2003											4			FY03
Contractor		Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Average
South Central (ATC/Vancom)		5,942	6,728	8,109	9,150	8,772	8,929	7,949	15,140	8,831	7,939	7,117	10,651	. 8,300
East County (Laidlaw)		11,294	11,685	15,889	15,687	13,537	13,255	9,591	4,174	3,425	4,926	6,862	9,723	7,851
Flex 961-965 (Yellow Cab)		4,636	6,468	8,071	12,279	6,593	16,861	11,718	16,069	5,718	17,526	10,879	5,357	8,375
Flex 800 Series (Laidlaw)	•	5,470	3,983	2,155	5,435	14,896	5,261	4,047	4,766	5,059	3,892	15,500	4,998	4,773
Poway (Laidlaw)		14,734	9,787	14,155	30,353	13,771	5,745	4,918	9,009	29,279	14,684	9,718	9,430	10,824
Express (Coach USA)		29,876	59,679	54,320	62,468	54,258	57,670	59,752	25,766	56,963	19,917	19,012	19,145	49,330
Fixed Route Average	•	7,531	8,427	9,751	11,447	10,729	10,584	8,753	8,614	6,579	7,231	7,659	10,171	8,670
DART (Yellow Cab)	٠	12,907	12,508	7,618	4,162	7,143	7,243	7,668	6,924	7,547	7,750	7,636	7,469	20,147
SVCC (Laidlaw)		-7,943	8,211	14,869	17,068	13,955	12,803	15,134	14,274	14,806	15,384	14,588	14,839	34,363
Paratransit-ADA (Laidlaw)		11,984	17,833	22,125	22,843	24,755	15,104	22,803	11,544	23,911	11,438	10,628	15,380	15,888
Demand Response Average		11,695	17,299	23,116	23,981	26,023	15,686	23,748	11,635	24,836	11,561	11,070	16,055	16,246
Rural Bus (Laidlaw)		20,873	5,125	6,689	19,641	9,026	8,699	9,406	3,361	4,363	16,641	6,111	8,241	7,622
Overall Average	,	8,466	9,638	. 11,683	13,780	12,646	11,658	10,888	9,141	8,418	8,186	8,374	11,323	10,007
Fiscal Year 2004				•							•	•		FY04
Contractor		Jul-03	Aug 03	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	lun 04	Average
South Central (ATC/Vancom)		6.880	Aug-03 8,448	7,635	6.608	8.897	6.608	10.508	6.737	11.196	9,599	7.810	8.644	8.056
East County (Laidlaw)		6,889	6,971	7,635 9,410	9,090	0,097 14,401	13,042	6,724	10,377	10,638	28,092	10,027	12,508	9,919
Flex 961-965 (YC/Southland)		4.849	5,438	5,465	6,916	8,803	2,678	4,311	3,156	4,173	5,012	2,852	6,698	4,454
			842	2,198		14.068	2,676	1.272	3,136	4,173	1.069	3.047	4.266	2,162
Flex 800 Series (Laidlaw)		2,021			8,136					•		3,374		,
Poway (Laidlaw) Express (Coach USA)		14,491 29,153	28,641 55,128	28,508 55,466	4,050 59,375	5,382 50,693	7,324 59,088	9,633 56,592	8,406 25,364	5,773 60,807	5,506 19,510	3,374 17,708	27,650 19,573	7,810 48,325
Fixed Route Average		6,994	7,431	8,179	7,530	10,484	7,329	8,323	7,394	10,387	9,777	7,522	9,787	8,255
DART (YC/Southland)		7,710	7,316	7,788	8,212	6,499	3,819	7,471	6,676	8,145	7,627	7,147	7,483	11,214
SVCC (Laidlaw)		15,678	14,904	15,119	16,224	13,002	14,091	14,774	14,234	16,684	7,983	14,539	16,077	30,215
Paratransit-ADA (Laidlaw)		15,265	20,961	12,696	24,520	12,234	27,791	20,470	12,753	15,836	29,334	44,596	16,893	18,216
Demand Reponse Average		15,946	20,582	13,236	23,927	12,776	26,650	21,455	13,371	16,594	26,049	46,673	16,852	18,548
Rural Bus (Laidlaw)		5,688	23,954	18,696	6,579	2,534	2,445	1,882	2,531	5,586	3,276	4,246	6,347	3,697
Overall Average		8,297	9,167	9,366	9,161	10,407	8,226	8,613	7,653	11,119	10,612	9,224	10,706	9,273
Fiscal Year 2005											•			FY05
Contractor		Jul-04	Aug-04	Sep-04	Oct-04									Average
South Central (ATC/Vancom)		7,509	8,322	6,232	6,973		· · · · · ·							7,190
East County (Laidlaw)		20,392	14,303	31,265	7,938		•						•	14,424
Flex 961-965 (YC/Southland)	. ,	3,218	3,339	2,967	2,016									2,765
Flex 800 Series (Laidlaw)		2,465		1,980	4,011									2,763
Poway (Laidlaw)		27,224	1,400 6,901	7,888	4,586									7,593
Express (Coach USA)		55,808	9,763	13,627	19,859									17,575
-ixed Route Average	'	8,809	8,170	7,403	6,605									7,660
DART (YC/Southland)		2,894	6,621	3,590	6,967			0.0					````	6,639
SVCC (Laidlaw)		6,103	21,703	18,570	18,394			•						19,244
Paratransit-ADA (Laidlaw)		11,923	15,379	19,315	17,854									15,572
Demand Reponse Average		11,321	16,464	20,475	17,854									15,572
Rural Bus (Laidlaw)		4,425	4,716	11,317	19,005		W-14-15-1-12-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1				 	· · · · ·		6,900
Overall Average		8,920	9,040	9,049	8,145	···.							<u>-</u>	8,772
Sverall Average		0,920	5,040	5,049	0,140									0,112

Note:

Smaller contractors may have zero mechanical failures in a month — in these months, the total number of miles for that month is reported. Because of this reporting method, monthly averages will appear lower than the annual average.



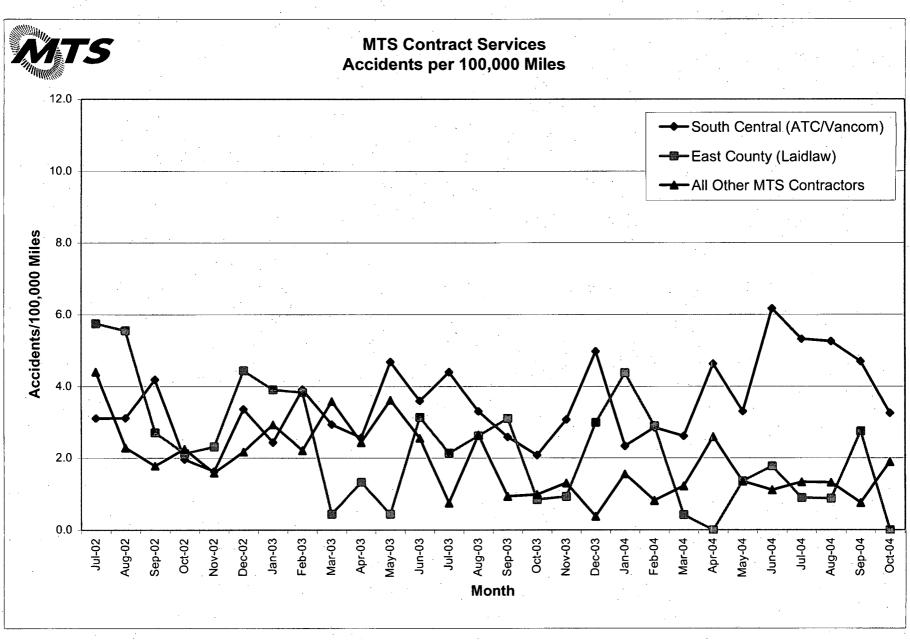
MTS Contract Services Miles Between Mechanical Failures





MTS Contract Services Accidents per 100,000 Miles

Accidents per 100,000 Total Miles -	- Fiscal Year	2003											FY03
Contractor	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Total
South Central (ATC/Vancom)	3.1	3.1	4.2	2.0	1.6	3.4	2.4	3.9	2.9	2.6	4.7	3.6	3.1
East County (Laidlaw)	5.8	5.6	2.7	2.1	2.3	4.4	3.9	3.8	0.4	1.3	0.4	3.1	3.0
Flex 961-965 (Southland)	0.0	3.1	9.3	0.0	0.0	5.9	0.0	0.0	8.7	0.0	0.0	0.0	2.2
Flex 800 Series (Laidlaw)	.0.0	0.0	13.3	0.0	6.7	0.0	0.0	0.0	6.6	6.4	0.0	0.0	2.7
Poway (Laidlaw)	0.0	3.4	0.0	0.0	0.0	3.5	6.8	3.7	3.4	0.0	3.4	0.0	2.0
Express (Coach USA)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed Route Average	3.3	3.5	3.7	1.7	1.7	3.5	2.7	3.4	2.4	1.9	3.0	2.9	2.8
DART (Southland)	. 0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SVCC (Laidlaw)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	21.0	0.0	0.0	0.0	6.7	2.3
Paratransit-ADA (Laidlaw)	6.7	2.0	1.2	2.9	2.2	2.4	3.8	2.1	3.9	3.4	5.1	3.0	3.3
Demand Response Average	6.2	1.9	1.1	2.7	2.0	2.3	3.6	2.8	3.7	3.2	4.8	3.0	. 3.1
Rural Bus (Laidlaw)	4.8	14.6	0.0	10.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.1	3.6
All Other MTS Contractors Average	4.4	2.3	1.8	2.2	1.6	2.2	2.9	2.2	3.6	2.4	3.6	2.5	2.7
All Operators Average	4.2	3.3	2.9	2.1	1.7	3.1	2.9	3.1	2.8	2.3	3.5	3.1	2.9
Accidents per 100,000 Total Miles -	- Fiscal Year	2004	**************************************	*************************	()2			x)x!xx; 56000000			os. : x: : · · · · · · · · · · · · · · · ·	***************************************	FY04
Contractor	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Total
South Central (ATC/Vancom)	4.4	3.3	2.6	2.1	3.1	5.0	2.3	2.8	2.6	4.6	3.3	6.2	3.5
East County (Laidlaw)	2.1	2.6	3.1	0.8	0.9	3.0	4.4	2.9	0.4	0.0	1.4	1.8	2.0
Flex 961-965 (Southland)	0.0	0.0	2.6	2.4	2.8	2.5	5.2	0.0	2.4	2.5	2.7	0.0	2.0
Flex 800 Series (Laidlaw)	0.0	13.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.8	8.2	0.0	2.3
Poway (Laidlaw)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.6	0.3
Express (Coach USA)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed Route Average	3.1	2.9	2.4	1.5	2.2	3.8	2.7	2.4	1.7	2.9	2.5	4.2	2.7
DART (Southland)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.1	0.0	0.0	1.1
SVCC (Laidlaw)	0.0	6.7	0.0	0.0	0.0	0.0	6.8	0.0	0.0	0.0	0.0	6.2	1.7
Paratransit-ADA (Laidlaw)	1.1	3.2	1.1	1.3	1.7	0.3	1.6	1.4	1.7	3.4	1.6	1.2	1.6
Demand Response Average	1.1	3.3	1.1	1.2	1.6	0.3	1.8	1.3	1.6	3.5	1.5	1.5	1.6
Rural Bus (Laidlaw)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
All Other MTS Contractors Average	0.8	2.6	0.9	1.0	1.3	0.4	1.6	0.8	1.2	2.6	1.4	1.1	1.3
All Operators Average	2.5	2.9	2.0	1.4	2,0	2.7	2.4	2.0	1.6	3.0	2.2	3.3	2.3
Accidents per 100,000 Total Miles -	- Fiscal Year	2005	** · · · / ** • •	assissment of the	A MALESTANISMO	in and the	300 3 300 3 300 de 40 de 50 de 50 de	14 - N. 20-44 C St. 17 - (1-40 C St.	contraction con xxx.	3	Strike Jakob et SPro	wooden occupation and the	FY05
Contractor	Jul-04	Aug-04	Sep-04	Oct-04		."							Total
South Central (ATC/Vancom)	5.3	5.3	4.7	3.3									4.6
East County (Laidlaw)	0.9	0.9	2.7	0.0	* .								1.1
Flex 961-965 (Southland)	0.0	0.0	0.0	5.0									1.3
Flex 800 Series (Laidlaw)	0.0	0.0	0.0	0.0		*							0.0
Poway (Laidlaw)	0.0	0.0	0.0	0.0									0.0
Express (Coach USA)	0.0	5.1	3.4	0.0									2.1
Fixed Route Average	3.4	3.7	3.7	2.1									3.2
DART (Southland)	0.0	0.0	0.0	0.0						· · · · · ·			0.0
SVCC (Laidlaw)	0.0	9.2	0.0	0.0									2.6
Paratransit-ADA (Laidlaw)	1.9	0.7	0.6	2.6			•						1.5
Demand Response Average	1.8	1.2	0.6	2.4									1.5
Rural Bus (Laidlaw)	1.7	0.0	0.0	0.0	·····								. 0.4
All Other MTS Contractors Average	.1.3	1.3	0.8	1.9	· · · · · · · · · · · · · · · · · · ·				·····				1.3
All Operators Average	2.9	2.9	2.7	2.1							-		2.6
, opolatora / trolago	2.0	2.0	,						*				0





Board/Management Indicators MTS Contract Services Complaints per 100,000 Passenger Trips Comparison by Fiscal Year and Quarter

FIXED ROUTE

	FY03	FY03	FY03	FY03	Total	FY04	FY04	FY04	FY04	Total	FY05
Complaints / 100,000 Passenger Trips	Q1	Q2	Q3	Q4	FY03	Q1	Q2	Q3	Q4	FY04	Q1
South Central (ATC/Vancom)	2.1	1.8	4.2	5.3	3.4	11.0	8.6	4.7	5.5	7.4	3.9
East County Suburban (Laidlaw)	8.2	5.1	5.1	3.4	5.5	3.4	4.6	4.5	4.2	4.2	5.3
Flex 961-965 (YC/Southland)	3.0	6.0	1.8	5.4	4.1	11.7	12.0	3.7	13.8	10.2	0.8
Poway (Laidlaw)	7.0	4.2	4.3	5.5	5.2	10.3	3.2	4.4	12.0	7.5	12.9
Express (Coach USA)	17.8	13.9	16.6	18.3	16.7	15.6	19.4	22.4	16.0	18.3	13.9
Flex 851, 853, 874 (Laidlaw)	4.1	4.0	2.0	0.0	2.5	0.0	0.0	2.2	4.5	1.7	0.0
DART (YC/Southland)	33.3	82.5	59.6	0.0	42.3	0.0	0.0	0.0	0.0	0.0	0.0
Rural (Laidlaw)	19.6	28.5	36.2	81.0	42.0	76.1	64.9	40.9	6.2	42.1	38.2
SVCC (Laidlaw)	8.5	0.0	34.8	0.0	11.0	0.0	2.0	0.0	0.0	0.5	5.1
All Other FR MTS Contract Services Operators	8.5	7.4	11.1	8.6	8.9	10.7	10.3	7.5	10.3	9.7	7.3
	•	PAF	RATRANSI	Т							
											
	FY03	FY03	FY03	FY03	Total	FY04	FY04	FY04	FY04	Total	FY05
Complaints / 100,000 Passenger Trips	Q1	Q2	Q3	Q4	FY03	- Q1	Q2	Q3	Q4	FY04	<u>Q1</u>
ADA Paratransit (Laidlaw)	218.1	416.9	202.6	299.4	283.0	125.5	94.6	48.2	59.4	82.4	116.0
ADA Suburban (Laidlaw)	35.5	32.7	22.5	24.5	28.6	19.5	23.9	22.5	22.0	21.9	25.8

132.4

190.8

184.4

83.6

66.2

37.7

44.0

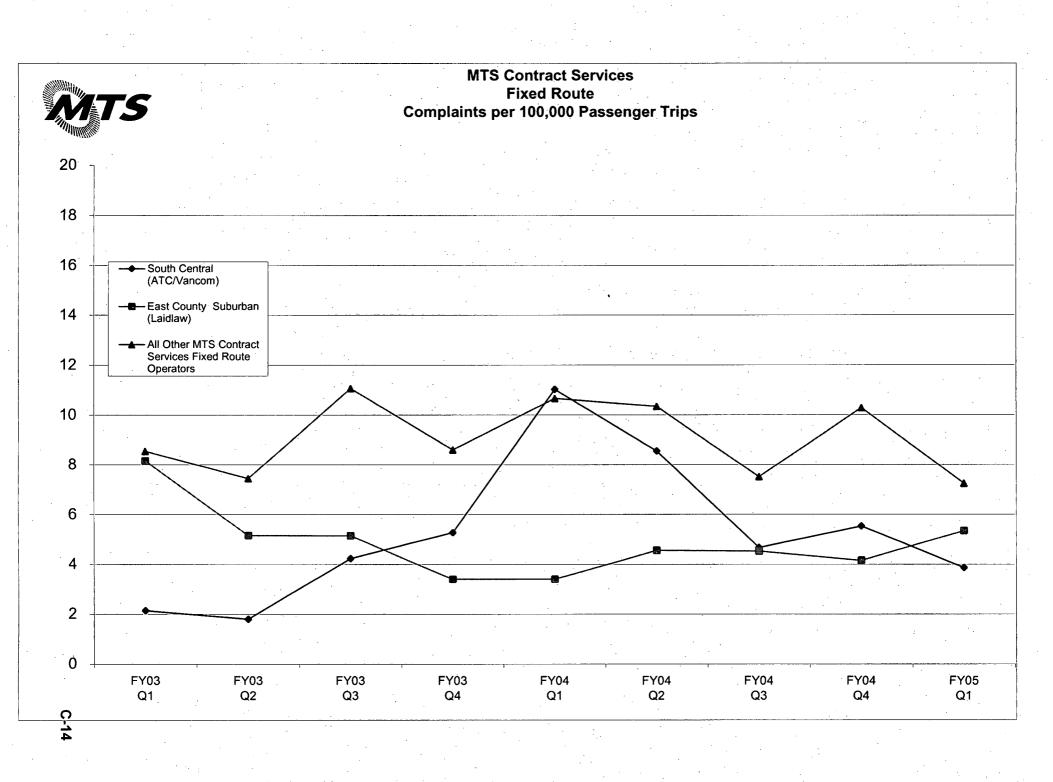
58.0

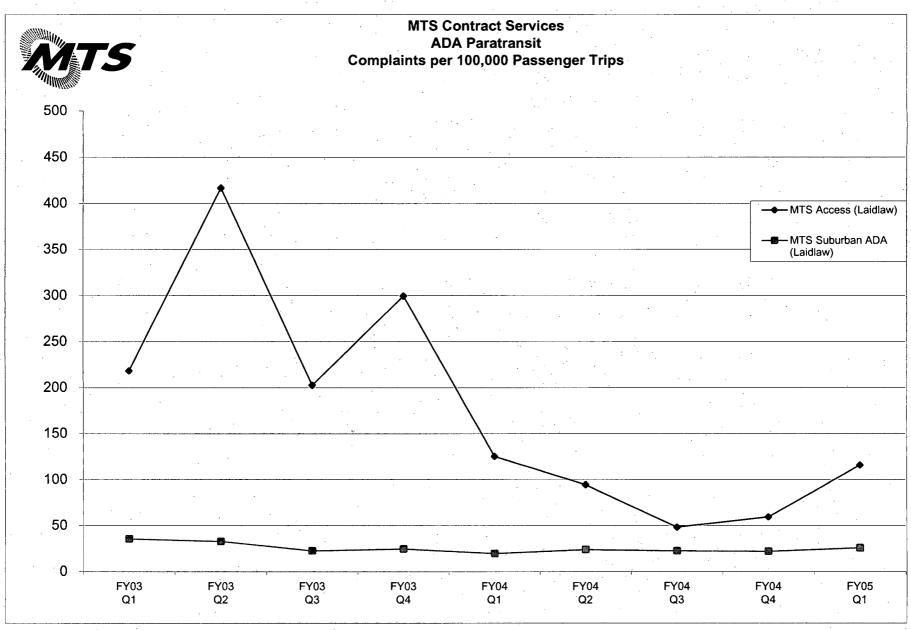
78.1

149.0

268.5

Total ADA





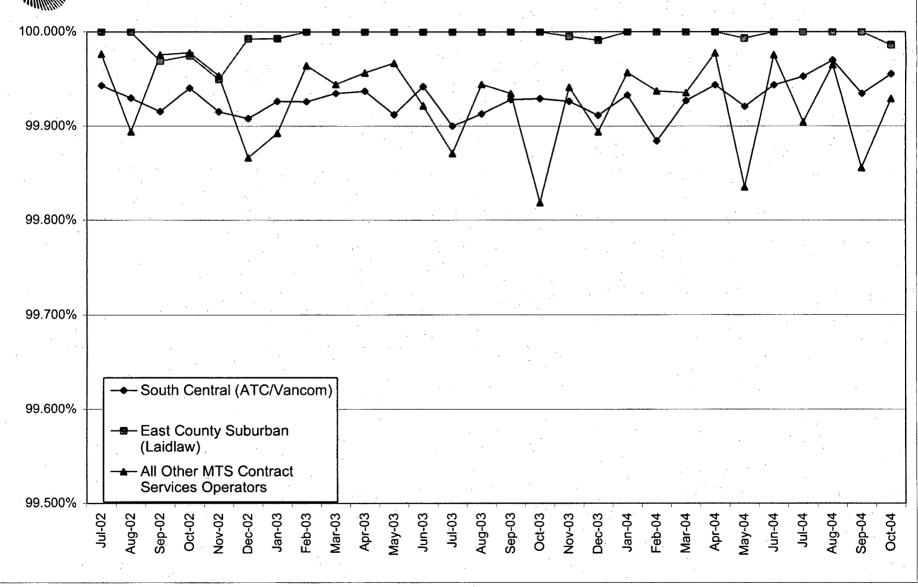


Board/Management Indicators MTS Contract Services Fixed Route Completed Trips Comparison by Fiscal Year and Month

							•						
Fiscal Year 2003					•					• .			FY03
Contractor	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Total
South Central (ATC/Vancom)	99.943%	99.930%	99.915%	99.940%	99.915%	99.908%	99.926%	99.926%	99.935%	99.937%	99.912%	99.942%	99.928%
East County (Laidlaw)	100.000%	100.000%	99.969%	99.975%	99.950%	99.993%	99.993%	100.000%	100.000%	100.000%	100.000%	100.000%	99.990%
Flex 961-965 (Yellow Cab)	100.000%	99.930%	99.953%	99.957%	99.936%	99.958%	99.901%	99.978%	99.918%	99.941%	99.939%	99.855%	99.938%
Flex 800 Series (Laidlaw)	100.000%	100.000%	100.000%	100.000%	100.000%	99.426%	100.000%	100.000%	100.000%	100.000%	100.000%	100.000%	99.951%
Poway (Laidlaw)	99.882%	99.705%	100,000%	100.000%	100.000%	99.940%	99.705%	99.936%	100.000%	100.000%	100.000%	100.000%	99.930%
Express (Coach USA)	100.000%	99.897%	100.000%	100.000%	99.886%	100.000%	100.000%	99.880%	99.892%	99.897%	100.000%	100.000%	99.955%
All Other MTS Contract Services Operators	99.977%	99.894%	99.976%	99.978%	99.954%	99.866%	99.893%	99.964%	99.945%	99.957%	99.967%	99.922%	99.941%
MTS Contract Services Combined Total	99.964%	99.942%	99.939%	99.956%	99.931%	99.923%	99.937%	99.952%	99.951%	99.955%	99.941%	99.953%	99.946%
Fiscal Year 2004													FY04
Contractor	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Total
South Central (ATC/Vancom)	99.900%	99.913%	99.928%	99.929%	99.926%	99.912%	99.933%	99.884%	99.927%	99.944%	99.921%	99.944%	99.922%
East County (Laidlaw)	100.000%	100.000%	100.000%	100.000%	99.995%	99.991%	100.000%	100.000%	100.000%	100.000%	99.993%	100.000%	99.998%
Flex 961-965 (YC/Southland)	99.802%	99.898%	99.883%	99.712%	99.915%	99.869%	99.942%	99.914%	99.910%	100.000%	99.737%	99.979%	99.879%
Flex 800 Series (Laidlaw)	100.000%	100.000%	100.000%	100.000%	100.000%	100.000%	100.000%	99.912%	100.000%	99.913%	100.000%	100.000%	99.988%
Poway (Laidlaw)	100.000%	100.000%	100.000%	99.942%	99.936%	99.882%	99.940%	100.000%	99.936%	99.933%	100.000%	99.933%	99.958%
Express (Coach USA)	99.793%	100.000%	100.000%	99.901%	100.000%	99.882%	100.000%	100.000%	100.000%	100.000%	99.886%	100.000%	99.955%
All Other MTS Contract Services Operators	99.871%	99.944%	99.935%	99.819%	99.941%	99.894%	99.957%	99.937%	99.936%	99.978%	99.835%	99.976%	99.917%
MTS Contract Services Combined Total	99.929%	99.946%	99.953%	99.936%	99.951%	99.935%	99.958%	99.929%	99.952%	99.967%	99.934%	99.966%	99.946%
Fiscal Year 2005													FY05
Contractor	Jul-04	Aug-04	Sep-04	Oct-04		·							Total
South Central (ATC/Vancom)	99.953%	99.970%	99.934%	99.955%									99.953%
East County (Laidlaw)	100.000%	100.000%	100.000%	99.986%									99.997%
Flex 961-965 (YC/Southland)	99.847%	99.958%	99.767%	99.957%					it.			:	99.882%
Flex 800 Series (Laidlaw)	99.929%	100.000%	100.000%	99.925%									99.964%
Poway (Laidlaw)	100.000%	99.933%	100.000%	99.860%		•						•	99.947%
Express (Coach USA)	100.000%	100.000%	99.903%	99.905%									99.950%
All Other MTS Contract Services Operators	99.905%	99.965%	99.856%	99.929%									99.914%
MT Contract Services Combined Total	99.962%	99.979%	99.946%	99.962%		*.+							99.963%



MTS Contract Services Completed Trips Percentage



Att. A Supplement to Al No. 34

This report provides an overview of service quality based on various performance indicators and a discussion of ridership and productivity for San Diego Transit Corporation (SDTC) for October 2004.

Service Quality

<u>Service Reliability</u> The trip completion rate for the month of October was 99.37 percent, down from 99.52 percent in September-

Schedule Adherence System on-time performance declined to 75.4 percent during October, down from the 80.4 percent rate achieved during the first quarter of FY 2005. This decline can be attributed to the installation of the new fareboxes in October. The new farebox has a bill verifier that accepts bills at a slower pace than the old farebox. As customers become accustom to the operation of the bill accepter on the new farebox dwell time should diminish.

In order to improve on-time performance, SDTC adjusted the running times on weekdays on 18 routes in the September 2004 service changes. A second round of adjustments, which will be focused on weekend trips, will be implemented with the service change in January 2005.

<u>Customer Service</u> Total customer complaints decreased in October 2004 to 17.18 per 100,000 passengers from 19.75 in September. These rates reflect a one-time adjustment to remove three categories of customer contacts that are correctly considered requests for information rather than complaints. Total complaints by month are presented in Attachment A.

System Safety In October, SDTC experienced a total collision accident rate of 2.49 per 100,000 miles, of which 1.87 were ruled preventable. These rates reflect improvements from the September results, which were 3.14 and 1.99 per 100,000 miles, respectively. Attachment B provides monthly data on accident rates.

Ridership and Productivity

Ridership Total system ridership was 2,060,242 in October, an 8.5 percent decline when compared to October 2003. When adjusted for the truncation of Route 34 from downtown San Diego to Old Town, which became effective on February 1, 2004, the rate of decline was 8.2 percent. The new Planning and Performance Monitoring Department is evaluating MTS ridership trends to determine their causes as a preamble to the Comprehensive Operations Analysis. Attachment C provides a table with ridership changes by route and by fare component with month and fiscal year-to-date comparisons.

<u>Productivity</u> Changes in service levels directly impact ridership trends, which, therefore, are understood more fully on a rate basis. In October 2004, SDTC carried 2.43 passengers per revenue mile and 28.73 passengers per revenue hour, down from 2.48 and 30.37, respectively in October 2003. The monthly trends of these measures over the past three years are presented in Attachment D.

SDTC also tracks two cost effectiveness measures: the farebox recovery ratio (the percentage of costs recovered from farebox receipts) and the subsidy amount per passenger served. The results for the current period for these measures will be presented when the data are available.

Attachments: Charts as Follows:

A. Passenger Complaints

- B. Collision Accidents
- C. Ridership by Route & Fare Component
- D. Service Effectiveness

10.00

9.00

Month

Total Collisions ——Preventable Collisions

Attachment B

SDTC Ridership and Fare Components: October 2004 and FY 2005

BY ROUTE

			Month		[Fiseal Year				
Route	Description	Oct-04	Oct-03	Change	FY 2005	FY 2004	Change		
1	Downtown/El Cajon	76,019	68,440	11.1%	295,575	288,540	2.4%		
2	Downtown/University Heights	140,769	164,182	-14.3%	559,335	629,931	-11.2%		
3	Mission Hills, Euclid Ave	129,836	141,201	-8.0%	496,394	530,143	-6.4%		
4	Downtown/Lomita Village	55,390	73,091	-24.2%	236,605	311,187	-24.0%		
ම්	UTC/College Grove	97,778	104,589	-6.5%	369,050	406,523	-9.2%		
6	Old Town/North Park/32nd & Harbor	61,155	57,790	5.8%	251,318	241,603	4.0%		
7	Downtown/La Mesa	290,237	326,809	-11.2%	1,106,642	1,261,915	-12.3%		
. 9	Old Town/Pacific Beach	42,702	34,806	22.7%	179,409	171,515	4.6%		
11	SDSU/Skyline Hills	203,340	219,169	-7.2%	800,069	836,438	-4.3%		
13	Fashion Valley/Euclid Ave	47,524	61,476	-22.7%	199,478	226,514	-11.9%		
15	Downtown/El Cajon	102,875	112,885	-8.9%	421,353	440,112	-4.3%		
16	Hillcrest/Euclid Ave	42,956	41,912	2.5%	158,123	171,931	-8.0%		
20	Downtown/North County Fair	102,930	105,075	-2.0%	409,301	421,863	-3.0%		
25	Downtown/Clairemont	68,453	82,538	-17.1%	283,101	316,959	-10.7%		
26	Old Town/Point Loma	18,338	24,883	-26.3%	85,574	119,923	-28.6%		
27	Fashion Valley/Clairemont Mesa	40,918	50,277	-18.6%	155,048	190,491	-18.6%		
28	Old Town/Point Loma	26,314	16,844	56.2%	102,678	64,571	59.0%		
300	Downtown/Scripps Ranch	62,224	69,927	-11.0%	264,986	266,944	-0.7%		
84	Downtown/UCSD	120,662	150,807	-20.0%	541,977	656,236	-17.4%		
36	Old Town/Ocean Beach	23,360	44,189	-4 7.1%	157,434	175,411	-10.2%		
40	Downtown/Fletcher Hills	4,859	2,417	101.0%	17,096	11,082	54.3%		
41	La Jolla/Fashion Valley	80,539	84,416	-4.6%	322,454	315,736	2.1%		
44	Old Town/Clairemont	57,016	60,058	-5.1%	204,880	223,045	-8.1%		
50	Downtown/UTC	26,365	28,632	-7.9%	99,948	111,587	-10.4%		
51	Trolley			n/a	8,133		n/a		
70	Downtown/69th & University Ave	5,002	10,139	-50.7%	19,034	35,590	-46.5%		
72	Special Events - Padres			n/a		1,081	n/a		
	Special Events - Chargers	11,284		n/a	17,198	11,794	n/a		
75	Special Events - Charter			n/a	396		n/a		
76	Marketing		261	n/a	991	491	n/a		
777	Coaster		<u>.</u>	n/a	4,500.4.5	404.05-	n/a		
81	Old Town/Grossmont Trolley	40,822	31,605	29.2%	156,113	124,055	25.8%		
115	Downtown/El Cajon	61,300	62,259	-1.5%	239,761	240,363	-0.3%		
150	Downtown/UTC	12,403	15,321	-19.0%	46,025	58,540	-21.4%		
210	Downtown/Mira Mesa	6,872	5,991	14.7%	23,666	21,438	10.4%		
	Sustam Total	2,060,242	2,251,989	-8.5%	8,229,145	8,883,552	-7.4%		
•	System Total Without Special Poutes	2,060,242	2,251,728	-0.5 <i>%</i> -9.0%	8,202,427	8,870,186	-7.5%		
*	System Total Without Special Routes		2,251,726	-9.0% -8.2%	7,660,450	8,213,950	-6.7%		
-	System Total Without Special Routes and Rte 34	1,928,296	2,100,921	-0.270	1,000,430	0,213,330	-U.1 /0		

BY FARE COMPONENT

		Month	
Fare Component	Oct-04	Oct-03	Change
S and D Pass	554,810	621,157	-10.7%
Ready Pass	431,362	486,841	-11.4%
Adult Cash	333,128	348,441	-4.4%
Transfers	285,098	348,154	-18.1%
Youth Pass	228,390	231,321	-1.3%
Free	120,992	109,429	10.6%
Day Pass	52,789	51,331	2.8%
S and D Cash	41,156	42,355	-2.8%
Tokens	11,799	12,480	-5.5%
Tickets	718	480	49.6%
System Total	2.060,242	2,251,989	-8.5%

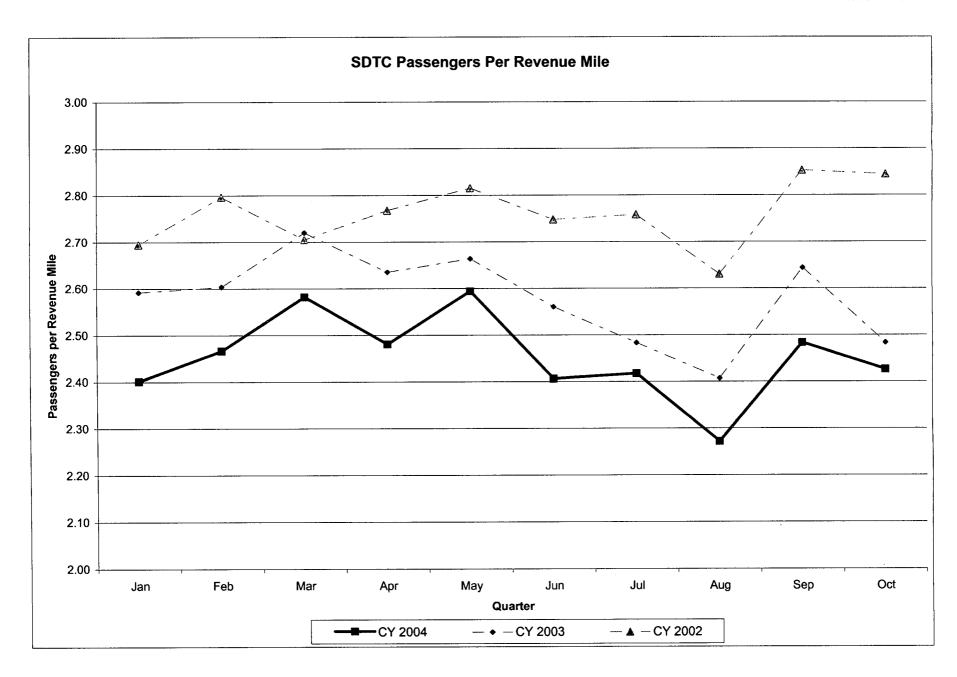
1,723,420	1,877,218	-8.2%
1,386,740	1,523,786	-9.0%
1,271,771	1,452,306	-12.4%
675,290	726,128	-7.0%
430,803	389,545	10.6%
234,638	226,341	3.7%
173,728	170,240	2.0%
46,449	52,805	-12.0%
2,816	3,739	-24.7%

FY 2005 FY 2004 Change 2,283,490 2,461,444 -7.2%

	System Total	2,060,242	2,251,989	-8.5%
*	System Total Without Special Routes	2,048,958	2,251,728	-9.0%
*	System Total Without Special Routes and Rte 34	1,928,296	2.100.921	-8.2%

^{8,229,145 8,883,552 -7.4%} 8,202,427 8,870,186 -7.5% 7,660,450 8,213,950 -6.7%

^{*} Calculation made sans special and seasonal routes (51, 72-77) because of the large variability in ridership within and among fiscal years.





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

Agenda

Item No. <u>35</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc. ADM 121.10 (PC 20484)

December 9, 2004

SUBJECT:

MTDB: COMPREHENSIVE OPERATIONAL ANALYSIS: PROJECT UPDATE

RECOMMENDATION:

That the Board of Directors receive this status report on the Comprehensive Operational Analysis (COA) of MTS services.

Budget Impact

None.

DISCUSSION:

The goal of the COA is to evaluate and restructure MTS services and operations to more efficiently and effectively serve the region's transit needs and meet regional transportation goals within the constraints of the current financial and operating environment. This report is intended to update the MTD Board on the status of the project as of December 2004. Efforts this month include the following.

Contract Execution

A contract to conduct the COA of MTS services has been executed with Transportation Management and Design (TMD). This effort included successfully completing a California Department Transportation (Caltrans) preaward audit, which is required of all projects in excess of \$250,000 funded with state monies. Disadvantaged Business Enterprise (DBE) participation on the TMD team is 7 percent, exceeding the 5 percent goal established for this contract.



Public Participation (Attachment A)

A public participation process has been established for the COA as part of Task No. 1. A comprehensive and inclusive process is a critical component in ensuring that the COA reflects public preferences, provides meaningful and valuable input, and fosters public ownership in both the COA process and recommended service redevelopment. In addition, the complexities of this project require that a multidimensional approach is followed. The various dimensions of the public participation process are summarized below.

<u>Project Committees</u>. Project committees provide a forum for community leaders and key stakeholders to provide guidance and input into the project. These committees will represent a cross section of the MTS service area interests, in terms of geography and constituents. As such, the committees provide a sounding board for evaluating the benefits and impacts of the various policies, strategies, and recommendations resulting from the project. Three project committees (listed below) will be established for the COA, each with a different focus and purpose.

- 1. <u>Leadership Group</u>. The Leadership Group will be comprised of public officials, leaders in the business community, education, and other interested groups. This group will provide high-level policy guidance to help direct the project towards balancing various agency and regional goals and objectives; e.g., productivity versus geographic coverage. The Leadership Group will be involved in the project through a series of workshops and a set of one-on-one interviews. It is expected that the group will collectively take a position on the recommended plan.
- 2. <u>Citizen Advisory Committee (CAC)</u>. The CAC will be comprised of citizen and community groups, individual transit riders, and other members of the public. The CAC will provide recommendations on policy direction, as well as review and input on deliverables ranging from verifying existing conditions to commenting on specific service restructuring alternatives. The CAC will be involved through a series of workshops similar to the Leadership Group.
- 3. <u>Technical Advisory Committee (TAC)</u>. The TAC will be comprised of transit operators, the San Diego Association of Governments (SANDAG), and local jurisdiction staff charged with providing technical review and input throughout various stages of the project.

<u>Community Meetings</u>. In addition to the standing project committees, a series of community meetings will be held to provide information and solicit input on key findings as well as the draft recommendations. These meetings will be held on a subregional basis throughout the MTS jurisdiction at local meeting forums and transit hubs to facilitate access for both members of the general public and transit riders.

Bus and Trolley Operators and Supervisors Meetings. Drop-in sessions will be conducted with bus and trolley operators in advance of each series of community meetings. Again, the purpose of this strategy is to provide information and solicit input on key findings and the draft recommendations.

<u>Project Information</u>. As part of the public participation, it is important to provide continually updated information to interested parties and the general public regarding the project, progress, and next steps in the project. To ensure a wide dissemination of information, several medias will be used, as follows.

- Interactive Website. A website will be set up and maintained throughout the project to provide a higher level of communication at a lower cost. Variable access (password management) will be established to distribute materials to and receive information from the different groups participating in the COA, as well as for the general public.
- Newsletter. Newsletters are a low-cost way of keeping participants involved and updated on COA activities. A newsletter describing progress and upcoming input and decision activities will be developed and distributed through the website and possibly on vehicles.
- <u>Additional Advertising</u>. Announcements of all public meetings will be advertised in local and community newspapers as well as on transit buses and trolleys using "Take Ones."

Project Schedule (Attachment B)

The COA project schedule has been adjusted to accommodate a more robust public participation process and based on Board concerns expressed at previous meetings. To ensure that service efficiencies are identified for Board consideration during the FY 2006 budget development process, this portion of the project will be the primary focus from now until March 2005. Once the efficiencies have been identified, focus will be directed to refining the regional service concept and developing the service-restructuring plan. The final plan will be completed by November 2005.

While the revised project schedule ensures that both the service efficiency and public participation objectives will be met, it veers from the logical progression of refining the regional service concept before identifying service efficiencies. This may result in some inconsistencies between the efficiencies that will be identified largely in March 2005, and the service concept that will be developed two months later. Therefore, the Board and the public should be aware that any recommendations for service efficiencies found to be inconsistent with the adopted regional service concept may be replaced with other efficiencies identified through the development of the service-restructuring plan.

Paul C. Jablopski Chief Executive Officer

Key Staff Contact: Conan Cheung, 619.515.0933, conan.cheung@sdmts.com

JGarde/DEC9-04.35.CCHEUNG 11/29/04

Attachments: A. Public Participation Process

B. Project Schedule Board Only

Task 1 - Public Participation Process

MTS and SANDAG have long had policies that require a high level of involvement with key stakeholders, members of the public, and their Boards when considering any significant service changes. An extensive and inclusive approach is clearly warranted for the COA and will be a critical component in ensuring that the COA reflects public policy, provides meaningful and valuable input, and builds public ownership in both the COA process and recommended service redevelopment. Public and stakeholder awareness of and interest in the COA are already high, partly due to media coverage of the project and to ongoing high levels of involvement by groups and individuals. Taking maximum advantage of this awareness will provide robust participation. However, this high level of participation can be counter-productive unless the involvement and expectations are managed effectively.

Public participation calls for high levels of staff and consultant involvement and collaboration. The Consultant Project Manager will be committed to the TAC and CAC meetings and many of the community meetings and leadership interviews. Other senior members of the Consultant team will be present as needed. We anticipate that some of the community meetings and leadership interviews can be conducted by MTS staff with materials provided by the Consultant. While the Consultant can handle all elements in meeting setup and invitations, this may be an area for MTS staff involvement. The Consultant will provide records of all input and an analysis of the public participation at key points in the project.

MTS and SANDAG have used a variety of approaches, including Stakeholder Advisors, public workshops, and public meeting forums in the past with success. With the COA, there will be a critical need for the public participation process to build a higher level of involvement and ownership in the process and recommendations by internal and external stakeholders. As well, the outreach should also provide a mechanism and strategy through proactive interaction to minimize the impact of the vocal microreactions. The Consultant team has experience with a wide range of forums as part of previous COA work including focus groups, drop-in sessions with discussion stations, interactive group planning tools, charrettes, opinion leadership interviews, public advisory panels, and other involvement techniques.

We propose the following public participation program:

• Technical Advisory Committee - A Technical Advisory Committee will be established to steer the project throughout the various stages. It is anticipated that the TAC will include MTS, SANDAG, transit operator, and local jurisdiction staff, to be determined by the MTS and consultant project team. The TAC will meet throughout the project as needed with meetings called by the MTS Project Manager. Meetings that are expected to be needed include: 1) project kickoff; 2) review the Existing Conditions report; 3) development of the Regional Transit Concept; 4) review the Operational Analysis; 5) two sessions for "brainstorming", one for the service efficiencies, and one for the recommended



Technical Proposal

- service plan; and 6) review the preliminary and final Financial and Implementation Plan.
- Leadership Group high level of ongoing involvement comprised of invited public officials, leaders of the business community, education, and other interested groups (10-15 members). This group will provide higher-level policy guidance to help direct the project towards balancing various agency and regional goals and objectives (e.g. productivity vs. geographic coverage). The group will be included in the project in two ways: 1) a series of group workshops, and 2) a set of one-on-one interviews. The group meetings are anticipated to occur at four points: 1) the project initiation; 2) to discuss existing conditions, and to review the system/service evaluation,; 3) comment on the proposed service efficiencies, and to provide input into refining the regional service concept; and 4) to review the draft service restructuring plan. The consultant team will conduct one-on-one interviews with each member at both the start of the project and after the draft recommendations have been established. It is expected that members of the Leadership Group will represent a cross-section of MTS service area interests, in terms of both geography and constituents. It is expected that the Leadership Group will collectively take a position on the recommended plan.
- <u>Citizens Advisory Committee</u> This group will be comprised of citizen and community groups, individual transit riders, and other members of the public. The CAC will provide input on policy direction, as well as review and comment on deliverables ranging from the existing conditions report to the specific service restructuring alternatives. There will be three workshops with the CAC, which will be conducted at three points: 1) the project initiation, to discuss existing conditions, and to review the system/service evaluation,; 3) comment on the proposed service efficiencies, and to provide input into refining the regional service concept; and 4) to review the draft service restructuring plan. These workshops will lead the Leadership Group workshops.
- Community Meetings In addition to the standing project committees, a series of community meetings will be held at two key points in the COA: one, to discuss the key findings and take feedback, input, and recommended changes to consider; and two, to present the draft service restructuring plan and receive public input. These meetings will be set up independently on a subregional basis within the MTS service area with the goals of maximizing public involvement and avoiding both politicizing the process and excluding interested groups and individuals. A total of twelve meetings have been budgeted (two rounds per site; additional sites can be added with augmentation by MTS staff): Central County (Mid City, Hillcrest, Southeast San Diego, etc.); Northeast County (Poway, Rancho Bernardo, Mira Mesa, etc.); North City (Clairemont, Kearny Mesa, Carmel Valley, Mira Mesa, etc.); South Bay (Imperial Beach, Chula Vista, National City, etc.); East County (El Cajon, Santee, La Mesa, etc.); and the Beach communities (Point Loma, Ocean Beach, Pacific Beach, etc.). The location of these meetings will include both local meeting forums and transit hubs to facilitate access for both members of the general public and transit riders. To reach them, a comprehensive communications outreach is proposed through the

use of "Take Ones" on the buses and trolleys, "car card" advertisements within buses and trolleys, advertisements in local and community newspapers, and the project newsletter and web site (see below). Additionally, all meetings will be transit accessible.

Bus and Trolley Operators and Supervisors - Drop-in sessions will be conducted
with bus and trolley operators to solicit operator input on key findings and on
the draft service restructuring plan. These sessions will be scheduled in advance
of the community meetings to provide fully informed operator communication
with the public. Meetings are budgeted with San Diego Transit, MTDB Bus
Contract, and San Diego Trolley operators.

As part of the public participation, it is important provide continually updated information to interested parties and the general public regarding the project, progress, and next steps in the project. To ensure a wide dissemination of information, the following communication methods will be used:

- <u>Interactive Web Site</u> TMD will set up and maintain throughout the project a
 web site with variable access (password management) and materials for the
 different groups participating in the COA and for the general public. This site
 can be used to distribute materials to and receive input from participants and the
 public, providing a higher level of communication at lower cost. This site will be
 maintained on TMD servers.
- Newsletter the newsletter is a low cost way of keeping participants involved and up to date on COA activities. A newsletter describing progress and upcoming input and decision activities will be developed and distributed through the web site subject to MTS review and approval. It is expected that three different editions of the newsletter will be published: 1) at the project kickoff, 2) after the refinement of the regional service concept, and 3) after the final service restructuring recommendations have been made. It is expected that this will be distributed via email and accessible via the web site. Regular mail distribution has not been budgeted.
- Additional Advertising As mentioned above, announcements of all public meetings will be advertised in local and community newspapers as well as on transit buses and trolley with the use of "Take Ones" and car cards. While the newspaper advertisements have been budgeted, it is expected that MTS will handle the "Take Ones" and car cards as part of their regular communications programs.

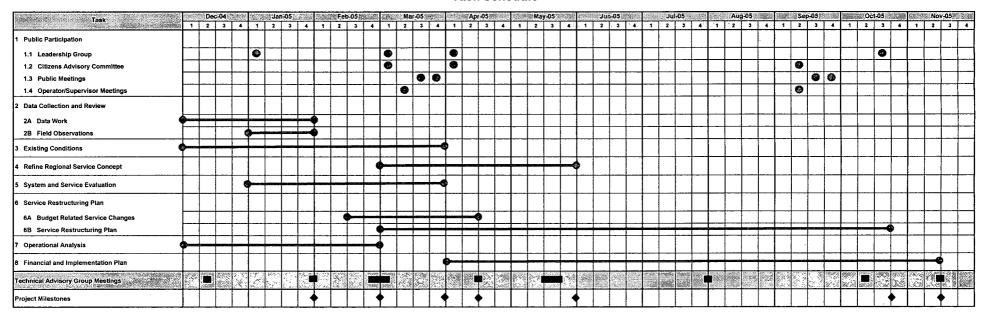
Key Personnel: L. Michaelson (KA); R. Chisholm and B. Boyd (TMD); C. Wornum (CS)

Deliverable: Develop and implement a public participation program



Att. B, AI 35, 12/9/04, ADM 121.10

San Diego MTS COA Task Schedule

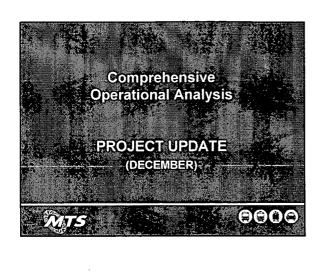


BLUE RIBBON (LEADERS)	HIP) COMMITTEE
AGENCY	CONTACT
1 MTS BOARD REPRESENTATIVE*	TBD
2 MTS BOARD REPRESENTATIVE*	TBD
3 MTS BOARD REPRESENTATIVE*	TBD
4 MTS BOARD REPRESENTATIVE*	TBD
5 SANDAG TRANSPORTATION COMMITTEE	TBD
6 BIA OR MAJOR DEVELOPER	TBD
7 C3	Alan Hoffman
8 DOWNTOWN PARTNERSHIP OR CCDC BOARD	Hal Sadler or Barbara Warden
9 ECONOMIC DEVELOPMENT CORPORATION	Mike Stepner or Eric Brovold
10 MAJOR EMPLOYER	TBD
11 SD REGIONAL CHAMBER OF COMMERCE	Jennifer Porter
12 ENDANGERED HABITAT LEAGUE	Michael Beck
13 HEALTH & HUMAN SERVICES	Donna Rodriguez or Alternate
14 LEAGUE OF WOMEN VOTERS	Grace Roos, Ramona Salisburg
15 SDSU	Tony Fulton
16 UCSD	Milt Phegly
17 SD UNIFIED SCHOOL DISTRICT	TBD
18 SUBCOMMITTEE ON ACCESSIBLE TRANSPORTATION (SCAT)	Chuck Lungerhausen

^{*} To be designated at the December 9, 2004 MTS Board meeting.

CITIZENS ADVISORY CO	MMITTEE
AREA/GROUP	CONTACT
1 CENTRAL - LINDA VISTA	Ed Cramer
2 CENTRAL - SOUTHEAST SAN DIEGO	Mac McGee or Steve Veach
3 CENTRAL - MISSION VALLEY	Linda Kaufman
4 COASTAL - GOLDEN TRIANGLE	TBD
5 COASTAL - LA JOLLA TOWN COUNCIL	Simon Andrews
6 COASTAL - NORTH BAY	Joe Mannino
7 COASTAL - PB	Mark Mitchell
8 EAST COUNTY (EL CAJON)	TBD
9 EAST COUNTY (LA MESA)	TBD
10 I-15 - POWAY/RB/SABRE SPRINGS	TBD
11 I-15- MIRA MESA/SCRIPPS RANCH	TBD
12 I-15 KEARNEY MESA	Buzz Gibbs
13 MID-CITY - EL CAJON BLVD BID	Gary Weber
14 MID-CITY - CITY HEIGHTS	Michael Sprague or Theresa Quiroz
15 MID-CITY - KENSINGTON	Fred Lindahl or Charles Kaminski
16 MID-CITY - SAN DIEGO UPTOWN PARTNERSHIP	Jeffrey Tom
17 MID-CITY - NORTH PARK	Jay Turner or Richard Kurylo
18 SENIOR/DISABLED - ACCESSIBLE SERVICES ADVISORY COMMITTEE (ASAC)	TBD
19 SOUTH BAY - (CHULA VISTA)	TBD
20 SOUTH BAY - (NATIONAL CITY)	TBD .
21 SOUTH BAY - (IMPERIAL BEACH)	TBD
22 SOUTH - OTAY MESA-NESTOR	Jan Johnston
23 SOUTH - SAN YSIDRO	David Flores

TECHNICAL AD	VISORY COMMITTEE
AGENCY	CONTACT
	eets throughout the project)
1 SDTC	Jim Byrne
2 SDTI	Wally Clack
3 MCS	Elliot Hurwitz
4 CVT	Jeff Codling
5 NCT	John Webster
6 SANDAG	Dave Schumacher
7 MTS	Conan Cheung
8 TMD (CONSULTANT)	Russ Chisholm
	eets at major milestones)
9 CALTRANS	Bill Figge
10 NCTD	Stefan Marks
11 APCD	Carl Selnick
12 CITY OF SAN DIEGO	Linda Moravian
13 CCDC	Gary Papers
14 LEMON GROVE	Barbara Kraber or David DeVries or Robert Larkin
15 EL CAJON	David Cooksy
16 CORONADO	Gail Brydges
17 IMPERIAL BEACH	Hank Levien
18 CHULA VISTA	Dan Forrester or Alternate
19 NATIONAL CITY	
20 POWAY	Jennifer Johnson
21 COUNTY	Larry Watt
22 LA MESA	Rachel Hurst
23 SANTEE	Rosalyn Ondler



Progres	S
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- Contract Executed.
- Public Participation Process.
- Project Schedule Revised.

MTS 0000

Public Participation

- Comprehensive process is critical to the success of the COA.
- · Multi-dimensional approach developed:
 - Project Committees
 - > Community Meetings
 - Operator Meetings
 - > Information Dissemination

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Project Committee Blue Ribbon Committee Membership Board Members, leaders of business community, education, development, HHS, SCAT, etc. Role Provide higher-level policy guidance to balance agency and regional goals. Forum Workshops and Interviews. Citizen Advisory Committee Membership Citizens and community groups. Role Provide input on policy direction, review and comment on analysis and recommendations. Forum Workshops.

	dvisory Committee MTS, Transit Operators, SANDAG, Caltrans, APCD,
Membership	ASAC.
Role	Provide technical review and input.
Forum	Meetings and Brainstorming Sessions.

Community	Meetings
Communities	Central (Mid-City, Southeast SD, etc.), I-15, North City (Clairemont, Kearny Mesa, Golden Triangle, etc.), South Bay, East County, Coastal (OB, PB, La Jolla).
Role	Provide information and solicit input on key findings and draft recommendations.
Forum	2 series of 6 meetings at local facilities and transit hubs.
Operator Mo	eetings
Operators	SDTC, SDTI, MTS Contract Services
Role	Provide information and solicit input on key findings and draft recommendations.
Forum	2 series of meetings at operator facilities.

2

Information

- Website:
 - > High level communications at low cost;
 - Disseminate information to project committees and general public.
- Newsletter:
 - > Provide update on COA activities;
 - > Distribute through website and on vehicles.
- · Additional Advertising:
 - Announce public meetings in newspapers and through Take Ones.





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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>36</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc. SRTP 820.14 (PC 20201)

December 9, 2004

Subject:

MTDB: TRIENNIAL PERFORMANCE AUDIT RECOMMENDATIONS

RECOMMENDATION:

That the Board of Directors receive the Triennial Performance Audit Report, approve the recommendations, and forward the report to the San Diego Association of Governments (SANDAG) Transportation Committee for approval.

Budget Impact

None.

DISCUSSION:

Background

MTS's primary source of operating funding is the State of California Transportation Development Act (TDA). TDA funds are provided through the Local Transportation Fund (LTF) and the State Transit Assistance fund (STA). Amounts are allocated to California counties based on population, sales tax income, and past transit performance. All public transit operators and regional transit planning agencies that receive TDA funds are required by the California Public Utilities Code (PUC) toconduct a triennial performance audit. The purpose of this audit is for an objective, independent party to:

- ascertain the operator's compliance with TDA regulations and ensure accountability for the use of public funds;
- evaluate the efficiency and effectiveness of the operator's services; and
- give agencies information to assess past performance and plan future service.









The most recent audit of TDA funds recipients, SANDAG and MTDB, was conducted in spring 2004. This audit covered fiscal years 2001 through 2003. The TDA requires that the audit results of all agencies within a recipient's jurisdiction be presented to the governing board(s). This report includes the audits for MTS Contract Services (MCS), San Diego Trolley, Inc. (SDTI), San Diego Transit Corporation (SDTC), Chula Vista Transit (CVT), and National City Transit (NCT). Also included in this report is a summary of the auditor's recommendations for the next audit cycle and the individual operator's responses to these recommendations (as attachments). Upon MTD Board approval, this report will be presented to the SANDAG Transportation Committee for its approval.

Compliance with TDA Regulations

The PUC makes the following requirements of agencies receiving TDA funds:

- The agency shall give consideration to the needs and types of passengers served.
- The agency shall not be precluded by contract from employing part-time drivers or from contracting with common carriers.
- The agency shall show a reasonable effort to implement productivity improvement recommendations made in its prior performance audit.

SDTC, SDTI, MCS, NCT, and CVT were all determined by the auditors to be in full compliance with PUC requirements.

Efficiency/Effectiveness of Services

The transit operators of the MTS region received overall positive remarks in the area of system performance. The audit praised such results as safety and maintenance improvements at SDTC; high service quality and relatively low costs on MCS operations; the cost-effectiveness of SDTI's system; operations and maintenance improvements at NCT; and major capital project accomplishments at CVT.

While overall performance was rated high, efficiency trends decreased over the audit period. The audits noted that costs rose significantly, while ridership declined, on most services. Increased costs were largely due to new service contracts, soaring fuel and energy prices, and improved maintenance practices. These events coincided with ridership losses caused by fare increases, service reductions for budgetary reasons, and an economic downturn during the audit period. The overall result was a decline in the cost efficiency of MTS transit operations.

Since the end of the audit period in 2003, MTS ridership on most services has begun to increase, another fare increase has raised revenues, and some major cost factors, such as workers compensation and service contract rates, have stabilized. During this next audit period, MTS will have completed the Comprehensive Operational Analysis (COA), which will make recommendations to the MTD Board and SANDAG Transportation Committee for increasing the productivity and efficiency of transit services and reducing costs.

Audit Recommendations

The recommendations primarily center around four themes, two of which are in direct control of the operators, and two of which require additional outside resources.

Better Coordination of Data Collection

The auditors noted there needs to be some improvement of the methodology for collecting, compiling, and reporting data on a monthly basis. The completion and submittal of the required monthly report forms (B-10, B-11, and B-12) need to be better coordinated. The consolidation of this function at MTS in the new MTS Planning and Performance Monitoring Department, along with business intelligence programs planned by the Information Technology Department, should be significant steps toward resolving these issues during the next audit period.

Better Coordination Between Agencies and Departments

The recent changes in organizational structure at MTDB resulted in the recommendation on several audits that the communication and coordination between agencies and departments be improved. This includes communication between agencies and contractors, interdepartmental within MTDB, and among agencies such as SANDAG and MTDB. This audit period included the merger between SANDAG and MTDB, and most of the MTS Contract Service contracts were rebid. Additionally, it shortly preceded the consolidation of the MTDB, SDTC, and SDTI agencies. Over this next audit period, as details of the agency and departmental consolidation are worked out, MTDB expects that communication and coordination issues will improve significantly.

Attract New Riders by Reallocating Services

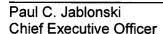
The audits for Chula Vista Transit and National City Transit recommended that these operators work with their contractors and cities to identify means of improving services to attract riders without adding cost. The COA should help to address this recommendation by proposing service changes to reallocate unproductive resources to more productive services. This is also an example of where additional regional transit funding could have a significant impact on the improvement of services. These two operations already have relatively low operating costs and high productivity. MTDB and SANDAG continue to evaluate all services through the Performance Improvement Program, and these services generally rank high. The audit recommendation shows that there is demand for additional services that are not currently funded and, while there may be some opportunities for resource reallocation, any significant service enhancements would require new sources of revenue.

Seek Funding for Trolley Capital Improvements

As in the previous triennial audit, recommendations were made relative to SDTI's capital needs. There are significant capital infrastructure maintenance items that SDTI submits each year during the capital review process. Unfortunately the amount of capital funds available rarely covers more than a percentage of these items. To a lesser extent, the same is true of all operators in the MTS region, as bus replacements and other important basic system maintenance items are deferred for lack of sufficient capital resources.

The audit recommendation is that SDTI continue to work with SANDAG to identify additional potential funding sources. It is hoped that the inclusion of this recommendation in the audit will provide support to our campaign to obtain more capital funding.

The Executive Summaries for all of the audits are attached (Attachments A-E). The operators' responses to their specific recommendations are also included (Attachments F-J).



Key Staff Contact: Denis Desmond, 619.515.0929, Denis Desmond@sdmts.com

JGarde DEC9-04.36.DDESMOND 11/24/04

Attachments: A. SDTC Audit Executive Summary

B. SDTI Audit Executive Summary

C. CVT Audit Executive Summary

D. NCT Audit Executive Summary

E. MTS Contract Services Audit Executive Summary

F. SDTC Response to Audit Recommendations

G. SDTI Response to Audit Recommendations

H. CVT Response to Audit Recommendations

I. NCT Response to Audit Recommendations

J. MTS Contract Services Response to Audit Recommendations

Board Only

Final Report to the

SAN DIEGO ASSOCIATION OF GOVERNMENTS



for the

FY01 – FY03 TRIENNIAL PERFORMANCE AUDIT OF San Diego Transit Corporation

Prepared by

BOOZ ALLEN HAMILTON INC.

May 28, 2004

EXECUTIVE SUMMARY

TRANSIT OPERATORS THAT RECEIVE TRANSPORTATION DEVELOPMENT ACT FUNDS ARE REQUIRED TO UNDERGO TRIENNIAL PERFORMANCE AUDITS

- Triennial performance audits are a requirement for the continued receipt of State Transportation Development Act (TDA) funds for public transit under California Public Utilities Code (PUC) Section 99246
- This report represents the State-mandated performance audit of San Diego Transit Corporation (SDTC) for Fiscal Years 2001, 2002, and 2003, the period from July 1, 2000 through June 30, 2003
- This performance audit is administered by the San Diego Association of Governments (SANDAG) and prepared by Booz Allen Hamilton Inc.
- The TDA triennial performance audit of SDTC includes evaluations of:
 - Compliance with pertinent sections of the Public Utilities Code
 - Progress to implement prior performance audit recommendations
 - Agency goals and objectives and performance monitoring systems
 - Systemwide performance trends
 - Functional area performance results
 - Recommendations to improve the efficiency and effectiveness of operations

THE AUDIT PERIOD HAS BEEN ONE OF SIGNIFICANT CHANGE FOR SAN DIEGO TRANSIT

- In January 2003, with the passage of SB 1703, MTDB began the process of reorganization in order to transfer transit planning, programming, project development, and construction functions to SANDAG. Part of the reorganization included making SDTC an operating division of MTS, sharing a common board with MTS Multimodal Operations and San Diego Trolley Inc
- In addition to the new MTS structure, San Diego Transit's organization has undergone some dramatic changes, the most notable of which was splitting the previous Vice President of Operations position two positions – Vice President of Transportation and Vice President of Maintenance – to allow for more direct oversight of both functions
- San Diego Transit has shifted its focus inward, no longer operating services under contract for Chula Vista Transit and MTS Multimodal Services. This has allowed SDTC management and staff to focus on improving core service (more discussion can be found in Chapter II). Additionally, the shift back to directly-operated service only was accomplished without having to lay off drivers, a result of an overall shortage of drivers before the contracted service was relinquished combined with required budget cuts and operator attrition
- Over the audit period, SDTC commissioned several different studies/reviews to help them
 identify performance improvement opportunities. These included three APTA (American
 Public Transit Administration) Peer Group reviews of the maintenance and revenue
 processing functions, and investigation of the bus fire problem; an operational review that
 included identification of potential cost savings within the agency and a review of the SDTC
 organizational structure; and, finally, a review of operator scheduling practices

SAN DIEGO TRANSIT IS IN FULL COMPLIANCE WITH PUC REQUIREMENTS AND THE IMPLEMENTATION OF PRIOR AUDIT RECOMMENDATIONS; MANAGEMENT CONTROL AND REPORTING HAS IMPROVED

- Compliance With PUC Requirements: SDTC provides transportation services to all types of passengers and does not discriminate with respect to age, race, handicap, or trip purpose. Discount passes are available to senior and handicapped customers, as well as to youth and students. SDTC monitors and reviews performance for each route, making changes in response to performance and customer requests as resources allow. SDTC's labor agreement allows for part-time drivers to be hired. As an operating division of MTS, SDTC is also in compliance with PUC requirements that the operator is not precluded from service contracting as the Multimodal Operations division contracts for 100 percent of its service
- Progress To Implement Prior Audit Recommendations: SDTC has made efforts to address all prior audit recommendations. One recommendation, however, warrants furthr attention and is being carried forward as part of this audit
- Management Control And Reporting: SDTC has implemented a new financial information and reporting system called Ellipse. The Ellipse system took three years to implement, from design to procurement to operation, and is still not completely functional as some modules have not yet been implemented. Early successes of the system include establishing minimums and maximums for ordering parts and supplies; preventing new purchase orders when an account is over budget; tracking agency liabilities and inventories; better tracking of maintenance activity on individual buses; and, reducing paperwork as requisitions and approvals are done electronically. The SDTC general manager is briefed monthly on the performance of critical departments/functions within the agency. SDTC continues to have a performance incentive plan for management employees Booz Allen Hamilton Inc.

SAN DIEGO TRANSIT'S COST PERFORMANCE IMPROVED OVER THE AUDIT PERIOD DUE LARGELY TO SHEDDING OF CONTRACT SERVICE OPERATION, BUT RIDERSHIP AND FAREBOX RECOVERY DECLINED

- TDA Performance Indicators Operating cost per hour (cost efficiency) increased below the level of inflation over the audit period 10.7 percent versus 14.9 percent. Cost per passenger (cost effectiveness) outpaced inflation 26.7 percent versus 14.9 percent despite only a 5.2 percent increase in operating cost. Ridership declined by 17 percent due in part to two fare increases over the audit period, transfer of the highly productive line 55 to MTS contract operations, and an overall drop in transit ridership in the region. With ridership down by such a large margin, service productivity measured by passengers per hour and passengers per mile declined by 12.6 and 14.8 percent respectively
- Farebox Recovery Ratio San Diego Transit's farebox recovery ratio met the MTDB area-wide requirement of 31.9 percent all three years of the audit period (PUC Section 99269) The farebox recovery ratio decreased by 5.4 percent over the period, from 37.9 percent in FY00 to 35.9 percent in FY03
- Functional Performance More efficient scheduling of service has contributed to
 improved operator efficiency. Maintenance performance over the audit period reflects an
 agency in transition, though performance has somewhat leveled off. Much of the impact of
 SDTC's maintenance performance improvement initiatives should be seen during the next
 audit period. Performance data demonstrates a leaner administrative function at the end
 of the audit period. SDTC has made great strides in controlling workers' compensation
 costs. Service quality is improving at SDTC but remains below regional performance
 targets

TWO RECOMMENDATIONS ARE OFFERED FOR CONSIDERATION BY MTS MULTIMODAL OPERATIONS

- Recommendation 1: Document external reporting requirements and procedures, and work with SANDAG to establish a process for reconciling B-10 performance data. Data discrepancies uncovered as part of this audit included reporting lower platform hours than vehicle service hours, inaccurate reporting of roadcall data in NTD, and incorrect reporting of peak vehicles. In attempting to reconcile data inconsistencies, B-10 data provided by SANDAG directly to the auditors was reviewed. The various formats in which SANDAG provided data (copies of B-10 reports, SRTPs, and B-10 summaries) all demonstrated inconsistencies in reported data. There appears to be no process for reconciling B-10 reported data against audited figures. Improved performance reporting improves management control at the operator level and the regional level (SANDAG), by ensuring that a consistent "picture" of operating performance is reviewed and monitored by regulatory and funding agencies, as well as internally, by MTS management staff
- Recommendation 2: Work with MTS to further clarify and refine the organizational structure of the restructured MTS in light of ongoing organizational changes between MTS and SANDAG. This audit period has been characterized by significant organizational change for SDTC and transit agencies throughout the region. In addition to SDTC's internal organizational changes, including divesting contract operations and management re-organization, SDTC has been impacted by the MTDB/SANDAG reorganization and the resulting consolidation which made SDTC and Trolley operating divisions of MTS. Even during the last audit period, efforts were being undertaken to consolidate administrative functions across MTDB, Trolley, and SDTC. SDTC should work with MTS and Trolley to clarify the division of responsibilities within the MTS organization

SAN DIEGO ASSOCIATION OF GOVERNMENTS



for the

FY01 – FY03 TRIENNIAL PERFORMANCE AUDIT OF SAN DIEGO TROLLEY, INC.

Prepared by

BOOZ ALLEN HAMILTON INC.

June 3, 2004

EXECUTIVE SUMMARY

TRANSIT OPERATORS THAT RECEIVE TRANSPORTATION DEVELOPMENT ACT FUNDS ARE REQUIRED TO UNDERGO TRIENNIAL PERFORMANCE AUDITS

- Triennial performance audits are a requirement for the continued receipt of State
 Transportation Development Act (TDA) funds for public transit under California Public
 Utilities Code (PUC) Section 99246
- This report represents the State-mandated performance audit of San Diego Trolley, Inc. (SDTI) for Fiscal Years 2001, 2002, and 2003, the period from July 1, 2000 through June 30, 2003
- This performance audit is administered by SANDAG and prepared by Booz-Allen Hamilton Inc.
- The TDA triennial performance audit of San Diego Trolley covers:
 - Compliance with pertinent sections of the Public Utilities Code
 - Progress to implement prior performance audit recommendations
 - Agency goals and objectives and performance monitoring systems
 - Performance trends in key performance indicators
 - Functional area performance results

Executive Summary

SDTI IS AN OPERATOR IN THE METROPOLITAN TRANSIT SYSTEM AND PROVIDES LIGHT RAIL SERVICE FOR THE SAN DIEGO REGION

- SDTI provides light rail service within the City of San Diego and surrounding communities including National City, Chula Vista, Santee, El Cajon, La Mesa, and Lemon Grove
- SDTI operates two routes: the Blue Line from Mission San Diego to San Ysidro, and the Orange Line from the 12th and Imperial/Bayside Platform to Santee Town Center. SDTI also provides "special event" service to Qualcomm Stadium and Petco Park
- Fares range from \$1.25 to \$3.00 depending on the distance traveled; senior citizens and disabled persons ride for \$1.00 regardless of the distance traveled
- While previously operating as one of two wholly owned subsidiaries of the Metropolitan Transit Development Board (MTDB), in January 2003, SANDAG and MTDB reorganized with the passage of SB 1703, and now SDTI operates light rail transit service as an operating division of the Metropolitan Transit System (MTS). MTDB's transit planning, programming, project development, and construction functions were transferred to SANDAG. MTS is responsible for capital procurement, marketing, customer information, and oversight function
- Restructuring also occurred at the Board level. SDTI and San Diego Transit Corporation Boards were reorganized into one Board – now the MTS Board

SDTI IS IN COMPLIANCE WITH PUC MANDATES AND HAS ADDRESSED THE PRIOR AUDIT RECOMMENDATIONS

- SDTI is in full compliance with California PUC requirements:
 - Transit operators shall give consideration of the needs and types of passengers being served
 - The operator is not precluded by contract from employing part-time drivers or from contracting with common carriers -- PUC Section 99314.5 (c)
 - At a minimum, transit operators are required to show a reasonable effort to implement productivity improvement recommendations made in the prior performance audit – PUC Section 99244
- SDTI had three prior audit recommendations:
 - SDTI, with the support of MTDB, should develop a long range plan this
 recommendation is no longer applicable due to the reorganization of MTDB and
 SANDAG. Long range planning responsibility now rests with SANDAG
 - SDTI should work with MTDB to develop improved productivity indicators -- SDTI worked with MTDB during the audit period to develop the Productivity Improvement Program (PIP) that was implemented in FY02. SDTI has also created additional routine performance monitoring reports and tracking systems for each of its departments. This recommendation has been fully implemented
 - SDTI should develop a strategy for continuing to provide quality service in light of rising energy costs -- To reduce these costs, SDTI reduced late night service and limited energy use in stations and the yard. SDTI continues to carefully monitor utility costs. SDTI fully implemented this recommendation

SDTI'S PERFORMANCE OVER THE AUDIT PERIOD

- Systemwide Performance Trends SDTI's cost efficiency and cost effectiveness performed well and costs were maintained below the rate of inflation. SDTI's ridership declined during this audit period, thus service productivity decreased. Vehicle service hours and employee FTEs both increased, causing labor productivity to improve. Despite a fare increase, farebox recovery declined, mostly due to lower ridership
- Transportation cost efficiency stabilized below CPI growth. SDTI's had positive
 performance in transportation with its reduction in collision accidents by 11.5%. Utilities
 cost has increased above the rate of inflation by 33.8%, but SDTI has several measures in
 place to monitor and reduce the rising energy costs, and actually brought utilities cost down
 in FY02 and FY03 from a high in FY01
- Maintenance cost per hour of 11.2% performed below the CPI growth of 14.9% for the audit period, but maintenance cost per mile increased by 25.7%. Vehicle car miles between roadcalls improved by 4.0%. SDTI did not receive any new vehicles during the audit period and its spare ratio remained unchanged
- Administrative cost per hour showed a noticeable improvement with a decrease of 9.1%. Full time equivalents also decreased by 28.7%. The most challenging performance trend was with casualty and liability cost and an increase of 84.8% between FY00 and FY03

Executive Summary

BASED ON THIS PERFORMANCE AUDIT, TWO RECOMMENDATIONS ARE OFFERED FOR SDTI'S CONSIDERATION

- Recommendation 1: SDTI should work with SANDAG and MTS to assure that capital needs are met
- Recommendation 2: SDTI should work with SANDAG to establish a process for reconciliation of B-12 performance data

Final Report to the

SAN DIEGO ASSOCIATION OF GOVERNMENTS



for the

FY01 – FY03 TRIENNIAL PERFORMANCE AUDIT OF CHULA VISTA TRANSIT

Prepared by

BOOZ ALLEN HAMILTON INC.

May 27, 2004

EXECUTIVE SUMMARY

TRANSIT OPERATORS THAT RECEIVE TRANSPORTATION DEVELOPMENT ACT FUNDS ARE REQUIRED TO UNDERGO TRIENNIAL PERFORMANCE AUDITS

- Triennial performance audits are a requirement for the continued receipt of State
 Transportation Development Act (TDA) funds for public transit under California Public
 Utilities Code (PUC) Section 99246
- This report represents the State-mandated performance audit of Chula Vista Transit (CVT) for Fiscal Years 2001, 2002, and 2003, the period from July 1, 2000 through June 30, 2003
- This performance audit is administered by the San Diego Association of Governments (SANDAG) and prepared by Booz Allen Hamilton Inc.
- The TDA triennial performance audit of CVT includes evaluations of:
 - Compliance with pertinent sections of the Public Utilities Code
 - Progress to implement prior performance audit recommendations
 - Agency goals and objectives and performance monitoring systems
 - Systemwide performance trends
 - Functional area performance results
 - Recommendations to improve the efficiency and effectiveness of operations

CVT IS IN FULL COMPLIANCE WITH PUC REQUIREMENTS AND THE IMPLEMENTATION OF PRIOR AUDIT RECOMMENDATIONS

 Accomplishments and Challenges. CVT had several major accomplishments during the audit period, including moving into a new facility in April 2002, competitively rebidding its service contract for the first time in nearly a decade, acquiring new vehicles, and improving on-time performance

The major challenges for CVT include inadequate funding to expand its service levels to meet demand and increased operating costs

- Compliance With PUC Requirements. CVT is in full compliance with Public Utilities
 Code (PUC) requirements relating to part-time drivers and contracting with common
 carriers. CVT also gives consideration to the needs and types of its passengers, with
 activities that include monitoring and responding to customer complaints, identifying
 service enhancements, and providing extensive public information
- Progress To Implement Prior Audit Recommendations. CVT fully implemented the
 three recommendations from the prior performance audit, pertaining to conducting a
 competitive procurement for service, ensuring adequate resources to oversee service
 provision, and marketing new services and providing comment cards on vehicles
- Management Control And Reporting. CVT has a system of management controls and reporting that includes regular reporting and meetings between CVT and its contractor
- Performance Trends. Service levels and passenger trips increased slightly during the
 audit period, while operating costs increased appreciably. As a result, TDA performance
 indicators demonstrate declining trends particularly with respect to cost efficiency
 (operating cost per service hour) and cost effectiveness (operating cost per passenger)

TWO RECOMMENDATIONS ARE OFFERED FOR CONSIDERATION BY CVT

- Recommendation 1: Work closely with the new contractor to control growth in operating costs. CVT re-procured the service contract during the audit period, resulting in numerous benefits. However, the new contract incorporates a new cost structure with increased wages and higher service standards. CVT is encouraged to work closely with the new contractor to ensure that the rate of increase through the remaining term of the contract and the next audit period levels off. It is recommended that CVT review reports submitted by the contractor closely to identify primary drivers in operating costs, discuss with the contractor new or revised operating procedures with the potential to reduce operating costs, and continue to enforce performance incentives, penalties, and liquidated damages. It is expected that operating cost growth should stabilize during the remaining four years of the new service contract
- Recommendation 2: Look for ways to implement service enhancements within the available financial resources. CVT worked with a consultant to develop an extensive South Bay Near-Term Transit Study (July 2002) that evaluated the existing CVT transit network and resulted in a comprehensive plan to improve transit services. Most of the study recommendations were not implemented due to funding constraints. CVT should review the plan thoroughly and determine whether short-term service enhancement or restructuring strategies can partially advance Transit Study goals. This could include capitalizing on the strengths of high performing routes, restructuring or scaling back low performing routes, and improving connections to major destinations outside the city

Final Report to the

SAN DIEGO ASSOCIATION OF GOVERNMENTS



for the

FY01 - FY03 TRIENNIAL PERFORMANCE AUDIT OF NATIONAL CITY TRANSIT

Prepared by

BOOZ ALLEN HAMILTON INC.

May 27, 2004

EXECUTIVE SUMMARY

TRANSIT OPERATORS THAT RECEIVE TRANSPORTATION DEVELOPMENT ACT FUNDS ARE REQUIRED TO UNDERGO TRIENNIAL PERFORMANCE AUDITS

- Triennial performance audits are a requirement for the continued receipt of State
 Transportation Development Act (TDA) funds for public transit under California Public
 Utilities Code (PUC) Section 99246
- This report represents the State-mandated performance audit of National City Transit (NCT) for Fiscal Years 2001, 2002, and 2003, the period from July 1, 2000 through June 30, 2003
- This performance audit is administered by SANDAG and prepared by Booz Allen Hamilton
- The TDA triennial performance audit of National City Transit covers:
 - Compliance with pertinent sections of the Public Utilities Code (PUC)
 - Progress to implement prior performance audit recommendations
 - Agency goals and objectives
 - Performance trends
 - Functional area performance results

Executive Summary

NATIONAL CITY TRANSIT PROVIDES FIXED-ROUTE BUS SERVICE FOR NATIONAL CITY IN THE SAN DIEGO REGION

- National City Transit (NCT) provides fixed route bus service in National City and the
 Paradise Hill unincorporated area. NCT operates daily service throughout the year on
 three fixed routes, and recently extended service on Route 601 to accommodate their
 senior riders. They received 16 new low-floor vehicles in fiscal year 2002 and they operate
 nine vehicles in peak service
- NCT is part of the Metropolitan Transit System (MTS), a federation of bus, trolley and
 paratransit service providers that provide regional bus and trolley services in the San Diego
 metropolitan region. As an MTS operator, NCT accepts regional fare media, including the
 Ready Pass, the regional Universal Transfer, and regional tokens. NCT accepts the most
 transfers from San Diego Trolley, San Diego Transit, and Chula Vista Transit
- A recent fare increase set by MTS (and now SANDAG) was implemented as recent as July 2003. NCT's new base fare is \$1.75
- During the audit period of FY01-FY03, NCT has experienced a reorganization with top management and has been working to strengthen its internal controls and reengineer its business processes
- NCT received an award in FY02 for safety from the American Public Transportation Association

NATIONAL CITY TRANSIT IS IN COMPLIANCE WITH PUC MANDATES AND HAS IMPLEMENTED BOTH RECOMMENDATIONS OF THE PRIOR AUDIT

- National City Transit is in full compliance with California PUC requirements:
 - Transit operators shall give consideration of the needs and types of passengers being served
 - The operator is not precluded by contract from employing part-time drivers or from contracting with common carriers -- PUC Section 99314.5 (c)
 - At a minimum, transit operators are required to show a reasonable effort to implement productivity improvement recommendations made in the prior performance audit – PUC Section 99244
- The prior performance audit had two recommendations. The first recommendation to
 update the maintenance and training programs to reflect the new low-floor vehicles has
 been fully implemented by NCT. The second recommendation to improve reporting
 accuracy and timeliness of report submittals has been partially implemented and is being
 carried over to the next audit period due to the effects of the reorganization and new staff in
 the management positions

DURING THE AUDIT PERIOD, SAFETY AND MAINTENANCE IMPROVED BUT COSTS AND RIDERSHIP DECLINED IN PERFORMANCE

- National City Transit experienced a decrease in cost efficiency with operating cost per hour increasing by 34.5 percent. Service levels stayed constant, thus cost efficiency was primarily affected by rising costs – including increases in fuel cost and a one-time operator wage increase in the new labor agreement
- Decreasing ridership affected cost effectiveness (declining by 49.7 percent) and service productivity (i.e., declining by10.2 percent in passengers per hour and by 11.0 percent in passengers per mile)
- Farebox revenues increased by 10.2 percent which is notable since ridership decreased.
 With the most recent fare increase in July 2003, farebox revenues are expected to increase over the next audit period
- NCT made significant progress with improvements in operations and maintenance:
 - only one missed trip in FY03, compared to 25 in FY00
 - decrease in accidents by 76.5 percent, only four accidents in FY03
 - miles between roadcalls improved by 136.6 percent

Executive Summary

BASED ON THIS PERFORMANCE AUDIT, THREE RECOMMENDATIONS ARE OFFERED FOR NATIONAL CITY TRANSIT'S CONSIDERATION

- Recommendation 1: NCT should coordinate and work more closely with City staff
- Recommendation 2: NCT should make a concerted effort to identify oportunities to attract additional riders
- Recommendation 3: National City Transit should work to control growth in operating costs

Final Report to the

SAN DIEGO ASSOCIATION OF GOVERNMENTS



for the

FY01 - FY03 TRIENNIAL PERFORMANCE AUDIT OF MTS Multimodal Operations

Prepared by

BOOZ ALLEN HAMILTON INC.

May 28, 2004

EXECUTIVE SUMMARY

TRANSIT OPERATORS THAT RECEIVE TRANSPORTATION DEVELOPMENT ACT FUNDS ARE REQUIRED TO UNDERGO TRIENNIAL PERFORMANCE AUDITS

- Triennial performance audits are a requirement for the continued receipt of State Transportation Development Act (TDA) funds for public transit under California Public Utilities Code (PUC) Section 99246
- This report represents the State-mandated performance audit of MTS Contract Services for Fiscal Years 2001, 2002, and 2003, the period from July 1, 2000 through June 30, 2003
- This performance audit is administered by the San Diego Association of Governments (SANDAG) and prepared by Booz Allen Hamilton Inc.
- The TDA triennial performance audit of MTS Contract Services includes evaluations of:
 - Compliance with pertinent sections of the Public Utilities Code
 - Progress to implement prior performance audit recommendations
 - Agency goals and objectives and performance monitoring systems
 - Systemwide performance trends
 - Functional area performance results
 - Recommendations to improve the efficiency and effectiveness of operations

THE AUDIT PERIOD HAS BEEN ONE OF SIGNIFICANT CHANGE FOR MTS MULTIMODAL OPERATIONS

- MTS is now the name of an agency that provides transit services by contract or through its subsidiaries (SDTC and SDTI), as opposed to being just a branding name. The former MTDB Contract Services was changed to MTS Multimodal Operations in 2001
- In June 2002, the County of San Diego divested all of its CTS transit services to MTDB (now referred to as MTS). All former MTDB Contract Services and CTS transit services are now overseen by a single entity, MTS Multimodal Operations
 - Former MTDB Contract Services are now the MTS Contract Services 900 Series
 - Former CTS services are now the MTS Contract Services 800 Series
- This audit encompasses both the former MTDB Contract and CTS transit services, so that audit follow-up can be directed appropriately to MTS
- Service levels were increased for MTDB Contract Services (now MTS 900 Series) during the audit period, which resulted in higher ridership levels. The service contract with ATC/Vancom was successfully re-bid during the audit period. New service contracts with Coach USA, Laidlaw, and Yellow Cab were established during the audit period, in order to improve both cost efficiency and service effectiveness
- Facility expansions for two of the MTS service contractors (ATC Vancom and Laidlaw) are underway, and will improve maintenance and operations of the vehicle fleet. In the near future, Laidlaw plans to operate the majority of East County Suburban, Rural Bus, MTS Access, and CTS Paratransit services out of a single facility

MTS MULTIMODAL OPERATIONS IS IN FULL COMPLIANCE WITH PUC REQUIREMENTS AND THE IMPLEMENTATION OF PRIOR AUDIT RECOMMENDATIONS; MANAGEMENT CONTROL AND REPORTING REMAINS STRONG

- Compliance With PUC Requirements: All of MTS Multimodal Operations services are provided by contractors. MTS contractors are not precluded from hiring part-time drivers. The use of part-time drivers by each of the contractors varies depending on management preferences and operator preferences. For example, ATC/Vancom has made a management decision not to use part-time drivers whereas the various Laidlaw operations provide operators with a choice. MTS Multimodal Operations is aware of the types of passengers it serves and provides quality services to meet the transportation needs of these diverse groups (e.g., seniors, persons with disabilities, students, transit dependent riders, visitors, commuters)
 - Progress To Implement Prior Audit Recommendations: MTS Multimodal Operations has addressed all prior audit recommendations that were still valid as of the end of this audit period. One recommendation was partially addressed with full compliance expected during the next audit period
 - Management Control And Reporting: The consolidation of MTDB Contract Services, County Transit, and Rural Bus has resulted in a filling of previously vacant positions allowing for specialization, direct oversight of service quality and performance reporting, and individual contract management compared to the previous audit period where quality control/service monitoring was a concern

WHILE THE COST OF PROVIDING MTS MULTIMODAL OPERATIONS INCREASED OVER THE AUDIT PERIOD, COSTS REMAIN LOW FOR THE TRANSIT INDUSTRY AND SERVICE QUALITY IMPROVED

- TDA Performance Indicators Overall, MTS fixed routes services showed declining cost efficiency and effectiveness performance due, in large part, to re-bid contracts which drove up the cost per hour after several years of stable performance. Living wage requirements combined with high fuel costs have put much upward pressure on operating costs. However, MTS fixed-route cost per hour remains among the lowest in the country. A decline in service levels and ridership had a negative impact on DART service productivity while costs remained in line with inflation. MTS should be commended for eliminating unproductive DART service, and transitioning to Flex routes during the audit period. The 900 series Flex routes performed quite well as operating cost growth was minimal while service levels and ridership both increased. The 800 series Flex routes show minimal growth in operating cost, with expanded service hours and decreasing service miles. A slight drop in ridership had a small impact on service productivity although select routes are operating at very high productivity levels
- Farebox Recovery Ratio Farebox revenues for all services were up over the audit
 period leading to improved farebox recovery ratios for all services but 900 series fixedroute, 800 series fixed-route, and Express service all of which showed a increase in
 operating costs in excess of the increase in farebox revenues
- Functional Performance MTS went to great lengths over the audit period to improve the
 overall performance of its service with respect to service quality and maintenance.
 Dedicated contract managers, the merging of MTDB and CTS, a new data reporting
 system, and new bid packages all contributed to a better transit experience for MTS riders

TWO RECOMMENDATIONS ARE OFFERED FOR CONSIDERATION BY MTS MULTIMODAL OPERATIONS

- Recommendation 1: Separate capital costs and vehicle lease costs from purchased transportation costs (continued from prior audit). TDA guidelines, specifically PUC Section 99247 (a), specify that operating cost is to be reported net of vehicle lease costs and capital items. Because all services are operated under contract, financial information provided by the contract operators is often not provided in sufficient detail to identify the excludable cost elements. Compliance with the prior recommendation, and this recommendation, will be achieved when the contracts are procured again using the new MTS bid package which calls out the capital items separately in the bid pricing forms. When contracts are up for re-bid, the new more detailed MTS cost bid form should be used to ensure that capital-related items can be identified separately and excluded from operating costs for reporting in B-10/B-11 forms and other external reports
- Recommendation 2: MTS should work with SANDAG to establish a process for reconciliation of B-10/B-11 performance data. Prior to FY03, which was the first full year that County Transit was a part of MTDB (now MTS), much information was missing from County Transit B-10/B-11 reports provided by MTS. In an attempt to fill in missing information for the performance audit, B-10/B-11 data provided by SANDAG was reviewed. Ironically, the various formats in which SANDAG provided data copies of B-10/B-11 reports, SRTPs, and B-10/B-11 summaries all demonstrated inconsistencies. There appears to be no regional process for reconciling B-10/B-11 reported data against audited figures. B-10/B-11 reported data should be reconciled against audited figures at both the operator and regional levels

San Diego Transi

An Operator in the Metropolitan Transit System



Att. F, AI 36, 12/9/04, SRTP 820.14

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

July 15, 2004

TO:

Paul Jablonski, C.E.O.

FROM:

Claire Spielberg, C.O.O. (Bus)

SUBJECT:

FY01-03 Triennial Performance Audit Response

Members of my staff and I have recently completed a review of the comprehensive FY01-FY03 Triennial Performance Audit report prepared by Booz Allen Hamilton Inc. relative to San Diego Transit Corporation (SDTC) performance as required for the continued receipt of State Transportation Act (TDA) funding pursuant to the California Public Utilities Code (PUC) Section 99246.

As SDTC'S newly appointed C.O.O., suffice it to say that I am very pleased by the findings of the Booz Allen Report. As you know, from January 2002 until June 2003, SDTC commissioned several studies and reviews by the American Public Transportation Association (APTA) and McDonald Transit Associates, Inc. relative to operational and maintenance performance. As a result of these studies, SDTC embarked on an aggressive corporation wide reorganization and overhaul of operations and maintenance practices in order to enhance overall fleet maintenance. reliability and on time performance.

The current Booz Allen audit is an endorsement of SDTC's efforts to address the APTA and McDonald Transit findings and recommendations during the course of the last two years, as well as recognizing the results of recently instituted programs and efforts to aggressively monitor overall performance of the Transportation Department, and ongoing preventive maintenance programs initiated during my tenure as SDTC's Vice President of Maintenance.

It was gratifying to note that the Booz Allen Audit recognized and identified the significant ongoing efforts and improved performance as a result of:

- Shedding all contract services and focusing efforts internally to improve overall performance and streamline personnel
- Controlling worker's compensation expenditures by strict management of the worker's compensation program

- Enhanced review and reporting of financial performance as a result of creating a position of Financial Controller
- Significant corporate wide performance improvements as a result of dividing supervision of the maintenance and transportation department into two separate departments
- Ongoing improvement in fleet reliability due to an aggressive preventive maintenance program

FY01-FY03 Findings and Recommendations

The current Booz Allen audit findings identified the following key points:

- SDT is in full compliance with PUC requirements
- SDT considers the needs of all passengers
- SDT has fully implemented or complied with the findings and recommendations issued during the previous (FY97-FY00) audit with one exception
- SDT continues to have data discrepancies and reconciliation issues specific to reporting and reconciliation of the B-10 performance data. (Carried over from the previous audit)

Specific Recommendations and SDT Response

Recommendation 1: Document external reporting requirements and procedures, and work with SANDAG to establish a process for reconciling B-10 performance data.

Response: In 2002, SDTC initiated a corporate wide effort to update and document policies and procedures for every department. This effort is ongoing and policies concerning the compilation of data for external reporting will be reviewed and modified to enhance efforts to correctly report data.

The B-10 report is a complex comprehensive document containing a corporate wide compilation of data including ridership, revenue, transportation, operation and maintenance statistics. SDTC's financial controller has been tasked with the responsibility for compiling the data. The controller function, through consolidation, has been moved to MTS. In that capacity, the controller will continue to be responsible for completing the B-10 report.

SDTC has recently filled the Director of Maintenance position, which replaces the Vice President of Maintenance. Interviews are being conducted for a new Director of Transportation to fill the vacancy created by the Vice President of Transportations resignation. Once filled, all department heads will be directed to form a committee chaired by the Controller to review and enhance our procedures for compiling and reporting data utilized to prepare B-10 reports. SANDAG will be asked to provide input into this process.

Recommendation 2. Work with MTS to further clarify and refine the organizational structure of the restructured MTS in light of ongoing organizational changes between MTS and SANDAG.

Response: As the current audit clearly points out, this audit period has been characterized by significant internal organizational change and restructuring within SDTC. These internal changes and restructuring have been compounded by the significant changes initiated throughout the transit region including the MTDB/SANDAG reorganization, and the creation of MTS which made SDTC and San Diego Trolley, Inc. (SDTI) operating divisions of MTS.

SDTC staff will continue to work with MTS and SDTI to clarify and establish well-defined areas of responsibility specific to each operational entity within the MTS organization.

CONCLUSION:

The period from January 2002 through July 2004 has been one of significant corporate restructuring and change at SDTC. Staff has worked tirelessly in order to respond to the recommendations made by a host of reviews and audits petitioned at SDTC's request. The changes are ongoing and, while it has been an arduous task to accomplish so much in such a short period of time, staff is gratified to see that the current audit recognizes their hard work and the improvements made. Staff efforts have been buoyed by Booz Allen's recognition that our enhanced maintenance program started in 2003 should have a positive impact on maintenance costs, efficiency and road call performance in the *next* audit period.

While significant strides have been made, we continue to seek ways to improve service. Working with MTS staff, our current efforts are focused in the area of transportation and operations with emphasis on scheduling, route and stop consolidation, on time performance and customer satisfaction.

As stated previously, SDTC staff and I will continue to work with MTS and SDTI staff toward accomplishing the ongoing reorganization and restructuring of all three operational entities with the goal of ensuring a successful transition.

San Diego Trolley, Inc.

An Operator in the Metropolitan Transit System



Att. G. Al 36, 12/9/04, SKIP 820.14

1255 Imperial Avenue Suite 900 San Diego, CA 92101-7492 (619) 595-4949 Telefax: (619) 238-4182

July 8, 2004

Mr. Gary L. Gallegos Executive Director San Diego Association of Governments 401 B Street, Suite 800 San Diego, CA 92101

Dear Mr. Gallegos:

This is in response to your letter of June 24, 2004 regarding the recent TDA Triennial Audit performed by Booz Allen Hamilton, Inc. and a request for response to the two recommendations pertaining to San Diego Trolley, Inc.

SDTI Should Work With SANDAG and MTS to Assure That Capital Needs Are Met

During my tenure as President-General Manager I have initiated a series of efforts to increase the awareness on the part of the MTDB/MTS Board of issues involving our aging infrastructure. These efforts have included comprehensive reports on the infrastructure equipment failures and other maintenance. This report was prepared for the MTD and SDTI Boards during the FY-04 budget preparation sessions. Subsequent reports were prepared over the last part of FY-04 and presented to MTS, as well as SANDAG, on separate occasions. These reports are titled "Aging Infrastructure" and include a comprehensive review of the overall LRT system age, by line segment, and a detailed review by category of system-wide elements that require rehabilitation, replacement, or enhancement based on changing operating conditions. These presentations were accompanied by photographic examples of infrastructure elements that fall into the category requiring attention, as well as order of magnitude cost estimates.

Over the last several years, our staff has made considerable efforts to address infrastructure needs during the annual Capital Improvement Program (CIP) process. A recent review of the categories included in this program revealed that virtually all needs have been identified either in the current year or in future years. While this has been undertaken as part of our comprehensive effort, it is also clear that the current financial allocation, overall, fails to come close to meeting our projected needs. This results in many essential projects and capital needs falling below the funding line, thus resulting in carryover to future years in the CIP.

In conjunction with internal efforts, it should also be noted that we benefit from independent audits that are conducted as part of special or programmed maintenance audits that are



Gary Gallegos July 8, 2004 Page Two

performed periodically. Two noteworthy reports are 1) Maintenance Needs Assessment – 2002, by Transportation Resource Associates, and 2) the Triennial Maintenance Audit, currently underway, by Parsons Transportation.

In summary, we fully intend to continue to work diligently with MTS and SANDAG staff, as we have in the past, to identify infrastructure projects and to establish a meaningful priority list so that those elements that are essential and support operations receive appropriate funding and consideration. This effort will encompass rolling stock as well as fixed structures and wayside field equipment.

SDTI Should Work With SANDAG to Establish a Process for Reconciliation of B-12 Performance Data

The issue with respect to consistency of certain reporting documents has long been an area of concern. The issue stems partially from the numerous document forms we, as transit operators, use for reporting a wide range of performance categories. SDTI files reports with SANDAG (B-12), the State of California (Transit Operators Financial Transaction Report), the FTA (National Transit Database), FRA (various maintenance inspection performance reports), and the California Public Utilities Commission. Virtually all of these reporting requirements contain unique categories that are not, in many areas, consistent nor can the information be easily transferred across the board between reporting entities.

The B-12 form that is used for TDA compliance requirements could be modified to: 1) provide better line item match (definitions) with the State and FTA reports, and 2) allow operators to show audited data, where appropriate, after the end of each fiscal year. To this end, appropriate staff from the MTS "family", along with staff from SANDAG should work in a collaborative way to modify the B-12 for FY 2005 quarterly/annual reporting.

In summary, I feel both recommendations reflect elements that are achievable and I will ask staff to put forth the required effort to achieve the desired result.

Sincerely,

Peter D. Tereschuck

President-General Manager

PDT:rga L-Gallegos

CC:

Paul Jablonski, MTS Sandra Mann

June 30, 2004 File No. DS 016/032

Mr. Gary L. Gallegos, Executive Director San Diego Association of Governments 401 B Street, Suite 800 San Diego, CA 92101

Dear Mr. Gallegos:

CHULA VISTA TRANSIT'S IMPLEMENTATION OF AUDIT RECOMMENDATIONS

Per your request, the following is Chula Vista Transit's plan to implement the TDA triennial audits recommendations.

• Recommendation No. 1: Work closely with the new contractor to control growth in operating costs.

The City Of Chula Vista has a five-year fixed cost contract with the transit contractor based on a per revenue mile rate. This rate has an average of three percent (3%) increase per year. This rate covers the operation of the system and the maintenance of the transit fleet. One of the areas CVT is currently and will continue to focus on in the future is fleet preventive maintenance. The cost of any failure of major drivetrain components is incurred by CVT; therefore, working with our contractor on preventative maintenance should reduce the incidents of major maintenance expenditures.

Mr. Gallegos June 29, 2004 Page 2

 Recommendation No. 2: Look for ways to implement service enhancements within the available financial resources.

The City of Chula Vista has several new major transit trip generators, a growing number of Transit Oriented Developments (Villages), and new higher density residential projects that are currently not being served by transit. Our challenge is to provide transit service to as many of these areas as possible while keeping within existing financial constraints. We plan to get more aggressive over the next few years in identifying current unproductive service segments and reinvesting these resources into many of these new, more productive areas.

If you desire additional information, please call me at 397-6061.

Sincerely,

ANDRES (ANDY) S TRUJILLO TRANSIT COORDINATOR

AST:ast

cc: Dave Byers, Director of Public Works Operations Sookyung Kim, SANDAG



July 2, 2004

Sookyung Kim SANDAG 401 B Street San Diego, Ca 92101-4231

Re: National City Transit TDA Audit

Dear Ms Kim,

I am in receipt of a letter dated June 24, 2004 from Executive Director, Gary Gallegos asking for NCT comments on the recent TDA audit. The following is how National City Transit intends to implement the recommendations outlined in that audit.

- > TDA Recommendation #1: National City Transit should coordinate and work more closely with City Staff.
- Implementation Actions: NCT and the City of National City staff are currently in the process of improving internal controls, communication and procurement methods, reviewing reporting data and improving coordination between departments to ensure timely, accurate and consistent reporting for all external agencies such as SANDAG, MTS, FTA etc. NCT and City of National City departments will work to broaden the understanding of each other's agency goals and objectives and work together whenever possible. NCT and NC will review the recommendations of the independent accountant audit after it is finalized to consider implementation and also to discuss the TDA performance audit recommendations.
- > TDA Recommendation #2: National City Transit should make a concerted effort to identify opportunities to attract additional riders.
- Implementation Actions: NCT has expanded its traditional participation on Transit Boards (SANDAG/MTDB) to include membership in NC Chamber of Commerce and Kiwanis Club and to also work directly with other organizations within the community. The General Manager and other NCT staff directly participate on committees such as sponsored by NC Chamber for Public Safety, Community Promotions, and Military Affairs etc in order to improve networking possibilities and partnerships. The General Manager attends all NC Mayor and Council member meetings and public hearings to receive agency and public feedback regarding transit issues. NCT is in the process of procuring two (2) concession style trailers to be used at various locations such as the Plaza Bonita Transit Center, 24th Street and Euclid Trolley Stations and at various NC events to receive direct public feedback regarding service and also to maximize our system marketing opportunities and improve service efficiency. NCT will initiate staff (Including GM) "ride checks" on all NCT routes, including MTS feeder routes and complete follow-up reports on a monthly basis. These activities reinforce to the employees, stakeholders and customers that NCT is serious about putting customers first.

- > TDA Recommendation #3: National City Transit should work to control growth in operating costs.
- Implementation Actions: NCT and the City of National City departments will work closely to monitor future budget expenditures and identify primary drivers in operating costs whenever possible. NCT and the City of National City Finance Department will consider new or revised operating policies and procedures that have the potential to reduce operating costs. NCT will work with MTS and the City of National City staff during the remaining contract years to identify opportunities to control contract costs and provide better-cost oversight recommendations. McDonald Transit Associates, Inc has recently completed a comprehensive review (at no fee-value added service) for National City Transit covering 141 separate performance standards that represent the "best practices" in the Transit industry. This review includes an action plan and the entire report will be presented to Chris Zapata, the City Manager of National City in the near future. NCT will work closely with the City of National City to review and implement as many of the recommendations as possible.

Sookyung, I want to assure you that NCT is "customer focused" and committed to providing the best and most economical service possible and myself and staff are looking forward to working closely with all agencies and stakeholders toward that goal. Please let me know if you have any questions or need any additional information from NCT.

Sincerely,

John P. Webster Sr. Vice President, General Manager National City Transit jpw

Pc: Gary Gallegos, SANDAG
Susan Brown, SANDAG
Paul Jablonski, MTS
Park Morse, NC Asst. City Manager
Bob Babbitt, McDonald Transit



Memorandum

DATE:

July 9, 2004

OPS 920.3 (30103)

TO:

Susan Hafner

FROM:

Elliot P. Hurwitz

SUBJECT: MTS CONTRACT SERVICES (MULTIMODAL OPERATIONS) 2004 TDA

PERFORMANCE AUDIT RESPONSES TO AUDIT RECOMMENDATIONS

The final report of the FY01 - FY03 Triennial Performance Audit of MTS Multimodal Operations was received May 28, 2004. The report was prepared by Booz Allen Hamilton, Inc for the San Diego Association of Governments. There were two recommendations in the final report for the MTDB Contract Services operations within the Multimodal Operations group.

- Separate capital costs and vehicle lease costs from purchased transportation costs; and
- Work with SANDAG to establish a process for reconciliation of B-10/B-11 performance data.

Separate Capital Costs and Vehicle Lease Costs From Purchased Transportation Costs

This recommendation was a carryover from the prior audit. There are several existing MTS Contract Services contracts that include contractor provided rolling stock costs included within the operating purchased transportation rates. As a result of the 2001 audit recommendation related to this, MTDB staff revised the bidding pricing forms to include separate operating and capital components within the unit rates of the price bids. This was accomplished with the bidding for the MTS Contract Services East County Suburban, South Central, and with the Chula Vista Transit bids in 2001 and 2002. However, there exist some contract operations that have not been rebid since the prior audit including, the MTS Contract Services Express Bus, Sorrento Valley Coaster Connection, and Poway operations. All three of these operations include capital costs within the unit rates for vehicles owned by the contractors operating those services.

For any additional contracts that are bid in the future, the pricing forms will be updated to reflect the concept that itemizes any vehicle capital costs (if any), facility capital costs, and the specific operating costs. This will allow for future separation of operating and capital costs as allowed under the TDA provisions.

Work With SANDAG to Establish a Process For Reconciliation of B-10/B-11 Performance Data

This recommendation stems in part, from use of data in FY01 and FY02 for County Transit System. The former County Transit System staff utilized the best information available at that time to submit the quarterly B-10/B-11 reports for the 800 series services. Unfortunately, at that time, the financial data from the County of San Diego was lagging throughout those years. Moreover, the financial year-end

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 J-1

audits by the County of San Diego for the 800-series services were done very late. It was clear that the B-10/B-11 data was not updated due to the lateness of the year-end audits.

In FY03, the former County Transit System 800-series routes were transferred to MTDB and the FY03 financial data was available along with the 900-series data. For FY03, the MTS 900 series data for the B-10 and B-11 reports are cross-checked with the year-end financial audit reports and submitted to SANDAG. The MTS 800 series B10/B11 data was not cross-checked with year end audits for FY03, but will be starting in FY04. The goal will be for the year-end financial audits to match the B-10/B11 quarterly and year end data.

The work conducted by MTDB staff will improve the reconciliation between the B-10/B-11 data and the year-end MTS agency financial audits. This will not correct any inconsistencies with data at the SANDAG level. This will require a process whereby SANDAG staff cross check all four quarters of the B10/B11 reports and make sure that the previous quarterly submittals are updated throughout the year and to reflect adjustments that occur on the first three quarters or others at year end from audit results. MTS staff would be available to work with SANDAG staff on the reconciliation process as necessary.

EPH:Ehurwitz M-TDA PERFORMANCE RESPONSE 2004 7/9/04



Transportation Development Act

- Major source of operating funds for MTS; Includes;
 - · State Transit Assistance
 - · Local Transportation Fund
- Allocated by population, sales tax income, and transit performance
- · Requires Triennial Audit



Transportation Development Act

Audit Goals:

- Ensure agency compliance with TDA regulations
- · Provide accountability for TDA funds
- Evaluate the efficiency and effectiveness of services
- · Assist agencies in assessing past performance and planning future service.

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Transportation Development Act Recipient requirements: Agency shall... · Consider the needs and types of passengers · Not be precluded by contract from employing part-time drivers, or from contracting with common-carriers; and, Show a reasonable effort to implement the productivity improvement recommendations made in its prior performance audit. Transportation Development Act PUC REGULATION COMPLIANCE All MTS operators... · San Diego Transit · San Diego Trolley · MTS Contract Services · National City Transit · Chula Vista Transit ...were determined by the auditors to be in full compliance with PUC requirements. Transportation Development Act EFFICIENCY/EFFECTIVENESS OF SERVICES System Performance · Safety, maintenance, capital improvements · Cost effectiveness of many services System Efficiency Lower Ridership + Higher Costs = Reduced System Productivity Overall Trends Ridership and fares increasing again Many cost factors stabilized · COA to further evaluate system efficiency

TDA Audit Recommendations	
1. Better Coordination of Data Collection	
Improve the collection, compilation, and reporting of monthly data.	
Planned Improvement(s) for Next Audit Period: · Consolidation of functions under the Planning and Performance Monitoring Department. · Planned new MTS 'Business Intelligence' programs.	
<i>Мтs</i>	
TDA Audit Recommendations	
Better Coordination between Agencies and Departments	
Improve communications between agencies and contractors, among agencies, and interdepartmental within MTS, to help achieve service improvement.	
Planned Improvement(s) for Next Audit Period: · Merger of MTDB and SANDAG completed · MTS consolidation will be completed	
<i>MTS</i> 8000	
TDA Audit Recommendations	
3. Attract New Riders by Reallocating Services	
Identify no-cost service improvements for CVT and NCT, which have relatively low operating costs and high productivity.	
Planned Improvement(s) for Next Audit Period: Reallocation of resources through COA.	

TDA Audit Recommendations

4. Seek Funding for Trolley Capital Improvements

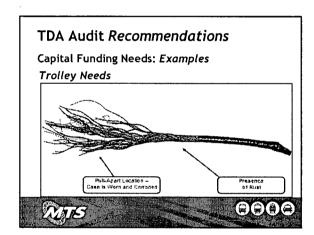
Current available capital funds cover only a small percentage of SDTI's needs.

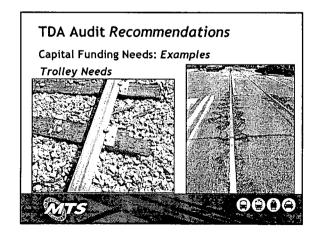
- · Bus ops also have unfunded capital projects
- Results are higher maintenance costs and decreased service reliability

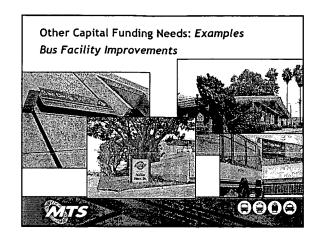
Planned Improvement(s) for Next Audit Period:

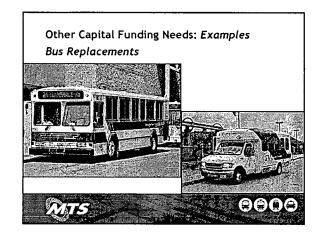
 MTS will work with SANDAG to identify additional funding sources.

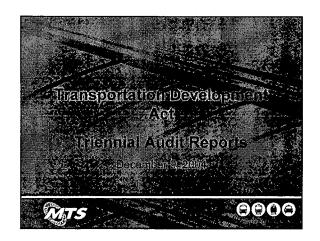












1255 Imperial Avenue, Suite 1000 San Diego, CA 92101-7490 619.231.1466 FAX 619.234.3407

Agenda

Item No. <u>37</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley. Inc.

CIP 10426

December 9, 2004

Subject:

MTDB: MISSION VALLEY EAST LIGHT RAIL TRANSIT PROJECT: BUDGET STATUS

RECOMMENDATION:

That the Board of Directors:

- 1. receive this report on the Mission Valley East (MVE) Light Rail Transit (LRT) Project budget status;
- 2. authorize an increase in the MVE Project Budget of \$10 million distributed into the project line items as shown on Attachment A; and
- 3. authorize the Chief Executive Officer (CEO) to request that the San Diego Association of Governments (SANDAG) amend the Regional Transportation Improvement Program (RTIP) to increase the MVE Project budget and fund the increase with regional Congestion Mitigation and Air Quality funds.

Budget Impact

The \$10 million would be added to the line items as shown on Attachment A. The approved project budget would increase to \$506,000,000.

DISCUSSION:

The total budget for the MVE LRT Project approved by the Board at the time of the Full Funding Grant Agreement (FFGA) by the Federal Transit Administration (FTA) for the project was \$431 million. The budget has since been increased to the current approved total budget of \$496 million. The Board approved the \$496 million budget in April 2003. The latest information indicates that an additional \$10 million would be needed to complete the project. This report outlines the reasons for the increases and recommends that the MTD Board approve the recommended budget change and request SANDAG revise its funding program to reflect this increase.

The MVE LRT Project is being built with four main construction contracts: Grantville Segment by Modern Continental Construction Company, Inc. (MCC); San Diego State University (SDSU) Segment by Clark Construction Group, Inc. (Clark); La Mesa Segment by Balfour Beatty/Ortiz (BBO); and the track and systems for the project by Stacey and Witbeck, Inc. (SWI). The budget increase in April 2003 addressed pending and likely construction change orders for the project by establishing a project reserve that required Board action to transfer funds into specific budget line items as needs were addressed and justified. The original construction contracts contingencies and project contingency were below the 10 percent desired for a major LRT project. Tunnel projects typically include contingencies higher than 15 percent. Except for the SDSU Segment, the other three contracts should be completed with change orders amounting to 10 percent or less than the initial contract value. SDSU should finish with close to a 30 percent increase in costs. About 8 percent of the increase is costs for noise, traffic mitigation, temporary bridges, delays, and resequencing of construction activities to meet SDSU's mitigation impact requirements.

We have continued the cost control processes put in place after the April 2003 budget increase, including management-level change order review for all changes between \$25,000 and \$100,000 not requiring Board approval. We have also reduced the construction management costs by using SANDAG staff to replace construction management consultants.

MVE Budget Growth

The additional increases in the MVE LRT Project budget are the result of several factors. The major factors include:

- contractor claims;
- additional requirements and associated cost of safety, communications, and systems; and
- an extended project schedule resulting in additional administration and management and insurance costs.

These factors interrelate and influence each other; therefore, predicting the final costs is still complex and subject to fluctuation.

The physical construction is about 94 percent complete. Construction of trackwork, stations, traction power, and signaling are the remaining major physical elements on the project. In addition, a number of the safety and communications systems are still being finalized and will require extensive testing.

Dispute Settlements

The Grantville Segment construction is approaching 100 percent completion, and the remaining cost risk from the contract with MCC should be minimal. Since April 2003, resolution of a major contractor delay claim and change orders for storm water control, electrical and equipment room revisions, and changes to the elevators (described in Systems Revisions below) increased the cost of this contract over what was anticipated. A portion of the additional Project Reserve being requested in this action would allow for reasonable resolution of the few outstanding disputes with MCC.

The SDSU Segment construction is about 96 percent complete, and contract change orders are 28 percent over the original price. The contract has no significant outstanding unresolved disputes, but since April 2003, a number of costs items outside the expected cost-to-complete estimate have been identified and have been included in the additional amount being requested with this Board action. A number of these additional costs are significant revisions to fire and life safety systems in the project. The changes are discussed below under Systems Revisions. The SDSU station and tunnel cost items above those anticipated in April 2003 include quantity adjustments to reinforcing steel, walkway pavers, and duct banks; addition of battery rooms; and resolution of site conditions and acceleration costs.

In addition, the SDSU Segment includes a separate budget line item for SDSU mitigation costs, which include noise reduction, SDSU expenditures for traffic control, SDSU staff assistance and oversight for the project, and cost for economic impacts, including parking and lost business. The actual impacts and cost responsibility for several of these items are still being negotiated with SDSU. The amount requested in the Project Reserve considers this exposure.

The La Mesa Segment is also approaching 100 percent completion; however, this contract has a substantial number of unresolved disputes regarding cost and time, including claims for differing site conditions and third-party delays. Claims by the contractor, BBO, total over \$6,000,000. These claims, along with the potential for liquidated damages, are being evaluated, and the recommended budget increase includes an amount considered adequate to address these claims and change order cost disputes based on previous experience with resolving construction claims.

The Track and Systems contract has the most ongoing construction activity. The contractor is about 80 percent complete with its work. This contract also includes a significant amount of testing within its scope to assure the traction power and trainsignaling systems work properly. The contractor, SWI, does not have any significant unresolved disputes at present. SWI is doing additional change order work on some of the communication elements in the project. These changes and costs are discussed below under Systems Revisions.

Systems Revisions

The SDSU Station and Tunnel included basic fire and life safety monitoring systems for heat and smoke. Because these types of systems tend to be proprietary and need to be compatible with the ventilation and alarm systems, the design was based on functional requirements with details to be provided by the vendors. In April 2003, many of the vendor details were not known. As the vendors began to work with staff, SDSU,

San Diego Trolley, Inc. (SDTI), the state fire marshal and emergency responders on system elements, additional complexities and needs were identified. The costs to meet these requirements were not covered in the April 2003 budget revision. The more complex monitoring system elements included tunnel heat-detection cable, fiber-optic control cabling, and remote monitoring and control over these and other station systems. These impacts increased the cost of the Clark and SWI contracts by about \$2,000,000 over the budget consideration included in April 2003.

Another unknown system cost in April 2003 was the extent of elevator system changes needed for the outdoor elevators at the Grantville Station. The Grantville Station has two elevators that were designed for exterior application with a wire mesh enclosed tower. The design was similar to other installations. In working with the contractor, we learned that elevator suppliers would no longer supply equipment without a sealed tower. The elevator towers had to be redesigned to use glass to enclose the tower. The elevator changes added more than \$300,000 to the Grantville Segment construction cost.

Extended Time and Contingency

The MVE LRT Project is taking many months longer to complete than originally anticipated. The duration for each of the construction contracts has expanded for reasons discussed with the Board throughout construction, including third-party conflicts, large change orders, missed schedule milestones, and late start of follow-on work caused by the other impacts listed. These longer durations are causing increases to the time and cost of staffing the job. In addition, in order to reduce construction management consulting costs, SANDAG has used more of its staff in the field in construction management positions. The result is the current budget for administration is projected to exceed the budget by approximately \$2,000,000.

The design costs to support construction for the project continue with the extended time, complexity, and change orders on the project. Design support exceeded the projected costs because of the extensive submittals and request for information generated by the complexity of the project. The designers also expended unanticipated costs supporting work-arounds and changes from the field that ultimately saved on construction costs and time. The budget increase includes \$1,000,000 for design services.

Also related to the extended construction time is the cost for extending insurance coverage under the project owner-controlled insurance program (OCIP). The original insurance premiums for the OCIP were based upon an estimated total construction contract value of \$265,000,000 and a total estimated payroll of \$42,900,000. However, the current estimate at completion is approximately \$320,000,000 for construction and a \$75,000,000 payroll. In accordance with typical practice and our OCIP policies, an audit will be conducted at the conclusion of the project to determine the exact level of construction and payroll, and a corresponding premium adjustment would be paid on the various policies. These policies include workers' compensation, general liability, professional liability, excess liability, and builders risk insurance. The estimated total adjustment is approximately \$2,000,000.

From an overall perspective, the OCIP will still result in a net savings to the project of approximately \$2,400,000. This is based on the estimated insurance credits received

in the construction bids of approximately \$14,600,000 versus the cost of the program at completion, which will be approximately \$12,200,000.

Although the project construction is nearing completion, other project elements have the potential for adding to the project costs. Therefore, the requested budget increase also includes a 5 percent contingency of the remaining project costs.

RECOMMENDATION:

Staff is recommending increasing the project budget by \$10,000,000 (to \$506,000,000) and distributing the additional funds to the line items as shown on Attachment A. As shown on the attachment, its recommended that \$6,000,000 of the funds be placed in the Project Reserve line item and would be transferred to the project line items, as needed, with Board approval. The reserve amount should be sufficient to complete the project based on equitable claims resolution and a limited number of new cost items. It is recommended that \$4,000,000 be distributed to the Administration line item and Construction line items for the known increases to project staffing and OCIP.

The recommendation also includes requesting SANDAG to program the funds for the proposed increase. SANDAG has indicated that funding to cover this cost increase could be a combination of additional TransNet sales tax funds and Congestion Mitigation and Air Quality (CMAQ) funds. The TransNet sales tax funds would need to come from other programmed projects, including the Nobel Drive Coaster Station, the Mid-Coast Light Rail Transit - Balboa Extension, or bus rapid transit (BRT) projects, such as the BRT Showcase Project or the Super Loop. On the other hand, the use of CMAQ funds would not require taking funds away from other programmed projects as the region has a balance of unprogrammed CMAQ funds. It should be noted that CMAQ funds have historically been used to fund bus procurements, transit capital projects, and operating expenses, as well as managed-lane highway projects. This programming action would reduce the capacity to fund some of these other projects. In light of the high regional priority of the MVE Project, however, staff recommends that MTDB request SANDAG program CMAQ funds to cover this cost increase. This request has been discussed with SANDAG staff and would be considered at the SANDAG Transportation Committee meeting in January 2005 along with some other programming recommendations relative to CMAQ funds.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: John Haggerty, 619.699.6937, jha@sandag.org

LTorio/DEC9-04.37.JHAGGERTY

12/2/04

Attachment: A. MVE Budget Revisions (Board Only)

MISSION VALLEY EAST LRT PROJECT BUDGET REVISIONS DECEMBER 9, 2004

WBS 10426	<u>Line Item</u>	Current Budget	Revised Budget	Change
		(\$)	(\$)	(\$)
0100	Administration	14,900,000	16,900,000	2,000,000
1010	SDSU Construction	111,429,200	112,429,200	1,000,000
109918GR	Grantville Segment Construction	72,729,200	73,729,200	1,000,000
N/A	Unchanged Line items*	295,589,350	295,589,350	0
3900	Project Reserve	1,352,250	7,352,250	6,000,000
	Totals	496,000,000	506,000,000	10,000,000

^{*}includes \$7,000,000 in planning; excludes \$3,460,102 SDSU betterments and steam line repair

MISSION VALLEY EAST BUDGET Jim Linthicum

December 9, 2004

Budget: April 2003

- · Construction 52% complete
- \$496 million
- Exclusive of project contingency
- Exclusive of funds to pay construction claims



Management Controls

- · Executive Committee oversight
- · Change order review team
- · Independent construction reviews
- · Integrated cost and schedule
- · Manage to the bottom line



Recommended Budget

- · Construction 94% complete
- \$506 million (increase of \$10 million)
- Includes project contingency
- Includes some money to pay claims



Budget Options

- Transit TransNet funds
 - Defer other MTS projects
- CMAQ
 - Unobligated
 - Could go to other agencies



Executive Committee Recommendation

- Increase budget by \$10 million
- Request SANDAG amend RTIP and fund increase via CMAQ





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

REVISED

Agenda

Item No. <u>38</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc.

December 9, 2004

CIP 10486, CIP 10487

Subject:

MTDB: TRANSFER OF FUNDS INTO CAPITAL IMPROVEMENT PROJECT AND EXECUTION OF FIRST AMENDMENT WITH NEW FLYER INDUSTRIES, LTD.

RECOMMENDATION:

That the MTD Board of Directors authorize the Chief Executive Officer (CEO) to:

- transfer additional funds of \$397,407.95 (contingent upon Federal Transit Administration approval) received as an insurance payment for an SDTC bus that was destroyed by fire into Capital Improvement Projects (CIPs) 10486 and 10487, to offset the cost of two essential components not included in the original bus specifications. \$347,000 would be placed in CIP 10486, and \$50,407.95 would be placed in CIP 10487; and
- execute Amendment No. 1 to the New Flyer contract (MTDB Doc.
 No. B0441.0-05) for changes to the technical specifications, for an amount not to exceed \$365,667.72, in substantially the same form as attached (Attachment A).

Budget Impact

- 1. Transferring the insurance proceeds of \$397,407.95 into CIP 10486 (SDTC Bus Acquisition) for 41 buses and CIP 10487 (Contract Services Bus Acquisition) for 6 buses increases the total available project funds to \$17,087,407.95 from the original amount of \$16,690,000.
- 2. The changes will increase the New Flyer contract by \$365,667.72, bringing the total contract amount to \$16,965,613.72.



DISCUSSION:

At its September 23, 2004, meeting the MTD Board authorized the CEO to negotiate with New Flyer for the production of 47 heavy-duty compressed natural gas-(CNG)-powered transit buses to be purchased as an option to the Pierce Transit contract. We have concluded negotiations, and our base price is still \$328,500 per bus (as reported by the CEO).

However, during the preproduction meeting, two components were identified that were not included in the base price. The first item is a fire-suppression system that is critical to the safe operation of CNG buses. The second item is an additional CNG tank to provide the needed range to improve the operating efficiency of the fleet.

The changes will not increase the production time of the order. The build schedule begins in February 2005, and all of the buses will be delivered by June 2005.

<u>Technical Specifications Changes</u>

The original specifications provided the buses with six CNG tanks. The addition of a seventh tank will provide up to 60 additional miles of range. Currently, CNG buses are placed on the shortest routes due to their limited range.

The original specifications had buses equipped with a fire suppression system, but did not include a gas detection system. This change will provide a state-of-the-art system that incorporates fire suppression and gas detection, utilizing upgraded sensors.

Budget Transfer

SDTC recently received insurance proceeds of \$397,407.95 from an articulated bus destroyed by fire. This amount is net after the \$100,000 deductible. This money could be to fund the desired technical changes, remaining administrative expenses (such as in plant inspections), and the contingency.

Staff recommends the Board transfer the insurance funds in the amount of \$347,000 into CIP 10486 and \$50,407.95 into CIP 10487 and authorize the CEO to execute Amendment No. 1 to MTDB Doc. No. B0441.0-05, in an amount not to exceed \$365,667.72.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Claire Spielberg 619 238-0100, Ext 400, Claire.spielberg@sdmts.com

MHunt/JGarde DEC9-04.REVISED38.CSPIELBERG 12/2/04

Attachment: A. MTDB Doc. No. B0441.0-05 (Board Only)



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

December 9, 2004



Att. A, AI 38, 12/9/04

DRAFT

MTDB Doc. No. B0441.1-05 CIP 10486, CIP 10487

Mr. Paul Smith New Flyer Industries, Ltd. 711 Kernaghan Avenue Winnipeg, Manitoba, Canada R2C 3T4

Dear Mr. Smith:

Subject: AMENDMENT NO. 1 TO MTDB DOC. NO. B0441.0-05: PROCUREMENT OF 47 LOW-FLOOR VEHICLE COMPRESSED NATURAL GAS TRANSIT BUSES

In accordance with Article 2, "Changes," of the Original Agreement (MTDB Doc. No. B0441.0-05), MTDB amends the Agreement to add an additional CNG tank, a fire suppression/gas detection system, and other technical modifications to the bus order per the attached revised pricing sheet dated December 9, 2004.

The contract pages shall be amended as follows:

Page 1 (Standard Procurement Agreement cover page): The dollar amount in the text block second paragraph, that represents the total procurement cost (including sales tax and delivery) shall be replaced with "\$16,965,613.72."

Pricing Form – revise pricing form to include the additional tank, fire suppression/gas detection system, and other technical changes.

All other conditions remain unchanged. If you agree with the above, please sign below, and return the document marked "Original" to the Contracts Administrator at MTDB. The other copy is for your records.

Sincerely,	Agreed:
Paul C. Jablonski Chief Executive Officer	Paul Smith New Flyer Industries, Ltd.
KT/KT DEC9-04.38.ATTA.KTSUBAK	Date:
Attachment: Revised Pricing Sheet Dec	ember 9, 2004

A-1

Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a public agency, San Diego Transit Corporation, and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is also the Taxicab Administrator for eight cities, and MTDB is the owner of the San Diego and Arizona Eastern Railway Company.

MTDB Member Agencies include: 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, and the County of San Diego.



100 16th Street P.O. Box 122511 San Diego, CA 92112-2511 (619) 283-0100 Purchasing Fax (619) 696-7084

PRICING SHEET

(Revised December 9, 2004)
47 LOW FLOOR CNG POWERED BUSES
MTS CONTRACT #B0441.0-05

Item	DESCRIPTION	QTY	UNIT	EXTENDED
#	·		COST	COST
1	BUS (Per MTS Contract Terms	47	\$325,805.57	\$15,312,861.79
	and Conditions and Technical			
	Summary Revision D dated 9-17-			
	2004 Attached)			
2	ELDERLY AND	47	\$7,050	\$331,350
	HANDICAPPED EQUIPMENT			
	(Wheelchair Ramp, Kneeling			
	System, Wheelchair Restraints,			
	E&H Seating) (Tax Exempt)			
3	TRAINING	1 lot	No Charge	0
4	DELIVERY (Drive Away) (Tax	47	\$2,865	\$134,655
	Exempt)			
5	7.75% CALIFORNIA SALES	47	\$25,249.93	\$1,186,746.71
	TAX (Items #1 and #3)		1	•
6	TOTAL AMOUNTS	47	\$360,970.50	\$16,965,613.50

Payment Terms:

Buses including E & H equipment, delivery, and California sales tax; 95% upon delivery of each bus, 5% upon acceptance

of each bus. Net 5 days.

Training: 100% upon acceptance of last bus. Net 5 days.



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

Agenda

Item No. 38

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc.

December 9, 2004

CIP 10486, CIP 10487

Subject:

SDTC: AMENDMENT TO NEW FLYER COMPRESSED NATURAL GAS BUS

PROCUREMENT CONTRACT

RECOMMENDATION:

The MTD Board of Directors authorize the Chief Executive Officer (CEO) to place additional funds in the amount of \$397,407.95 (contingent upon Federal Transit Administration approval) that were received as an insurance payment for a San Diego Transit Corporation (SDTC) bus that was destroyed by fire. These additional funds would be used to offset the cost of two essential components not included in the original bus specifications.

Budget Impact

An additional \$397,408 would be encumbered to Project Code 10486-1300 (line item of Capital Project SDTC Bus Acquisition) for 41 buses and Project Code 10487-1300 (line item of Capital Project Contract Services Bus Acquisition) for 6 buses. The original total was \$16,690,000; it would now be \$17,087,408.

DISCUSSION:

At its September 23, 2004, meeting the MTD Board authorized the Chief Executive Officer (CEO) to negotiate with New Flyer for the production of 47 heavy-duty compressed natural gas (CNG)-powered transit buses to be purchased as an option to the Pierce Transit contract. We have concluded negotiations, and our base price is still \$328,500 per bus (as reported by the CEO).

However, during the preproduction meeting, two components were identified that were not included in the base price. The first item is a fire-suppression system that is critical



to the safe operation of CNG buses. The second item is an additional CNG tank to provide the needed range to improve the operating efficiency of the fleet.

The cost of these two systems would increase the price of each bus by \$7,221 for a total increase of \$339,368 for the 47 buses, raising the price per bus to \$335,721. The addition of the systems does not increase the production time of the order. The build schedule would begin in February 2005, and all of the buses would be delivered by June 2005.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Claire Spielberg 619 238-0100, Ext 400, Claire.spielberg@sdmts.com

MHunt/JGarde DEC9-04.38.CSPIELBERG 12/2/04



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

Agenda

Item No. <u>39</u>

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc. FIN 310 (PC 30100)

December 9, 2004

Subject:

MTDB: MTS OPERATORS BUDGET STATUS REPORT FOR SEPTEMBER FY 05

RECOMMENDATION:

That the Board of Directors receive the Metropolitan Transit System (MTS) Operators Budget Status Report for September fiscal year 2005.

Budget Impact

None at this time.

DISCUSSION:

This report compares operating expenditures to budget for September 2004 (Attachment A-1 is a summary).

MTS OPERATIONS

Attachment A-2 summarizes combined operations. Attachment A-3 provides greater detail on combined operations. Attachments A-4 to A-17 present budget comparisons for each MTS operation. Attachment A-18 provides insight into the potential fiscal year impact of diesel fuel and compressed natural gas (CNG) year-to-date average rates.

Revenues

<u>Fare Revenue – September 2004</u>. Combined fare revenue for September 2004 aggregated \$6,139,000 compared to the approved budget of \$6,310,000, which represents \$171,000 (-2.7%) under budget. Rail operations realized continued large



ridership from PETCO Park, as well as additional ridership due to one regular season Chargers game. Fare revenues for rail operations were \$2,384,000 compared to a \$2,269,000 budget resulting in a \$115,000 (5.1%) positive revenue variance. Fare revenues associated with bus-related activities (Internal Bus Operations and Contract Bus Operations) were \$252,000 (-6.9%) under budget. This was driven primarily by lower ridership within Internal Bus Operations. Passenger levels within Internal Bus Operations were -3.6% under budget and represent a 4.3% decrease in ridership compared to September 2003. Other operators' (Chula Vista and National City Transit) fare revenue was \$34,000 (-9.2%) under budget.

Total passengers for September 2004 were 6,680,000 compared to a budget of 6,551,000, representing a positive ridership variance of 129,000. September 2004 passenger levels were 19,000 less than the same prior year period. Rail operations had 320,000 (+14.4%) more passengers than budget, while all other bus-related operators were 191,000 (-4.4%) passengers less than September 2004 budget led primarily by Internal Bus Operations 123,000 (-5.5%) passengers under budget.

<u>Fare Revenue – Year-To-Date September 2004</u>. Combined fare revenue for September 2004 year-to-date was \$18,114,000 compared to the year-to-date budget of \$18,071,000, which represents a \$43,000 (0.2%) positive year-to-date variance. Rail operations contributed a \$813,000 (12.5%) year-to-date positive variance, while all year-to-date bus-related operators were \$770,000 (-6.7%) under budget.

Passengers for the first three months of the 2005 fiscal year totaled 20,041,000 for all MTS operations compared to year-to-date budgeted ridership of 18,802,000, representing a 1,239,000 positive ridership variance. Rail operations contributed a 1,667,000 (26.4%) positive ridership variance, while other bus-related operators were 428,000 (-3.4%) passengers less than September 2004 year-to-date budget.

Other Revenue. Other revenue totaled \$97,000 compared to a September 2004 budget of \$109,000. This \$12,000 negative variance is primarily due to timing differences within Internal Bus Operations in advertising cash receipts. Year-to-date other revenues through September 2004 were \$276,000 compared to the year-to-date budget of \$324,000, representing a \$48,000 negative variance.

<u>Subsidy</u>. Combined subsidy for September 2004 was \$5,703,000 compared to a \$5,667,000 budget. This represents a \$37,000 or 0.6% positive variance. Year-to-date subsidy through September 2004 was \$20,180,000 compared to a year-to-date budget of \$17,762,000. This 2,418,000 positive variance is primarily due to rail operations advancing significant Transportation Development Act subsidy in the month of July.

Expenses

Personnel Costs. Total personnel-related costs for September 2004 were \$6,933,000 compared to the budget of \$6,883,000, resulting in a \$50,000 (-0.7%) negative variance. Within rail operations, fringe-related expenses were over budget by \$57,000 primarily due to higher retirement-related expenses (PERS and PARS) compared to budget. The budgeted retirement expense percentage within this category was 2.4% while the actual percentage for fiscal year 2005 is 8.2%. As personnel-related costs within Internal Bus Operations were slightly over budget, wages were over budget by \$175,000 offset by

Operations were slightly over budget, wages were over budget by \$175,000 offset by fringe expenses under budget by \$168,000. The wage-over-budget component is primarily driven by significant overtime wages within operations and maintenance partially offset by a reduced level of regular wages. Total fringe expenses for Internal Bus Operations were under budget primarily due to health and welfare costs as well as workers' compensation expenses under budget. Year-to-date employee-related costs totaled \$20,976,000 compared to a year-to-date budgetary figure of \$20,834,000. Year-to-date personnel costs were over budget by \$142,000 (-0.7%).

Outside Services and Purchased Transportation – September 2004. Total outside services expenses totaled \$5,258,000 compared to a budgetary figure of \$5,511,000, resulting in a positive expense variance of \$253,000 (4.6%). September 2004 other outside services were \$203,000 (35.6%) under budget, primarily due to timing issues in regional telephone information services within the Contract Services operator. Purchased transportation contributed a positive variance of \$132,000 (3.2%), primarily due to lesser than anticipated demand within paratransit services. Security expenses were \$119,000 (-30.4%) over budget primarily due to additional security needed related to the continued significant ridership relating to PETCO Park. Engine repair and maintenance services and engine and transmission rebuild expenses contributed a combined positive expense variance of \$36,000 (10.1%). These expenses fluctuate throughout the year, and the year-end expectation is on target with the budget.

Outside Services and Purchased Transportation – Year-To-Date September 2004. Total outside services for the first three months of the fiscal year totaled \$15,603,000 compared to \$16,113,000, resulting in a year-to-date positive variance of \$510,000 (3.2%). Other outside services through September 2004 provided a positive variance of \$409,000 (32.7%), primarily due to legal costs, lower-than-expected other outside consulting expenses, and timing issues within the contract services operator. Legal and other outside consulting expenses typically trend lower toward the beginning of the fiscal year and generally increase by fiscal year-end. We expect this historical trend to continue in fiscal year 2005. Total purchased transportation provided a \$373,000 (3.0%) positive variance due to reduced demand within paratransit services. Year-to-date security expenses were \$329,000 (-27.7%) over budget primarily due to the continued additional ridership related to PETCO Park. Engine and transmission rebuild expenses and repair and maintenance services were a combined \$57,000 (5.4%) under budget for the fiscal year through September 2004.

Materials and Supplies. Total combined materials and supplies costs were \$775,000 for September 2004 compared to the approved budget of \$644,000, resulting in a negative expense variance of \$131,000 (-20.3%). Internal Bus Operations was over budget within this category by \$80,258 (-22.1%) primarily due to preventative maintenance purchases on the existing fleet of buses. Year-to-date materials and supplies expenses totaled \$2,416,000 compared to a budgetary figure of \$1,955,000, resulting in a negative expense variance of \$461,000 (23.6%). Purchases within rail operations comprise \$367,000 (45.7%) of this total, the majority of this variance. Historically, Rail purchases within this category have been significant in the first portion of the year and subside over the remainder of the fiscal year.

Energy – September 2004. Total energy costs were \$1,609,000 for the month compared to the budget of \$1,549,000. This negative variance of \$60,000 (-3.9%) is primarily the result of diesel fuel. Diesel fuel expense for the month aggregated \$540,000 compared to a budget of \$372,000, resulting in a \$168,000 (-45.3%) negative variance. Diesel prices for the month averaged \$1.549 per gallon compared to the budgetary rate of \$1.10 per gallon. In terms of traction power, the average cost per kilowatt-hour remained low at \$.136 resulting in a positive expense variance of \$106,000 in electricity-related expenses.

Energy – Year-To-Date September 2004. Total year-to-date energy costs were \$4,928,000 compared to the budget of \$4,731,000 resulting in a year-to-date negative variance of \$197,000 (-4.2%). Year-to-date diesel fuel expenses were over budget by \$456,000, CNG expenses were over budget by \$40,000, and electricity-related expenses were under budget by \$300,000. Year-to-date diesel prices averaged \$1.513 per gallon compared to the annual budgetary rate of \$1.10 per gallon. The CNG average price through September 2004 was \$0.984 per therm compared to a \$0.90 budget.

Attachment A-18 details the impact of diesel fuel and CNG price fluctuations on annual MTS expenditures compared to budget.

Risk Management. Risk management costs were \$337,000 for September 2004 compared to a \$467,000 budgetary figure, resulting in a positive variance of \$130,000 (27.9%). Year-to-date expenses for risk management were \$292,000 (20.9%) under budget. This relates primarily to lower liability claims costs and minimal legal costs. Risk management expenses historically trend low within the first few months of the fiscal year and fluctuate throughout the year. Expenses within the final month of the fiscal year trend significantly higher as year-end accruals ensure fiscal year expense accuracy. Fiscal year 2005 will replicate this historical trend, and the year-end budgetary total is projected to be on target.

General and Administrative. General and administrative costs were \$39,000 for the month compared to the approved budget of \$68,000. This positive expense variance of \$29,000 (42.0%) is primarily due to lower supplies expenses, lower dues and subscriptions expenses and a refund recognized in September 2004. Year-to-date general and administrative costs were \$88,000 (43.3%) under budget totaling \$115,000 through September 2004, compared to a year-to-date budget of \$203,000.

Month-End Summary. Lower ridership within Internal Bus Operations offset the continued strong performance in operating revenue within rail operations as a result of large ridership for PETCO Park and one regular season Chargers game. The net combined variance of operating revenue as a result was \$183,000 (-2.9%) under budget. Total expenses were \$176,000 (1.2%) lower than budget, primarily due to lower purchased transportation, other outside services, risk management, and general and administrative expenses offset by personnel, security, materials, and energy expenses. These results combine into an overall net subsidy negative variance of \$7,000 (-0.1%).

<u>Year-to-Date Summary</u>. Total operating revenues were slightly under budget by \$4,000, primarily due to strong performance in rail operations (\$795,000 positive variance), primarily as a result of large ridership for PETCO Park offset by lower ridership in all other bus-related operators (\$799,000 negative variance). Total expenses were \$85,000 or 0.2% less than budget. This positive variance is primarily due to lower purchased transportation, other outside services, and risk management expenses offset by security, materials and supplies, personnel, and energy expenses. These results combine into an overall net subsidy positive variance of \$81,000 (0.3%).

In projecting fiscal year 2005 results, there are several areas of concern that present themselves. Fare revenues within Internal Bus Operations are projecting lower than budget. Total personnel costs are trending higher, primarily due to significant overtime wages within Internal Bus Operations for operators and mechanics, partially offset by a reduced level of regular wages. Retirement actual expenses are greater than the budgeted retirement rate within rail operations. Security-related expenses trended higher within rail operations correlating with PETCO Park attendance. Purchased transportation expenses are trending lower than budget, primarily due to less-than-anticipated demand within this operator. Energy-related expenses for diesel and CNG are averaging prices higher than budget (see Attachment A-18 for details).

OTHER EXPENDITURES

Attachment A-1 summarizes total nonoperating other expenditures. September 2004 combined negative variance for other expenditures totaled \$13,000 or -1.8% of the total budgeted other expenditures. Taxicab Administration and the San Diego and Arizona Eastern Railway Company contributed \$7,000 and \$8,000, respectively, to the positive variance, while the General Fund was over budget by \$28,000. Total year-to-date expenses totaled \$3,018,000 compared to a year-to-date budget of \$3,100,000, resulting in a positive variance of \$82,000 (2.6%) through September 2004.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Tom Lynch, 619-557-4538, Tom.Lynch@sdmts.com

JGarde DEC9-04.39.LMARINESI 11/29/04

Attachment: A. Budget Status

SAN DIEGO METROPOLITAN TRANSIT SYSTEM 39, 12/9/04, FIN 310

COMBINED OPERATIONS TRANSIT OPERATORS NET SUBSIDY AND OTHER EXPENDITURES

	1497	MON [*]	TH STATE OF THE ST	
•	å.			%
	ACTUAL	BUDGET	VARIANCE	VARIANCE
Transit Operators' Net Subsidy				
Internal Bus Operations	4,192	3,827	(366)	-9.6%
Rail Operations	1,370	1,392	21	1.5%
Contracted Bus Operations - Fixed Route	1,985	2,182	198	9.1%
Contracted Bus Operations - Para Transit	770	886	115	13.0%
Other Operators	412	436	25_	5.7%
Total Transit Operators Net Subsidy	8,730	8,723	(7)	-0.1%
Other Expenditures				
Administrative Pass Thru	0	0	0	-
Taxicab Administration	. 76	83	7	8.3%
San Diego and Arizona Eastern	4	12	8	67.2%
Debt Service	0	. 0	0	-
General Fund	639_	611	(28)	-4.6%
Grand Total Expenditures	9,449	9,429	(20)	-0.2%

		YEAR TO	DATE	
				%
	ACTUAL	BUDGET	VARIANCE	VARIANCE
Transit Operators' Net Subsidy			•	
Internal Bus Operations	12,911	11,985	(926)	-7.7%
Rail Operations	4,025	4,433	407	9.2%
Contracted Bus Operations - Fixed Route	6,267	6,520	253	3.9%
Contracted Bus Operations - Para Transit	2,364	2,653	290	10.9%
Other Operators	1,243	1,299	57	4.4%
Total Transit Operators Net Subsidy	26,810	26,891	81	0.3%
Other Expenditures			•	
Administrative Pass Thru	344	344	0	0.0%
Taxicab Administration	225	250	24	9.7%
San Diego and Arizona Eastern	62	70	. 8	11.2%
Debt Service	-	0 .	0	-
General Fund	2,387	2,437	50	2.0%
Grand Total Expenditures	29,828	29,991	163	0.5%

COMBINED OPERATIONS

COMPARISON TO BUDGET - FY 2005 SEPTEMBER 30, 2004 (in \$000's)

				MON	TH		
	Þ	ACTUAL	В	UDGET	VAI	RIANCE	% VARIANCE
Fare Revenue	\$	6,139	\$	6,310	\$	(171)	-2.7%
Other Revenue		97		109		(12)	-11.0%
Total Operating Revenue	\$	6,236	\$	6,419	\$	(183)	-2.9%
Subsidy	-	5,704		5,667_		37_	0.7%
Total Revenue	\$	11,940	\$	12,087	\$	(147)	-1.2%
Wages	\$	4,589	\$	4,450	\$	(139)	-3.1%
Fringes		2,345		2,433		88	3.6%
Services		1,207		1,328		121	9.1%
Purchased Transportation		4,051		4,183		132	3.2%
Materials		775		644		(131)	-20.3%
Energy		1,610		1,549		(60)	-3.9%
Risk Management		337		467		130	27.8%
General and Administrative		40		. 68		29	42.6%
Vehicle/Facility Lease		13		19		6	31.6%
Total Costs	_\$_	14,966	\$	15,143	\$	176	1.2%
Total Revenue Less Total Costs	\$	(3,026)	\$	(3,056)	\$	30	-1.0%
Net Subsidy	_\$	(8,730)	\$	(8,723)	\$	(7)	-0.1%
				YEAR TO	DATE		
	A	CTUAL	В	UDGET	VA	RIANCE	% VARIANCE
Fare Revenue	\$	18,114	\$	18,071	\$	43	0.2%
Other Revenue	Ψ	276	Ψ	324	Ψ	(47)	-14.5%
Total Operating Revenue	\$	18,390	\$	18,395	ф.	(4)	0.00/
Subsidy	Φ	20,180	Ф	17,762	\$	(4)	0.0% 13.6%
Subsidy		20,100		17,702		2,418	13.0%
Total Revenue	\$	38,571	\$	36,157	\$	2,414	6.7%
Wages	\$	13,800	\$	13,490	\$	(310)	-2.3%
Fringes		7 470		7,344		400	
		7,176				168	2.3%
Services		3,340		3,477		137	2.3% 3.9%
Services Purchased Transportation		3,340 12,263		3,477 12,636		137 373	
Services Purchased Transportation Materials		3,340 12,263 2,416		3,477		137	3.9% 3.0% -23.6%
Services Purchased Transportation Materials Energy		3,340 12,263 2,416 4,928		3,477 12,636 1,955 4,731		137 373 (461) (197)	3.9% 3.0% -23.6% -4.2%
Services Purchased Transportation Materials Energy Risk Management		3,340 12,263 2,416 4,928 1,109		3,477 12,636 1,955		137 373 (461) (197) 292	3.9% 3.0% -23.6%
Services Purchased Transportation Materials Energy		3,340 12,263 2,416 4,928 1,109 115		3,477 12,636 1,955 4,731		137 373 (461) (197)	3.9% 3.0% -23.6% -4.2%
Services Purchased Transportation Materials Energy Risk Management		3,340 12,263 2,416 4,928 1,109		3,477 12,636 1,955 4,731 1,401		137 373 (461) (197) 292	3.9% 3.0% -23.6% -4.2% 20.8%
Services Purchased Transportation Materials Energy Risk Management General and Administrative	\$	3,340 12,263 2,416 4,928 1,109 115		3,477 12,636 1,955 4,731 1,401 204	* *	137 373 (461) (197) 292 88	3.9% 3.0% -23.6% -4.2% 20.8% 43.1%
Services Purchased Transportation Materials Energy Risk Management General and Administrative Vehicle/Facility Lease	\$ \$	3,340 12,263 2,416 4,928 1,109 115 53	\$ \$	3,477 12,636 1,955 4,731 1,401 204 48	\$	137 373 (461) (197) 292 88 (5)	3.9% 3.0% -23.6% -4.2% 20.8% 43.1% -10.4%

11/23/200411:00 AM

COMBINED OPERATIONS

FINANCIAL COMPARISON TO BUDGET THREE MONTHS ENDING SEPTEMBER 30, 2004

		CUR	RENT MONTH	COMPARISO	ON N	YE	AR TO DATE	COMPARISON		FULL	YEAR
FY Month:	3	ACTUAL	DUDGET	VARIANCE		4071141	DUBOST	MARIANOE		PURCET	
	<u> </u>	ACTUAL	BUDGET	VARIANCE	% VAR	ACTUAL	BUDGET	VARIANCE	% VAR	BUDGET	REMAINING
REVENUE	Passenger Fares	\$ 6,139,062	\$ 6,310,188	\$ (171,126)	-2.7%	\$ 18,114,365	\$ 18,071,032	\$ 43,333	0.2%	\$ 68,005,000	\$ 49,890,635
	Advertising	33,319	66,400	(33,081)	-49.8%	165,094	200,000	(34,906)	-17.5%	800,000	634,906
	Contracted Service Revenue		2,000	(2,000)	-	-	6,000	(6,000)	-	25,000	25,000
	Other	63,726	40,879	. 22,847	55.9%	111,039	117,637	(6,598)	-5.6%	470,550	359,511
	Total Operating Revenue	\$ 6,236,107	\$ 6,419,467	\$ (183,360)	-2.9%	\$ 18,390,497	\$ 18,394,669	\$ (4,172)	0.0%	\$ 69,300,550	\$ 50,910,053
	Subsidy	5,703,862	5,667,357	36,505	0.6%	20,180,106	17,761,937	2,418,169	13.6%	76,678,879	56,498,773
	Total Revenue	\$ 11,939,969	\$ 12,086,825	\$ (146,855)	-1.2%	\$ 38,570,603	\$ 36,156,606	\$ 2,413,997	6.7%	\$ 145,979,429	\$ 107,408,826
EXPENSES	•								•		•
	October 1					,					
	Personnel Wages	\$ 4,588,538	\$ 4,449,922	\$ (138,616)	-3.1%	\$ 13,799,617	\$ 13,489,588	\$ (310,029)	-2.3%	\$ 54,998,885	\$ 41,199,268
*	Fringes	2,345,008	2,433,411	88,403	3.6%	7,176,410	7,344,149	167,739	2.3%	29,723,877	. 22,547,467
	Total Personnel	\$ 6,933,547	\$ 6,883,333	\$ (50,213)	-0.73%	\$ 20,976,027	\$ 20,833,737	\$ (142,290)	-0.7%	\$ 84,722,762	\$ 63,746,735
	Outside Services										
	Security	\$ 512.681	\$ 393,308	\$ (119,373)	-30.4%	\$ 1,514,616	\$ 1,185,844	\$ (328,772)	-27.7%	\$ 4,810,038	\$ 3,295,422
	Repair/Maintenance Services	275,076	252,364	(22,712)	-9.0%	837,429	752,930	(84,499)	-11.2%	3,143,404	2,305,975
	Engine and Transmission Rebuild	51,163	110,333	59,170	53.6%	144,428	285,499	141,071	49.4%	1,138,800	994,372
	Other Outside Services	368,710	572,117	203,407	35.6%	843,160	1,252,412	409,252	32.7%	4,731,591	3,888,431
	Purchased Transportation Other Contracted Bus Services	4,050,786	4,183,179	132,393	3.2%	12,263,336	12,636,327	372,991	3.0%	50,357,810	38,094,474
	Total Outside Services	\$ 5,258,417	\$ 5,511,301	\$ 252,884	4.6%	\$ 15,602,969	\$ 16,113,012	\$ 510,044	3.2%	\$ 64,181,643	\$ 48,578,674
	Materials & Supplies										
	Lubricants	\$ 11,945	\$ 14,466	\$ 2,521	17.4%	\$ 32,955	\$ 44,048	\$ 11,093	25.2%	\$ 176,505	\$ 143,550
	Tires	52,667	51,201	(1,466)	-2.9%	150,688	153,602	2,914	1.9%	614,407	463,719
	Other Materials and Supplies	710,287	578,241	(132,046)	-22.8%	2,232,669	1,757,547	(475,122)	-27.0%	6,908,016	4,675,347 [.]
	Total Main. Parts and Supplies	\$ 774,899	\$ 643,908	\$ (130,991)	-20.3%	\$ 2,416,313	\$ 1,955,197	\$ (461,116)	-23.6%	\$ 7,698,928	\$ 5,282,615
	Energy										
	Diesel Fuel	\$ 540,288	\$ 371,814	\$ (168,473)	-45.3%	\$ 1,587,282	\$ 1,131,158	\$ (456,124)	-40.3%	\$ 4,534,413	\$ 2,947,131
	CNG	559,942	562,264	2,322	0.4%	1,762,578	1,722,179	(40,399)	-2.3%	6,846,672	5,084,095
	Fuel and Electricity for Facilities	509,454	615,284	105,829	<u>17.2%</u>	1,578,044	1,877,807	299,762	16.0%	7,744,021	6,165,977
	Total Energy	\$ 1,609,684	\$ 1,549,362	\$ (60,321)	-3.9%	\$ 4,927,903	\$ 4,731,143	\$ (196,760)	-4.2%	\$ 19,125,106	\$ 14,197,202
	Risk Management	\$ 336,821	\$ 467,026	\$ 130,205	27.9%	\$ 1,108,779	\$ 1,401,078	\$ 292,299	20.9%	\$ 5,762,659	\$ 4,653,880
	General and Administrative	\$ 39,632	\$ 68,369	\$ 28,737	42.0%	\$ 115,489	\$ 203,647	\$ 88,158	43.3%	\$ 848,339	\$ 732,850
	Vehicle/facility Lease	\$ 13,197	\$ 19,300	\$ 6,103	31.6%	\$ 52,788	\$ 47,900	\$ (4,888)	-10.2%	\$ 192,216	\$ 139,428
	TOTAL EXPENSES	\$ 14,966,196	\$ 15,142,599	\$ 176,404	1.2%	\$ 45,200,268	\$ 45,285,715	\$ 85,446	0.2%	\$ 182,531,652	\$ 137,331,384
	Total Revenue Less Total Costs	\$ (3,026,226)	\$ (3,055,774)	\$ 29,548	1.0%	\$ (6,629,665)	\$ (9,129,109)	\$ 2,499,444	27.4%	\$ (36,552,223)	\$ (29,922,558)
	NET SUBSIDY	\$ (8,730,088)	\$ (8,723,132)	\$ (6,957)	-0.1%	\$(26,809,771)	\$ (26,891,046)	\$ 81,275	0.3%	\$(113,231,102)	\$ (86,421,331)
4 000 1000 444.00 48	•										

INTERNAL BUS OPERATIONS (SAN DIEGO TRANSIT CORPORATION)

				MON	TH		
	Δ	CTUAL	В	UDGET		RIANCE	% VARIANCE
Fare Revenue	\$	1,904	\$	2,160	\$	(256)	-11.9%
Other Revenue		40_	.——	78		(38)	48.7%
Total Operating Revenue	\$	1,944	\$	2,238	\$	(294)	-13.1%
Subsidy	Ψ	3,827	Ψ	3,827	Ψ	(234)	0.0%
	-						
Total Revenue	\$	5,771	\$	6,065	\$	(294)	-4.8%
Wages	• \$	2,736	\$	2,562	\$	(175)	-6.8%
Fringes	•	1,915	•	2,083	•	168	8.1%
Services		277		301		23	7.6%
Purchased Transportation		- '		+		-	- .
Materials		443		363		(80)	22.0%
Energy		580		470		(110)	-23.4%
Risk Management		167		250		83	33.2%
General and Administrative		18		38		20	52.6%
Vehicle/Facility Lease		-		-			-
Total Costs	_\$_	6,136	\$	6,065	\$	(71)	1.2%
Total Revenue Less Total Costs		(366)	\$		\$	(366)	100.0%
Net Subsidy	\$	(4,192)	\$	(3,827)	\$	(366)	9.6%
		-		YEAR TO	DATE		%
	A	CTUAL	В	UDGET	VAF	RIANCE	VARIANCE
Fare Revenue	\$	5,541	\$	6,208	\$	(667)	-10.7%
Other Revenue		202		231		`(29 <u>)</u>	-12.6%
Total Operating Devenue	ø	E 742	ø	6.420	ø	(606)	10.89/
Total Operating Revenue Subsidy	\$	5,743	\$	6,439	\$	(696)	-10.8% 0.0%
Subsidy	-	11,985		11,985			0.0%
Total Revenue		17,728		18,424	\$	(696)	-3.8%
Wages	\$. 8,151	\$	7,823	\$	(328)	-4.2%
Fringes	•	6,035	•	6,287	•	252	4.0%
Services		794		905		111	12.3%
Purchased Transportation				-		-	-
Materials		1,221		1,109		(112)	-10.1%
Energy		1,779		1,437		(342)	-23.8%
Risk Management		612		750		138	18.4%
General and Administrative Vehicle/Facility Lease		61 -		113 -		52 -	46.0% -
Total Costs	\$	18,653	\$	18,424	\$	(230)	-1.2%
Total Revenue Less Total Costs	\$	(926)	\$	-	\$	(926)	100.0%
•	-						

INTERNAL BUS OPERATIONS (SAN DIEGO TRANSIT CORPORATION)

FINANCIAL COMPARISON TO BUDGET THREE MONTHS ENDING SEPTEMBER 30, 2004

		CUF	RENT MONTI	COMPARISO)N	YE	AR TO DATE	COMPARISON		FULL	YEAR
FY Month:	33	ACTUAL	BUDGET	VARIANCE	% VAR	ACTUAL	BUDGET	VARIANCE	% VAR	BUDGET	REMAINING
REVENUE	Passenger Fares Advertising Contracted Service Revenue Other	\$ 1,903,521 33,319 - 7,230	\$ 2,160,000 66,400 2,000 10,000	\$ (256,479) (33,081) (2,000) (2,770)	-11.9% -49.8% - -27.7%	\$ 5,540,570 165,094 - 37,129	\$ 6,208,000 200,000 6,000 25,000	\$ (667,430) (34,906) (6,000) 12,129	-10.8% -17.5% -48.5%	\$ 22,740,000 800,000 25,000 100,000	\$ 17,199,430 634,906 25,000 62,871
	Total Operating Revenue Subsidy	\$ 1,944,070 3,826,815	\$ 2,238,400 3,826,816	\$ (294,330) (1)	-13.1% 0.0%	\$ 5,742,793 11,984,827	\$ 6,439,000 11,984,828	\$ (696,207) (1)	-10.8% 	\$ 23,665,000 49,754,448	\$ 17,922,207. 37,769,621
	Total Revenue	\$ 5,770,885	\$ 6,065,216	\$ (294,331)	-4.9%	\$ 17,727,620	\$ 18,423,828	\$ (696,208)	-3.8%	\$ 73,419,448	\$ 55,691,828
EXPENSES											
	<u>Personnel</u> Wages Fringes	\$ 2,736,328 1,914,532	\$ 2,561,516 2,082,708	\$ (174,812) 168,176	-6.8% 8.1%	\$ 8,151,143 6,034,998	\$ 7,823,141 6,287,229	\$ (328,002) 252,231	-4.2% -4.0%	\$ 31,260,250 25,206,202	\$ 23,109,107 19,171,204
	Total Personnel	\$ 4,650,860	\$ 4,644,224	\$ (6,636)	-0.1%	\$ 14,186,142	\$ 14,110,370	\$ (75,772)	-0.5%	\$ 56,466,452	\$ 42,280,310
	Outside Services Security Repair/Maintenance Services Engine and Transmission Rebuild Other Outside Services Purchased Transportation	\$ 73,111 51,948 26,665 125,650	\$ 84,141 47,310 53,233 115,998	\$ 11,030 (4,638) 26,568 (9,652)	13.1% -9.8% 49.9% -8.3%	\$ 233,364 124,179 98,085 338,532	\$ 252,423 144,568 159,699 347,995	\$ 19,059 20,389 61,614 9,463	7.6% 14.1% 38.6% 2.7%	\$ 1,009,688 574,345 638,800 1,391,977	\$ 776,324 450,166 540,715 1,053,445
	Other Contracted Bus Services				7.00	704450					A 0.000.054
	Total Outside Services Materials & Supplies Lubricants	\$ 277,374 \$ 11,822	\$ 300,682 \$ 9,908	\$ 23,308 \$ (1,914)	7.8% -19.3%	\$ 794,159 \$ 32,832	\$ 904,685 \$ 30,374	\$ 110,526 \$ (2,458)	12.2% -8.1%	\$ 3,614,810 \$ 120,530	\$ 2,820,651 \$ 87,698
	Tires Other Materials and Supplies	47,302 384,155	49,034 304,078	1,732 (80,077)	3.5% 26.3%	145,223 1,043,352	147,102 931,700	1,879 (111,652)	1.3% -12.0%	588,407 3,471,966	443,184 2,428,614
	Total Main. Parts and Supplies	\$ 443,278	\$ 363,020	\$ (80,258)	-22.1%	\$ 1,221,407	\$ 1,109,176	\$ (112,231)	-10.1%	\$ 4,180,903	\$ 2,959,496
	Energy Diesel Fuel CNG Fuel and Electricity for Facilities	\$ 262,344 277,260 40,285	\$ 148,564 275,271 45,783	\$ (113,780) (1,989) 5,498	-76.6% -0.7% 12.0%	\$ 759,258 889,064 130,733	\$ 455,336 843,897 137,349	\$ (303,922) (45,167) 6,616	-66.7% -5.4% 4.8%	\$ 1,807,061 3,348,798 549,400	\$ 1,047,803 2,459,734 418,667
	Total Energy	\$ 579,889	\$ 469,618	\$ (110,271)	-23.5%	\$ 1,779,054	\$ 1,436,582	\$ (342,472)	-23.8%	\$ 5,705,259	\$ 3,926,205
	Risk Management	\$ 167,375	\$ 249,900	\$ 82,525	33.0%	\$ 611,616	\$ 749,700	\$ 138,084	18.4%	\$ 2,998,798	\$ 2,387,182
	General and Administrative	\$ 17,679	\$ 37,771	\$ 20,092	53.2%	\$ 60,989	\$ 113,313	\$ 52,324	46.2%	\$ 453,226	\$ 392,237
	Vehicle/facility Lease	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	-	\$ -	\$ -
	TOTAL EXPENSES	\$ 6,136,456	\$ 6,065,215	\$ (71,241)	1.2%	\$ 18,653,367	\$ 18,423,826	\$ (229,541)	1.2%	\$ 73,419,448	\$ 54,766,081
	Total Revenue Less Total Costs	\$ (365,571)		\$ (365,572)		.\$ (925,748)	\$ 2	\$ (925,750)	#######	\$ -	\$ 925,748
	NET SUBSIDY	\$ (4,192,386)	\$ (3,826,815)	\$ (365,571)	-9.6%	\$ (12,910,575)	\$ (11,984,826)	\$ (925,750)	-7.7%	\$ (49,754,448)	\$ (36,843,873)

RAIL OPERATIONS CONSOLIDATED (SAN DIEGO TROLLEY INCORPORATED)

				MON	TH		
	Α	CTUAL	В	UDGET	VA	RIANCE	% VARIANCE
Fare Revenue	\$	2,384	\$	2,269	\$	115	5.1%
Other Revenue	•	56	· ·	31		26	83.9%
Total Operating Revenue	\$	2,440	\$	2,300	\$	141	6.1%
Subsidy		1,495	· <u> </u>	1,415		80	5.7%
Total Revenue	\$	3,935	\$	3,714	\$	221	6.0%
Wages	\$	1,654	\$	1,684	\$	30	1.8%
Fringes	Ť	412	Ť	325	Ť	(87)	-26.8%
Services		793		635		(158)	-24.9%
Purchased Transportation		-		-			-
Materials		320		267		(53)	-19.9%
Energy		483		578		95	16.4%
Risk Management		132		178		46	25.8%
General and Administrative Vehicle/Facility Lease		17 		25 		- -	32.0%
Total Costs	\$	3,811	\$	3,691	\$	· (119)	-3.2%
Total Revenue Less Total Costs	\$	125	\$	23	\$	101	439.1%
Net Subsidy	\$	(1,370)	\$	(1,392)	\$	21	-1.5%
						-	
				YEAR TO	DATE		%
	A	CTUAL	В	UDGET	VA	RIANCE	VARIANCE
Fare Revenue	\$	7,339	\$	6,526	\$	813	12.5%
Other Revenue		74		93		(18)	-19.4%
Total Operating Revenue	\$	7,413	\$	6,619	\$	795	12.0%
Subsidy		7,001	·	4,510		2,491	55.2%
Total Revenue	\$	14,414	\$	11,129	\$	3,285	29.5%
Wages	\$	5,058	\$	5,045	\$	(12)	-0.2%
Fringes		1,079	•	979	•	(99)	-10.1%
Services		2,197		1,846	*	(351)	-19.0%
Purchased Transportation		-		-		-	-
Materials		1,171		804		(367)	-45.6%
Energy		1,492		1,767		275	15.6%
Risk Management		403		534		132	24.7%
General and Administrative Vehicle/Facility Lease		40 -		76 		36 	47.4%
Total Costs	\$	11,439	\$	11,052	\$	(387)	-3.5%
Total Revenue Less Total Costs	\$	2,975	\$	77	\$	2,898	3763.6%
Net Subsidy	\$	(4,025)	\$	(4,433)	\$	407	-9.2%

RAIL OPERATIONS CONSOLIDATED (SAN DIEGO TROLLEY INCORPORATED)

FINANCIAL COMPARISON TO BUDGET THREE MONTHS ENDING SEPTEMBER 30, 2004

			CURF	EN	T MONTH	co	MPARISO	N		YE	AR	TO DATE (CON	IPARISON			FULL	ΥE	AR
FY Month:	<u>33</u>		ACTUAL	ı	BUDGET	v	ARIANCE	% VAR		ACTUAL		BUDGET		VARIANCE	% VAR		BUDGET	F	REMAINING
REVENUE																			
	Passenger Fares Advertising	\$	2,383,695	\$	2,268,775	\$	114,920	5.1%	\$	7,339,403	. \$	6,526,100	\$	813,303	12.5%	\$	24,500,000	\$	17,160,597
	Contracted Service Revenue	•						-		-				-	-		-		-
	Other		56,496	_	30,879	_	25,617	83.0%		73,909		92,637	_	(18,728)	-20.2%	-	370,550	_	296,641
	Total Operating Revenue	\$	2,440,191	\$	2,299,654	\$	140,537	6.1%	\$	7,413,312	\$	6,618,737	\$	794,575	12.0%	\$	24,870,550	\$	17,457,238
	Subsidy		1,495,020		1,414,771		80,249	5.7%		7,000,716		4,510,102		2,490,614	55.2%		21,261,175	_	14,260,459
	Total Revenue	٠\$	3,935,211	\$	3,714,425	\$	220,786	5.9%	\$	14,414,028	\$	11,128,839	\$	3,285,189	29.5%	\$	46,131,725	\$	31,717,697
EXPENSES																			
	Personnel								`										
	Wages	\$	1,653,857	\$	1,683,720	\$	29,863	1.8%	\$	5,057,817	\$.,	\$	(12,368)	-0.2%	\$	21,227,675	\$	16,169,858
	Fringes		411,809		324,870		(86,939)	-26.8%	_	1,078,816		979,420	_	(99,396)	10.1%_	_	4,207,675	_	3,128,859
	Total Personnel	\$	2,065,666	\$	2,008,590	\$	(57,076)	-2.8%	\$	6,136,633	\$	6,024,869	\$	(111,764)	-1.9%	\$	25,435,350	\$	19,298,717
	Outside Services																		
	Security Repair/Maintenance Services	\$	438,486 207,323	\$	299,867 190,754	\$	(138,619) (16,569)	-46.2% -8.7%	\$	1,278,266 676,224	\$	920,121 572,262	\$	(358,145) (103,962)	-38.9% -18.2%	\$	3,745,350 2,391,475	\$	2,467,084 1,715,251
	Engine and Transmission Rebuild		-		150,754		(10,505)	-0.770		-		-		(100,302)	-10.270		2,001,470		1,710,201
	Other Outside Services Purchased Transportation		146,853		144,169		(2,684)	-1.9%		242,305		353,257		110,952	31.4%		1,350,475		1,108,170
	Other Contracted Bus Services		-		-		-	-		-	•	-		-	-				-
	Total Outside Consisse		700.000	_	004.700	_	(457.070)		_	0.400.700		4.045.040	_	(054.450)	40.00		7 407 000	_	
	Total Outside Services	\$	792,662	\$	634,790	\$	(157,872)	-24.9%	.\$	2,196,796 .	\$	1,845,640	\$	(351,156)	-19.0%	\$	7,487,300	\$	5,290,504
	Materials & Supplies								_										
	Lubricants Tìres	\$	123	\$	3,558	\$	3,435	96.5%	\$	123	\$	10,674	\$	10,551	98.8%	\$	43,975	\$	43,852
	Other Materials and Supplies		320,162		263,330		(56,832)	-21.6%		1,171,216	_	793,347	_	(377,869)	47.6%	_	3,306,050		2,134,834
	Total Main. Parts and Supplies	\$	320,285	\$	266,888	\$	(53,397)	-20.0%	\$	1,171,339	\$	804,021	\$	(367,318)	-45.7%	\$	3,350,025	\$	2,178,686
	Energy																		
	Diesel Fuel	\$	26,158	\$	23,385	\$	(2,773)	-11.9%	\$	77,186	\$	70,537	\$	(6,649)	-9.4%	\$	281,575	\$	204,389
•	CNG Fuel and Electricity for Facilities	•	456,495		554,313		97,818	- 17.6%		1,414,681		1,696,545		281,864	- 16.6%		7,028,325		5,613,644
	Total Energy	\$	482,653	\$	577,698	\$	95,045	16.5%	\$	1,491,868	\$	1,767,082	\$	275,214	15.6%	\$		\$	5,818,032
	Risk Management	\$	132,008	\$	178,048	\$	46,040	25.9%	\$	402,587	\$	534,144	\$	131,557	24.6%	, \$	2,232,225	\$	1,829,638
	General and Administrative	\$	17,330	\$	25,281	\$	7,951	31.5%	\$	39,589	\$	75,843	\$	36,254	47.8%	\$	316,925	\$	277,336
	Vehicle/facility Lease	\$	•	\$	-	\$	•	-	\$	-	\$	-	\$	-	-	\$	-	\$	-
	TOTAL EXPENSES	\$	3,810,603	\$	3,691,295	_\$_	(119,308)	3:2%	\$	11,438,812	\$	11,051,599	\$	(387,213)	-3.5%	\$	46,131,725	\$	34,692,913
	Total Revenue Less Total Costs	\$	124,608	<u>\$</u>	23,130	\$	101,478	438.7%_	\$	2,975,216	\$	77,240	\$	2,897,976	-3751.9%	\$	·	\$	(2,975,216)
	NET SUBSIDY	\$	(1,370,412)		(1,391,641)	\$	21,229	1.5%	<u>\$</u>	(4,025,500)	_\$_	(4,432,862)	\$	407,362	9.2%	<u>\$</u>	(21,261,175)	\$	(17,235,675)

CONTRACT SERVICES - FIXED ROUTE

				MON	TH		
•	A	CTUAL	В	UDGET	VAF	RIANCE	% VARIANCE
Fare Revenue Other Revenue	\$	1,377 -	\$	1,386	\$	(9)	-0.6%
Total Operating Revenue Subsidy	\$	1,377	.\$	1,386 -	\$	(9)	-0.6%
Total Revenue	\$	1,377	\$	1,386	\$	(9)	-0.6%
Wages Fringes	\$	31 [°]	\$	36	\$	5	13.9%
Services Purchased Transportation Materials		57 2,880 -		245 2,930 -		188 50 -	76.7% 1.7% -
Energy Risk Management		393 -		351 -		(42) -	-12.0%
General and Administrative Vehicle/Facility Lease	. —	1	•	1 5		5	0.0%
Total Costs	\$	3,362	\$	3,568	\$	206	5.8%
Total Revenue Less Total Costs	\$	(1,985)	\$	(2,182)	\$	198	9.1%
Net Subsidy	_ \$	(1,985)	\$	(2,182)	\$	198	9.1%
				YEAR TO	DATE		9/6
	<u> </u>	CTUAL	B	YEAR TO		RIANCE	% VARIANCE
Fare Revenue Other Revenue	\$	3,926	B \$			(28)	
				UDGET	VAF	(28)	VARIANCE
Other Revenue Total Operating Revenue	\$	3,926 	\$	UDGET 3,954	VAF	(28)	-0.7%
Other Revenue Total Operating Revenue Subsidy	\$ 	3,926	\$ 	3,954 3,954	\$ \$ 	(28)	-0.7% -0.7% -0.7%
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation	\$ \$ \$	3,926 3,926 - 3,926	\$ 	3,954 	VAF \$ \$	(28) (28) - (28)	-0.7% -0.7% -0.7%
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation Materials Energy Risk Management	\$ \$ \$	3,926 3,926 	\$ 	3,954 	VAF \$ \$	(28)	-0.7% -0.7% -0.7% -0.7% -12.8% -1.4% -10.8%
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation Materials Energy	\$ \$ \$	3,926 3,926 	\$ 	3,954 	VAF \$ \$	(28) - (28) - (28) 14 - 251 126	-0.7% -0.7% -0.7% -0.7% -12.8% - 61.7% 1.4%
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation Materials Energy Risk Management General and Administrative	\$ \$ \$	3,926 3,926 	\$ 	3,954 	VAF \$ \$	(28)	-0.7% -0.7% -0.7% -0.7% -12.8% -1.4% -10.8%
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation Materials Energy Risk Management General and Administrative Vehicle/Facility Lease	\$ \$ \$	3,926 3,926 3,926 95 - 154 8,752 - 1,189 - 3	\$ \$ \$	3,954 	\$ \$ \$	(28) - (28) - (28) - (28) - (28) - (14) - 251 126 - (116) - 1 5	-0.7% -0.7% -0.7% -12.8% -1.4% -10.8% -33.3%

CONTRACT SERVICES - FIXED ROUTE

FINANCIAL COMPARISON TO BUDGET THREE MONTHS ENDING SEPTEMBER 30, 2004

			CURI	REN1	MONTH	со	MPARISO	N		YE	AR	TO DATE (COM	PARISON			FULL	YΕ	AR
FY Month:		AC	TUAL	В	UDGET	V	ARIANCE	% VAR		ACTUAL		BUDGET	V	ARIANCE	% VAR		BUDGET	R	REMAINING
REVENUE	Passenger Fares Advertising Contracted Service Revenue	\$ 1,	377,411	\$	1,386,000	\$	(8,589)	-0.6% -	\$	3,925,551	\$	3,954,000	\$	(28,449)	-0.7% -	\$	15,200,000	\$	11,274,449 - -
	Other			-	<u> </u>	_					_					_		_	-
	Total Operating Revenue Subsidy	\$ 1,	377,411	<u> </u>	1,386,000	\$	(8,589)	-0.6% 		3,925,551	\$	3,954,000	\$	(28,449)	-0.7% 		15,200,000	\$	11,274,449
EXPENSES	, Total Revenue	\$ 1,	377,411	\$	1,386,000	\$	(8,589)	-0.6%	\$	3,925,551	\$	3,954,000	\$	(28,449)	-0.7%	\$	15,200,000	\$	11,274,449
LAFLINGES	Personnel																		
	Wages Fringes	\$ 	31,000	\$	36,050	\$	5,050 	14.0%	\$	94,600	\$	108,850	\$	14,250	13.1%	\$	438,000	\$	343,400
,	Total Personnel	\$	31,000	\$	36,050	\$	5,050	14.0%	\$	94,600	\$	108,850	\$	14,250	13.1%	\$	438,000	\$,343,400
	Outside Services Security Repair/Maintenance Services Engine and Transmission Rebuild Other Outside Services Purchased Transportation Other Contracted Bus Services	\$ 2,8	1,084 - 24,498 31,270 879,834	\$	4,800 32,100 208,050 2,930,201	\$	3,716 - 7,602 176,780 50,367	77.4% - 23.7% 85.0% 1.7%	\$	2,986 46,343 105,086 8,751,956	\$	8,800 - 95,800 301,700 8,877,489	\$.	5,814 49,457 196,614 125,533	66.1% - 51.6% 65.2% 1.4%	\$	45,000 - 387,000 758,200 35,407,000	\$	42,014 - 340,657 653,114 26,655,044
•	Total Outside Services	\$ 2,9	936,686	\$	3,175,151	\$	238,465	7.5%	\$	8,906,371	\$	9,283,789	\$	377,418	4.1%	\$	36,597,200	\$	27,690,829
	Materials & Supplies Lubricants Tires Other Materials and Supplies	\$	-	\$		\$	<u>.</u>	<u> </u>	\$	- - -	\$	- -	\$		-	\$	-	\$	-
	Total Main. Parts and Supplies	. \$	-	\$	·-	\$	-	-	\$	- ,	\$	· -	\$	-	-	\$	• .	\$	
	Energy Diesel Fuel CNG Fuel and Electricity for Facilities		149,802 243,597 	\$ 	106,422 244,656	\$	(43,380) 1,059	-40.8% 0.4%	\$	442,767 745,998	\$	324,427 748,569	\$	(118,340) 2,571	-36.5% 0.3% 	\$	1,294,800 2,968,000	\$	852,033 2,222,002
	Total Energy	\$:	393,399	\$	351,078	\$	(42,321)	-12.1%	\$	1,188,765	\$	1,072,997	\$	(115,768)	-10.8%	\$	4,262,800	\$	3,074,035
	Risk Management	\$	-	\$	-	\$	-		\$	-	\$		\$	-	-	\$	-	\$	-
	General and Administrative Vehicle/facility Lease	\$ \$	1,000	\$ \$	1,075 5,000	\$ \$	75 5`000	7.0%	\$ \$	2,638	\$ \$	3,475	\$ \$	837	24.1%	\$ \$	14,200	\$	11,562
	TOTAL EXPENSES	•	362,085		3,568,354	\$ \$	5,000 206,269	5.8%		- 10,192,374		5,000 10,474,111	\$ \$	5,000 281,737	2.7%	•	20,000 41,332,200	\$ \$	20,000 31,139,826
	Total Revenue Less Total Costs		984,674)		2,182,354)	\$	197,680	9.1%		(6,266,823)		(6,520,111)	\$	253,288	3.9%		(26,132,200)		(19,865,377)
	NET SUBSIDY	\$ (1,9	984,674)	\$ (2,182,354)	\$	197,680	9.1%	\$	(6,266,823)	\$	(6,520,111)	\$	253,288	3.9%	\$	(26,132,200)	\$	(19,865,377)

CONTRACT SERVICES - PARATRANSIT

				MON	TH		
		OTILAL	Di			IANOE	% ************************************
·	A	CTUAL	В	JDGET	VAR	IANCE	VARIANCE
Fare Revenue Other Revenue	\$	137 -	\$	124 (1)	\$	13 -	10.5%
Total Operating Revenue Subsidy	\$	137 -	\$	124 	\$	13	10.5%
Total Revenue	\$	137	\$	124	\$	13	10.5%
Wages Fringes	\$	16 -	\$	23	\$	7	30.4%
Services Purchased Transportation Materials		38 761		65 825		28 63	43.1% 7.6%
Energy Risk Management		79 -		72 · 9	•	(7) 9	-9.7% -
General and Administrative Vehicle/Facility Lease		13		14		1	7.1%
Total Costs	\$	907	\$	1,009	\$	102	10.1%
Total Revenue Less Total Costs	\$	(770)	\$	(886)	\$	115	13.0%
Net Subsidy	\$.	(770)	. \$	(886)	\$	115	13.0%
				YEAR TO	DATE		
	A	CTUAL	ВІ	YEAR TO		RIANCE	% VARIANCE
Fare Revenue Other Revenue	A(368	Bl \$			8 IANCE 6	
		•		JDGET	VAR		VARIANCE
Other Revenue Total Operating Revenue	\$	368	\$	363 - 363	VAF	6	1.7%
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages	\$	368 368 	\$ 	363 - .363 -	VAF \$	6	1.7%
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation	\$ \$	368 - 368 - 368	\$ \$ 	363 - 363 - 363	\$ \$ \$	6 - 6	1.7% 1.7% 1.7% 1.7%
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services	\$ \$	368 - 368 - 368 - 57 - 86	\$ \$ 	363 - 363 - 363 - 363 - 69 - 155	\$ \$ \$	6 6 12 - 70	1.7% 1.7% 1.7% 1.7% 45.2% 8.1% -8.7%
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation Materials Energy	\$ \$	368 - 368 - 368 57 - 86 2,298	\$ \$ 	363 - 363 - 363 - 363 - 155 2,501 - 219	\$ \$ \$	6 	1.7% 1.7% 1.7% 1.7% 45.2% 8.1%
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation Materials Energy Risk Management General and Administrative	\$ \$	368 - 368 - 368 57 - 86 2,298 - 238 -	\$ \$ 	363 - 363 - 363 - 363 - 155 2,501 - 219 27 1	\$ \$ \$	6 	1.7% 1.7% 1.7% 1.7% 17.4% 45.2% 8.1% -8.7% -100.0%
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation Materials Energy Risk Management General and Administrative Vehicle/Facility Lease	\$ \$ \$	368 - 368 - 368 57 - 86 2,298 - 238 - 1 53	\$ \$ \$	363 - 363 - 363 - 363 - 363 - 155 2,501 - 219 27 1 43	\$ \$ \$	6 	1.7% 1.7% 1.7% 1.7% 1.7% 45.2% 8.1% -8.7% 100.0% -23.3%

CONTRACT SERVICES - PARATRANSIT

FINANCIAL COMPARISON TO BUDGET THREE MONTHS ENDING SEPTEMBER 30, 2004

		CUF	REN	NT MONTH	ICO	MPARISC	N		YI	EAR	TO DATE	COM	PARISON			FULL	YE/	AR
FY Month:	334	ACTUAL		BUDGET	V	ARIANCE	% VAR		ACTUAL		BUDGET	, v	ARIANCE	% VAR		BUDGET	R	REMAINING
REVENUE																		
	Passenger Fares Advertising	\$ 136,789	\$	123,500	\$	13,289	10.8%	\$	368,422	\$	362,700	\$	5,722	1.6%	\$	1,640,000	\$	1,271,578
	Contracted Service Revenue	-		-		-	-		-		-		-	-		-		-
	Other	-		-	_	<u> </u>	<u> </u>				-					<u> </u>		
	Total Operating Revenue Subsidy	\$ 136,789 -	\$	123,500	\$	13,289	10.8%		368,422	\$	362,700	\$	5,722	1.6%	\$	1,640,000	\$	1,271,578
	Total Revenue	\$ 136,789	\$	123,500	\$	13,289	10.8%	\$	368,422	\$	362,700	\$	5,722	1.6%	\$	1,640,000	\$	1,271,578
EXPENSES	3																	
	Personnel																	
	Wages	\$ 16,000	\$	23,000	\$	7,000	30.4%	9	57,000	\$	69,100	\$	12,100	17.5%	\$	276,900	\$	219,900
	Fringes	-		-	_		<u> </u>	-					-			-		
	Total Personnel	\$ 16,000	\$	23,000	\$.	7,000	30.4%	9	57,000	\$	69,100	\$	12,100	17.5%	\$	276,900	\$	219,900
	Outside Services																	
	Security	\$ -	\$	-	\$	-	•	9	-	\$	-	\$	-	-	\$	-	\$	-
	Repair/Maintenance Services	-		-		-	-		-		-		-	-		-		-
	Engine and Transmission Rebuild Other Outside Services	37,399		65,600		28,201	43.0%		86,142		155,600		69,458	44.6%		561,500		475,358
	Purchased Transportation	761,499		824,637		63,138	7.7%		2,297,575		2,500,818		203,243	8.1%		9,933,063		7,635,488
,	Other Contracted Bus Services							_	<u> </u>	_							_	-
	Total Outside Services	\$ 798,898	\$	890,237	\$	91,339	10.3%	\$	2,383,717	.\$	2,656,418	\$	272,701	10.3%	\$	10,494,563	\$	8,110,846
	Materials & Supplies																	
	Lubricants	\$ -	\$		\$	-	-	9	-	\$	-	\$	-	-	\$		\$	-
	Tires	-		-		•	-		-		-		-	-		-		-
	Other Materials and Supplies							_							_	-	_	
	Total Main. Parts and Supplies	\$ -	\$	-	\$	-	-	. \$	-	\$	-	\$	-	-	\$	٠-	\$	-
	Energy																	
	Diesel Fuel	\$ 79,027	\$	72,135	\$	(6,892)	- 9 .6%	\$	237,816	\$	219,132	\$	(18,684)	-8.5%	\$	870,501	\$	632,685
	CNG Fuel and Electricity for Facilities	-		-		-			•		•		-	-		•		-
	r del and Electricity for Facilities		_		_										_			
	Total Energy	\$ 79,027	\$	72,135	\$	(6,892)	-9.6%	\$	237,816	\$	219,132	. \$	(18,684)	-8.5%	\$	870,501	\$	632,685
	Risk Management	\$ -	\$	9,078	\$	9,078	-	\$	-	\$	27,234	\$	27,234	-	\$	108,936	\$	108,936
	General and Administrative	\$ 125	\$	375	\$	250	66.7%	\$	644	\$	1,375	\$	731	53.2%	\$	5,800	\$	5,156
	Vehicle/facility Lease	\$ 13,197	\$	14,300	\$	1,103	7.7%	\$	52,788	\$	42,900	\$	(9,888)	-23.0%	\$	172,200	\$	119,412
	TOTAL EXPENSES	\$ 907,247		1,009,125	_\$_	101,878	10.1%		2,731,965		3,016,159	\$	284,194	9.4%	\$	11,928,899	\$	9,196,934
	Total Revenue Less Total Costs	\$ (770,458)	\$	(885,625)	\$	115,166	13.0%		(2,363,543)	\$	(2,653,459)	\$	289,916	10.9%		(10,288,899)		(7,925,356)
	NET SUBSIDY	\$ (770,458)	\$	(885,625)	\$	115,166	13.0%	\$	(2,363,543)	\$	(2,653,459)	\$	289,916	10.9%	\$	(10,288,899)	\$	(7,925,356)

CHULA VISTA TRANSIT - CONSOLIDATED TRANSIT

•				MON	ĪΉ		12.0
	· A	CTUAL	В	JDGET	VAF	RIANCE	% VARIANCE
Fare Revenue Other Revenue	\$	226	\$	257	\$	(31)	-12.1%
Total Operating Revenue Subsidy	\$	226 283	\$	257 326	\$.	(31) (44)	-12.1% -13.5%
Total Revenue	\$	509	\$	584	\$	(75)	-12.8%
Wages Fringes	\$	57	\$	52	\$	(5)	-9.6%
Services Purchased Transportation		15 399		52 417		35 19	67.3% 4.6%
Materials Energy Risk Management		- 61 -		61		1	1.6%
General and Administrative Vehicle/Facility Lease		3		2		(1) -	-50.0%
Total Costs	\$	535	\$	584	\$	49_	8.4%
Total Revenue Less Total Costs	\$	(25)	\$. •	\$	(25)	100.0%
Net Subsidy		(308)	\$	(326)	\$	18	5.5%
				YEAR TO	DATE		%
	A	CTUAL	В	JDGET	VAI	RIANCE	VARIANCE
Fare Revenue Other Revenue	\$	619 	\$	676 	\$	(57)	-8.4%
Total Operating Revenue Subsidy	\$	619 912	\$	676 985	\$	(57) (72)	-8.4% -7.3%
Total Revenue	\$	1,532	\$	1,661	\$	(130)	-7.8%
Wages Fringes	\$	163	\$	161	\$	(2)	-1.2% -
Services Purchased Transportation Materials		39 1,181		88 1,225		49 44 -	55.7% 3.6%
Energy Risk Management		190		183 -		(8)	-4.4% -
General and Administrative Vehicle/Facility Lease	 	6		. 5 		(1) 	-20.0%
Total Costs	\$	1,579	\$	1,661	\$	82	4.9%
Total Revenue Less Total Costs	\$	(47)	\$. •	\$	(47)	100.0%
Net Subsidy	\$	(960)	\$	(985)	\$	25	2.5%

CHULA VISTA TRANSIT - CONSOLIDATED TRANSIT

FINANCIAL COMPARISON TO BUDGET THREE MONTHS ENDING SEPTEMBER 30, 2004

			CUR	REN	T MONTH	COI	VIPARISO	N		YE	AR	TO DATE (COM	PARISON			FULL	YEA	IR
	Hallomania												.,		0/ 1/AD		BUDGET		EMAINING
FY Month:	3	,	ACTUAL	t	BUDGET	VA	RIANCE	% VAR		ACTUAL	,	BUDGET	V	ARIANCE	% VAR		BUDGET	ĸ	EMAINING
REVENUE	Passenger Fares Advertising Contracted Service Revenue Other	\$	226,475 - -	\$	257,330 - -	\$	(30,855) - -	-12.0% - -	\$	619,391	\$.	676,482 - - -	\$	(57,091)	-8.4% - - -	. \$	2,550,000	\$	1,930,609 - - -
	Total Operating Revenue Subsidy	\$	226,475 282,627	\$	257,330 326,370	\$	(30,855) (43,743)	-12.0% -13.4%	\$	619,391 912,162	\$	676,482 984,606	\$	(57,091) (72,444)	-8.4% -7.4%	\$	2,550,000 4,283,240	\$	1,930,609 3,371,078
	Total Revenue	\$	509,102	\$	583,700	\$	(74,598)	-12.8%	\$	1,531,553	\$	1,661,088	\$	(129,535)	-7.8%	\$	6,833,240	\$	5,301,687
EXPENSES																			
	<u>Personnel</u> Wages Fringes	\$	56,971 -	\$	51,636	\$	(5,335)	-10.3% 	\$	163,259	\$	161,048	\$	(2,211)	-1.4%	\$	668,060	\$	504,801
	Total Personnel	\$	56,971	\$	51,636	\$	(5,335)	-10.3%	\$	163,259	\$	161,048	\$	(2,211)	-1.4%	. \$	668,060	\$	504,801
	Outside Services Security Repair/Maintenance Services Engine and Transmission Rebuild Other Outside Services Purchased Transportation Other Contracted Bus Services	\$	9,893 - 5,736 398,526	\$	7,900 25,000 18,300 417,414	\$	(1,993) 25,000 12,564 18,888	-25.2% -68.7% 4.5%	\$	26,464 - 12,541 1,181,024	\$	23,700 30,000 33,860 1,225,240	\$	(2,764) 30,000 21,319 44,216	-11.7% - 63.0% 3.6%	\$	107,584 113,000 191,439 4,886,623	\$	81,120 113,000 178,898 3,705,599
	Total Outside Services	\$	414,155	\$	468,614	\$	54,459	11.6%	\$	1,220,029	\$	1,312,800	\$	92,771	7.1%	\$	5,298,646	\$	4,078,617
	Materials & Supplies Lubricants Tires Other Materials and Supplies Total Main. Parts and Supplies	\$ 	-	\$ 	<u>:</u> 	\$ 	- - -	-	\$ 	<u>.</u>	\$ 	- - - -	\$ 	· -	<u>:</u> 	\$ 		\$ 	- - - -
		Ψ		Ψ		v			•		•					•		•	
	Energy Diesel Fuel CNG Fuel and Electricity for Facilities	\$	10,854 39,085 10,617	\$	7,100 42,150 12,000	\$	(3,754) 3,065 1,383	-52.9% 7.3% 11.5%	. \$	33,959 127,516 28,697	\$	19,100 129,150 34,350	\$	(14,859) 1,634 5,653	-77.8% 1.3% 16.5%	\$	109,976 527,624 128,046	\$	76,017 400,108 99,349
	Total Energy	\$	60,556	\$	61,250	\$	694	1.1%	\$	190,172	\$	182,600	\$	(7,572)	-4.1%	\$	765,646	\$	575,474
	Risk Management	, \$	-	\$	-	\$	-	-	\$	•	\$, -	\$	•	-	\$	62,700	\$	62,700
•	General and Administrative	\$	2,869	\$	2,200	\$	(669)	-30.4%	\$	5,590	\$	4,640	\$	(950)	-20.5%	\$	38,188	\$	32,598
	Vehicle/facility Lease	\$	-	\$	-	\$	-	•	\$	÷	\$	-	\$.	-	-	\$	-	\$	-
	TOTAL EXPENSES	\$	534,551		583,700	\$	49,149	8.4%		1,579,050	_\$_	1,661,088	\$	82,038	4.9%		6,833,240	\$	5,254,190
	Total Revenue Less Total Costs	<u>\$</u>	(25,449)	\$	•		(25,449)	-	· <u>\$</u>	(47,497)	\$	-	\$	(47,497)			•		47,497
	NET SUBSIDY	\$	(308,076)	\$	(326,370)	\$	18,294	5.6%	\$	(959,659)	\$	(984,606)	\$	24,947	2.5%	\$	(4,283,240)	\$	(3,323,581)

NATIONAL CITY TRANSIT

				TH			
•	AC	TUAL	BU	IDGET	VAR	ANCE	% VARIANCE
Fare Revenue	\$	111	\$	115	\$	(3)	-2.6%
Other Revenue		-				-	
Total Operating Revenue	\$	111	\$	115	\$	(3)	-2.6%
Subsidy		99_		99_			0.0%
Total Revenue	. \$	211	\$	214	\$	(3)	-1.4%
Wages	\$	94	\$	94	\$	-	0.0%
Fringes		19		26		7	26.9%
Services		28		31		3	9.7%
Purchased Transportation		-				-	-
Materials		11		14		3	21.4%
Energy		14		18		3	16.7%
Risk Management		37		30		(7)	-23.3%
General and Administrative Vehicle/Facility Lease	•	- 1		2		1 -	50.0%
Total Costs	\$	204	\$	214	\$	10	4.7%
Total Revenue Less Total Costs	\$	6	\$		\$	6	100.0%
Net Subsidy	\$	(93)	\$	(99)	\$	6	6.1%
		(30)					S Surface Control of the Control of
		TUAL		IDGET		IANCE	% VARIANCE
	AC	TOAL	ь	DGE I	VAR	ANCE	VARIANCE
Fare Revenue Other Revenue	\$	321	\$. 344	\$	(23)	-6.7% -
	<u> </u>	204	<u> </u>		•	-	6.79/
Total Operating Revenue	\$	321	\$	344	\$	(23)	-6.7%
Subsidy		282		282		-	0.0%
Total Revenue	\$	603	\$	626	\$	(23)	-3.7%
Wages	\$	276	\$	282	\$.	6	2.1%
Fringes		63		78		15	19.2%
Services		69		- 77		8	10.4%
Purchased Transportation		-		-		-	-
Materials		24		42		18	42.9%
Energy		40		53		13	24.5%
Risk Management		95		90		(5)	-5.6%
General and Administrative Vehicle/Facility Lease		- 6		5 -		(1) -	-20.0% -
Total Costs	\$	572	\$	626	\$	54	8.6%
Total Revenue Less Total Costs	\$	32	\$		\$	32	100.0%
Net Subsidy	\$	(251)					
			\$	(282)	\$	32	11.3%

NATIONAL CITY TRANSIT

FINANCIAL COMPARISON TO BUDGET THREE MONTHS ENDING SEPTEMBER 30, 2004

•			CUR	REN	T MONTH	i coi	MPARISC	N		ΥE	AR 1	TO DATE	COMI	PARISON			FULL	YE	AR
FY Month:	3		ACTUAL	E	BUDGET	VA	RIANCE	% VAR		ACTUAL		BUDGET	V	ARIANCE	% VAR		BUDGET	F	REMAINING
REVENUE	Passenger Fares Advertising Contracted Service Revenue Other	\$	111,171 - - -	\$	114,583 - - -	\$	(3,413)	-3,0% - -	\$	321,029 - - -	\$	343,750 - - -	\$	(22,721)	-6.6% - - -	\$	1,375,000	\$	1,053,971 - - -
	Total Operating Revenue Subsidy	\$	111,171 99,400	\$	114,583 99,400	\$	(3,413)	-3.0% 0.0%	\$	321,029 282,401	\$	343,750 282,401	\$	(22,721)	-6.6% 0.0%	\$	1,375,000 1,380,016	\$	1,053,971 1,097,615
EXPENSES	Total Revenue	\$	210,571	\$	213,984	\$	(3,413)	-1.6%	\$	603,430	\$	626,151	\$	(22,721)	-3.6%	\$	2,755,016	\$	2,151,586
	Personnel Wages Fringes	\$	94,382 18,667	\$	94,000 25,833	\$	(382) 7,166	-0.4% 	\$	275,798 62,596	\$	282,000 77,500	\$	6,202 14,904	2.2% 19.2%	· \$	1,128,000 310,000	\$	852,202 247,404
	Total Personnel	\$	113,049	\$	119,833	\$	6,784	5.7%	\$	338,394	\$	359,500	\$	21,106	5.9%	\$	1,438,000	\$	1,099,606
	Outside Services Security Repair/Maintenance Services Engine and Transmission Rebuild	\$	5,912 -	\$	4,500 6,400 -	\$	4,500 488	7.6%	\$	- 10,562 -	\$	4,500 12,400	\$	4,500 1,838	- 14.8%	· \$	10,000 70,000	\$	10,000 59,438
	Other Outside Services Purchased Transportation Other Contracted Bus Services		21,803	_	20,000		(1,803)	-9.0% - 		58,554		60,000		1,446 - -	2.4%		478,000 - -		419,446 - -
	Total Outside Services	\$	27,714	\$	30,900	\$	3,186	10.3%	\$	69,116	\$	76,900	\$	7,784	10.1%	\$	558,000	\$	488,884
	Materials & Supplies Lubricants Tires Other Materials and Supplies	\$	5,365 5,971	\$	1,000 2,167 10,833	\$	1,000 (3,198) 4,863	-147.6% 44.9%	\$	5,465 18,101	\$	3,000 6,500 32,500	\$	3,000 1,035 14,399	15.9% 44.3%	\$	12,000 26,000 130,000	\$	12,000 20,535 111,899
	Total Main. Parts and Supplies	\$	11,336	\$	14,000	\$	2,664	19.0%	\$	23,566	\$	42,000	\$	18,434	43.9%	\$	168,000	\$	144,434
	Energy Diesel Fuel CNG Fuel and Electricity for Facilities	\$	12,103 - 2,057	\$	14,208 188 3,188	\$	2,106 188 1,130	14.8% - 35.5%	\$	36,296 - 3,933	\$	42,625 563 9,563	\$	6,329 563 5,630	14.8% - 58.9%	\$	170,500 2,250 38,250	\$	134,204 2,250 34,317
	Total Energy	\$	14,160	\$	17,583	\$	3,423	19.5%	\$	40,229	\$	52,750	\$	12,521	23.7%	\$	211,000	\$	170,771
	Risk Management	\$	37,438	\$	30,000	\$	(7,438)	-24.8%	\$	94,576	\$	90,000	\$	(4,576)	-5.1%	\$	360,000	\$	265,424
	General and Administrative Vehicle/facility Lease	\$ \$	629	\$ \$	1,667	\$ \$	1,038	62.3%	\$ \$	6,039	\$ \$	5,001	\$	(1,038)	-20.8%	\$	20,000	\$	13,961
	TOTAL EXPENSES	\$ _\$	204,326	\$ _\$	213,984	\$	9,657	4.5%	\$ \$	- 571,919	\$	- 626,151	\$ \$	- 54,232	- 8.7%	\$ \$	16 2,755,016	\$ \$	16 2,183,09 7
	Total Revenue Less Total Costs	\$	6,245	\$		\$	6,245	-	\$	31,511	\$	•	\$	31,511	-	\$		\$	(31,511)
	NET SUBSIDY	\$	(93,156)	\$	(99,400)	\$	6,245	6.3%		(250,890)	\$	(282,401)	\$	31,511	11.2%	_\$_	(1,380,016)	\$	(1,129,126)

CORONADO FERRY

	AC	TUAL	BUI	OGET	VAR	IANCE	% VARIANCE
Fare Revenue Other Revenue	\$	-	\$	-	\$	-	-
Total Operating Revenue Subsidy	\$	- -	\$	<u>.</u> .	\$	<u>-</u>	- - <u></u>
Total Revenue	\$	-	\$	-	\$	-	-
Wages Fringes Services Purchased Transportation Materials	\$	- - - 11	\$	- - - -11	\$	- - -	- - - 0.0%
Energy Risk Management General and Administrative Vehicle/Facility Lease		- - - -		- - - -		- - - -	-
Total Costs	\$	11	\$	11	\$	-	0.0%
Total Revenue Less Total Costs	\$	(11)	\$	(11)	\$	-	0.0%
Net Subsidy	\$	(11)	\$	(11)	\$	-	0.0%
				YEAR TO	DATE		
		TUAL		YEAR TO		IANCE	% VARIANCE
Fare Revenue Other Revenue		TUAL - -				IANCE	
	AC	-	BUI		VAR	IANCE	
Other Revenue Total Operating Revenue	AC \$	-	BU !		VAR		
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services	**************************************	- - - - - - - - -	\$ 	- - - -	VAR \$ \$		
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation Materials Energy	**************************************	-	\$ \$ \$	- - - -	VAR \$ \$ \$		
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation Materials	**************************************	- - - - - - - - -	\$ \$ \$		VAR \$ \$ \$		
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation Materials Energy Risk Management General and Administrative	**************************************	- - - - - - - - -	\$ \$ \$		VAR \$ \$ \$		
Other Revenue Total Operating Revenue Subsidy Total Revenue Wages Fringes Services Purchased Transportation Materials Energy Risk Management General and Administrative Vehicle/Facility Lease	**************************************	- - - - - 333	\$ \$ \$ \$		\$ \$ \$		VARIANCE

CORONADO FERRY

FINANCIAL COMPARISON TO BUDGET THREE MONTHS ENDING SEPTEMBER 30, 2004

			CURI	RENT	MONTH	COM	IPARIS(ON		YE	AR T	O DATE	COMP	ARISON			FULL	YEA	R
FY Month:	3	4	ACTUAL	В	UDGET	VAF	RIANCE	% VAR	A	CTUAL	В	UDGET	VAF	RIANCE	% VAR		BUDGET	RE	MAINING
REVENUE																			
	Passenger Fares	\$	•	\$	-	\$	-	-	\$	-	\$	-	\$	-	-	\$	-	\$	-
	Advertising		-		-		-	-		-		-		-	-		-		-
•	Contracted Service Revenue Other		-		-		-	-		-		. •		-	-		-		-
	Ottlei													<u> </u>					
	Total Operating Revenue Subsidy	\$	-	\$	<i>-</i>	\$		•	\$	-	\$	-	\$	- 	-	\$		\$	-
						-													
	Total Revenue	\$	•	\$	-	\$	-	•	\$	•	\$	•	\$	=	-	\$	•	\$	-
EXPENSES																			
	Personnel																		
	Wages	\$	-	\$	-	\$	-	-	\$	_	\$	-	\$	-	-	\$	-	\$	-
	Fringes		-				-			-							-		
		_																	
	Total Personnel	\$	-	\$	-	\$		-	\$	-	\$	-	\$	-	-	\$		\$	-
	Outside Services																		
	Security	\$	-	\$	-	\$	-	-	\$	-	\$		\$	_	-	\$	-	\$	-
	Repair/Maintenance Services		-		-		-	-		-				-	-		-		-
	Engine and Transmission Rebuild				-		-	-		-		-		-	-		-		-
	Other Outside Services		10.027		10.027		-	. 0.0%		22 701		22 701		- '	0.0%		121 124		
	Purchased Transportation Other Contracted Bus Services		10,927		10,927		-	0.0%		32,781		32,781		-	0.0%		131,124		98,343
	Other Contractor Bas Contract																		
	Total Outside Services	\$	10,927	\$	10,927	\$		0.0%	\$	32,781	\$	32,781	\$	-	0.0%	\$	131,124	\$	98,343
	Materials & Supplies																		
	Lubricants	\$	-	\$	-	\$	-	-	\$	-	\$	-	\$	•	-	\$	-	\$	-
	Tires		-		-		-	-		-		- ,		-	-		-		-
	Other Materials and Supplies			-						<u> </u>									
	Total Main. Parts and Supplies	\$	-	\$	-	\$	-	-	\$		\$		\$	-	-	\$. •	\$	-
	Energy																		
	Diesel Fuel	\$	-	\$	-	\$	-	-	\$	-	\$	-	\$	-	-	\$		\$	-
	CNG Fuel and Electricity for Facilities		-		-		-	-		-		-		-	-		-		-
	Total Energy	s				s			<u></u>		s		s			s		\$	
	Risk Management	\$	-	\$		\$	_	-	\$	_	\$	-	\$	_	_	\$	_	\$	+
	General and Administrative	\$	-	\$	-	\$	-	-	\$	+	\$	-	\$	-	•	\$	•	\$	-
	Vehicle/facility Lease	\$	-	\$	-	\$	-		\$	-	\$	•	\$	-	-	\$	-	\$	-
	TOTAL EXPENSES	\$	10,927	_\$	10,927	\$	•	0.0%	\$	32,781	\$	32,781	\$	-	0.0%	_\$	131,124	\$	98,343
	Total Revenue Less Total Costs	\$	(10,927)	\$	(10,927)	\$	-	0.0%		(32,781)	\$	(32,781)	\$	•	0.0%	\$	(131,124)	\$	(98,343)
	NET SUBSIDY	\$	(10,927)	\$	(10,927)	\$	-	0.0%	\$	(32,781)	\$	(32,781)	\$	-	0.0%	\$	(131,124)	\$	(98,343)

SAN DIEGO METROPOLITAN TRANSIT SYSTEM Fiscal Year 2005

Energy Impact on Operations

Average annual cost per \$0.01 increase in price

	Diesel		CNG	
•	•	34,360	5	74,720

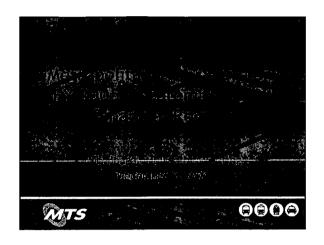
Annual budgetary impact (increased cost) at annual average prices

I	Diesel		CNG
Average Annual Price	Annual Budgetary Impact	Average Annual Price	Annual Budgetary Impact
1.100	· -	0.900	 -
1.150	171,800	0.920	149,440
1.200	343,600	0.940	298,880
1.250	515,400	0.960	448,320
1.300	687,200	0.980	597,760
1.350	859,000	0.984	627,648
1.400	1,030,800	1.000	747,200
1.450	1,202,600	1.020	896,640
1.500	1,374,400	1.040	1,046,080
1.513	1,419,068	1.060	1,195,520
1.550	1,546,200	1.080	1,344,960
1.600	1,718,000	1.100	1,494,400
1.650	1,889,800	1.120	1,643,840
1.700	2,061,600	1.140	1,793,280
1.750	2,233,400	1.160	1,942,720

^{*} Note Diesel Rates: September 2004 (\$1.549) - YTD September 2004 (\$1.513)

^{*} Note CNG Rates: September 2004 (\$0.972) - YTD September 2004 (\$0.984)

^{**} Budget rates for Diesel and CNG are \$1.10 and \$0.90 respectively



Net Operating Subsidy Variance Summa	ary	
September 2004		
	٧	ariance
 Internal Bus Operations fringe expenses under budget due to lower t anticipated health and welfare and workers compensation expenses 	han \$	168
Purchased transportation related expenses under budget		132
Strong performance in fare revenue for Rail Operations primarily du	e to	115
continued large ridership for Petco Park and one regular season Cha	rger game	
 Electricity related expenses under budget due to actual average rate lesser than budgeted rate 	•	105
Ridership down within Internal Bus Operations		(256)
Internal Bus Operations personnel wages over budget primarily due to overtime within maintenance and operations areas		(175)
Diesel expenses higher than budget due to actual average rate greater than budgeted rate	27 1 11	(168)
 Rail Öperations fringe expenses over budget primarily due to higher actual retirement expense percentages (8.2% actual vs. 2.4% budget 		(87)
All other net operations under budget		159
Overall net operating subsidy over budget	<u> </u>	(7)
MTS	99	00

SAN DIEGO MET	ROPOLITAN	TRANSIT SY	/STEM	
င	MBINED OPERAT	TIONS		
TRANSIT OPERATORS I	NET SUBSIDY AN	D OTHER EXPE	NOTURES	
COMPARI	SON TO BUDGET	T - FY 2005		
SI	EPTEMBER 30, 2	004		
	(in \$000's)			
	JF 11	A MO	4TH	
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Transit Operators' Net Subsidy				
Internal Bus Operations	4,192	3,827	(366)	-9.6%
Rast Operations	1,370	1,392	21	1.5%
Contracted Bus Operations - Fixed Route	1,985	2,182	198	9.1%
Contracted Bus Operations - Para Transit	770	886	115	13.0%
Other Operators	412	436	25	5.7%
Total Transit Operators Net Subsidy	8,730	8,723	(7)	-0.1%
Other Expenditures				
Administrative Pass Thru	0	0	0	
Taxicab Administration	76	83	7	8.39
San Diego and Arizona Eastern	4	12		67.2%
Debt Service	0	0	0	
General Fund	639	611	(28)	-4.6%
Grand Total Expenditures	9,449	9,429	(20)	-0.2%
624			66	000
WIS .				

	NETROPOLI HED MTS TRA NRISON TO B SEPTEMBER (In SO	NSIT OPERA UDGET - FY 30, 2004	ATORS 2005	
 	ACTUAL	BUDGET	VARIANCE	% VAR
Fare Revenue	\$6,139	\$6,310	(\$171)	-2.7%
Other Revenue	97	109	(12)	-11.0%
Total Operating Revenue	6,236	6,419	(183)	-2.9%
Wages/Fringes	6,934	6,883	(51)	-0.7%
Purchased Transportation	4,051	4,183	132	3.2%
Energy	1,610	1,549	(60)	-3.9%
Other Expenses	2,372	2,526	155	6.1%
Total Costs	14,966	15,143	176	1.2%
Net Operating Subsidy	(\$8,730)	(\$8,723)	(\$7)	-0.1%
MTS			6	00

	BINE!	POLITAI D FARE F ABER 30, n \$000's	200	NUE	SYS	TEM	
				MO	NTH		
	A	CTUAL	В	UDGET	VA	RIANCE	% VAR
Internal Bus Operations	\$	1,904	\$	2,160	\$	(256)	-11.9%
Rail Operations		2,384		2,269		115	5.1%
Contracted Bus Ops - Fixed Route		1,377		1,386		(9)	-0.6%
Contracted Bus Ops - Para Transit		137		124		13	10.5%
Chula Vista Transit		226		257		(31)	-12.1%
National City Transit	_	111		115	_	(3)	-2.6%
Total Fare Revenue	\$	6,139	<u>\$</u>	6,310	\$	(171)	-2.7%
MTS	: :3	ing.				88	00

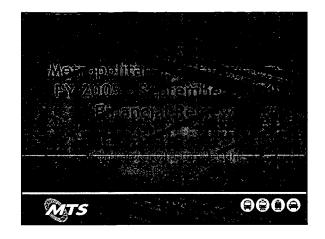
SAN DIEGO METROF Fisca	OLITAN 1 Year 20		SYSTEM	
Total Pa	ssenger I	evels		
	Sep-04 Actual	Sep-04 Budget	Variance	Var %
Bus Operations				
Internal Bus Operations	2,101,448	2,224,000	(122,552)	-5.5
Contracted Bus Ops - Fixed Route	1,560,048	1,576,500	(16,452)	-1.0
Contracted Bus Ops - Para Transit	53,636	54,400	(764)	-1.4
Chula Vista Transit	276,215	314,060	(37,845)	-12.1
National City Transit	140,575	155,000	(14,425)	-9.3
Total Bus Operations	4,131,922	4,323,960	(192,038)	-4.4
Total Rail Operations	2,541,149	2,221,257	319,892	14.4
Coronado Ferry	7,368	6,167	1,201	19.5
Combined Operations	6,680,439	6,551,384	129,055	2.0
MTS			000) @

	IED MTS TR	ANSIT OPERA BUDGET - FY R 30, 2004 XXO's)	ATORS	A
,	ACTUAL	BUDGET	VARIANCE	% VAR
Fare Revenue	\$6,139	\$6,310	(\$171)	-2.7%
Other Revenue	97	109	(12)	-11.0%
Total Operating Revenue	6,236	6,419	(183)	-2.9%
Wages/Fringes	6,934	6,883	(51)	-0.7%
Purchased Transportation	4,051	4,183	132	3:2%
Energy	1,610	1,549	(60)	-3.9%
Other Expenses	2,372	2,526	155	6.1%
Total Costs	14,966	15,143	176	1.2%
Net Operating Subsidy	(\$8,730)	(\$8,723)	(\$7)	-0.1%
MTS	* (A)		0	900

	Fiscal Year		
	Energy Impact on	Operations	
ge annual cost per :	0.01 increase in price		
	Diesel		CNG
•	34,360		74,720
I budgetary impact	(increased cost) at annua	l average prices	
	Diesel		CNG
Average	Annual	Average	Annual
Annual Price	Budgetary Impact	Annual Price	Budgetary Impac
1.100		0.900	
1.200	343,600	0.930	224,160
1.300	687,200	0.960	448,320
1.400	1,030,800	0.984	627,640
	1,374,400	0.990	672,480
1.500		1.020	896,640
1.500 1.513	1,419,068	1.020	0,0,0%

	ROPOLITAI OPERATING TEMBER 30 (in \$000's	EXPENSE 2004	SYSTEM	
		MO	NTH	
	ACTUAL	BUDGET	VARIANCE	% VAR
Internal Bus Operations	\$6,136	\$6,065	(\$71)	-1.2%
Rail Operations	3,811	3,691	(119)	-3.2%
Contracted Bus Ops - Fixed Route	3,362	3,568	206	5.8%
Contracted Bus Ops - Para Transit	907	1,009	102	10.1%
Chula Vista Transit	535	584	49	8.4%
National City Transit	204	214	10	4.5%
Coronado Ferry	11	11	<u> </u>	0.0%
Total Operating Expenditures	14,966	15,143	176	1.2%
MTS	A ST. ST.		00	00

			T SYSTEM	
TRANSIT OPER		OPERATIONS	EXPENDITURES	
	OMPARISON TO	BUDGET - FY 200 E, SEPTEMBER 30	5	
PISCA		5000's)		
			AR TO BATE	
Transit Operators' Net Subsidy	ACI	TUAL BUDGE	T VARIANCE	% VARIANCE
Internal Bus Operations		12,911 11,		-7.7%
Rail Operations Contracted Bus Operations - Fixed	Route		433 407 520 253	9.2% 3.9%
Contracted Bus Operations - Para 1 Other Operators	ransit		653 290 299 57	10.9%
Total Transit Operators Net Sub		6,810 26,8		0.3%
Other Expenditures Administrative Pass Thru		344	344 0	0.1%
Taxicab Administration		225	250 24	10.4%
San Diego and Arizona Eastern Debt Service		62 0	70 8	-0.8%
General Fund		2,387 2,	50	2.0%
Grand Total Expenditures		9,828 29,9		0.5%
MTS				
SAN DIEGO A	NETROPOL	ITAN TRAN	ISIT SYSTEM	
COMBI	NED MTS TR	RANSIT OPER	ATORS	
		BUDGET - FY , SEPTEMBE		
risene ten		000's)	50, 2007	
	314 - 12 4	YEAR	O DATE	
	ACTUAL	BUDGET	VARIANCE	% VAR
Fara Davanua		£18 071		0.79
Fare Revenue Other Revenue	\$18,114 276	\$18,071 324	\$43 (47)	0.2% -14.5%
Total Operating Revenue	18,390	18,395	(4)	0.0%
Wages/Fringes	20,976	20,834	(142)	-0.7%
Purchased Transportation Energy	12,263 4,928	12,636 4,731	373 (197)	3.0% -4.2%
Other Expenses	7,033	7,085		0.7%
Total Costs	45,200	45,286	85	0.2%
			\$81	
Net Operating Subsidy	(\$26,810)	(\$26,891)		0.3%
MITS				00
	Manai. D	neamin Ar	alveie	
C	ngency R	eserve An	alysis	
Contir	-	Santam	har 2001	
	r to Dat	て、 シピリレビバ	ING! 4004	
Contin Fiscal Yea	ar to Date	-,F		
	ar to Date	-, p		
	ır to Dato	-, ··		
Fiscal Yea		·	or 2004 - \$ 44	5 530 000
		·	ır 2004 \$ 1 0	6,530,000
Fiscal Yea		·	ır 2004 \$ 1 0	6,530,000
Fiscal Yea	rve Carry Fon	ward Fiscal Yea	ır 2004 \$ 1 0	6,530,000
Fiscal Yea	rve Carry Fon	ward Fiscal Yea	ır 2004 \$ 10	6,530,000
Fiscal Yea	rve Carry Fon	ward Fiscal Yea	ır 2004 \$ 10	6,530,000
Fiscal Yea	rve Carry Fon	ward Fiscal Yea	ır 2004 \$ 10	6,530,000
Fiscal Yea	rve Carry Fon	ward Fiscal Yea	ır 2004 \$ 10	5,530,000
Fiscal Yea	rve Carry Fon	ward Fiscal Yea	ır 2004 \$ 10	5,530,000
Fiscal Yea	rve Carry Fon	ward Fiscal Yea	ır 2004 \$ 1 (5,530,000



Net Operating Subsidy Variance Summary		
Year to Date September 2004		
	Var	lance
Strong performance in fare revenue for Rail Operations		
primarily due to continued large ridership for Petco Park	\$	813
Outside Services, risk management and G&A expenses under budget		789
Purchased transportation related expenses under budget		373
Electricity expenses higher than budget due to actual		
average rate lesser than budgeted rate		300
 Internal Bus Operations fringe expenses under budget due to lower than 		
anticipated health and welfare and workers compensation expenses		252
Ridership down within Internal Bus Operations		(667
Diesel and CNG expenses higher than budget due to actual		
average rate greater than budgeted rate		(497
Materials and supplies expenses for Rail Operations		(378
 Increased security related expenses relating to additional 		
ridership for Petco Park		(329
 Internal Bus Operations personnel wages over budget primarily due 		
to overtime within maintenance and operations areas		(328
All other net operations over budget		(247
Overall net operating subsidy under budget	\$	81
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Wars U	इस्ट प्रम	

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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>40</u>

ADM 122 (PC 30100)

Joint Meeting of the Board of Directors for Metropolitan Transit Development Board, San Diego Transit Corporation, and San Diego Trolley, Inc.

December 9, 2004

-

Subject:

MTDB: 2004 LEGISLATIVE YEAR IN REVIEW AND PROPOSED FEDERAL AND STATE LEGISLATIVE GOALS FOR 2005

RECOMMENDATION:

That the MTD Board of Directors receive a report on the 2004 Legislative Session, and approve the federal and state legislative goals for 2005 as set forth herein.

Budget Impact

None at this time.

DISCUSSION:

2004 LEGISLATIVE YEAR IN REVIEW

Federal

Congress recessed for the election and returned on November 16, 2004, to focus on pending FY 2005 appropriation bills, 9/11 intelligence restructuring, and raising the debt limit. Before it recessed, Congress extended the Transportation in Equity Act for the 21st Century (TEA-21) for eight months through May 31, 2005. The extension authorizes transit projects at a level equal to 8/12 of the \$7.758 billion included in the Senate Appropriations Committee-passed FY 2005 appropriations bill and guarantees funding at an annualized level of \$7.265 billion, the level set in the draft FY 2005 budget resolution conference report.



Conferees on reauthorization worked until early October to try and pass a six-year bill, but were unable to resolve their differences regarding the overall funding level and an increase in the minimum allocation of federal gasoline tax resources to states under the highway program. Conferees discussed a six-year level of \$299 billion in contract authority and \$284 billion in guaranteed funding, but Senate conferees from both parties did not agree to the deal. The American Public Transportation Association (APTA) originally predicted that the process of reauthorizing TEA-21 for six years would likely start over next year with the 109th Congress. However, on November 22, 2004, Congress passed the 2005 Omnibus Appropriations Act (H.R. 4818) by a vote of 60-35 in the Senate and 344-51 in the House.

The measure combines nine pending FY 2005 appropriations bills, including the Transportation-Treasury bill. The bill initially provided \$7.708 billion in funding for the federal transit program, but funding for all nine appropriations bills was reduced by a .83 percent across the board. The final total for transit in FY 2005 is \$7.644 billion, an increase of \$378 million, or 5.2 percent over last year. Until the bill is signed by the President, transit programs will continue to be funded under a short-term continuing resolution.

The following figures for the major transit programs are a preliminary analysis of available funding:

Program	FY 2004 Appropriation (Millions)	FY 2005 Appropriation (Millions)	Change FY 2004 to FY 2005 (Percent)
Total All Programs	7,265.88	7,644.02	5.2%
Formula Total	3,816.35	3,998.71	4.8%
Capital Investment	3,138.87	3,311.11	5.5%
New Starts	1,315.98	1,437.39	9.2%
Fixed-Guideway Modernization	1,199.39	1,204.32	.4%
Bus and Bus Facilities	623.50	669.40	7.4%
Planning & Research	125.26	126.94	1.3%
Job Access and Reverse Commute	104.38	123.96	18.8%
University Centers	5.96	5.95	001%
FTA Operations	75.05	77.35	3.1%

In addition to the transit program funding, the omnibus bill provides \$34.35 billion for the federal highway program and \$1.426 billion for the Federal Railroad Administration, including \$1.207 billion for Amtrak; \$19.3 million is provided for next generation high-speed rail, with \$3.1 million for high-speed rail corridor planning and \$2 million for Maglev.

State

The 2004 session began with three carryover items from 2003:

- AB 1065 (Longville). This bill would have allowed for a doubling of the revenue associated with the Transportation Development Act (TDA). The bill was not passed by the Senate Revenue and Taxation Committee after Senator Debra Bowen voted against it.
- <u>AB 1320 (Dutra)</u>. This bill makes it easier for local governments to create transit villages and was signed by Governor Schwarzenegger.
- AB 1474 (Runner). This bill would have strengthened loitering laws in and around a transit facility. The bill was killed in the Assembly Public Safety Committee.

The California Transit Association (CTA) also introduced the following new measures in 2004:

- SB 1130 (Scott). This bill extends transit's current design build construction authority for two years and was signed by Governor Schwarzenegger.
- <u>AB 2471 (Longville)</u>. This bill would have mandated the Legislative Analyst's
 Office (LAO) conduct a study on the costs to transit and local governments
 associated with the construction of large housing developments. At the request
 of the author, CTA dropped the legislation and is working with Longville to have
 the LAO complete its analysis without the need for the legislation.
- AB 2737 (Dutra). This bill would have reversed a negative Supreme Court decision which expanded the definition of dangerous condition as it relates to public agencies. Unfortunately the bill was defeated in the Assembly Judiciary Committee.

MTDB was also successful in modifying its enabling legislation to allow operation under the name Metropolitan Transit System beginning January 1, 2005.

FY 2005 FEDERAL GOALS

Transportation in Equity Act (TEA-21)

Monitor expenditures and allocations under reauthorization of TEA-21, which include increased funding for highway and transit programs, railroad and highway safety, goods movement, New Starts and Small Starts Programs, intelligent transportation systems, and bus rapid transit. An update of TEA-21 projects will be provided to the Board upon receipt of the year-end summary report from Tom Walters, our Washington Lobbyist.

<u>FY 2005 Appropriations Requests</u>. Based upon our Capital Improvement Project priority list, MTDB will seek appropriations for federally funded priority projects, including:

•	South Bay Maintenance Facility	\$6,500,000
•	East County Bus Maintenance Facility	\$7,000,000
•	San Diego Transit Corporation Building Renovations	\$ 600,000
•	Wheelchair lift replacements-rail vehicles	\$1,000,000
•	Americans with Disabilities Act (ADA) paratransit vehicles (127)	\$8,500,000
•	El Cajon Station Improvements	\$ 350,000
•	Blue Line Station Shelter Replacements	\$2,700,000

Support Smart Growth Housing Legislation

Support legislation that rewards jurisdictions that produce affordable housing and Smart Growth-related programs.

Support Legislation Assisting the Implementation of the Regional Comprehensive Plan

Support legislation that provides funding incentives for mixed-use projects, transit-oriented development, and walkable communities.

Support Fiscal Reform Initiatives

Support legislation that enables regions to develop their own fiscal strategies and oppose any unfunded mandates on local governments.

Oppose Legislation Reducing Transit Funding

Oppose any legislation that would reduce transportation funding or challenge regional decision-making authority.

Support Mobility Management

Seek legislation that provides funding for Mobility 2030, including congestion pricing programs, managed lanes, high-occupancy-vehicle (HOV) lanes, and other mechanisms that provide for transportation efficiency.

Support Transportation Security Measures

Support legislation that increases funding for transportation security projects and personnel.

FY 2005 STATE GOALS

Propose Extensive Modifications to MTDB's Enabling Legislation

Draft and obtain a sponsor for a bill that comprehensively modifies MTDB's enabling legislation in light of post-consolidation activities and federal procurement modifications.

Monitor and Respond to Legislation relating to Personnel Matters

Monitor and respond accordingly to workers' compensation, Public Employee Retirement System (PERS) benefits, and other labor-related issues.

Oppose Legislation Reducing Transit Funding

Oppose any legislation that would reduce transportation funding or challenge regional decision-making authority.

Oppose Legislation that Expands Public Utilities Commission Rail Oversight Authority

Oppose legislation that expands the Public Utilities Commission's rail oversight authority to prevent inappropriate regulatory actions from being imposed on rail public transit.

Support Transportation Security Measures

Continue to support legislation that increases funding for transportation security projects and personnel and that enhances penalties for crimes against transit staff and/or on transit vehicles/property by continuing to support Assembly Bill (AB) 1474.

Support a Comprehensive Transit Funding Program and Increase Operating Revenue

Continue to support legislation that creates a transit-funding program and increases operating revenues for public transit agencies. Seek additional revenue to provide transit agencies with a dedicated funding source for transit-friendly development. Seek additional revenue to comply with newly imposed engine emission requirements.

Support Legislation that Remedies Santa Clara County Local Transportation Authority v. Guardino

This case required a two-thirds vote for sales tax elections. Supporting legislation would reduce the currently required two-thirds supra majority vote and make it easier to enact or continue existing local county sales taxes for transportation purposes.

Support Legislation that Remedies Bonanno v. Central Contra Costa Transit Authority

This case substantially broadened the liability exposure of transit agencies for dangerous conditions. Support legislation overturning the decision.

Support Legislation Protecting Existing Transit Revenue

Support action to protect against the transfer or expenditure of Transportation Development Act (TDA), Public Transportation Account (PTA), Traffic Congestion Relief

Program (TCRP), and other transit funds to state and local agencies for purposes other than those specified in the Act. This includes support for funding of transit bond debt service payments from the state's general fund.

Support Legislation that Protects Integrity of Collective Bargaining Agreements

Support efforts to preserve the collective bargaining process at the local level, and oppose efforts to mandate benefits or working conditions through state statutes.

FY 2005 LOCAL GOALS

Support Other Agencies' Legislative Programs Consistent with MTDB's Goals

Support 2005 legislative programs from North County Transit District, SANDAG, CTA, and APTA¹ to the extent they are consistent with MTDB's goals.

Paul C. Jablonski Chief Executive Officer

Key Staff Contact: Tiffany Lorenzen, 619.557.4512, tiffany.lorenzen@sdmts.com

JGarde DEC9-04.40.TLOREN 12/01/04

Attachments: A. SANDAG's 2005 Legislative Goals

B. NCTD's Draft 2005 Legislative Goals

C. California Transit Association's 2005 Legislative Goals

Board Only

¹ The American Public Transportation Association has not yet released its 2005 Legislative Goals.

Att. A, Al 40, 12/9/04, ADM 121

SUMMARY OF LEGISLATIVE GOALS FOR CALENDAR YEAR 2005

GENERAL DESCRIPTION OF GOAL	23,83 pt	PRIORITY	BOARD POSITION	POSITION DATE	T	R	Р	В	FED	STATE	LOCAL
Lower the current 2/3rds voter requirement for special purpose taxes, such as transportation and <i>quality of life improvements</i> , to a simple majority vote.	1	Highest	Support	2002	x	x	х	x		X	Den Otensia, suite az
Reauthorization of a six-year transportation bill, including <i>highest levels</i> of funding for highway and transit programs, railroad and highway safety, goods movement and other programs such as the New Starts and Small Starts Program, Intelligent Technology Systems (ITS), Borders, Bus and Bus Related, including the eligibility of Bus Rapid Transit. Support for inclusion of Board-adopted principles, including increased flexibility, environmental streamlining, change to the requirement for Regional Transportation Plans from 3 years to 5 years, and requests for earmarks for projects as included in list of priority projects; <i>flexibility for San Diego and Arizona Eastern Railway funding</i> .	2	Highest	Support/ Sponsor	2002	x	x		x	x		
FY 2006 Appropriation Requests (still under development)	3	Highest	Sponsor	2004	Х			х	х		
Fiscal reform initiatives enabling regions to develop their own fiscal strategies and oppose unfunded mandates on local government. <i>Pursue initiatives that balance the fiscal influence that sales tax revenue has upon local land use decisions.</i>	4	Highest	Support	2002		х			х	х	х
Legislation that rewards jurisdictions that produce more housing (especially affordable housing), supports regional fair-share allocation of housing funds, and provides additional funding for affordable housing.	5	Highest	Support	2002		х			х	х	
Legislation assisting in the implementation of the Regional Comprehensive Plan, especially through funding incentives for smart growth (including, but not necessarily limited to, mixed use projects, transit-oriented development, and/or walkable communities).	6	Highest	Support	2002		х			х	X	
Efforts that would reduce transportation funding or challenge existing regional decision-making authority.	7	Higher	Oppose	2002	х				х	х	

GENERAL DESCRIPTION OF GOAL		PRIORITY	BOARD POSITION	POSITION DATE	Т	R	Р	В	FEC	STATE	LOCAL
Efforts assisting in the implementation of key environmental efforts, including habitat conservation, planning, beach restoration and replenishment, and water quality-related issues.	8	Higher	Support	2002		x				x	X
Mechanisms and funding providing for the implementation of MOBILITY 2030, including Value Pricing Program, Managed Lanes, High Occupancy Toll Lanes (HOT), the alleviation of current constraints on transponder technology, <i>use of freeway shoulder lanes by transit and other transit priority treatments</i> , and other mechanisms that provide for more efficient use of highways and local roads.	9	Higher	Support	2003	x				x	×	
Efforts that expand free access by single occupant vehicles (SOVs) to high occupancy vehicle (HOV) HOT lanes.	10	Higher	Monitor/ Oppose	2004							
Seek funds to implement the Regional Energy Strategy (RES); respond to legislation related to energy consistent with RES Principles.	11	Higher	Support/ Sponsor	2002		х			х	х	х
Allow for publication of an ordinance by summary.	12	High	Sponsor	2004						х	
Participating in activities related to legislative and administrative reform of the state housing element law.	13	High	Sponsor/ Support	2002		х			х	х	
Transit boards' legislative programs consistent with SANDAG policy.	14	High	Support	2002	Х				Х	Х	
Enhancing of border security and reducing border wait times; pursuit of funding, legislation, and <i>other financing mechanisms</i> supporting interregional partnerships and bi-national trade and border projects.	15	High	Support	2002	x	x	x	×	х	х	х
Reduce the legal and socioeconomic barriers for the incorporation of immigrants into local communities; seek full federal reimbursement for the costs of public services provided by local governments in the region to undocumented immigrants	16	High	Support	2004				x			
Seek funds for the Regional Substance Abuse Monitoring Program that collects, analyzes, and disseminates information about drug use and other risky behaviors from adult and juvenile inmates residing in local jails.	17	High	Support/ Sponsor	2004	and the second s		x		×	x	

GENERAL DESCRIPTION OF GOAL		PRIORITY	BOARD POSITION	POSITION DATE	T	R	F	В	FE	D STATE	LOCAL
Aggressively seek Homeland Security Funding for Automated Regional Justice Information System (ARJIS), transit, freight, regional public safety initiatives, and <i>ports of entry</i> .	18	High	Sponsor	2003	х		x		x		
Generation of new revenue sources; maximize flexibility in use of federal and state dollars.	19	High	Support	2003	Х	х			х	х	
Increase regional decision-making authority in areas consistent with SANDAG's mission/policies.	20	Medium	Support	2003							
Authorize sales tax for quality of life improvements, including habitat preservation, beach sand replenishment, and water quality improvements.	21	Medium	Sponsor/ Support	2004		x					х
Legislation resulting in cost efficiencies and savings.	22	Lower	Support	2003	Х	х	х	х	Х	х	х
Legislation relating to personnel matters, i.e.,workers compensation, Public Employee Retirement Systems (PERS), benefits, and <i>other labor-related issues</i> .	23	Lower	Monitor/ Respond	2003					x	х	x
Legislation affecting solid waste, water supply, and storm water; support funding opportunities to assist in these areas.	24	Lower	Monitor/ Respond	2003	х	х				х	x
Other organizations' legislative programs where consistent with SANDAG policy, i.e., CALCOG (California Association of Councils of Governments), APTA (American Public Transportation Association), AMPO(Association of Metropolitan Planning Organization), NARC (National Association of Regional Councils), and CTA (California Transit Association).	25	Lower	Support	2003	х	x			x	x	



CY 2005 LEGISLATIVE GOALS

GOAL	SUPPORT (High, Medium, Low)	GOVERNMENT (Federal, State, Local/Regional)
Sponsor a \$13 million federal appropriation for the SPRINTER Rail Line.	High	Federal
Sponsor a \$6.35 million federal appropriation for the Solana Beach Intermodal Facility.	High	Federal
Sponsor a \$2 million federal appropriation for the San Luis Rey Transit Center.	High	Federal
Support a 6-yearTransportation Equity Act (TEA) reauthorization bill.	High	Federal
Sponsor a TEA earmark for SPRINTER Rail Project.	High	Federal
Sponsor a TEA earmark for the SPRINTER Enhancement Project. Concept includes double tracking the remaining portions of the existing corridor and an extension to North County Fair.	High	Federal
Sponsor a TEA earmark for the LOSSAN Rail Corridor.	High	Federal
Sponsor a TEA earmark for the San Diego Regional Grade Separation Project.	High	Federal
Seek transit related funding through non traditional sources, including Homeland Security.	High	Federal, State, Local
Sponsor legislation to permit the NCTD to alter the board's compensation.	High	State
Sponsor legislation that will require mandatory transit training for first-time DUI offenders and also mandate the purchase of a monthly transit pass for repeat DUI offenders.	High	State
Seek funding for railroad bridge and infrastructure rehabilitation.	High	Federal, State
Support legislation that will generate new revenue for transit projects and operating costs.	High	Federal, State, Local
Protect transit funding through opposition loans and transfers from transportation funding to other programs.	High	State
Advance the Transit Alliance for a Better North County toward building a strong and effective coalition focused on the education of, communication about, and advocacy for public transportation in North County.	High	Local
Support legislation that brings federal dollars to railroad corridors.	Medium	Federal

Support definition expansion for LOSSAN Corridor, to include the rail segment from Los Angeles to San Luis Obispo.	Medium	Federal
Support advocacy efforts to strengthen LOSSAN Corridor and the LOSSAN Agency.	Medium	Federal, State, Local
In partnership with interested cities, seek funding dedicated to grade separation projects.	Medium	Federal, State, Local
Support MTS's 2005 legislative goals provided they are consistent and do no conflict with the goals of NCTD. MTS has not yet finalized its 2005 legislative goals. When the goals have been distributed, staff will update the Board. NCTD will not support any activity inconsistent with the Board's goals.	Medium	Federal, State, Local
Support SANDAG's 2005 legislative goals. SANDAG has not yet finalized its 2005 legislative goals. When the goals have been distributed, staff will update the Board. NCTD will not support any activity inconsistent with the Board's goals.	Medium	Federal, State, Local
Seek legislation limiting inappropriate regulatory actions of the California Public Utilities Commission.	Medium	State
Support legislation that would reverse or mitigate the California Supreme Court ruling that held transit agencies are liable for pedestrian injuries sustained as a result of the "dangerous" location of a bus stop. (Bonanno v. Central Contra Costa Transit Authority).	Medium	State
Support legislation that will facilitate the delivery of capital projects.	Low	Federal, State
Support legislation that will increase transit efficiency and usage of services, including transit oriented development.	Low	Federal, State
Monitor and respond to legislation that affects District operations in the areas of finance, operations, employment, and safety, including issues related to contractors.	Low	Federal, State, Local
Support the American Public Transit Association's 2005 legislative agenda. APTA has not yet distributed its 2005 legislative agenda. When the agenda has been distributed, staff will update the Board. NCTD will not support any activity that the Board determines to be inconsistent with the goals of the agency.	Low	Federal
Support the California Transit Association's 2005 legislative agenda. Provided as Attachment A.	Low	State



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2005 STATE LEGISLATIVE PROGRAM

Vision Statement

This statement contains the long-range vision for the transit industry of the California Transit Association and portrays the desired future we seek to achieve. Our Association=s vision is:

A more balanced transportation system, which weaves into the fabric of California communities and improves the quality of life for all Californians.

Mission Statement

This statement describes how the Association will accomplish its vision. Our Association=s mission is:

To work in partnership with its membership and California=s communities to be the primary advocate for policies which recognize and support public transit as an integral part of a balanced transportation system.

Policy Principles

These policy principles provide guidance to the Association on how to best advocate for the industry. The first set of principles articulate what we, as an industry, strive to be. The second set of principles refers to what types of policies we support in the political arena.

We strive toy

- X Generate economic development
- X Provide choice of mode in travel
- X Meet market demand flexibly and reliably
- X Operate efficiently
- X Raise public awareness about transit

We support policies that...

- X Create patterns of land-use that efficiently combine transit and development
- X Promote a multi-modal transportation system that offers choices to transportation consumers

- X Preserve the environment through better transportation planning
- X Promote social equity through better transportation planning
- X Create financial stability for public transit

2005 State Legislative Program

1. Create patterns of land-use that efficiently combine transit and development

A. Enact Comprehensive Policies to Enable Transit-Supportive Development & Smarter Growth

The Association has been active in advocating for smart growth and transit-oriented development. Actions taken by the Association have ranged from successful sponsorship of legislation to supporting the smart growth goals sponsored by coalition partners.

2. Promote a multi-modal transportation system that offers choices to transportation consumers

A. Clarify Public Utilities Commission's Rail Oversight Authority

The Association has been working in partnership with rail General Managers and staff to prevent inappropriate regulatory actions from being imposed on rail public transit by the PUC. The negotiations have not had the intended effect of limiting the PUC's authority to that which is statutorily prescribed to the PUC.

Recommendation:

Introduce legislation to clarify and delimit the PUC's

authority.

B. Enhance Penalties for Crimes Against Transit Staff and / or On Transit Vehicles / Property

Many of the Association's member agencies want to strengthen penalties against those who commit crimes against an operator of a transit vehicle, against the transit-riding public, or against property of transit agencies. The Association supports increased safety for transit employees and the riding public.

Recommendation:

1) Introduce legislation to increase penalties against

those who loiter around a transit station.

2) Introduce legislation to increase penalties against those who would assault an operator while a vehicle is in

motion.

3. Preserve the environment through better transportation planning

The Association will consider and support proposals that enhance the ability of transit operators and other agencies to preserve the environment through better transportation planning.

4. Promote social equity through better transportation planning

The Association will consider and support proposals that enhance the ability of transit operators and other agencies to promote social equity through better transportation planning.

5. Create financial stability for public transit

A. Explore and Enact Comprehensive Transit Funding Program

The Association supports enactment of a comprehensive, long-term transit funding program. Such a new program would address at least the following funding needs:

1. Increase Operating Revenue - The Senate Resolution 8 report of 1999 indicates that California transit operators require at least an additional \$400 million per year over the next 10 years to meet the state's growing demands for mobility, access and economic development.

- 1) Introduce bill similar to 2003-04's AB 1065 (Longville), which authorized counties to double the local quarter-cent sales tax for transit (i.e. Transportation Development Act funds).
- 2) Work in partnership with others to extend state sales tax to entire excise tax on diesel fuel, once an assessment is made that transit would not be negatively burdened, and deposit funds in the STA Program.
- **2. Create New Transit Capital Funding Program -** The Association historically advocates for additional revenue for transit capital investment programs.
- **3. Enact Transit-Supportive Development Funding -** Additional revenue is needed to provide transit agencies a dedicated funding source to support transit-friendly development. Also, support efforts to provide incentives to private entities to promote transit-supportive development.
- **4. Add Revenue to Address Air Quality Requirements -** Additional revenue is needed to comply with newly imposed engine emission requirements.
- **5. Protect and Recover Transit=s Property Tax Base -** The state annually shifts the property tax revenue of several transit agencies to non-transit purposes. The Association will support legislation to protect and recover the

property tax base of these agencies, and oppose state budget action to divert such property tax funds to the state's General Fund.

B. Remedy Guardino

Whether or not new revenues are provided at the state level, the Association will partner with others to build a coalition and support legislation to remedy the impact of the decision in the *Santa Clara County Local Transportation Authority vs. Guardino* case. Such legislation would reduce the currently-required two-thirds supra-majority vote and make it easier to enact new or continue existing local county sales taxes for transportation purposes.

C. Remedy Bonanno

The California Supreme Court upheld a lower court decision which ruled that Central Contra Costa Transit Authority was liable for injuries sustained by a pedestrian that was trying to reach a bus stop. The plaintiff argued that CCCTA's siting of the bus stop was hazardous, and directly contributed to her injuries. This ruling greatly and substantially expands the liability exposure of transit agencies, as nearly any bus stop could be argued to be in a hazardous location.

D. Protect Existing Transit Revenue

The Association will take all necessary and appropriate actions to protect against the transfer or expenditure of Transportation Development Act, Public Transportation Account, Traffic Congestion Relief Fund, and other transit funds, to state or local agencies or for purposes other than those specified in the Act and existing transit funding law. This includes support for funding of transit bond debt service payments from the General Fund, as has been the state's normal practice.

E. Support Transit Efficiency

Transit performance efficiency measures that streamline and improve present state accountability requirements will be supported, and those that do not will be opposed. Currently, transit agencies have the authority to utilize the innovative design-build process, under certain circumstances. This authority is set to expire January, 1, 2007.

F. Exempt Small Operators from Administrative Burden

The Association will consider and support exemptions for small operators from financially burdensome new legal or regulatory requirements, or to minimize their impact on small operators.

G. Protect Integrity of Collective Bargaining Agreements

The Association will support efforts to preserve the local collective bargaining process, where it is in place for our member organizations, and will oppose efforts through statute or regulations to mandate benefits or other specific working conditions that should more appropriately be addressed through collectively bargained agreements.

- 1) Support administrative or legislative efforts to provide flexibility for private operators to negotiate certain provisions contained in Wage Order Number 9, but ensure that any current exemptions for public operators are maintained.
- 2) Support administrative efforts to exempt public agencies from regulations intended to protect employees of private business.

ATTACHMENT C



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E. Support Transit Efficiency

Transit performance efficiency measures that streamline and improve present state accountability requirements will be supported, and those that do not will be opposed. Currently, transit agencies have the authority to utilize the innovative design-build process, under certain circumstances. This authority is set to expire January, 1, 2007.

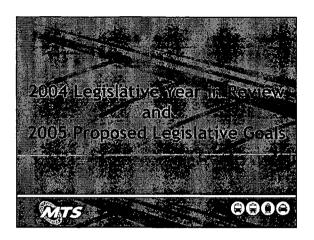
F. Exempt Small Operators from Administrative Burden

The Association will consider and support exemptions for small operators from financially burdensome new legal or regulatory requirements, or to minimize their impact on small operators.

G. Protect Integrity of Collective Bargaining Agreements

The Association will support efforts to preserve the local collective bargaining process, where it is in place for our member organizations, and will oppose efforts through statute or regulations to mandate benefits or other specific working conditions that should more appropriately be addressed through collectively bargained agreements.

- 1) Support administrative or legislative efforts to provide flexibility for private operators to negotiate certain provisions contained in Wage Order Number 9, but ensure that any current exemptions for public operators are maintained.
- 2) Support administrative efforts to exempt public agencies from regulations intended to protect employees of private business.



2004 Legislative Year in Review

Federal Legislation:

- √11/22/2004 Congress passes 2005 Omnibus Appropriations Act (H.R. 4818) combining 9 pending appropriation bills
- [TEA-21 Reauthorization]
- √FY 2005 transit funding = \$7.644 billion, an increase of \$378 m illion
- √Transit programs funded under short-term continuing resolution until signed by President Bush



2004 Legisla	itive Year	r in Revi	ew
Program	FY 2004	FY 2005	Change
Total All Programs	7,265.88	7,644.02	5.2%
Formula Total	3,816.35	3,998.71	4.8%
Capital Investment	3,138.87	3,311.11	5.5%
New Starts	1,315.98	1,437.39	9.2%
Fixed-Guideway			
Modernization	1,199.39	1,204.32	.4%
Bus/Bus Facilities	623.50	669.40	7.4%
Planning/Research	125.26	126.94	1.3%
JARC	104.38	123.96	18.8%
University Centers	5.96	5.95	001%
FTA Operations	75.05	77.35	3.1%
(State)	440		2222
Wis			
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2004 Legislative Year in Review	
State Legislation: B AB 1065 - Proposed doubling TDA Revenue B AB 1320 - Creates incentives for transit	
villages	
© SB 1130 - Extends design build construction authority	
AB 2471- Mandated LAO study on transit costs for large developments	
⊗ AB 2737 - Proposed to reverse <u>Bonanno</u> decision	
© SB 1233 - Authorizes MTDB to be known as MTS	
MINE STATE	
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FY 2005 Legislative Goals	
Federal Goals: ✓ Monitor expenditures & allocations under the reauthorization	
of TEA-21 Seek appropriations for:	
South Bay Maintenance Facility \$6,500,000 East County Bus Maintenance Facility \$7,000,000	
SDTC Building Renovations \$ 600,000	
Wheelchair lift replacements LRVs \$1,000,000 ADA paratransit vehicles (127) \$8,500,000	
El Cajon Station Improvements \$ 350,000 Blue Line Station Shelter Replacements \$2,700,000	
%rs 9909	
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FY 2005 Legislative Goals	
Federal Goals:	
✓ Support smart growth programs ✓ Support legislation implementing the Regional	
Comprehensive Plan	
Support fiscal reform initiatives	
✓ Oppose legislation reducing transit funding ✓ Support legislation funding the Mobility 2030	
Plan	
✓ Support legislation funding transit security	
MTS GOOD	

FY 2005 Legislative Goals
State Goals:
✓ Propose extensive modifications to MTS enabling legislation
✓ Monitor legislation regarding personnel matters ✓ Oppose legislation expanding PUC rail oversight
authority
✓ Support legislation that remedies <u>Guardino</u> and <u>Bonanno</u>
✓ Support legislation protecting Collective Bargaining Agreements
WITS BOOD
FY 2005 Legislative Goals
Local Goals:
✓ Support NCTD, SANDAG, CTA & APTA
Legislative Programs consistent with MTS's
goals
MTS 6606



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Agenda

Item No. <u>45</u>

Chief Executive Officer's Report

ADM 121.7 (PC 30100)

December 9, 2004

Minor Contract Actions

- American Public Transportation Association for image campaign.
- Calderon Building Maintenance for steam cleaning services for San Ysidro Intermodal Transportation Center.
- Stacy & Witbeck, Inc. for construction services for the San Ysidro Intermodal Transportation Center.
- Orion Construction Corporation/Balboa Construction, Inc., Joint Venture, for construction services for Mission Valley East Light Rail Extension.
- Clark Construction Group Incorporated for construction services for Mission Valley East Light Rail Extension.
- Balfour Beatty/Ortiz Enterprises for construction services for the La Mesa segment of the Mission Valley East Light Rail Extension.
- Stacy & Witbeck, Inc. for trackwork and systems for Mission Valley East Light Rail Extension.

Contract Matters

There are no contract matters to report.

Personnel Matters

Mark Wasdahl, Associate Transit Operations Specialist, will celebrate his 5th anniversary on December 17, 2004.

gail.williams/agenda item 45 11/9/04

