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Agenda

****SPECIAL JOINT MEETING****
of the
Board of Directors for
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

January 13, 2005

▶▶ 8:00 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 meeting.

FINANCE WORKSHOP - 8:00 A.M.

ACTION RECOMMENDED

- 1. Roll Call
- 2. a. MTS: Operators Budget Status Report for October 2004 Receive
Action would receive this report for information.
- b. MTS: Combined FY 2006 Finance Workshop Approve
Action would receive this report for information and approve staff's recommendation to institute a five-member budget development committee.

BOARD MEETING - 9:00 A.M.

- 3. a. Approval of Minutes - December 9, 2004 Approve
- b. Public Comments - 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.



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS 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.

- | | | |
|----|--|-----------------|
| 4. | a. <u>Presentation of Employee Awards</u> | Receive |
| | b. <u>MTS: Election of Vice Chair and Chair Pro Tem and Appointments to Committees for 2005</u>
Action would approve the election of a Vice Chair, two Chair Pro Tems, and appointment of representatives to MTS Committees for 2005. | Approve |
| 5. | <u>Closed Session Items</u> | Possible Action |
| | a. <u>MTS: PUBLIC EMPLOYEE PERFORMANCE EVALUATION Chief Executive Officer (Government Code Section 54957)</u> | |
| | b. <u>MTS: CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Significant Exposure to Litigation Pursuant to Subdivision (b) of Government Code Section 54956.9 (One Potential Case)</u> | |

Oral Report of Final Actions Taken in Closed Session

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

- | | | |
|-------|---|---------|
| * 6. | <u>MTS: Contract Amendment for The Ticket Factory</u>
Action would authorize the CEO to exercise a second option year with The Ticket Factory for printing of 17,701,100 Universal Daily-Dated Transfer Slips. | Approve |
| * 7. | <u>MTS: Contract Amendment to Extend and Increase Authorization of Liability Claims Management Services</u>
Action would authorize the CEO to enter into a contract amendment with McDowell Adjusting Company to provide liability claims administration services and supervision and support of the self-insurance program. | Approve |
| * 8. | <u>SDTI: Mission Valley East Equipment Procurement: Contract Award</u>
Action would authorize the President and General Manager to execute a Standard Procurement Agreement with Altec Industries, Inc., for supplying one hi-rail and insulator washer-equipped bucket truck. | Approve |
| * 9. | <u>MTS: Disadvantaged Business Enterprise Semiannual Report</u>
Action would receive the second semiannual Fiscal Year 05 DBE reports for Federal Highway Administration- and Federal Transit Administration-assisted projects. | Receive |
| * 10. | <u>MTS: FY 05 Vendomat Tickets: Exercise of Contract Option</u>
Action would authorize the CEO to exercise the third of four options with Digital Printing Systems to produce and deliver vendomat tickets. | Approve |
| * 11. | <u>MTS: Contract Amendment for Increased Authorization for Legal Services</u>
Action would authorize the CEO to (1) enter into a contract amendment with J. Rod Betts of the law firm Paul, Plevin, Sullivan & Connaughton for employment practices liability services and employment legal advice, and (2) ratify prior amendments entered into under the CEO's and/or previous General Manager's authority(ies). | Approve |

- * 12. MTS: January 2005 Service Changes Receive
Action would receive this report on service changes scheduled for January 2005 implementation.
- * 13. MTS: San Diego Gas and Electric Company Request for Easements Approve
Action would authorize the CEO to execute easements to San Diego Gas and Electric Company for utility facilities within the Mission Valley East Light Rail Transit Project and approve easements executed by the previous General Manager during the years 2001, 2002, and 2003.
- * 14. MTS: Taylor/Major Irrigation Sewer Easement Approve
Action would authorize the CEO to execute an easement to Arthur Samuel Taylor and Maria Ann Taylor, joint trustees for the Taylor Family Trust, for maintenance, repair, and replacement of a private sewer line located within MTS-owned property at the Grantville Station, Assessor Parcel No. 461-320-29.

NOTICED PUBLIC HEARINGS

- 25. None.

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

DISCUSSION ITEMS

- 30. MTS: Grievance and Hearing Procedure for Nonunion Employees Approve
Action would approve the Grievance and Hearing Procedure for Nonunion Employees of the Metropolitan Transit System (MTS), San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI), as recommended by the Executive Committee.
- 31. MTS: Issue 25 Additional City of San Diego Taxicab Permits to Eligible Individual Taxicab Drivers Approve
Action would approve recommendations of the Taxicab Driver Request for Proposals Selection Committee.
- 32. SDTI: Mission Valley East Final Operating Plan and Light Rail Vehicle Deployment Approve
Action would approve the Mission Valley East Final Operating Plan, which includes headways, hours of service, and restricting Blue Line Mission Valley West service to operate only during limited peak-period intervals.

REPORT ITEMS

- 45. MTS: Freeway Shoulder Lanes Demonstration Project Receive
Action would receive this report for information.
- 46. MTS: Access/ADA Suburban Paratransit Operations Receive
Action would receive this report for information.

60. Chairman's Report Approve
Action would approve a motion to cancel the February 3, 2005, Executive Committee meeting and the February 10, 2005, and Board meeting.
61. Chief Executive Officer's Report Information
62. Board Member Communications
63. Additional Public Comments Not on the Agenda Possible Action
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.
64. Next Meeting Date: January 27, 2005
65. Adjournment

JGarde
AGENDAS EC 1-6-05 BD 1-13-05
01/07/05

METROPOLITAN TRANSIT DEVELOPMENT BOARD
FINANCE WORKSHOP

ROLL CALL

MEETING OF (DATE): 1/13/05

CALL TO ORDER (TIME): 8:13 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 9:03 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>	8:20 a.m. during AI 2.a	
CLABBY	<input type="checkbox"/> (Jones) <input checked="" type="checkbox"/>		
EMERY	<input checked="" type="checkbox"/> (Cafagna) <input type="checkbox"/>	8:28 a.m. during AI 2.a	
KALTENBORN	<input checked="" type="checkbox"/> (N/A) <input type="checkbox"/>		
LEWIS, Mark	<input checked="" type="checkbox"/> (Santos) <input type="checkbox"/>		
MAIENSCHHEIN	<input type="checkbox"/> (Vacant) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MATHIS	<input checked="" type="checkbox"/> (N/A) <input type="checkbox"/>	8:25 a.m. during AI 2.a	
MONROE	<input checked="" type="checkbox"/> (Tierney) <input type="checkbox"/>		
MORRISON	<input checked="" type="checkbox"/> (Ungab) <input type="checkbox"/>	8:32 a.m. during AI 2.a	
RINDONE	<input checked="" type="checkbox"/> (Davis) <input type="checkbox"/>		
ROBERTS	<input type="checkbox"/> (Cox) <input type="checkbox"/>		<input checked="" type="checkbox"/>
ROSE	<input checked="" type="checkbox"/> (Janney) <input type="checkbox"/>	8:20 a.m. during AI 2.a	
RYAN	<input type="checkbox"/> (Dale) <input type="checkbox"/>		<input checked="" type="checkbox"/>
STERLING	<input checked="" type="checkbox"/> (Ewin) <input type="checkbox"/>		
WILLIAMS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
YOUNG	<input type="checkbox"/> (Vacant) <input type="checkbox"/>		<input checked="" type="checkbox"/>
ZUCCHET	<input type="checkbox"/> (Vacant) <input type="checkbox"/>		<input checked="" type="checkbox"/>

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

Gail Williams

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

Alfred Brown

**NOT TURNED IN TO ACCOUNTING FOR THE PAYMENT OF FEES.
ONLY THE ROLL CALL FOR THE MAIN MEETING ON THIS DATE WAS TURNED IN FOR PYMT OF FEES.**

METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL

MEETING OF (DATE): 1/13/05

CALL TO ORDER (TIME): 9:06 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:24 a.m.

RECONVENE: 10:32 a.m.

ORDINANCES ADOPTED: _____

ADJOURN: 12:03 p.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
CLABBY	<input type="checkbox"/> (Jones) <input checked="" type="checkbox"/>		
EMERY	<input checked="" type="checkbox"/> (Cafagna) <input type="checkbox"/>		
KALTENBORN	<input checked="" type="checkbox"/> (N/A) <input type="checkbox"/>		
LEWIS, Mark	<input checked="" type="checkbox"/> (Santos) <input type="checkbox"/>		
MAIENSCHEIN	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/> (N/A) <input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/> (Tierney) <input type="checkbox"/>		
MORRISON	<input checked="" type="checkbox"/> (Ungab) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (Davis) <input type="checkbox"/>		
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	10:44 a.m. during Closed Session	
ROSE	<input checked="" type="checkbox"/> (Janney) <input type="checkbox"/>		
RYAN	<input checked="" type="checkbox"/> (Dale) <input type="checkbox"/>	9:19 a.m. during AI 3.b	
STERLING	<input checked="" type="checkbox"/> (Ewin) <input type="checkbox"/>		
WILLIAMS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
YOUNG	<input type="checkbox"/> (Vacant) <input type="checkbox"/>		<input checked="" type="checkbox"/>
ZUCCHET	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>	9:57 a.m. during Closed Session	

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

Gail Williams

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

Jeffrey Kowalski

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

December 9, 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 9:03 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. Lewis moved to approve the minutes of the November 18, 2004, Board of Directors meeting. Mr. Rindone seconded the motion and the vote was 8 to 0 in favor.

3. Public Comment

Steffani Kreger: Ms. Kreger reported that she lives in Harbison Canyon, is blind, and is dependent on MTS Access service to go to rehabilitation classes. She stated that she has been informed that Access service will no longer be provided to her neighborhood. She added that she has been using this service for years and doesn't understand why her location will no longer be served. She added that she was not aware that this change was being implemented until she attempted to make a reservation.

Mr. Jablonski stated that MTDB would have Susan Hafner, Director of Multimodal Operations, contact Ms. Kreger to discuss this matter. He reminded the Board that paratransit service, by mandate, is supposed to be provided within ¾ mile of fixed-route service. He stated that Ms. Kreger's issue is not an unusual one. Ms. Kreger again emphasized that she has been utilizing MTS Access service for years.

4. Presentation of Employee Awards

a. MTDB: Adoption of Resolution No. 04-16 Honoring the Distinguished Service of Former General Manager Thomas F. Larwin

Chairman Williams presented Mr. Thomas F. Larwin with a resolution honoring his distinguished service and leadership to MTS, the Board, and the public for 27 years. Mr. Rindone stated that this award was definitely well deserved, and that

Mr. Larwin was largely responsible for a successful trolley system with nationwide recognition.

Mr. Larwin thanked the Board, Mr. Jablonski, and MTS staff. He added that the staff members he worked with were outstanding public servants and that, after 40 years of full-time work, he was looking forward to retirement.

Action Taken

Chairman Williams moved to adopt Resolution No. 04-16 honoring the distinguished service of former General Manager Thomas F. Larwin. Mr. Rindone seconded the motion, and the vote was 10 to 0 in favor.

5. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:11 a.m. for:

- 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 Organization (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. GIC 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

The Board reconvened to Open Session at 9:36 a.m.

Oral Report of Final Actions Taken in Closed Session

- a. The Board gave authorization to the CEO to execute Contract Change Order 57, Supplement No. 1.
- b. The Board authorized the General Counsel's office to retain outside counsel in the matter of SOHO v. City of San Diego, et al.
- c. The Board gave direction to staff and outside counsel and received a report from outside counsel.

- d. The Board received a report from outside counsel and gave direction to staff and outside counsel.
- e. The Board received a report from outside counsel and gave direction to staff and outside counsel. The Board will be reporting in Open Session on this particular matter in January.

CONSENT ITEMS

6. MTDB: Finalized Audit Report on the Information Technology Control Environment (LEG 492, PC 30100)

That the Board of Directors receive the Information Technology Audit Report.

7. MTDB: Finalized Audit Report on the Risk Management Process (LEG 492, PC 30100)

That the Board of Directors receive the Risk Management Audit Report for information.

8. MTDB: Mission Valley East Light Rail Transit Owner-Controlled Insurance Project Program Extension and Funding (LEG 491, PC 10426.12)

That the Board of Directors (1) 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 (2) authorize the transfer of \$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 of the agenda item—Budget Transfer History) for continuation of the OCIP project.

9. 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 (AMD 122.2, PC 30100)

That the Board of Directors adopt the ordinances as provided in the agenda item, "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.

10. MTDB: Mission Valley East Light Rail Transit Project: Contract Change Orders (CIP 10426.7.5)

That the Board of Directors authorize the Chief Executive Officer to (1) execute Contract Change Order (CCO) No. 34 with Stacy & Witbeck, Inc. (SWI), in substantially the same

form as Attachment A of the agenda item, 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 of the agenda item, 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).

11. MTDB: Parking Revenue for the James R. Mills Parking Structure (FIN 300, PC 30100)

That the MTD Board of Directors receive this report for information.

12. MTDB: Legal Services Contract Amendment (LEG 491, PC 30100)

That the MTD 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 of the agenda item), and David Skyer of the law firm Susson & Parrett (MTDB Doc. No. G0749.4-02, Attachment B of the agenda item) for general liability services, in substantially the same form as attached to the agenda item, and ratify prior amendments entered into under the CEO's and/or previous General Manager's authority(ies).

13. MTDB: Creative Bus Sales Contract Amendment (CIP 10488, CIP 10489)

That the MTD Board of Directors (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 (3) 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.

14. MTDB: September 2004 Quarterly Investment Report (FIN 310, PC 30100)

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

Agenda Item No. 9: In response to a question from Mr. Lewis, Ms. Lorenzen explained that the language in these ordinances was taken from an existing state statute that is very specific about what constitutes intent. She added that inspectors are trained in this regard and work with the San Diego Police Department to enforce this provision of the ordinance. Also in response to a comment from Mr. Lewis, Ms. Lorenzen provided an example of the type of action described by the words "known to be false." She added that this concept is actually a provision of MTS's enabling legislation. She stated that when an officer issues a citation for this particular violation, MTS still has the burden of proving that the individual did in fact provide false information.

Agenda Item No. 11: Mr. Jablonski stated that income from the parking garage was budgeted at \$250,000. He reported that \$80,000 was actually earned because of the high number of baseball fans that used the trolley to get to the ballpark and because the parking fee was reduced to attract more patrons to the garage, which was not being filled. Chairman Williams stated that he was involved in deciding to reduce the parking fee and was very conflicted over taking an action that would encourage people to drive their cars. In response to a question from

Mr. Lewis, Ms. Lorenzen stated that the spaces on the ground floor of the garage are reserved for individuals with disabled placards.

Motion on Recommended Consent Items

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

NOTICED PUBLIC HEARINGS

There were no Noticed Public Hearings.

DISCUSSION ITEMS

30. This agenda item number was not used.
31. MTDB: SANDAG Consolidated Transportation Agency Draft Annual Report (ADM 121.1, PC 30100)

SANDAG Director of Governmental Relations Ellen Roundtree provided the Board with a brief description of the process that is being used to evaluate the results of Senate Bill 1703 (SB 1703). She advised the Board that MTDB's input is reflected in the Transit Agency Perspective section of the report. Ms. Roundtree reviewed the report providing a brief overview of the conclusions and findings as well as the next steps in the process. She added that SANDAG and North County Transit reviewed the report in November, and the MTDB Executive Committee requested the addition of certain language regarding a thorough function review and analysis of the business impacts of consolidation on MTDB. She added that the report will be reviewed by the SANDAG Transportation Committee on December 10, 2004, and by the full SANDAG Board on December 17 prior to being mailed to the governor.

Mr. Jablonski called attention to the language recommended by the Executive Committee for insertion, which was placed on the table prior to the start of the meeting. He advised Board members that the language recommended by the Executive Committee appears on the top half of the page. He stated that the Joint Committee on Regional Transit (JCRT) reviewed this language on December 1 and their proposed amended language appears on the bottom half of the page. He stated that either one could be inserted into the Transit Perspective portion of the consolidation report, and that the language recommended by the JCRT is basically the same as the language proposed by the Executive Committee with the addition of North County Transit. Mr. Emery stated that he was part of the discussion at both the Executive Committee and the JCRT, and all parties strongly felt that there should be a clause in the report that indicates that the process is not yet complete – that an analysis is being conducted and a recommendation will be forthcoming. Mr. Mathis stressed the importance of this issue. In response to a question from Mr. Mathis, Ms. Roundtree stated that Mr. Jablonski as well as the Karen King, Executive Director of North County Transit, provided the comments that appear in Transit Agency Perspective section of the report. She added that their input was included word for word with no edits by SANDAG.

Mr. Monroe expressed support of SANDAG's action to delegate certain authorities to the SANDAG Transportation Committee. He added that this committee consists of representatives who understand and work hard on transit.

Action Taken

Mr. Emery moved to receive The SANDAG Draft Consolidation Report and request that the SANDAG Transportation Committee approve the inclusion of the language recommended by the JCRT, but replace the last sentence "Findings and Recommendations should be submitted to SANDAG as soon as possible" with "Findings and recommendations will be submitted to SANDAG shortly after the first of the year." Mr. Rindone seconded the motion, and the vote was 11 to 0 in favor.

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

SANDAG Business Development Manager Judy Leitner stated that the primary objective of the MVE Marketing & Community Outreach Plan is to create the best opening-day scenario to maximize ridership, revenue, awareness, and appreciation for this investment. She reviewed the objectives of the plan and provided Board members with details on markets, community/partnership outreach, public information, media outreach, and opening/special events. She also provided the Board with an update of activities to date including a news clip of media coverage for the recent unveiling of an S70 trolley car. She also recognized staff members from MTDB, SDTI, SDTC, and SANDAG, who worked on the development of this plan.

In response to a question from Mr. Monroe, Ms. Leitner stated that they are projecting 11,000 new riders per day as a result of the new service that will be offered. In response to question from Mr. Monroe about the impact on bus ridership, Mr. Cheung stated that Route 81 will be eliminated because it would duplicate the trolley service. Mr. Monroe stated that he was interested in numbers showing the level of new riders versus transfer ridership and the overall impact on bus ridership. Mr. Jablonski, in response to a question from Mr. Rindone, stated that the opening date has not yet been identified as there are still outstanding issues to be resolved; e.g. construction completion date, delivery of S70 trolley cars, completion of testing, training of personnel, etc. He stated that many of these factors are critical to ensure the safety of this service. He also advised the Board that the opening will not occur during a weekend when there is a Padres game. He added that an implementation committee is working with the engineers for the project to develop a date for the opening. He indicated that they are attempting to identify a date by January.

Mr. Lewis pointed out that much of the publicity for the opening occurs in the summer when SDSU students, who will greatly benefit from this service, are not in school. He also expressed concern that teachers will not make use of the training manuals that staff is planning to provide. Ms. Leitner stated that the training manuals are designed to tie in with other activities the teachers are already doing. She added that the number of manuals printed is tied to economies of scale. Mr. Lewis stated that he would like a report back to the Board on teacher feedback regarding the training manuals.

Action Taken

Mr. Emery moved to approve the Final Marketing and Communications Plan for the Mission Valley East Extension. Ms. Sterling seconded the motion, and the vote was 10 to 0 in favor.

33. SDTI: Padres Baseball 2004 Year-End Summary (OPS 970.2, PC 30102)

SDTI President-General Manager Peter Tereschuck stated that trolley service to PETCO Park was a mutually positive experience for SDTI and the Padres and then introduced Mr. Tom Doogan, SDTI Event Coordinator. Mr. Doogan provided the Board with an overview of the initial service plan and also reviewed service adjustments that were made after the first month of service. He also reviewed various revenue and cost recovery components of this service. He then provided the Board with attendance and ridership statistics and a revenue projection for an 81-game season. He stated that trolley ridership decreased as parking structures close to the ballpark opened or as existing parking lots lowered their rates. He added that the Special Event Green Line service carried almost one-half of the trolley's ridership to the park and, because this was special-event service, did not displace any regular passengers. He then reviewed actions that will be taken related to next year's service.

Mr. Monroe complimented staff on the excellent report and stated that the report demonstrates excellent management of the whole process. Mr. Monroe suggested that staff not use the season average of 22 percent to predict ridership for next season, as that average reflects high ridership at the beginning of the season that will probably not occur next year. He suggested using 18 percent. Mr. Tereschuck publicly acknowledged the efforts of Mr. Doogan and stated that he is largely responsible for the success of this service.

Action Taken

Mr. Monroe moved to receive this report for information. Mr. Rindone seconded the motion, and the vote was 11 to 0 in favor.

35. MTDB: Comprehensive Operational Analysis: Project Update (ADM 121.10, PC 20484)
(Taken Out of Order)

Mr. Conan Cheung, Director of Planning and Performance Monitoring, provided the Board with a project update for the Comprehensive Operational Analysis (COA). He reported that the contract has been executed and a comprehensive public participation process has been developed. He added that the project schedule has been revised to take into consideration a more robust public-participation process and concerns expressed by some Board members regarding the optimistic timeline. Mr. Cheung referred Board members to a revised table for the project committees that includes four MTS Board representatives in the project committee structure. He reviewed the basic membership, role, and forum for each of the committees. He advised the Board that a special Web site will be developed for this project and will be used to disseminate information to project committees and the general public. He added that the service efficiency portion of the project is scheduled to conclude in April 2005, and the service development portion in October 2005.

In response to a comment from Mr. Monroe regarding the role of the Blue Ribbon Committee, Mr. Jablonski stated that the Blue Ribbon Committee will really be doing the hard work on this project. He stated that the data that gets analyzed on a technical level will result in policy decisions that will be made by the Blue Ribbon Committee. He stated the entire objective of the program is not to just restructure the system, but to restructure the system to drive down costs, and policy decisions will be an integral part of that process. He added that he was very pleased that there were four Board members who were willing to participate. He stated that their participation will be very important.

Actions Taken

Mr. Monroe moved to designate Toni Atkins, Harry Mathis, Tom Clabby, and Phil Monroe to the Blue Ribbon (Leadership) Committee for the COA Project. Ms. Atkins seconded the motion, and the vote was 11 to 0 in favor.

Mr. Rindone moved to receive this report for information. Ms. Sterling seconded the motion, and the vote was 11 to 0 in favor.

37. MTDB: Mission Valley East Light Rail Transit Project: Budget Status (CIP 10426)
(Taken Out of Order)

Mr. Jim Linthicum provided background on the budget decisions made at the beginning of the Mission Valley East (MVE) Light Rail Transit (LRT) project and management controls that were instituted or reinforced in April 2003. He then presented the recommended budget for the project at this time, which will include project contingency and funding to pay claims, items that were not included in the original budget calculation. Mr. Linthicum advised the Board that the Executive Committee recommended the use of Congestion Mitigation and Air Quality (CMAQ) rather than TransNet funds for the \$10 million increase in the budget.

Action Taken

Ms. Sterling moved to (1) receive the report on the MVE 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 of the agenda item; and (3) authorize the CEO to request that SANDAG amend the Regional Transportation Improvement Program to increase the MVE Project budget and fund the increase with regional CMAQ funds. Mr. Clabby seconded the motion, and the vote was 10 to 0 in favor.

38. SDTC: Amendment to New Flyer Compressed Natural Gas (CNG) Bus Procurement Contract (CIP 10486, CIP 10487) (Taken Out of Order)

Ms. Lorenzen called attention to the revised agenda item that was placed at each Board member's place prior to the start of the meeting. Ms. Spielberg reviewed the reasons for the recommended amendment to the CNG bus procurement contract. She stated that the recommended changes will increase the New Flyer contract by \$365,667.72. She stated that approval of the amendment would make it possible for San Diego Transit to purchase each of its CNG buses with a safety-critical fire-suppression system and an additional CNG tank to provide the needed range to improve operating efficiency of the CNG buses. Mr. Jablonski stated that these two items have strong financial

implications. Ms. Spielberg added that money recently received from insurance proceeds would be sufficient to cover the additional expense for these two items. Mr. Jablonski stated that staff did a great job of negotiating the terms of this purchase without the cost increase that normally accompanies this type of transaction.

Action Taken

Mr. Emery moved to (1) 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 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 (2) 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 of the agenda item). Mr. Rindone seconded the motion, and the vote was 9 to 0 in favor.

39. MTDB: MTS Operators Budget Status Report for September FY 05 (FIN 310, PC 30100)
(Taken Out of Order)

Mr. Larry Marinesi, MTDB Budget Manager, reviewed a summary of variances for net operating subsidies. He also reviewed a 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. Tom Lynch, MTDB Controller, reviewed net subsidy and other expenditures by transit operator and combined transit operators comparison to budget. He reported that most of the overage for wages/fringes consists of overtime costs for San Diego Transit maintenance personnel and operators. He also reported that the estimated contingency carried forward for FY 2004 is \$16,530,000, which is an unaudited number. and includes \$4,335,000 appropriated to FY 05 operations.

In response to a question from Mr. Mathis regarding the overtime, Ms. Spielberg stated that the overtime being worked by SDTC maintenance and transportation personnel is the result of SDTC's inability to hire entry-level personnel. She reported that a successful career fair was recently held and another is planned, which should help to alleviate this problem. Mr. Clabby stated that overtime is costly and causes staff burn out. He added that he hoped to see less overtime in the future. In response to a question regarding attrition, Ms. Spielberg stated that operator class size reduces as students drop out. She also stated that SDTC has an aging workforce and, therefore, a high number of employees are retiring or considering retirement.

Action Taken

Mr. Monroe moved to receive the MTS Operators Budget Status Report for September FY 2005. Ms. Sterling seconded the motion, and the vote was 10 to 0 in favor.

36. MTDB: Triennial Performance Audit Recommendations (SRTP 820.14, PC 20201)
(Taken Out of Order)

Mr. Denis Desmond, Sr. Transportation Planner, reported that every recipient of State Transit Assistance and Local Transportation Fund monies is subject to a triennial

performance audit. He reviewed the audit goals and reported that all of MTS's "operators" were in full compliance with Public Utilities Code (PUC) requirements. He stated that the auditors did observe that system efficiency has been reduced by lower ridership and higher costs. He then briefly reviewed each of the four audit recommendations.

Mr. Jablonski requested that Mr. Desmond pass along the comment to SANDAG that while trolley capital issues are significant, capital issues are also very significant on the bus side. He stated that staff is nearing the end of its CIP process, and it should be easy to approve the CIP because of the limited funding that is available. He advised the Board that staff is planning on providing the Board with a very extensive briefing on capital needs and funding in the near future.

Action Taken

Mr. Monroe moved to receive the Triennial Performance Audit Report, approve the recommendations, and forward the report to the SANDAG Transportation Committee for approval along with the Board's comment adding emphasis on bus capital needs for facilities as well as vehicles – both contracted as well as internal bus operations. Mr. Clabby seconded the motion, and the vote was 8 to 0 in favor.

40. MTDB: 2004 Legislative Year in Review and Proposed Federal and State Legislative Goals for 2005 (ADM 122, PC 30100) (Taken Out of Order)

Ms. Lorenzen provided Board members with a review of legislative actions taken during calendar year 2004, including approval of a \$378 million increase in transit funding for FY 2005. She also reported that SB 1233, which authorizes MTDB to be known as MTS, was passed with an effective date of January 1, 2005. She also reviewed the proposed FY 2005 legislative goals – federal, state, and local. During Ms. Lorenzen's review of projects for which appropriations should be sought, Mr. Jablonski stated that 5309 discretionary appropriations will be sought for these projects. He stated that they are, for the most part, "brick and mortar" projects, and these types of projects are usually much better received, at least on the senate side, for funding than others. He added that these items cannot be funded using monies available under the FY 06 CIP, but are very pressing needs. He referenced facilities needs at San Diego Transit. He also reported that wheelchair lifts on at least some LRVs are at least 25 years old and need to be replaced, and all 127 paratransit vehicles were essentially purchased at the same time, all now exceed their useful life, and cannot continue to run without extensive maintenance investment. He stated that MTS may also received additional funding for security issues through the new transit security bill. In response to a question from Mr. Ryan, Mr. Jablonski stated that the issue of security cameras both on buses and stations will be addressed if the new transit security act gets passed and funded.

Ms. Lorenzen pointed out that one of the legislative goals is to extensively modify MTS's enabling legislation to carry out post-SB 1703 clean up, including expansion of MTS procurement methods to provide the Board with the maximum benefit possible when MTS is doing competitive-type bids. She also reported that a remedy will be sought to reduce the impact of the decision requiring a two-thirds supra-majority vote for the passage of local county sales taxes for transportation purposes.

Ms. Lorenzen advised the Board that goals for SANDAG, North County Transit, and the California Transit Association were included in the agenda item. She stated that work is underway to develop a joint Request for Proposals for lobbying services. She stated that, under this collaborative effort, the same lobbyist would be used by all of the organizations in order to pool powers for maximum effect.

Ms. Monroe suggested that staff work with Juan Vargas, who works very closely with the governor on the Workers' Compensation issue. Ms. Rose asked if MTS could implement a process to notify Board members as relevant legislation moves through the process so Board members can facilitate where possible. She stated that the League of California Cities has such a procedure, and it is very effective. Mr. Jablonski stated that he would like to have a government affairs staff position that could utilize Board members' contacts and associated memberships to support a proactive approach to governmental affairs.

Action Taken

Ms. Atkins moved to receive a report on the 2004 Legislative Session and approve the federal and state legislative goals for 2005 as set forth in the agenda item. Ms. Rose seconded the motion, and the vote was 8 to 0 in favor.

34. MTS: Operations Status Reports – October 2004 (Taken Out of Order)
(OPS 920.2, 960.5, 970.5; PC 30100, 30101, 30102)

Ms. Claire Spielberg, Chief Operating Officer – Bus, referred Board members to a revised Attachment A, which was placed on the table prior to the start of the meeting and provides data through October 2004. She reviewed San Diego Transit's performance indicators for performance reliability, schedule adherence, customer service, system safety, ridership, and productivity. Ms. Spielberg also reported that San Diego Transit's Kearny Mesa Division has completed its preventative maintenance program and is now helping the Imperial Avenue Division complete its program. She anticipated full completion of this program by the end of December or early January. She also reported on the mean distance between service interruptions for buses that had gone through the preventative maintenance program in contrast to those that have not.

Mr. Jablonski reported that the report will have a new look in January. He added that San Diego Transit's performance indicator for miles between road calls has almost doubled over the course of the year, which was an outstanding improvement.

Mr. Wayne Terry, SDTI Vice President of Operations, reviewed the Transportation Department Summary providing Board members with details on SDTI ridership, special event service, schedule adherence, lift service, and accidents. He advised the Board that SDTI will be relocating the station at City College to make way for Smart Corner construction. He added that body restoration of SD 100 trolley cars should be completed this month.

Mr. Elliot Hurwitz, Contract Services Administrator, reviewed the Operations Status Report through October 2004. He reported on ridership, on-time performance, completed trips, miles between mechanical failures, accidents, customer service/complaints, and completed trips.

Action Taken

No action was taken on this item.

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)

There was no discussion of this item.

46. Board Member Communications

The Alliance: In response to a question from Mr. Monroe, Mr. Jablonski reported that MTDB has had no further contact from The Alliance regarding the Border Patrol issue.

47. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

50. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, January 13, 2005, at 9:00 a.m. in the same location.

60. Adjournment

Chairman Williams adjourned the meeting at 12:01 p.m.



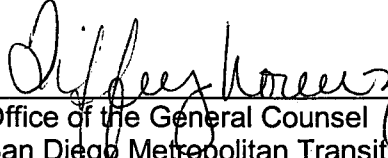
Chairman
San Diego Metropolitan Transit
Development Board

Filed by:



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 System

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Agenda

Item No. 2a

MTS OPERATORS FINANCE WORKSHOP

FIN 310.1 (PC 30100)

January 13, 2005

Subject:

MTS: OPERATORS BUDGET STATUS REPORT FOR OCTOBER 2004

RECOMMENDATION:

That the Board of Directors receive the Metropolitan Transit System (MTS) Operators Budget Status Report for October 2004.

Budget Impact

None at this time.

DISCUSSION:

This report compares operating expenditures compared to budget for October 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 A18 provides insight into potential fiscal year impacts of diesel fuel and compressed natural gas (CNG) year-to-date average rates.

Revenues

Fare Revenue – October 2004. Combined fare revenue for October 2004 aggregated \$6,150,000 compared to the approved budget of \$5,863,000, which represents \$287,000 (+4.9%) over budget. Semester pass revenue (\$294,000), which typically is received and was budgeted to be attained in November 2004, was unexpectedly received early in



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS 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.

October 2004. Fare revenues for rail operations were \$2,343,000 compared to a \$1,994,000 budget, resulting in a \$349,000 (17.5%) positive revenue variance. Rail operations continued their strong performance, primarily due to three regular season Chargers games, two San Diego State University Aztec football games, and Oktoberfest in La Mesa. The impact of college semester pass early receipt of revenue totaled \$115,000 for rail operations. Fare revenues associated with bus-related activities (internal bus operations and contract bus operations) were \$50,000 (-1.4%) under budget. The impact of college semester pass early receipt of revenue totaled \$154,000. The fare revenue under budget results were driven primarily by lower ridership within internal bus operations. Passenger levels within internal bus operations were -7.3% under budget (3,647,000 actual passengers versus 3,923,000 budgeted passengers). Other operators' (Chula Vista Transit and National City Transit) fare revenue was \$12,000 (-3.2%) under budget. The impact of college semester pass early receipt of revenue totaled \$15,000 for Chula Vista Transit and National City Transit.

Total passengers for October 2004 were 6,653,000 compared to a budget of 6,468,000, representing a positive ridership variance of 185,000. Rail operations had 521,000 (+25.1%) more passengers than budget while all other bus-related operators were 338,000 (-7.7%) passengers less than the October 2004 budget, led primarily by internal bus operations and contract services fixed-route, which were 164,000 (-7.4%) and 113,000 (-6.9%) passengers under budget, respectively.

Fare Revenue – Year-to-Date October 2004. Combined fare revenue for October 2004 year-to-date was \$24,265,000 compared to the year-to-date budget of \$23,935,000, which represents a \$330,000 (1.4%) positive year-to-date variance. Rail operations contributed a \$1,162,000 (13.6%) year-to-date positive variance, while all year-to-date bus-related operators were \$832,000 (-5.4%) under budget.

Total passengers for the first four months of the 2005 fiscal year totaled 26,693,000 for all MTS operations compared to year-to-date budgeted ridership totaling 25,270,000, representing a 1,423,000 positive ridership variance. Rail operations contributed a 2,188,000 (26.1%) positive ridership variance while other bus-related operators were 771,000 (-4.6%) passengers less than the October 2004 year-to-date budget.

Other Revenue. Other revenue totaled \$115,000 compared to an October 2004 budget of \$108,000. Year-to-date other revenues through October 2004 were \$391,000 compared to the year-to-date budget of \$431,000, representing a \$40,000 negative variance.

Subsidy. Combined subsidy for October 2004 was \$5,620,000 compared to a \$6,181,000 budget. This represents a \$561,000 or 9.1% negative variance. Year-to-date subsidy through October 2004 was \$25,850,000 compared to a year-to-date subsidy budget of \$23,942,000. This \$1,908,000 positive variance is primarily due to rail operations advancing significant Transportation Development Act (TDA) subsidy in the month of July.

Expenses

Personnel Costs. Total personnel-related costs for October 2004 were \$6,938,000 compared to the budget of \$6,963,000, resulting in a \$25,000 (+0.4%) positive variance. Within rail operations, fringe-related expenses were over budget by \$62,000, primarily due to higher retirement-related expenses (Public Employees' Retirement System [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 under budget, wages were over budget by \$153,000 offset by fringe expenses under budget by \$175,000. 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 under budget. Year-to-date employee-related costs totaled \$27,914,000 compared to a year-to-date budgetary figure of \$27,797,000. Year-to-date personnel costs were over budget by \$117,000 (-0.4%).

Outside Services and Purchased Transportation – October 2004. Total outside services expenses totaled \$5,219,000 compared to a budgetary figure of \$5,307,000, resulting in a positive expense variance of \$88,000 (1.7%). Purchased transportation contributed a positive variance of \$104,000 (2.5%), primarily due to less-than-anticipated demand within paratransit services. Security-related expenses trended lower in October 2004 compared to the previous three months, primarily due to the conclusion of the San Diego Padres season and additional PETCO Park-related security. Expenses within this category were slightly over budget by \$22,000, primarily due to some additional security needs at several stations within the rail system.

Outside Services and Purchased Transportation – Year-to-Date October 2004. Total outside services for the first four months of the fiscal year totaled \$20,820,000 compared to \$21,420,000, resulting in a year-to-date positive variance of \$600,000 (2.8%). Other outside services through October 2004 provided a positive variance of \$414,000 (26.0%), primarily due to legal costs, lower-than-expected other outside consulting expenses, and timing issues. 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 \$477,000 (2.8%) positive variance due to reduced demand within paratransit services. Year-to-date security expenses were \$351,000 (-22.2%) 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 \$60,000 (4.4%) under budget for the fiscal year through October 2004.

Materials and Supplies. Total combined materials and supplies costs were \$757,000 for October 2004 compared to the approved budget of \$654,000, resulting in a negative expense variance of \$103,000 (-15.7%). Internal bus operations were over budget within this category by \$54,000 (-14.6%), primarily due to preventative maintenance purchases on the existing fleet of buses. Year-to-date materials and supplies expenses totaled \$3,173,000 compared to a budgetary figure of \$2,609,000, resulting in a negative expense variance of \$564,000 (-21.6%). Purchases within rail operations comprise

\$413,000 (-38.6%) of this negative variance 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 – October 2004. Total energy costs were \$1,807,000 for the month compared to the budget of \$1,593,000. This negative variance of \$214,000 (-13.4%) is primarily the result of diesel fuel. Diesel fuel expenses for the month aggregated \$611,000 compared to a budget of \$381,000, resulting in a \$231,000 (-60.6%) negative variance. Diesel prices for the month averaged \$1.698 per gallon compared to the budgetary rate of \$1.10 per gallon. In terms of traction power, the average cost of kilowatts per hour (kWh) remained low at \$.139 per therm. Electricity-related expenses had a prior period expense that was incorporated within October's results. This catch up transaction offset the price per therm positive variance to produce a \$25,000 negative variance.

Energy – Year-to-Date October 2004. Total year-to-date energy costs were \$6,740,000 compared to the budget of \$6,324,000, resulting in a year-to-date negative variance of \$416,000 (-6.6%). Year-to-date diesel fuel expenses were over budget by \$687,000, CNG expenses were over budget by \$4,000, and electricity-related expenses were under budget by \$275,000. Year-to-date diesel prices averaged \$1.559 per gallon compared to the annual budgetary rate of \$1.10 per gallon. CNG's average price through October 2004 was \$0.978 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 \$343,000 for October 2004 compared to a \$467,000 budgetary figure, resulting in a positive variance of \$124,000 (26.6%). Year-to-date expenses for risk management were \$416,000 (22.3%) 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 \$70,000 for the month compared to the approved budget of \$70,000, resulting in no material expense variance. Year-to-date general and administrative costs were \$88,000 (32.2%) under budget totaling \$185,000 through October 2004 compared to a year-to-date budget of \$273,000.

Month-End Summary. The total positive variance of \$228,000 for the month of October 2004 was the production of various factors. Unexpected college semester pass revenue of \$294,000 that was budgeted in November 2004 was received in October 2004. Lower ridership within internal bus operations offset the continued strong performance in operating revenue within rail operations as a result of large ridership for three regular-season Chargers games, two San Diego State University football games, and Oktoberfest. The net combined variance of operating revenue as a result of the above was \$294,000 (+4.9%) over budget. Total expenses were \$66,000 (-0.4%)

greater than budget primarily due to lower purchased transportation and risk management expenses offset by materials and energy-related expenses.

Year-to-Date Summary. Total operating revenues were over budget by \$290,000 (1.2%), primarily due to strong performance in rail operations (\$1,128,000 positive variance) as a result of large ridership for PETCO Park and other special events offset by lower ridership in all other bus-related operators (\$838,000 negative variance). Total expenses were \$16,000 or 0.0% less than budget. This positive variance is primarily due to lower purchased transportation, other outside services, and risk management-related expenses offset by security, materials and supplies, personnel, and energy-related expenses. These results combine into an overall net subsidy positive variance of \$307,000 (+0.9%).

In projecting fiscal year 2005 results, there are several areas of concern that continue to 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-related actual expenses are greater than the budgeted retirement rate within rail operations. Security-related expenses trend higher within rail operations, primarily correlating with PETCO Park attendance. Purchased transportation expenses are trending lower than budget, primarily due to lesser 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.

October 2004 combined positive variance for other expenditures totaled \$43,000 or 8.7% of the total budget for other expenditures. Taxicab Administration and the San Diego and Arizona Eastern Railroad Company contributed \$10,000 and \$5,000, respectively, to the positive variance, and the General Fund was under budget by \$29,000. Total year-to-date expenses totaled \$3,471,000 compared to a year-to-date budget of \$3,596,000, resulting in a positive variance of \$125,000 (3.5%) through October 2004.



Paul C. Jablonski
Chief Executive Officer

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

JGarde/JAN13-05.2a.FW.LMARINESI
1/4/05

Attachment: A. Budget Comparisons **(Board Only)**



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Agenda

Item No. 2b

MTS OPERATORS FINANCE WORKSHOP

FIN 310.1 (PC 30100)

January 13, 2005

Subject:

MTS: COMBINED FY 2006 FINANCE WORKSHOP

RECOMMENDATION:

That the Board of Directors receive the report on combined MTS FY 2005 year-end projections (Attachment A) and a time line of the budgetary process (subject to change by the budget development committee) (Attachment B), and approve staff's recommendation to institute a five-member budget development committee.

Budget Impact

None at this time.

DISCUSSION:

COMBINED MTS FY 2005 YEAR END PROJECTIONS

Attachment A-1 summarizes fiscal year 2005 combined operating projections based upon the first four months of fiscal year 2005 actual results.

Operating Revenues

While early in the fiscal year, we are initially projecting fiscal year 2005 operating revenue at \$70,338,000 compared to the approved budget of \$69,301,000, which would represent \$1,037,000 (+1.4%) over budget. Rail Operations fare revenue would contribute \$2,979,000 to the total positive variance presuming continued additional ridership for PETCO Park, strong Chargers games attendance, and other special events. Internal bus operations are initially projected to contribute a \$1,641,000 negative variance presuming some stabilization in SDTC ridership levels. All other operators would contribute a \$301,000 negative variance to fiscal year 2005.

Operating Expenses



Total operating expenses for fiscal year 2005 are initially projected to be \$2,355,000 over budget. The primary components of this preliminary projected negative variance are due to personnel expenses, energy costs, and security expenses offset by purchase transportation costs.

Personnel expenses would contribute a \$1,348,000 negative budgetary variance primarily due to fringe expenses within rail Operations and internal bus operations significant overtime wages within operations and maintenance partially offset by a reduced level of regular wages.

Total fiscal year diesel costs are initially projected to be \$1,725,000 over budget primarily due to actual average rates greater-than-budgeted rates within diesel. Year-to-date diesel prices through October 2004 averaged \$1.559 per gallon compared to the annual budgetary rate of \$1.10 per gallon.

Total security expenses for fiscal year 2005 are preliminarily projected to be \$594,000 over budget primarily due to the additional security needs related to PETCO Park's additional attendance.

Total purchased transportation expenses are initially projected to be \$813,000 under budget primarily due to lower-than-expected demand within paratransit services.

All other expenses for fiscal year 2005 are projected to be \$498,000 under budget.

Net Operating Subsidy


While early in the fiscal year, we are initially projecting total net operating subsidy to result in a \$1,318,000 negative variance. Staff is reviewing options to eliminate or reduce this total net operating subsidy negative variance.

RECOMMENDATION

The reinstatement of a five-member budget development committee.

TIME LINE OF BUDGETARY PROCESS

Staff recommendation for budget development committee resolution (Attachment B provides a recommended budgetary process time line).



Paul C. Jablonski
Chief Executive Officer

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

JGarde/JAN13-05.2b.FW.LMARINESI
1/5/04

Attachments: A. Fiscal Year 2005 Projections }
B. Time Line } **Board Only**





Metropolitan Transit System FY 2005 - October 2004 Financial Review

MTS Board of Directors Meeting
January 13, 2005



**Net Operating Subsidy Variance Summary
October 2004**

	Month to Date Variance	Year to Date Variance
• Rail Operations Fare Revenue	\$ 349	\$ 1,162
• Outside Services, Risk and G&A Under Budget	129	918
• Purchased Transportation Expenses	104	477
• Internal Bus Operations Fringe Under Budget	175	427
• Electricity Expenses YTD Under Budget	(25)	275
• Diesel Expenses Over Budget	(231)	(687)
• Ridership down within Internal Bus Operations	(19)	(687)
• Materials and Supplies Over Budget	(108)	(583)
• Internal Bus Operations Wages Over Budget	(153)	(481)
• Security Expenses Over Budget	(23)	(352)
• Rail Operations Fringe Expenses Over Budget	(62)	(161)
• All other net operations under budget	92	(1)
• Overall net operating subsidy positive variance	\$ 228	\$ 307


SAN DIEGO METROPOLITAN TRANSIT SYSTEM				
COMBINED OPERATIONS				
TRANSIT OPERATORS NET SUBSIDY AND OTHER EXPENDITURES				
COMPARISON TO BUDGET - FY 2005				
OCTOBER 31, 2004				
(in \$000's)				
	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Transit Operators' Net Subsidy				
Internal Bus Operations	4,080	4,035	(45)	-1.1%
Rail Operations	1,437	1,715	278	16.2%
Contracted Bus Operations - Fixed Route	2,031	2,077	46	2.2%
Contracted Bus Operations - Para Transit	885	856	(29)	-3.4%
Other Operators	435	415	(20)	-4.8%
Total Transit Operators Net Subsidy	8,869	9,097	228	2.5%
Other Expenditures				
Administrative Pass Thru	0	0	0	-
Taxicab Administration	74	83	10	11.6%
San Diego and Arizona Eastern	8	12	5	38.3%
Debt Service	0	0	0	-
General Fund	372	401	29	7.2%
Grand Total Expenditures	9,322	9,593	271	2.8%




SAN DIEGO METROPOLITAN TRANSIT SYSTEM				
COMBINED MTS TRANSIT OPERATORS				
COMPARISON TO BUDGET - FY 2005				
OCTOBER 31, 2004				
(in \$000's)				
	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VAR
Fare Revenue	\$6,150	\$5,864	\$287	4.9%
Other Revenue	115	107	7	6.5%
Total Operating Revenue	6,265	5,971	294	4.9%
Wages/Fringes	6,938	6,963	25	0.4%
Purchased Transportation	4,121	4,225	104	2.5%
Energy	1,807	1,593	(214)	-13.4%
Other Expenses	2,268	2,287	19	0.8%
Total Costs	15,134	15,068	(66)	-0.4%
Net Operating Subsidy	(\$8,869)	(\$9,097)	\$228	2.5%



SAN DIEGO METROPOLITAN TRANSIT SYSTEM				
COMBINED OPERATIONS				
TRANSIT OPERATORS NET SUBSIDY AND OTHER EXPENDITURES				
COMPARISON TO BUDGET - FY 2005				
FISCAL YEAR TO DATE, OCTOBER 31, 2004				
(in \$000's)				
	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Transit Operators' Net Subsidy				
Internal Bus Operations	16,991	16,020	(971)	-6.1%
Rail Operations	5,462	6,148	684	11.1%
Contracted Bus Operations - Fixed Route	8,298	8,597	299	3.5%
Contracted Bus Operations - Para Transit	3,249	3,510	261	7.4%
Other Operators	1,683	1,715	33	1.9%
Total Transit Operators Net Subsidy	35,682	35,988	307	0.9%
Other Expenditures				
Administrative Pass Thru	344	344	0	0.0%
Taxicab Administration	299	333	34	10.2%
San Diego and Arizona Eastern	69	82	12	15.2%
Debt Service	0	0	0	-
General Fund	2,759	2,838	79	2.8%
Grand Total Expenditures	39,153	39,584	432	1.1%



SAN DIEGO METROPOLITAN TRANSIT SYSTEM				
COMBINED MTS TRANSIT OPERATORS				
COMPARISON TO BUDGET - FY 2005				
FISCAL YEAR TO DATE, OCTOBER 31, 2004				
(in \$000's)				
	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VAR
Fare Revenue	\$24,265	\$23,935	\$330	1.4%
Other Revenue	391	431	(40)	-9.3%
Total Operating Revenue	24,656	24,366	290	1.2%
Wages/Fringes	27,915	27,796	(117)	-0.4%
Purchased Transportation	16,384	16,861	477	2.8%
Energy	6,740	6,324	(416)	-6.6%
Other Expenses	9,299	9,373	72	0.8%
Total Costs	60,338	60,354	16	0.0%
Net Operating Subsidy	(\$35,682)	(\$35,988)	\$307	0.9%



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		74,720	

Annual budgetary impact (increased cost) at annual average prices

Diesel		CNG	
Average Annual Price	Annual Budgetary Impact	Average Annual Price	Annual Budgetary Impact
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	0.978	582,816
1.500	1,374,400	0.990	672,480
1.559	1,577,124	1.020	896,640
1.600	1,718,000	1.050	1,120,800

* Note Diesel Rates: October 2004 (\$1.698) - YTD October 2004 (\$1.559)
 * Note CNG Rates: October 2004 (\$0.956) - YTD October 2004 (\$0.978)
 ** Budget rates for Diesel and CNG are \$1.10 and \$0.90 respectively

Metropolitan Transit System

FY 2005 - October 2004

Financial Review

MTS Board of Directors Meeting
January 13, 2005




Metropolitan Transit System Finance Workshop

MTS Board of Directors Meeting
January 13, 2005



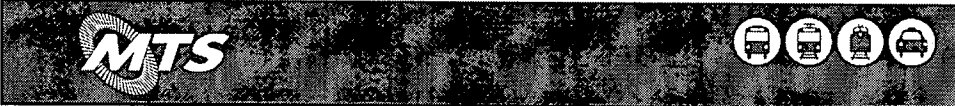
Finance Workshop Agenda

- FY 2005 year end projections
- Staff recommendation to reinstitute the five-member Budget Development Committee
- Staff recommendation of timeline of budgetary process




SAN DIEGO METROPOLITAN TRANSIT SYSTEM
Combined Operations
Fiscal Year 2005 Projections
(in 000's)

	FY2005 Adopted Budget	Actual YTD October	Projected Nov - Jun	Projected FY2005	Budget Var Over/(Under) FY2005
Operating Revenue	69,301	24,656	45,682	70,338	1,037
Operating Expenses	182,531	60,335	124,551	184,886	2,355
Net Operating Subsidy	(113,231)	(35,679)	(78,869)	(114,549)	(1,318)



SAN DIEGO METROPOLITAN TRANSIT SYSTEM
COMBINED MTS TRANSIT OPERATORS
FULL YEAR PROJECTION TO BUDGET - FY 2005
(in \$000's)

	ADOPTED BUDGET	PROJECTION	PROJECTED VARIANCE	% VAR
Fare Revenue	\$68,005	\$69,128	\$1,123	1.6%
Other Revenue	1,296	1,210	(86)	-7.1%
Total Operating Revenue	69,301	70,338	1,037	1.5%
Wages/Fringes	84,723	86,071	(1,348)	-1.6%
Outside Services	13,824	14,422	(598)	-4.1%
Purchased Transportation	50,358	49,545	813	1.6%
Energy	19,125	20,117	(992)	-4.9%
Other Expenses	14,502	14,732	(230)	-1.6%
Total Costs	182,531	184,886	(2,355)	-1.3%
Net Operating Subsidy	(\$113,231)	(\$114,549)	(\$1,318)	-1.2%



Five Member Budget Development Committee

Staff recommendation to reinstitute the five-member Budget Development Committee



Timeline of Budgetary Process (Staff recommendation for Budget Development Committee resolution)

Date	Description
1/13/2005	First Finance Workshop
1/27/2005	Board of Director Meeting - review November MTS results
2/15/2005	Budget Development Committee Meeting - Mid year adjustment, assumptions and revenue review.
2/24/2005	Second Finance Workshop - December MTS results, Mid year approval, assumptions and revenue review with Board.
3/15/2005	Budget Development Committee Meeting - Policy issues and budget balancing strategies.
3/24/2005	Third Finance Workshop - Policy issues and budget balancing strategies.
4/7/2005	Budget Development Committee Meeting - Draft budget and budget closure strategies.
4/14/2005	Fourth Finance Workshop - Draft budget and budget closure strategies.
4/21/2005	Budget Development Committee Meeting (if needed)
5/12/2005	Fifth Finance Workshop - Updated draft budget
5/19/2005	Budget Development Committee Meeting (if needed)
6/9/2005	Present Final Budget to MTS Board



Metropolitan Transit System Finance Workshop

MTS Board of Directors Meeting
January 13, 2005



SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

REQUEST TO SPEAK FORM

AGENDA ITEM NO.

36

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****

@8:39

1. INSTRUCTIONS

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

Date 2005-01-13
Name (PLEASE PRINT) Clive Richard
Address 5153 La Donna Street
San Diego, CA 92115-1530
Telephone 619.582.4036
Organization Represented (if any) Self

Subject of your remarks: Customer experience / COKE MACHINE
NO TOILET - TIC
ISSUE

Agenda Item Number on which you request to speak _____
Your comments are presenting a position of: SUPPORT OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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

3. DISCUSSION OF AGENDA ITEMS

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

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

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

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

SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

REQUEST TO SPEAK FORM

AGENDA ITEM NO.

8b
NAW

ORDER REQUEST RECEIVED

2

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

@ 9:09 AM

1. INSTRUCTIONS

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

275 12/12 - C⁵

Date 1-13-05

Name (PLEASE PRINT) DAVID HARMER HARMER

Address 1635 Skyline Dr L.A. LEMOU GROVE

Telephone (619) 462-4327 #936 - BROKEN

Organization Represented (if any) SELF DOWN -

253-3004

Subject of your remarks: Bus #936 route

Trolley-incident - ASSAULT

Agenda Item Number on which you request to speak _____

Your comments are presenting a position of: SUPPORT OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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

3. DISCUSSION OF AGENDA ITEMS

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

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

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

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



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

Agenda

Item No. 4b

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

LEG 410 (PC 30100)

January 13, 2005

Subject:

MTS: ELECTION OF VICE CHAIR AND CHAIR PRO TEM AND APPOINTMENTS TO COMMITTEES FOR 2005

RECOMMENDATION:

That the Board of Directors elect a Vice Chair and a Chair Pro Tem for 2005 and appoint representatives to the MTS Committees as listed on the attached table (Attachment A).

Budget Impact

None.

DISCUSSION:

Public Utilities Code, Section 120100, requires the Board of Directors, annually at its first meeting in January, to elect a Vice Chair who shall preside in the absence of the Chair. Policies and Procedures No. 22, "Rules of Procedure," also provides for the election of a Chair Pro Tem to serve in the absence of the Chair and Vice Chair. Currently, Jerry Rindone serves as Vice Chair, and Bob Emery serves as Chair Pro Tem.

In addition, each year the Board makes appointments to the various committees, including the Executive Committee, the Chair of the Budget Committee, the Joint Committee on Regional Transit (JCRT) the State Route 67/125 Policy Advisory Committee of the San Diego Association of Governments (SANDAG), the



Taxicab Committee, the High-Speed Rail Task Force of SANDAG, the Los Angeles-San Diego Rail Corridor Agency (LOSSAN), the Accessible Services Advisory Committee (ASAC), and the SANDAG Transportation Committee. Attached is a table of those committees listing the membership appointment recommendations for 2005.



Paul C. Jablonski
Chief Executive Officer

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

JGarde
JAN13-05.4b.TLOREN
1/5/05

Attachment: A. Table of MTS Committees for 2005 **(Board Only)**



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San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

Agenda

Item No. 6

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

FIN 330.3 (PC 40060)

January 13, 2005

Subject:

MTS: CONTRACT AMENDMENT FOR THE TICKET FACTORY

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to exercise a second option year with The Ticket Factory for printing of 17,701,100 Universal Daily-Dated Transfer Slips at a cost not to exceed \$84,497.97 (including tax and delivery), in substantially the same form as Attachment A. This price represents a cost of \$4.77 per 1,000 slips.

Budget Impact

The cost of this amendment shall be \$84,497.97. The cost of these transfer slips shall be paid for through the FY 05/06 San Diego Association of Governments (SANDAG) Fare Media Budget line item (11-100-6085-0000).

DISCUSSION:

In FY 03, MTS conducted a competitive procurement process that resulted in a contract with The Ticket Factory for Daily-Dated Universal Transfer Slips. The contract contains four one-year renewal options. This action would exercise the second option.

San Diego Transit Corporation (SDTC) has now installed new fareboxes with electronically issued transfers. The detailed shipping sheet (Attachment B) reflects changes made to quantities ordered for SDTC to account for only emergency transfer



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS 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.

requirements in case of a malfunctioning farebox. When the fareboxes are deemed reliable enough, it will be possible to lower the quantity of transfers received by SDTC at any time through the existing contract terms.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Devin Braun, 619.595.4916, devin.braun@sdmts.com

JGarde
JAN16-05.6.DBRAUN
12/14/04

Attachments: A. Contract Amendment
B. Detailed Shipping Sheet } **Board Only**



1255 Imperial Avenue, Suite 1000
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 619.231.1466, FAX: 619.234.3407

Agenda

Item No. 7

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

LEG 491 (PC 30100)

January 13, 2005

Subject:

MTS: CONTRACT AMENDMENT TO EXTEND AND INCREASE AUTHORIZATION OF LIABILITY CLAIMS MANAGEMENT SERVICES

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to enter into a contract amendment with McDowell Adjusting Company (MAC) (MTDB Doc. No. G0848.1-03, Attachment A) to provide liability claims administration services and supervision and support of the self-insurance program. The total contract cost is not to exceed \$427,500. The term of the contract extension is for a period of one year with options for two additional years.

Budget Impact

The total costs will be charged against each of the three agencies involved according to services provided. Funds have been identified and allocated within each agency. The estimated annual breakdown between agencies is noted within the table below. An annual Consumer Price Index and claims activity rate adjustment was factored into the contract cost.

ESTIMATED ANNUAL BUDGET IMPACT				
AGENCY	MTS	SDTC	SDTI	TOTAL
YEAR 3	\$ 14,000	\$ 263,500	\$ 150,000	\$ 427,500
	3%	62%	35%	100%



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS 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.

DISCUSSION:

At the direction of the Board, staff released a Request for Proposals (RFP) in December 2002. From that RFP, MAC was identified as the top contender and was contracted for a two-year period to provide the services requested. This amendment would exercise an additional contract option year of claims management services.



Paul C. Jablonski
Chief Executive Officer

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

JGarde
JAN13-05.7.JDOW
12/13/04

Attachment: A. MTDB Doc. No. G0848.1-03 (**Board Only**)



1255 Imperial Avenue, Suite 1000
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619.231.1466 FAX 619.234.3407

Agenda

Item No. 8

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

OPS 970.6 (PC 30102)

January 13, 2005

Subject:

SDTI: MISSION VALLEY EAST EQUIPMENT PROCUREMENT: CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the President and General Manager (GM) to execute Standard Procurement Agreement (Attachment A) with Altec Industries, Inc. (Altec) for supplying one hi-rail and insulator washer-equipped bucket truck for a total cost (including delivery, license, and tax) not to exceed \$117,578.05.

Budget Impact

The \$117,578.05 for the bucket truck would come from the Mission Valley East Start-up Budget, Materials, and Supplies line item.

DISCUSSION:

A great majority of the Mission Valley East track and catenary system is on an elevated structure or in the tunnel with no easy road access. This requires the use of vehicles equipped with hi-rail gears that can travel on rail and insulated bucket in order to reach catenary wire and pole-mounted equipment to service the overhead catenary system. San Diego Trolley, Inc. (SDTI) currently has one insulated bucket truck. The addition of the Mission Valley East segment next summer will require a second similar unit for the maintenance fleet. One new item being added to this procurement of bucket truck is the high-pressure insulator washer. Similar, but much larger, units have been used by utility



companies to clean insulators on their high-voltage transmission lines. Periodic washing of the insulators prevents carbon tracking and the resulting short circuit. In light of tunnel operation on Mission Valley East, insulator washing becomes very important, as carbon dust from the pantograph will be trapped by the tunnel and settle on insulators and other equipment. In addition to the tunnel, this truck-mounted insulator washer will also be beneficial in other areas of the system.

Altec, the proposed supplier of the insulated bucket truck, has been awarded General Services Administration (GSA) Federal Supply Service Contract No. GS-30F-1028G, Schedule No. 23V, which expires on July 31, 2007. Piggybacked on the GSA contract, the State of California also awarded Altec California Multiple Award Schedule (CMAS) Contract No. 40-02-23-0013A, Item No. A-7, which is also valid until October 31, 2007. Based on federal GSA and state CMAS contracts, Altec satisfies the competitive bidding requirement for the federal grant that funds this project, as well as the State of California requirement. It has also been verified that the cost proposal from Altec for the insulated bucket truck, with desired options, matches the price listed for those in the GSA contract and includes appropriate discounts.

Two components not included in the GSA contract are hi-rail gears and an insulator washer. Three months ago after competitive bidding, SDTI procured hi-rail gears from a low bidder, Industrial Equipment Repair, for one of the existing trucks. Altec is proposing to use Industrial Equipment Repair to purchase and install the hi-rail gears for the same price that SDTI purchased them for three months ago, which is very reasonable.

The insulator washer for the medium-voltage catenary system is a new unit that Altec has designed and produced. Altec was unable to provide data for price analysis because even though Altec is negotiating with a few properties to sell the unit, the final purchase orders have not been issued. However, Altec have given us its cost breakdown, including mark-up, and staff believes it is reasonable.

The Workforce Report for Altec (Attachment B) is attached for information.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Russ Desai, 619.595.4908, russ.desai@sdti.sdmts.com

RAbi-Najm/JGarde
JAN13-05.8.RDESAI
12/16/04

Attachments: A. Standard Procurement Agreement } **Board Only**
B. Workforce Report for Altec }



1255 Imperial Avenue, Suite 1000
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619.231.1466 FAX 619.234.3407

Agenda

Item No. 9

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

LEG 430 (PC 30100)

January 13, 2005

Subject:

MTS: DISADVANTAGED BUSINESS ENTERPRISE SEMIANNUAL REPORT

RECOMMENDATION:

That the Board of Directors receive the second semiannual fiscal year (FY) 05 disadvantaged business enterprise (DBE) reports for Federal Highway Administration (FHWA) and Federal Transit Administration (FTA)-assisted projects (Attachments A and B).

Budget Impact

None.

DISCUSSION:

On September 23, 2004 and November 18, 2004, the Board of Directors approved the following DBE goals for FY 05:

FHWA-Assisted Projects

- Construction/Special Trades 6.5 percent
- Services 1.7 percent

Overall Goal 8.2 percent



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS 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.

FTA-Assisted Projects

- Construction/Special Trades 11.6 percent
- Services 2.2 percent

Overall Goal 13.8 percent

DBE Semiannual FY 04 Report for FHWA-Assisted Projects

There were no new FHWA assisted projects awarded during this reporting period. There were no final payments made on any existing FHWA assisted projects during this reporting period.

DBE Semiannual FY 04 Report for FTA-Assisted Projects

Attached is a summary illustrating semiannual FY 04 DBE participation for FTA-assisted projects (Attachment A). The Uniform Report of DBE Awards shows \$1,019,427.33 worth of federal dollars awarded during the April 1 through September 30, 2004, reporting period. (Total contract value was \$1,274,284.15; 20 percent of those funds were local match and 80 percent were FTA dollars.) During the same period, \$22,298.00 was paid out to DBE prime or subcontractors. Attachment B shows the breakdown for each contract awarded and each DBE payment made.

Service contracts (items 1-5 on Attachment B) were awarded in the amount of \$408,051.79.

Construction contracts (items 6-7 on Attachment B) were awarded in the amount of \$611,375.54.

Technical Assistance/Outreach

Various outreach efforts targeting DBEs are instituted by the agency to assist in achievement of agency DBE goals. Project bid advertisement notices are published in general circulation media, minority-focused media, and trade-focused media. DBE firms with trades specific to a project's work scope are also identified in the agency's DBE directory and the California Department Transportation's (Caltrans') DBE database and sent advertisement notices. To assist contractors in meeting a project goal, a DBE directory is compiled specifically to a project's scope of work and is provided to contractors at agency prebid meetings. Additionally, on behalf of MTS, the San Diego Association of Governments (SANDAG) staff participates in community outreach workshops and trade fairs/expos to increase DBE awareness and to inform DBEs of agency contracting opportunities. The Contracting Opportunities Center (COC), a procurement technical assistance and business development program center, also serves as a technical outreach center for MTS, via its contract with SANDAG, as a bid plan room. COC is a one-stop shop for small businesses to obtain information regarding contracting opportunities with local agencies. COC is designed to be an efficient, effective, one-stop approach in providing business information while maximizing public

agency resources. COC clients are notified of bid opportunities through COC's automated bid matching system that is tailored to each client's profile.



Paul C. Jablonski
Chief Executive Officer

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

JGarde
JAN13-05.9.TLOREN
12/20/04

Attachments: A. DBE Participation Report for FTA-Assisted Projects
B. Breakdown of FTA-Assisted contract payments/awards } **Board Only**



Metropolitan Transit System

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

Agenda

Item No. 10

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

January 13, 2005

FIN 330.3 (PC 40060)

Subject:

MTS: FY 05 VENDOMAT TICKETS: EXERCISE OF CONTRACT OPTION

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer to exercise the third of four options with Digital Printing Systems, in substantially the same form as attached (Attachment A), to produce and deliver a total of 8,366,240 vendomat tickets, for a total cost not to exceed \$33,792.68 (including tax and shipping), based on a \$2.21 unit price per 1,000 for rolled stock and \$4.66 unit price per 1,000 for thermal stock.

Budget Impact

The total cost of \$33,792.68 would be charged against the FY 05 Fare Media budget line item.

DISCUSSION:

As part of its areawide coordination responsibilities, SANDAG procures the annual supply of fare media for the region, including monthly passes, universal transfer slips, and vendomat tickets. In FY 01 MTDB conducted a competitive procurement process that resulted in a contract with Digital Printing Systems for vendomat tickets. The contract contains four renewal options. This action would exercise the third option. Order quantities are based on actual FY 04 use and anticipated FY 05 sales.

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Theresa George, 619.699.1933, tge@sandag.org

JGarde - JAN13-05.10.TGEORGE
12/14/04

Attachment: A. Contract Amendment (**Board Only**)



1255 Imperial Avenue, Suite 1000
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Agenda

Item No. 11

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

LEG 491 (PC 30100)

January 13, 2005

Subject:

MTS: CONTRACT AMENDMENT FOR INCREASED AUTHORIZATION FOR LEGAL SERVICES

RECOMMENDATION:

That the Board of Directors:

1. authorize the Chief Executive Officer (CEO) to enter into contract amendment with J. Rod Betts of the law firm Paul, Plevin, Sullivan & Connaughton for employment practices liability services and employment legal advice, in substantially the same form as attached (MTDB Doc. No. G0920.2-04, Attachment A, and MTDB Doc. No. G0924.3-04, Attachment B); and
2. 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 \$80,000 for MTDB Doc. No. G0920.2-04 (employment practices liability services) and not to exceed \$50,000 for MTDB Doc. No. G0924.3-04 (employment legal advice).

DISCUSSION:

On December 13, 2001, the Board of Directors 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 "the



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 MTDB 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 have proceeded to trial, and the total cost of their legal services will exceed \$100,000.

J. Rod Betts is currently under contract with the Agencies for \$100,000. Mr. Betts has successfully defended all three agencies in a number of employment practices liability cases. Mr. Betts also provides ongoing advice on employment-related issues.

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
JAN13-05.11.JDOW
12/14/04

Attachments: A. MTDB Doc. No. G0920.2-04 } **Board Only**
B. MTDB Doc. No. G0924.3-04 }



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619.231.1466, FAX: 619.234.3407

Agenda

Item No. 12

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

SRTP 830 (PC 20287)

January 13, 2005

Subject:

MTS: JANUARY 2005 SERVICE CHANGES

RECOMMENDATION:

That the Board of Directors receive this information on service changes scheduled for January 2005 implementation.

Budget Impact

None.

DISCUSSION:

Changes to Metropolitan Transit System (MTS) bus and trolley services are implemented three times a year: in the fall, winter, and summer. These regularly scheduled service changes provide us with opportunities to improve the service, operation, and schedules of the transit system consistent with service evaluation and customer comments and implement recommendations and actions from the Regional Short-Range Transit Plan (SRTP) and annual budget process. The next scheduled dates for implementing transit service changes are Sunday, January 30, and Monday, January 31, 2005.

This report is provided so that the MTS Board of Directors is aware of upcoming changes to the regional transit system and services.



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS 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.

The *Take One* that will be distributed to all passengers is attached (Attachment A). This brochure includes a detailed description of the service changes that will be implemented in January 2005. Highlights of these changes include the following:

- Opening of the Bus Pavilion at San Diego State University (SDSU) – As the final construction work continues at the trolley station at SDSU, the bus pavilion has been completed and is ready for service. This new facility will replace several temporary bus stops spread throughout the area, creating a much safer and more convenient place for passengers to wait for and access transit. Six bus routes that serve SDSU will move into the new bus pavilion on January 30, 2005.
- Minor Service Efficiencies and Schedule Adjustments – San Diego Transit Corporation, MTS Contract Services, and Chula Vista Transit are implementing schedule changes to 31 MTS bus routes. Most of these changes are routine, minor adjustments to improve on-time performance and optimize passengers' transfers, with no increases or reductions in service. Additionally, two MTS Contract Services routes will have an early-morning weekend trip eliminated due to low ridership. Two other routes are rescheduled with reduced frequencies to accommodate worsening traffic congestion without increasing operating costs. Lastly, Route 851 in Spring Valley will no longer offer route deviations in an effort to improve scheduling and efficiency.
- Presidents Day Service – On Presidents' Day (Monday, February 21, 2005), most MTS services will adhere to a Sunday schedule. Most MTS services that do not operate on Sundays will not operate on Labor Day. All North County Transit District services and selected MTS services will operate a regular weekday schedule. MTS began operating a Sunday level of service on Presidents' Day in 2003, reflecting reduced ridership demand.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Denis Desmond, 619.515.0929, Denis.Desmond@sdmts.com

JGarde/JAN13-05.12.DDESMOND

Attachment: A. MTS January 2005 Service Change *Take One* (**Board Only**)



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

Agenda

Item No. 13

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

CIP 10426.6

January 13, 2005

Subject:

MTS: SAN DIEGO GAS AND ELECTRIC COMPANY REQUEST FOR EASEMENTS

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute easements to San Diego Gas and Electric (SDG&E) Company for utility facilities within the Mission Valley East Light Rail Transit Project (LRT) and approve easements executed by the previous General Manager during the years 2001, 2002, and 2003.

Budget Impact

None.

DISCUSSION:

The easements are necessary for relocating existing utility facilities and installing new utility facilities due to the Mission Valley East LRT Project and in conformance with the agreement between MTDB and SDG&E (MTDB Doc. No. L6304.0-00).



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS 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.

The easements are shown on Attachments A through G.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tim Allison, 619.699.6908, tal@sandag.org

JGarde
JAN13-05.13.TALLISON
12/15/04

- Attachments:
- A. Campanille Drive Easement
 - B. Grantville Station service meter recorded
as Doc. No. 2003-0447578
 - C. Keeney Street Substation recorded as Doc. No. 2002-0609351
 - D. Grantville Substation recorded as Doc. No. 2002-0609352
 - E. San Diego State University East Portal Substation recorded
as Doc. No. 2002-0609353
 - F. Baltimore Drive Substation recorded as Doc. No. 2002-0582416
 - G. Amaya Drive Substation recorded as Doc. No. 2002-0609354

Board Only



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

Agenda

Item No. 30

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

ADM 128 (PC 30100)

January 13, 2005

Subject:

MTS: GRIEVANCE AND HEARING PROCEDURE FOR NONUNION EMPLOYEES

RECOMMENDATION:

That the Board of Directors to approve the Grievance and Hearing Procedure for Nonunion Employees of the Metropolitan Transit System (MTS), San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI) (Attachment A).

Executive Committee Recommendation

At its meeting on January 6, 2005, the Executive Committee recommended forwarding this item to the Board for approval.

Budget Impact

None.

DISCUSSION:

Summary

The grievance and hearing procedure for nonunion employees will require management and other nonunion employees to resolve employment disputes internally through this procedure, rather than resolving such disputes in expensive and time-consuming lawsuits in court.



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS 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.

Background

Prior to 2004, MTS, SDTC, and SDTI (the Agencies) were essentially run as three separate entities with their own personnel policies. As part of the process of consolidating the Agencies, we believe it is in the best interest of all of the Agencies to have a single internal grievance and hearing procedure to resolve employment disputes for nonunion employees. As for the union employees of SDTC and SDTI, their collective bargaining agreements between the corporations and the unions provide a grievance and arbitration procedure to resolve employee disputes. However, there is nothing comparable for management and other nonunion employees.

The primary rationale for implementing a grievance and hearing procedure is to attempt to resolve employee disputes internally, rather than leaving employees with no choice but to file a lawsuit in court to resolve an employment dispute. The procedure will allow employees to file an internal grievance with the agency that made the decision in dispute. The Agencies will attempt to resolve the dispute informally. If that fails and the Agencies deny the grievance, the employee can proceed to an informal hearing before a three-person Grievance Committee. Both parties can present documents and witnesses to the Grievance Committee and argue their "case." The Grievance Committee will make a final written decision to sustain, sustain in part, or deny the grievance.

Pros and Cons of the Grievance and Hearing Procedure

The advantages of using the Grievance and Hearing Procedure are as follows:

- Employees have a fair internal procedure that they can utilize to resolve employment disputes informally without the need for court litigation.
- Resolution of disputes in this manner is much quicker and less expensive than resolving them in court.
- Except in limited circumstances, employees will be required to use this procedure, which will save legal expenses for both parties.
- If the employee receives an adverse finding from the Grievance Committee, he or she will have to challenge that decision in court within 90 days, ensuring that the matter will not drag out indefinitely.
- If the decision of the Grievance Committee is challenged in court, in order to prevail, the employee will have to demonstrate that the Grievance Committee abused its discretion in making the decision.
- In the court proceedings to challenge the decision of the Grievance Committee, there is no formal discovery, such as depositions, interrogatories, or requests for production of documents, as the court proceedings are based on the administrative record developed before the Grievance Committee. Eliminating the formal discovery from the court process saves both parties significant time and legal expenses.

The primary disadvantage of utilizing the Grievance and Hearing Procedure is that management employees of the Agencies must spend the time and effort to conduct the hearing on each grievance. The internal hearing will require the three-person Grievance Committee, the Director of Human Resources, and the manager who made the decision in dispute to spend considerable time in considering the merits of the grievance.

On balance, we believe the Grievance and Hearing Procedure should be adopted by the Board. Although the procedure will require more work by the Agencies' managers, it will save considerable legal expense, as more employee disputes will be resolved internally without using legal counsel. Further, if an employee does challenge the decision of the Grievance Committee in court, the court action will be much quicker and less expensive than a normal employment lawsuit.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Jeff Stumbo, 619.557.4509, jeff.stumbo@sdmts.com

JGarde
JAN13-05.30.STUMBO
1/4/05

Attachment: A. Grievance and Hearing Procedure for Nonunion Employees

JANUARY 1, 2005

GRIEVANCE AND HEARING PROCEDURE FOR NONUNION EMPLOYEES
OF MTS AND ITS SUBSIDIARIES, SAN DIEGO TRANSIT CORPORATION
AND SAN DIEGO TROLLEY, INC.

The Metropolitan Transit System (MTS) and its subsidiaries, San Diego Transit Corporation (SDTC) and San Diego Trolley, Inc. (SDTI) (hereinafter collectively referred to as "the Agencies") recognize and endorse the importance of considering and adjusting employee disputes and grievances properly. The Agencies encourage the informal and prompt settlement of grievances and have established the orderly process set forth below. All disputes, claims, or issues subject to this process must be resolved in accordance with these provisions, and this process shall be the sole internal method for the resolution of all grievances to the fullest extent permitted by applicable law. This grievance and hearing procedure applies to all nonunion employees of the Agencies.

A. Definition of Grievances Covered by This Procedure

A grievance covered by this procedure is broadly defined as any claim by an employee, or a group of employees, that there has been a breach, misinterpretation, or misapplication of a personnel policy by their employer, or a claim that the employer has taken any employment action in violation of applicable California or federal law. A grievance includes, but is not limited to, claims of breach of contract, invasion of privacy, defamation, infliction of emotional distress, claims of wrongful termination or wrongful demotion, denial of a promotion, any claim of discrimination recognized under state or federal law, including sex, pregnancy, race, national origin, age, religion, creed, marital status, sexual harassment, sexual orientation, mental or physical disability discrimination, retaliation, claims under any "whistleblower" law, and any claims for improper payment of salary or wages, or claims that the employer failed to comply with any state or federal wage and hour law, including the California Labor Code, the California Industrial Welfare Commission Orders, or the federal Fair Labor Standards Act.

This procedure does not cover claims for workers' compensation benefits, unemployment insurance benefits, or claims for benefits under a benefit plan if that plan provides an appeal procedure for resolution of disputes under the plan.

B. Submission and Initial Processing of Grievances

1. A grievance must be submitted in writing to the Human Resources Department of the agency for which the employee works within 30 calendar days, either after the grievant(s) received notice of the occurrence of the event(s) upon which the grievance is based, or after the grievant knew or through the exercise of reasonable diligence should have known of the occurrence of the event(s) upon which the grievance is based. The written grievance must clearly state the alleged wrong and against whom the grievance is directed, providing all pertinent information available to the grievant(s) at the time of the filing of the grievance, including any relevant documents in support of the grievance. The grievance may contain any other data the grievant(s) deems pertinent.
2. A manager of Human Resources for one of the Agencies will be responsible for administering each grievance filed under this procedure. If reasonably practical, a manager of Human Resources who was not directly involved in the personnel matter about which the grievance has been filed will be assigned to administer the grievance and hearing procedure.

3. Within 21 calendar days from receipt by the Human Resources Department of a written grievance, the assigned manager of Human Resources shall determine whether the allegations, as stated in the written grievance, if true, constitute a violation of a personnel policy or applicable law. The manager of Human Resources can attempt to adjust or resolve the grievance at any time during this process.
4. If the manager of Human Resources determines that the allegations as stated in the written grievance, even if true, do not constitute a violation of a personnel policy or applicable law, he or she shall deny the grievance in writing. If the grievance was not timely filed according to this procedure, the grievance shall be denied. If the grievance is denied, the manager of Human Resources shall advise the grievant in a written communication stating the reasons for the denial of the grievance.
5. If the manager of Human Resources determines that the allegations as stated in the written grievance, if true, constitute a violation of a personnel policy or applicable law, he or she shall attempt to resolve the grievance through negotiation and/or mediation where such process is acceptable to all concerned parties. With the consent of the parties to the grievance, the manager of Human Resources may assist in the selection of an appropriate mediator if the grievance goes to mediation. Other relevant parties may be invited to participate in the mediation. A negotiated or mediated resolution is permissible and appropriate at any stage of this grievance procedure.

C. Grievance Hearing Procedure

If the grievance is denied and is not resolved through negotiation or mediation, the grievant(s) shall be entitled to an evidentiary hearing before a Grievance Committee according to the following procedures:

1. Within 14 calendar days of receipt of the written notice from the manager of Human Resources denying the grievance, the grievant can request a hearing on the grievance by providing written notice to the manager of Human Resources of the grievant's desire for a hearing. Failure to request a hearing in writing within this time period shall be deemed a waiver by the grievant of his or her right to utilize the hearing procedure, and the grievance shall then be considered closed.
2. The manager of Human Resources will select a Grievance Committee composed of three members from among the management employees of the Agencies. The manager of Human Resources will notify the proposed members of the nature of the grievance.
3. Within seven calendar days from the date the manager of Human Resources formally notifies the grievant of the members of the Grievance Committee, the grievant may challenge any Committee member on the basis that the member harbors unfair bias. This challenge shall be made in writing and supported by any information the grievant wishes to submit. The manager of Human Resources shall make a final determination on this challenge within seven calendar days from the submission of the challenge.
4. Schedules permitting, the Grievance Committee should convene a prehearing meeting no later than 14 calendar days from the date of the final formation of the Grievance Committee at a date, time, and place agreeable to members of the Committee, the grievant and a representative of the agency that made the decision that is the subject of the grievance (herein referred to as "the parties").

5. At the initial meeting of the Grievance Committee, in consultation with the parties, the Committee should attempt to:
 - (a) Determine the facts about which there is no dispute. These facts may be established by stipulation.
 - (b) Define the issues to be decided by the Grievance Committee.
 - (c) Set a time for both sides to exchange a list of witnesses and copies of exhibits to be presented at the hearing. The Grievance Committee has the discretion to limit each party to those witnesses whose names were disclosed to the other party prior to the hearing and to otherwise limit evidence to that which is relevant to the issues before the Grievance Committee.
 - (d) Specify whether prehearing or posthearing statements will be submitted by the parties as well as the deadlines for those briefs.
 - (e) Obtain agreement about whether any person other than a management representative, the parties, their advisors, if any, and witnesses who are before the committee may be present during all or part of the hearing. In order to preserve the confidentiality of the hearing, persons whose presence is not essential to a determination of the facts shall, as a general rule, be excluded from the hearing.
 - (f) Set a date for the evidentiary hearing. The hearing should be set as soon as possible in view of any necessary prehearing activities and the schedules of the participants. The hearing may include more than one session if necessary, and every effort should be made to conclude it within 60 days of the prehearing meeting.
6. There is no right to representation by counsel for either party in connection with the hearing. The director of Human Resources of MTS or his or her designee may act as the representative of the agency that made the decision that is the subject of the grievance. The Grievance Committee may exclude any person from the hearing upon a finding that the person is unduly disrupting the conduct of the hearing.
7. Each party should be afforded an opportunity to obtain necessary witnesses and documentary or other evidence. The Grievance Committee may, upon an appropriate showing of need by any party or on its own initiative, request relevant files and documents under the control of management or the grievant(s), or request management's assistance in securing the presence of material witnesses. Where confidential information is provided, the Grievance Committee shall preserve confidentiality to the fullest extent possible.
8. The parties shall be entitled to be present at all sessions of the Grievance Committee when evidence is being received. Each party shall have the right to present its case by oral and documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts.

9. The hearing need not be conducted according to technical legal rules relating to evidence and witnesses. The Grievance Committee may call witnesses or make evidentiary requests on its own volition. Where a witness is unavailable, written statements may be considered. The Grievance Committee should require that all witnesses affirm the truthfulness of their testimony.
10. No evidence other than that presented at the hearing shall be considered by the Grievance Committee or have weight in the proceedings, except that the Grievance Committee may receive into evidence any facts that are of public record, commonly known, or otherwise not reasonably subject to dispute. Parties present at the hearing shall be informed of matters thus received, and each party shall be given a reasonable opportunity to object to the Grievance Committee's consideration of such matters.
11. At the hearing, the grievant(s) shall bear the burden of proving the validity of the grievance by a preponderance of the evidence; i.e., more probable than not.
12. The hearing shall be recorded by audiotape. The parties and their representatives shall have the right to a copy of any recording of the proceedings. The cost of the copy shall be assumed by the requesting party. In addition, written minutes should be kept.
13. Questions of procedure arising during the hearing process shall be resolved by the Grievance Committee, which in its discretion, may consult with the General Counsel of MTS regarding such procedural matters.
14. Within 21 calendar days from the conclusion of the hearing process, or as soon thereafter as reasonably possible, the Grievance Committee shall provide a written decision containing findings of fact, conclusions supported by a statement of reasons based on the evidence, and a decision to sustain, sustain in part, or deny the grievance. The manager of Human Resources shall serve a copy of the Grievance Committee's decision by first class mail on the grievant, and shall provide a copy to the agency representative involved in the grievance. The copy of the decision sent to the grievant shall be accompanied by a notice stating that if the grievant wishes to seek judicial review of the decision, he or she must do so within 90 days of the date of the decision, and in accordance with the provisions of California Code of Civil Procedure Section 1094.6.
15. The decision of the Grievance Committee shall be final and binding and shall be considered the final decision of the Agencies.



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Agenda

Item No. 31

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

TAXI 500, 290.10
AG 250.1 (PC 30110)

January 13, 2005

Subject:

MTS: ISSUE 25 ADDITIONAL CITY OF SAN DIEGO TAXICAB PERMITS TO ELIGIBLE INDIVIDUAL TAXICAB DRIVERS

RECOMMENDATION:

That the Board of Directors approve the recommendations of the Taxicab Driver Request for Proposals (RFP) Selection Committee (Attachments A and B).

Budget Impact

Staff estimates net revenue of \$31,860 after deducting expenses of \$60,040 for the cost of the consultant, auditor, and postage.

DISCUSSION:

The Taxicab RFP Selection Committee reviewed applications submitted by taxicab drivers in response to a Request for Proposals (RFP) issued on November 8, 2004.

The Selection Committee met for two full days on December 6 and 7, 2004, to review applications submitted by 4:00 p.m. on Wednesday, November 24, 2004 (the due date for proposals). The Selection Committee was composed of Steve Celniker, City of San Diego Transportation Department's liaison; Alan Jagger, Manager, Operations Support at the Orange County Transportation Authority; and Gabriel Szasz, Transportation Planning Analyst for the City of Beverly Hills. The Selection Committee meeting was also attended by Taxicab Administrative Supervisor John Scott, Bruce Schaller of Schaller Consulting, and Michael L. Fuller of KPMG. These individuals served as resources to the Committee, but did not participate in the actual evaluation of



proposals. Mr. Fuller verified the Selection Committee's scoring of proposals. MTS received a total of 565 driver applications by the due date. Drivers were required to deliver their applications in person to the Taxicab Administration office. Each driver signed a logbook when delivering the application.

The RFP stated that applications arriving later than 4:00 p.m. on November 24 would not be considered. One application was received late via U.S. Mail and was not considered by the Selection Committee. The RFP instructed that applications be submitted in a sealed envelope and that the envelope be marked "Application for Taxicab Permits." A total of 184 applications were missing some or all of the required wording and/or were not submitted in an envelope. These applications were properly delivered to MTS. In the interest of fairness, the Selection Committee did not treat the lack of an envelope or proper addressing as cause for disqualification.

The RFP required that each applicant submit a completed two-page application form, a copy of their Department of Motor Vehicles (DMV) record, and one photocopy of both the application and attachments. Drivers also had the option of submitting up to two letters of recommendation. The Selection Committee reviewed each of the 565 applications that had been received by the due date for completeness. One hundred and fifty seven (157) applications were incomplete, lacking one or more of the required elements (completed application form, DMV record, and photocopies), and were not considered further.

For the purpose of review and scoring, the Selection Committee sorted the remaining 408 applications by the "Year first issued Sheriff's Identification Card" (as listed on the application), earliest year to most recent year, and reviewed and scored applications in this order. The RFP set the following eligibility requirements:

1. Drivers awarded permits must agree to drive the taxicab 175 shifts per year and may not transfer the permit for five years;
2. Currently hold, in good standing, a San Diego County Sheriff's taxicab driver identification card valid in the MTS's area of jurisdiction, of which San Diego must be included;
3. Have not received a written admonishment, penalty, or suspension from MTS or the San Diego County Sheriff's Department since November 1, 2001 (past three years);
4. Have no more than three (3) moving violations since November 1, 2001 (past three years);
5. Have no driving under the influence (DUI) convictions or any other two-point DMV violations since November 1, 1997 (past seven years);
6. Not have an "interest" in a permit. This provision includes being a taxicab permit holder and having a financial interest in a San Diego taxicab permit, such as a corporate officer or stockholder; and

7. Meets the requirement of MTS Policy No. 13, Section 13.9.1; applicants shall not be eligible for award of a contract in which their participation would pose a mutual, potential, or apparent conflict of interest.

The Selection Committee determined whether each driver met these eligibility criteria based on MTS, DMV, and Sheriff's Department records. One driver was found to currently hold an interest in a taxicab permit and was disqualified as a result. One driver was found to have received a written admonishment from the Sheriff's Department in the past three years and was disqualified, and one driver was found to have had a two-point DMV violation in the past seven years and was disqualified.

The Selection Committee then assigned points to each applicant who met the eligibility criteria as follows:

- 1 point for each year licensed to provide taxicab service in the MTS area of jurisdiction, as verified using Sheriff's Department records;
- 3 points for applicants with no DMV moving violations within the past three years;
- 2 points for drivers with one moving violation (1 DMV point);
- 1 point for drivers with two moving violations (2 DMV points); and
- One-half point for each signed letter of recommendation from an individual or business to which the driver has provided exemplary service, up to a total of 1 point.

The Selection Committee ranked applicants by the number of points accumulated using this scoring system. The 25 applicants with the highest number of points are recommended for award of permits.

The 25 drivers with the next-highest number of points are recommended as alternates. (In the actual rank there was a tie for 25th place, so the alternates list includes 27 drivers.) Alternates are to receive permits in the event that any of the original 25 drivers do not qualify or are not issued permits for any reason.

Drivers recommended for award of a permit are listed in (Attachment A). Drivers recommended as alternates are listed in (Attachment B). MTS will conduct a lottery among drivers on the alternate list who have the same number of points, as necessary to the extent that drivers recommended for award of a permit do not qualify or are not issued a permit for any reason.

The 25 highest-ranked drivers received scores of 23 to 34 points. The top scorer was David Collins, who accumulated 34 points based on 31 years of service (31 points) and no DMV moving violations in the past three years (3 points). Two drivers, Ramin Farzanfar and Stephen Lane, received scores of 23 points, the minimum number to be recommended for a permit. Mr. Farzanfar's score of 23 points was based on 21 years of service (21 points), two DMV moving violations in the past three years (1 point), and two letters of recommendation (1 point). Mr. Lane's 23 points were based

on 19 years of service (19 points), no DMV moving violations in the past three years (3 points), and two letters of recommendation (1 point).

A total of 27 drivers scored between 19 and 22 points. Drivers who scored 19 points had a minimum of 15 or 16 years of verified service, received up to 3 points for no DMV moving violations, and received up to one additional point for letters of recommendation.

Staff received a total of four protests. Three of these protests concerned verification of RFP requirements and were denied. One protest involved a reinstatement of eligibility due to being previously disqualified for having an identical permit holder's name. Attached are the Selectee and Alternate lists (Attachments A and B, respectively).

With the conclusion of this phase of the process, 90 of the 135 mandated permits will have been awarded in accordance with the City of San Diego's Policy No. 500-02. Staff will be working with the City of San Diego in order to conclude the issuance of the remaining 45 permits in the upcoming months.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Susan Hafner, 619.595.3084, susan.hafner@sdmts.com


JGarde
JAN13-05.31.SHAFNER
1/4/05

- Attachments: A. Selectee List
B. Alternate List
C. Revised Notice of Intent to Award

} **Board Only**


Taxicab Driver RFP Results

January 13, 2005




Background

- San Diego City Council Policy 500-02 authorized the issuance of 135 new permits
- The Driver RFP is the third phase of the process



RFP Process

- 11/8/04 Driver RFP for Taxicab Permits was issued
- 565 applications were received
- 408 applicants met eligibility requirements



Ranking Criteria

- 1 point for each year licensed to provide taxicab service in MTDB's area of jurisdiction (verified using Sheriff's Office records)
- 3 points for no DMV moving violations within 3 years (no 2 point violations)
- One half point for each letter of recommendation (2 letter maximum)



Evaluation

- Evaluation Committee reviewed and ranked applications
- 25 highest scoring applicants recommended for permits award
- 27 next highest scoring applicants recommended as alternates



Issuance and Permit Terms

- Upon Board approval, awardees have 60 days to start application process and additional 90 days to place permit in service
- Awardees must meet all requirements of Ordinance 11
- Awardees pay \$3,700 processing fees.
- Required to drive the cab a minimum of 175 shifts per year
- Permits are transferable after 5 years



Next Steps

- Auction
- Projected completion of permit issuance estimated by December 2005.

MTS



Handwritten note: "HAR... NO... M... NO..."

TANQUAY

SAN DIEGO METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

REQUEST TO SPEAK FORM

AGENDA ITEM NO.

Handwritten box containing the number 31

ORDER REQUEST RECEIVED

Handwritten box containing the number 1

Handwritten note: "@ 9:41"

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

1. INSTRUCTIONS

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

Date 1-12-05

Name (PLEASE PRINT) MARGO TANQUAY

Address 229 16th Street #116
SAN DIEGO, CALIF 92101

Telephone 619 231-1144

Organization Represented (if any) Self - Lease Driver -
BUSINESS WOMAN

Subject of your remarks: GENERAL COMMENTS

Agenda Item Number on which you request to speak _____

Your comments are presenting a position of: SUPPORT OPPOSITION

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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

3. DISCUSSION OF AGENDA ITEMS

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

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

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

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



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Agenda

Item No. 32

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

OPS 970.2
(PC 30102)

January 13, 2005

Subject:

SDTI: MISSION VALLEY EAST FINAL OPERATING PLAN AND LIGHT RAIL VEHICLE DEPLOYMENT

RECOMMENDATION:

That the Board of Directors approve the Mission Valley East (MVE) Final Operating Plan, which includes headways, hours of service, and restricting Blue Line Mission Valley West (MVW) service to operate only during limited peak-period intervals.

Budget Impact

Operating costs associated with the recommended service plan are covered in the FY 05 budget from Congestion Mitigation and Air Quality (CMAQ) funds. Net annual savings of \$956,417 are projected from the revised plan, limiting duplicate service on MVW.

Executive Committee Recommendation

At its meeting on January 6, 2005, the Executive Committee recommended forwarding this item to the Board for approval.



DISCUSSION:

Mission Valley East Operating Plan

At its meeting on January 16, 2003, the Board of Directors approved the final operating plan for the MVE extension project. The final general operating plan (Attachment A) provided for the following:

- Orange Line – Weld Boulevard Station to 12th & Imperial Transfer Station via the C Street and Bayside Corridor.
- Blue Line – San Ysidro International Border to Qualcomm Stadium Station via C Street and Old Town Transit Center.
- Green Line (New) – Santee Town Center to Old Town Transit Center via Mission Valley.

While the Board approved the general operating plan as outlined, staff indicated that follow-up action would be necessary in order to approve the plan in more detail, including hours of service and operating headways. The final plan has been a work in progress and has been refined as additional information in the form of system characteristics, trip time estimates, and other related elements have been developed.

Our evaluation of various operating scenarios has taken into consideration the following:

- Original Board direction based on action on January 2003 and approval of the basic operating plan.
- Current ridership patterns on MVW.
- Projected ridership on MVE.
- Existing hours of service and operating frequency on both the Orange Line and MVW (Blue Line).
- Current and future budgetary constraints.
- San Diego State University (SDSU) class schedules, including regular (day and evening) and summer semesters.
- Potential expanded ridership generated from Santee Trolley Square.

Approved Operating Plan

The initial approval of the general MVE operating plan, with an overlay of Blue Line and Green Line service along the MVW portion, was carefully evaluated based on current and projected ridership patterns. The plan, as developed, was intended to minimize any perceived adverse impact on existing passengers along MVW by eliminating a transfer from Green and Blue Lines at Old Town. However, the plan results in a service

frequency of 7½ minutes along a segment that does not warrant such a close interval based on existing and projected ridership patterns.

In an effort to verify these perceptions, San Diego Trolley, Inc. (SDTI), staff evaluated current ridership levels on the MVW segment during peak and base periods and determined that the overall volume of traffic did not justify the significant added cost for the service overlay.

Example

- Hourly passenger throughput capacity with the overlay = 1,536 passengers
- Actual existing hourly passenger throughput = 276 or 18% of capacity

Revised MVE Operating Plan

In consideration of ridership/capacity issues and due to concerns for budgetary shortfalls, staff evaluated a hybrid plan for final approval as we approach opening the MVE Extension. This new plan retains the core elements of the approved plan while also reflecting restraint due to budgetary concerns. This plan provides for the following:

1. Green Line – Remain as originally approved, operating between Santee Town Center and Old Town Transit Center.
2. Orange Line – Operate between Weld Boulevard Station and 12th & Imperial Transfer Station via C Street and the Bayside, as originally proposed.
3. Blue Line – Operate San Ysidro International Border to Old Town Transit Center during peak and off-peak periods plus “tripper” trains from Blue Line service to Qualcomm Stadium Station during **peak hours only**.

In addition to the concerns for system optimization, a review of incremental operating costs for the overlay were compared against an alternative plan that would have the duplication (overlay) of service occur only during the peak of the peak period and not throughout the daytime base period or evening hours. The alternative plan retains the original core elements of the approved plan while striving for system optimization and operating cost savings. The overall operating cost comparison is as follows:

Cost Savings

Full Blue Line Overlay with Green Line	=	\$4,208,141
<u>Reduced Blue Line Overlay (Trippers)</u>	=	<u>\$3,251,724</u>
Net Reduction in Cost/Savings	=	\$ 956,417

Hours of Service and Headways

In conjunction with refining the operating plan, staff proceeded to develop hours of service that were in basic alignment with existing service operating parameters for existing Blue Line and Orange Line connections as well as connecting bus service. The process also included an evaluation of new issues, including SDSU class hours (day and

night classes) and the variation between regular semesters and summer sessions. The following reflects these considerations and generates the following hours of service and headways:

Orange Line

	HOURS OF SERVICE	HEADWAYS
Monday - Friday	4:04 a.m. – 12:52 a.m.	15 (peak/base), 30 (evening)
Saturday	4:34 a.m. – 1:22 a.m.	30 (a.m.), 15 (base), 30 (evening), 60 (owl)
Sunday	4:34 a.m. – 11:22 p.m.	30 (a.m.), 15 (base), 30 (evening)

Green Line

	HOURS OF SERVICE	HEADWAYS
Monday - Friday	4:15 a.m. – 11:23 p.m.	15 (peak/base), 30 (evening)
Saturday	4:30 a.m. – 11:23 p.m.	30 (a.m.), 15 (base), 30(evening)
Sunday	4:30 a.m. – 10:53 p.m.	30 (a.m.), 15 (base), 30 (evening)

Blue Line

	HOURS OF SERVICE	HEADWAYS
Monday - Friday	4:08 a.m. – 12:59 a.m.	15 (base), 7½ (peak), 15 (base), 7½ (peak), 30 (evening),
Saturday	4:23 a.m. – 3:59 a.m.	15 (all day), 30 (evening), 60+ (owl)
Sunday	4:23 a.m. – 12:59 a.m.	30 (a.m.), 15 (base), 30 (evening)

The above reflects an appropriate level of consistency with existing service levels (hours and headways) while also reflecting expanded service for SDSU and Santee Trolley Square.

LIGHT RAIL VEHICLE DEPLOYMENT

For the MVE Project, 11 low-floor light rail vehicles (LFLRVs) were purchased and are designated as the S-70 platform manufactured by Siemens. These vehicles accommodate 64 seats and, due to the low-floor design, can accommodate up to four wheelchairs, one more than the current SD-100 LRV. The cars are 90 feet long and are

compatible with the SD-100 LRV in terms of general operating characteristics. However, there are many unique control elements and fault enunciators that cannot be train lined and may prove to be a hindrance if operated in mixed consists. Additionally, the S-70 cannot train line electronically with the U-2 car due to older propulsion and braking features.

The entrance of the S-70 LFLRV differs from the SD-100 and U-2 cars in that it required an 8-inch platform rise as opposed to the standard 6-inch platform curb. This design requires all new MVE stations and existing MVW stations, as well as East Line stations (Grossmont to Santee), be built to 8-inch standards or raised by 2 inches to conform to the boarding requirements of the new car. Because only stations along the Green Line (MVE) route will be capable of accommodating S-70 cars, these units will not be in revenue service at any stations other than the MVE Green Line route. Therefore, this severely restricts the flexibility and dictates certain route specific options.

Operating Consists

It is difficult to determine the level of ridership based on early planning projections of approximately 11,500 passenger trips. Therefore, it is the intent to operate varying consists based on initial ridership trends using a combination of 2- and 3-car trains during peak hours and 1- or 2-car trains in off-peak and evening hours. Should initial ridership patterns justify consist changes other than those associated with traditional patterns (peak vs. off-peak), the planned consist levels will be altered immediately. This may be necessary due to varying levels of student ridership to and from the campus of SDSU.

Since all platforms along the Green Line route (Old Town to Santee) will have the capability of accommodating the LFLRVs, it would be our intent to operate as many of the LFLRVs as possible within a given consist. However, since there remains a series of issues regarding full operational capability, it may be necessary to segregate the S-70s from the SD-100s. These issues involve certain train-line elements that are present on one type of car, but not the other. They include, but are not limited to:

1. Train line brake fault annunciation.
2. Public address systems.
3. Train line destination signs.

While the vehicles are capable of coupling physically, full electrical compatibility remains uncertain. Furthermore, mixed consists may still require boarding on the standard wheelchair lift despite the presence of S-70 LRVs in the consist.

Fleet Deployment

According to current plans, seven train sets will be required to operate the 48-minute trips from Old Town Transit Center and Santee Town Center Stations. This deployment, in conjunction with schedule adjustments on the Blue Line, will result in the following overall vehicle deployment arrangement:

<u>Category</u>	<u>Car Requirement</u>
Blue Line	57
Orange Line	29
Green Line	21 ¹
Total	107

When the above-referenced car service requirement is compared against the total LRV fleet (134) and considerations for maintenance spares are added, the following calculation results:

<u>Category</u>	<u>Car Requirement</u>
Maximum All Service	107
Maintenance Spares	26 ²
Total	133 ³

When the above-referenced fleet number is subtracted from the total fleet number, the following applies:

Total LRVs in SDTI Fleet	=	134 (all vehicle types)
Total LRVs committed	=	-133
Total LRVs remaining	=	1 LRV uncommitted

Special Event Service

During special event service operations, the maximum number of vehicles required occurs during weekday afternoon peak periods (Padres evening games). The issue becomes less significant during weekends (Chargers games) and post-event service on weekdays when reduced service is operated requiring less vehicles. During pregame Padres service, depending on the projected attendance, five 3-car trains are operated to augment regular Orange and Blue Line service, including those retained in service during the latter part of the peak period as noted below in Item No. 5. The total number of special event cars used for PETCO Park service averaged 27 vehicles. With limitations to operate through Green Line service due to platform height restrictions and implementation of MVE Green Line service, extraordinary efforts will be necessary in order to generate as many extra LRVs as possible for special service. The categories below reflect options under consideration to free up additional cars for service.

¹ Maximum number of LRVs; actual number may be less based on ridership.

² Normally the industry average spare ratio is 20 percent of the total fleet.

³ This does not include special event service or standby/gap trains.

Service/Consist Options Under Consideration

1.	Extra LRVs from maximum schedule pull out	+1
2.	Additional LRVs available during PM service level	+2
3.	Reduce maintenance spare ratio to 17%	+4 ⁴
4.	Extra LRVs due to varying consists on Green Line.....	+0-7 ⁵
5.	Transfer of PM peak-hour Blue Line trains to special events.....	+12 ⁶
	Total Extra Cars.....	19-26

As indicated above, should the number of cars be made available as described (20-26), reasonably good special event service can be operated to PETCO Park. However, it should be noted that this does require most, if not all, categories to generate the appropriate number of vehicles. Further, the number of cars made available as noted does not reflect the critical need that will require additional cars during some of the six midday, weekday games planned for 2005.

The worst-case scenario for midday games would justify the addition of 12-15 cars (4 to 5 train sets) more than indicated by the above calculation.

The car availability and fleet size as described above reflects significant challenges for the staff and maintenance group.

More Permanent Measures

MTS staff intends to work closely with the San Diego Association of Governments (SANDAG) in order to evaluate the needs, timing, and funding necessary to exercise the option that exists with Siemens Transportation to purchase 11 additional S-70 LFLRVs. It is uncertain at this time if the timetable is necessary to receive these additional cars and the cost associated with such an action.

Staff is also exploring other options, including the ability to buy older LRVs (1988 vehicles) that were recently sold to Sacramento and Utah Transit to supplement their respective fleets. These vehicles were manufactured by UTDC (Canadian car builder) for the Valley Transportation Authority in San Jose. While the total fleet of 50 LRVs

⁴ The generally accepted industry standard for maintenance spares is 20% of the total fleet. With the fleet growing to 134 cars, this reflects 26 cars set aside daily for inspections, corrective/repair maintenance, damage repairs, painting/restoration, and warranty work. By lowering the percentage to 17%, this reduces the number of vehicles set aside for maintenance from 26 to 22, thus adding four cars to the reserve fleet. It should be noted, however, that while this may be achievable, a lesser number of cars may be available due to accidents or other events not under our control.

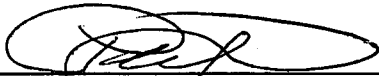
⁵ It is uncertain at this time if the level of ridership on the Green Line will require all train consists to be 3-cars. Should ridership levels fluctuate or maximum load levels dictate, it may be possible to operate the Green Line with varying consists of 2- or 3-car trains or all 2-car trains. Depending on ridership levels, this will generate additional cars from a minimum of one to a maximum of seven.

⁶ Blue Line trains that are northbound during the latter part of the 7½-minute schedule pull in after they reach America Plaza in downtown San Diego. The first of these trains pulls in at 5:22 p.m. and additional 3-car train sets pull in every 15 minutes thereafter. Rather than terminating these trains in accordance with the regular schedule, they will be sent to Qualcomm Station for special PETCO Park service to the Gaslamp Quarter. Up to four of these trains can be utilized in this manner in order to generate up to 12 additional cars for special service.

were recently split between these two transit agencies as part of a lease transfer, as many as 20 may be available. The vehicles are similar in type to the SD-100 LRVs (high-level boarding). Additional efforts will be undertaken in order to determine the technical compatibility of these vehicles with the SDTI system.

Executive Committee Recommendation

At its meeting on January 6, 2005, the Executive Committee directed staff to generate additional information with regard to vehicle procurement issues and explore other options as explained. It further directed staff to report back to the Board of Directors, in a timely manner, with a comprehensive presentation.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Peter Tereschuck, 619.595.4902, peter.tereschuck@sdmts.com



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Attachments: A. Schematic of Approved MVE Operating Plan
B. Operating Headway Matrix

} **Board Only**



**Mission Valley East Final Operating Plan
&
Light Rail Vehicle Deployment**

Presentation to MTS Board of Directors
January 13, 2005

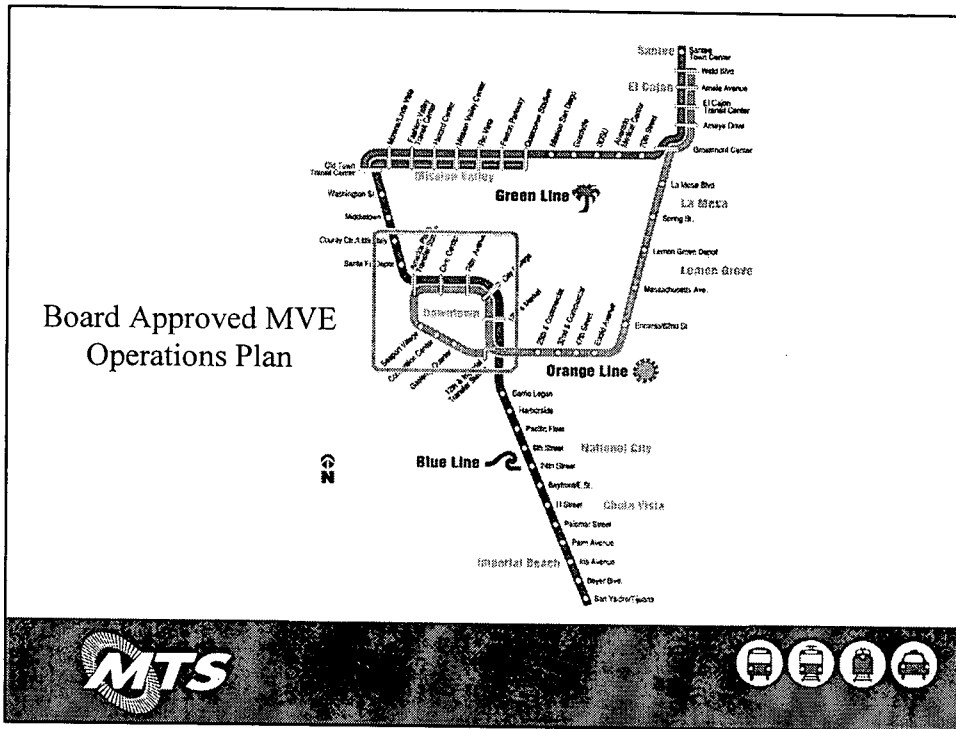


Presentation Overview:

- Describe Approved Operating Plan
- Present Overview of Proposed Final Operating Plan
- Describe Headways and Hours of Service
- Describe Light Rail Vehicle Deployment Issues and Car Availability

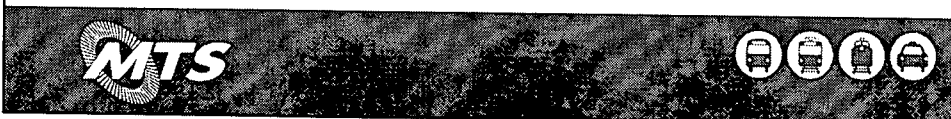


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Evaluation Elements Applied to Develop Final Plan

- Considered previous Board approved plan
- Evaluated current ridership patterns on MVW
- Review projected ridership on MVE
- Existing hours of service and headways on both lines and bus service in corridor
- Current and future budgetary constraints
- SDSU class schedules, incl. day / evening
- Potential expanded ridership from Santee



Results of Evaluation for Final Plan

- Current ridership on MVW does not justify overlay of Blue & Green Lines all day
- 7 ½ -minute service all day provides significant excess capacity
- Max. hourly capacity = 1,536, actual existing capacity = 276 or 18% of capacity
- FY-06 budgetary levels remain critical



Recommended Plan

- Green Line – operate from Santee to Old Town, as approved
- Orange Line – Operate from Weld Blvd. to downtown and Bayside Line
- Blue Line – Operate San Ysidro to Old Town during peak and off peak periods plus operate “*tripper*” trains to Qualcomm only during peak of the peak periods



Hours of Service and Headways

Orange Line:

	<u>Hours of Service</u>	<u>Headways</u>
Mon-Fri	4:04 am-12:52 am	15 / 30 min.
Saturday	4:33 am-1:22 am	30/15/30/60 min.
Sunday	4: 33 am-11:22 pm	30 / 15 / 30 min.



Hours of Service and Headways (cont.)

Green Line:

	<u>Hours of Service</u>	<u>Headways</u>
Mon-Fri	4:15 am-11:23 pm	15 / 30 min.
Saturday	4:30 am-11:23 pm	30 / 15 / 30 min.
Sunday	4:30 am-10:53 pm	30 / 15 / 30 min.



Hours of Service and Headways (cont.)

Blue Line:

	<u>Hours of Service</u>	<u>Headways</u>
Mon-Fri	4:08 am-12:52 am	15 / 7.5 / 15 7.5 / 30 min.
Saturday	4:23 am-3:59 am	15 / 30 / 60 min.
Sunday	4:23 am-12:59 am	30 / 15 / 30 min.



Benefits of Recommended Plan

- Does not over-serve MVW
- Retains through service for regular peak hour patrons
- Significant cost savings over full plan resulting in est. reduction of **\$956,417**



Light Rail Vehicle Deployment

- 11 low floor LRV's purchased (S-70)
- Only stations from Santee to Old Town will have platform height increased to 8 inches
- Green Line schedule requires 7 train-sets
- Depending on ridership, up to 21 cars required
- As many S-70 vehicles will operate on Green Line as cars are available.



Light Rail Vehicle Operating Issues

- Compatibility of onboard features remains uncertain, incl. destination signs, public address systems, brake related fault annunciation and console features that are not shared between SD-100s and S-70s
- Mechanical coupling (non electrical) not an issue
- Issues may require no mixture of vehicle types in train consists.



Vehicle Assignment by Line (Fleet Size)

<u>Category</u>	<u>Car Requirement</u>
Blue Line	57
Orange Line	29
Green Line	<u>21</u> (max)
Total Cars Req. All Service	107



LRV Fleet Deployment

<u>Category</u>	<u>Car Requirement</u>
Max. Req. All Service	107
Maintenance Spares (20%)	<u>26</u> (Note1)
Total Vehicles Req.	133

Note 1 – Industry standard is 20% of total fleet



Fleet Sizing issues

<u>Category</u>	<u>Number of Cars</u>
Total LRVs in Fleet	134
Total LRVs Committed	<u>133</u>
Total LRVs Uncommitted	1*

- One car remaining creates void for Special Events during weekdays when up to 27 vehicles were used



Actions Planned to Increase Car Availability

- 1) Extra LRVs from maximum schedule pullout..... 1
- 2) Additional LRVs available during PM service..... 2
- 3) Reduced percent of maintenance spares.....4
- 4) Extra LRVs due to varying consists on G/L..... 0-7
- 5) Transfer of peak hour B/L to spec. events.....12

Total No. of Extra Cars (varies).....19-26



Recommendation

1. Approve staff recommendation for MVE operating plan, headways, and hours of service





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Agenda

Item No. 45

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

CIP 11481

January 13, 2005

Subject:

MTS: FREEWAY SHOULDER LANES DEMONSTRATION PROJECT

RECOMMENDATION:

That the Board of Directors receive this report for information.

Budget Impact

None. The San Diego Association of Governments (SANDAG) and the California Department Transportation (Caltrans) will be funding the implementation of this project.

DISCUSSION:

As part of MOBILITY 2030, managed-lanes facilities are envisioned to provide priority access for many of our planned bus rapid transit (BRT) services. Since these facilities are major capital projects that will be built over a number of years, an interim solution is needed to provide access for existing express bus services and those BRT services that will be implemented over the short term. We have been pursuing a proposal with Caltrans to use freeway shoulder lanes for transit vehicles as a low-cost, interim strategy for providing transit priority on congested freeway corridors. This report highlights lessons learned from the transit freeway shoulder lane program in Minneapolis, Minnesota, and discusses SANDAG's plans for a demonstration project in San Diego.



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS 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.

Introduction

The Regional Transit Vision (RTV) calls for a network of fast and convenient transit services that connect our homes to the region's major employment centers and destinations. MOBILITY 2030 takes the first step in implementing the RTV by putting into service 17 BRT routes. The aim of these services is to create a rail-like customer experience in terms of service quality, travel speed and reliability, and customer amenities.

Probably the biggest challenge we face with BRT services is creating the kind of transit priority measures that will allow BRT routes to bypass traffic congestion along our arterial streets and freeways. To address this need on the freeway side, a key element of MOBILITY 2030 is creation of managed-lanes facilities along many of the region's freeways where BRT services are proposed. These multimodal facilities will use a "freeway-within-a-freeway" design that gives priority treatment to BRT as well as carpools and vanpools while allowing access to a limited number of solo automobiles via the FasTrak value-pricing program. Transit stations located adjacent to the freeway corridor connected by direct access ramps will allow BRT services to operate at travel speeds competitive with the automobile and allow a high level of trip reliability not possible in the congested main lanes.

The managed-lanes facilities are major capital projects and will require a long implementation lead time. Given that we have a number of existing freeway express bus routes that are negatively impacted by congestion, and the fact that several of our Transit First BRT services are proposed to be in operation prior to completion of the managed-lanes system, there is a need for an interim transit priority measure solution along our freeways. The use of freeway shoulder lanes by transit vehicles during periods of congestion in the main lanes may be a promising interim solution. Minneapolis has an extensive system of transit shoulder lanes in operation. The following section discusses the Minneapolis experience and lessons learned on how it could be implemented in our region.

Minneapolis Transit Shoulder Lanes

History. The use of shoulder lanes for transit evolved out of an emergency situation when a "Mother's Day" flood in 1992 closed one of the major freeway bridges leading into downtown Minneapolis. The governor formed a team of Minnesota Department of Transportation (MinDOT) and Metro Transit officials to devise a plan to increase capacity on parallel bridges. A concept to have transit vehicles use shoulder lanes was born on a Thursday and by early the next week the shoulder lanes were re-stripped and limited signage was in place for transit to begin operations.

This first test of buses in the shoulder lanes went so smoothly that they began testing operations on other congested freeway segments. "Team Transit" was formed as a permanent group for interagency coordination, consisting of Metro Transit and suburban bus operators, MinDOT, Minnesota State Patrol, and the Metro Council of Governments. They established a key contact person at MinDOT who serves as an advocate for the shoulder lane policy within the agency. The Team Transit continues to periodically

review existing operations and plan additional shoulder lane projects. The result is that the use of shoulder lanes by transit has expanded steadily over the last 12 years to the point today where 14 transit routes and 400 buses use over 200 miles of freeway shoulder lanes on a daily basis (including four interstates). A construction figure of \$100,000 per mile was quoted as the general overall cost to upgrade shoulder lanes, including rebuilding drainage grates and enhancing the pavement.

Operations and Safety. From the standpoints of traffic safety, benefits to transit operations, and public relations, the use of freeway shoulder lanes has been a success. Highlights from the Minneapolis experience are provided below.

- Bus drivers use the shoulders only when main lane travel speeds drop below 35 miles per hour (mph). Buses travel no more than 15 mph faster than mainline traffic speed, up to a maximum of 35 mph. If traffic is moving 35 mph or faster, buses must operate in the regular traffic lanes. Transit drivers yield to automobiles entering and exiting the freeway at interchanges. Transit drivers are not required to use shoulders but instead use their professional discretion on roadway conditions and personal comfort level. The policy was developed by Team Transit.
- If a disabled vehicle is blocking the shoulder lane or the highway patrol has pulled a vehicle over in the shoulder lane, the transit vehicle merges into the main lanes to bypass the obstruction. Because the speeds are low for automobiles in the main lanes and the bus in the shoulder lanes, the merge is a relatively easy maneuver for the transit vehicle.
- Since 1992, there have been only 20 accidents with buses on the shoulders, mainly sideswipes and bent side mirror incidents. There have been only three minor injuries reported. Metro Transit occasionally does field checks to monitor whether drivers are exceeding the speed limit or operating in areas not a part of the shoulder lane system. Violations of the operating procedures are a rare occurrence. The Minnesota Highway Patrol can stop and ticket a bus operator, but this has not yet happened.
- Automobile drivers in the main lanes have fully accepted buses operating in the shoulder lanes. Initially, there were some copycat drivers who followed the buses in the shoulder lanes, but education and enforcement has generally eliminated this problem.
- The freeway signage is fairly minimal. There are signs on freeway on-ramps to alert drivers to watch for buses on the shoulders and the occasional sign between interchanges that designate the shoulders for use by buses.
- As to the impact the use of shoulder lanes has had on ridership, there is a general sense that it has had a positive impact. At the same time, it is hard to measure the effect since new service and park-and-ride lots have been implemented over the same period.

- While Metro Transit has not formally evaluated the impact the shoulder lanes have had on operating costs, the key benefit cited is increased trip reliability, a benefit both to the customer in getting to work on time and the operator in meeting transfer connections.
- Passenger reaction has been very positive, with 95 percent of riders surveyed indicating they felt they were saving time (generally perceived time savings are higher than actual), and 65 percent reporting that they had recommended the service to others.

Lessons Learned. Lessons learned from this experience indicate the potential for the Minneapolis freeway shoulder lane concept to work in San Diego for the following reasons:

- Use of the shoulder lanes is limited to transit vehicles driven by professional operators.
- Use of the shoulder lanes is at the transit operator's discretion; there is no requirement that the operator use the shoulders if he/she feels that conditions are unsafe; e.g., inclement weather.
- Use of the shoulder lanes is limited to times when the main lanes are congested; the low speeds in the main lanes, coupled with speed limitations on transit vehicles, means that transit vehicles are able to adequately respond to potential transit vehicle/automobile conflicts.
- Positive response from both transit passengers in terms of time savings and trip reliability and automobile drivers in terms of accepting buses in the shoulder lanes.
- Benefits to transit operations in terms of schedule adherence and reliability.

SR 52/I-805 Freeway Transit Lane Demonstration Project

While transit vehicles have been using freeway shoulder lanes safely and successfully in Minnesota for 12 years, there is no analogous California experience. There has been agreement for some time now between Caltrans District 11 and SANDAG staffs on the potential benefits of freeway shoulder lane use to existing freeway express transit and future BRT services. Currently, however, the California Streets and Highways Code prohibits the use of the shoulder lanes as a travel lane. Allowing even a limited number of transit vehicles in the shoulders during peak periods is apparently not allowed either. To address these restrictions, we can pursue a demonstration project in which the shoulder lanes are converted to transit-only lanes. Pull-out areas outside of the transit-only lanes would be created for enforcement activities and disabled vehicles.

The California Streets and Highways Code allows for the creation of transit-only lanes provided engineering studies are conducted on the effect of such lanes on safety, congestion, and highway capacity. SANDAG, in conjunction with Caltrans, is set to begin these studies starting this month. The chosen demonstration site is the State Route 52/Interstate 805 (SR 52/I-805) corridor between Kearny Mesa and University City (see Attachment A). These freeway segments represent prime candidates for the demonstration project due to the presence of several positive characteristics, including sufficient existing shoulder width, no existing or planned construction activities, and heavy peak-period congestion levels. Route 960, an existing express bus route running between the Euclid Avenue Station and University Town Centre (UTC) shopping center, operates along the demonstration site and would utilize the freeway transit-only lanes.


The intent of the Freeway Transit Lane Demonstration Project is to gain local operational experience with the conversion of the existing shoulder lanes to transit lanes during the peak periods. In turn, this operational experience will help define the physical elements required to successfully operate freeway transit-only lanes in other freeway corridors where existing express services and future BRT services will operate. The demonstration project will address five key objectives:

1. Safety – Are there any changes in accident rates with buses using the transit-only lanes, and do Highway Patrol officers and Caltrans' maintenance crews experience safety-related problems?
2. Bus Travel Time and Reliability – Do buses experience a measurable and repeatable travel time savings and enhanced trip reliability (on-time performance)?
3. Bus and Auto Driver and Bus Passenger Perception – Do bus drivers feel safe using the transit-only lanes and are auto drivers comfortable with buses merging in and out of the transit-only lanes; also, do transit riders perceive improved travel time and trip reliability, and do they feel safe with the bus operating in the transit-only lane?
4. Maintenance – Are there any reductions in freeway levels of service from the transit-only lanes, and is an increased level of maintenance required?
5. What kinds of physical improvements to shoulder lanes would be required if this concept were to be implemented permanently?

SANDAG and Caltrans, in consultation with MTS operations staff, are currently developing the operations plan for the demonstration project. Design work (mainly involving striping and signage) is also underway. The aim is to have the demonstration project implemented by July 2005.

Once the year-long demonstration period is underway, SANDAG will lead a monitoring effort to assess the expected-versus-actual effects of the transit-only lane. Quarterly status reports will be made to the SANDAG Transportation Committee and MTS Board.

A final report following the demonstration period will be used to determine whether to make the freeway transit lane permanent and if and how the concept could be applied to other freeway corridors.



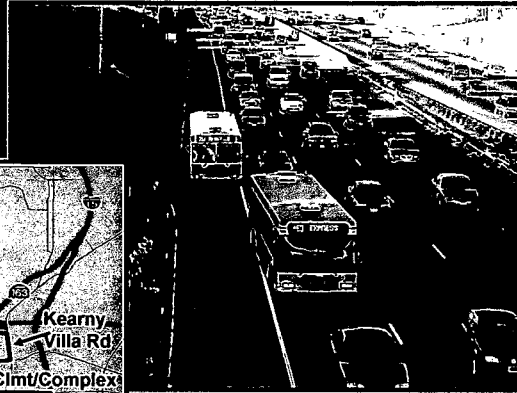
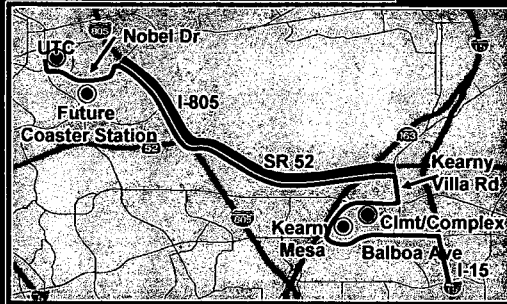
Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Paul C. Jablonski, 619.557.4583, paul.jablonski@sdmts.com

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Attachment: A. Map **(Board Only)**

SR 52/I-805 Freeway Transit Lane Demonstration Project



SANDAG

**2030
Regional
Transportation
Plan**

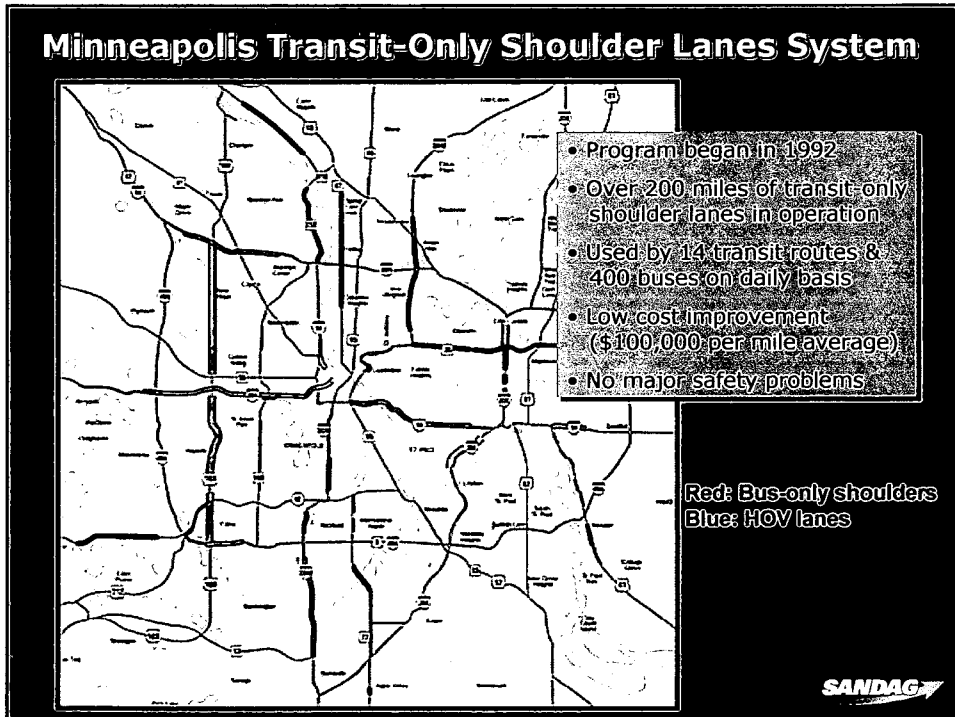
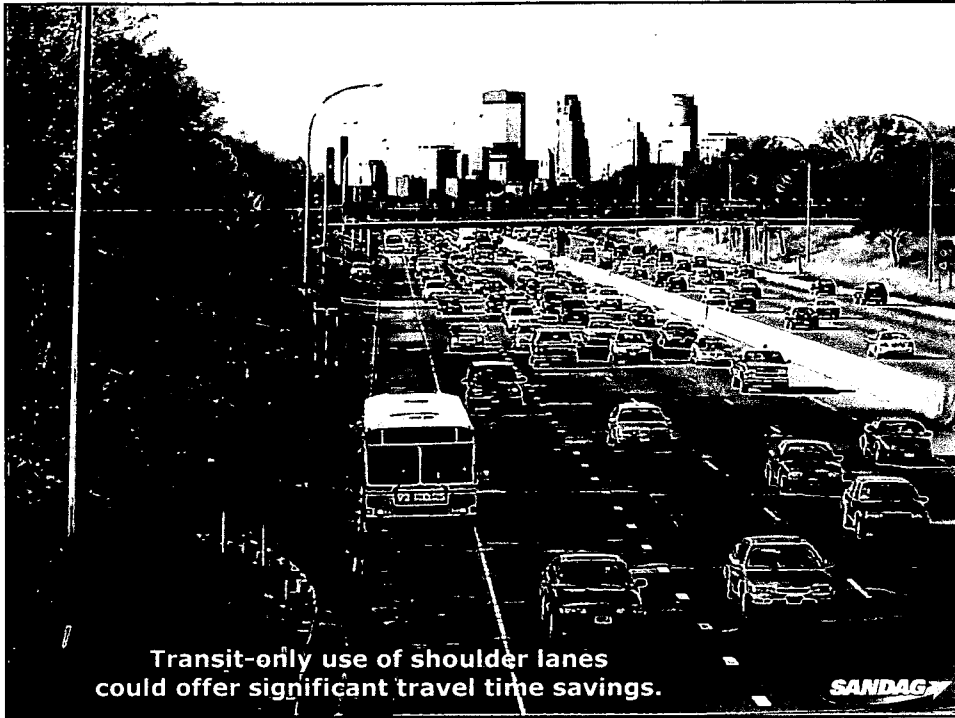
- Plan includes Managed Lanes in several corridors
- Managed lanes offer priority treatment for transit = time savings & trip reliability
- Managed Lanes = major capital project = long implementation
- Need for interim solution for existing routes and BRT

2030 Regional Transportation Plan

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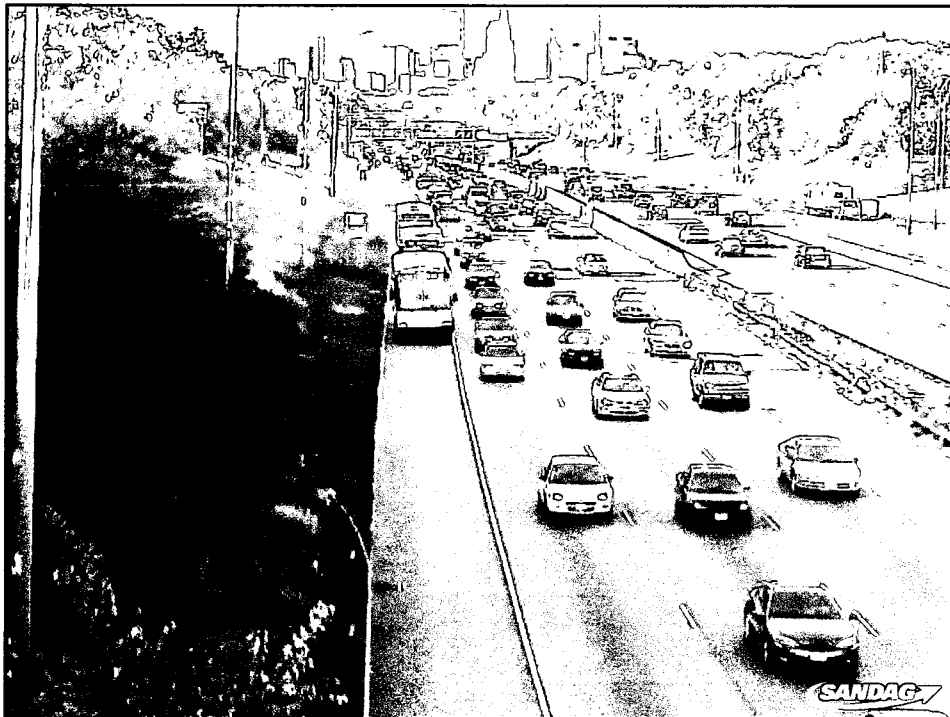
Transit
 Managed/HOV Lanes
 General Purpose Lanes
 Freeway Connectors
 HOV Connectors

SANDAG



Minnesota Metro Transit Procedures

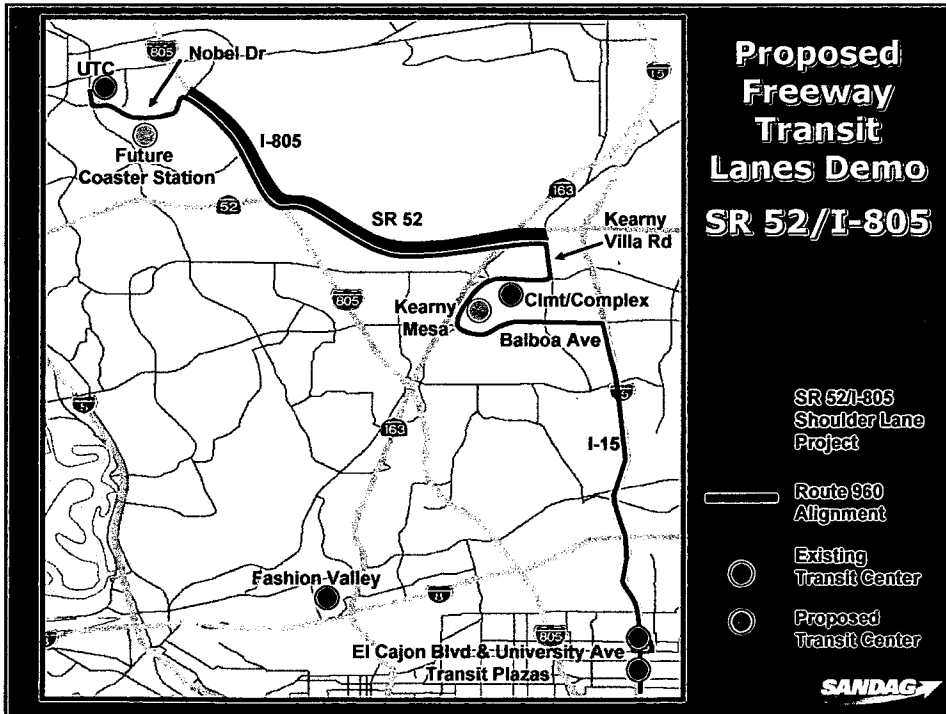
- Only transit vehicles can use shoulders; no tour buses or other vehicles
- Bus speed = maximum of 35 mph, not to exceed 15 mph faster than adjacent traffic
- Buses in main travel lanes if freeway speeds above 35 mph.
- Buses yield to autos at on/off ramps
- Buses merge into main lanes if disabled vehicle encountered





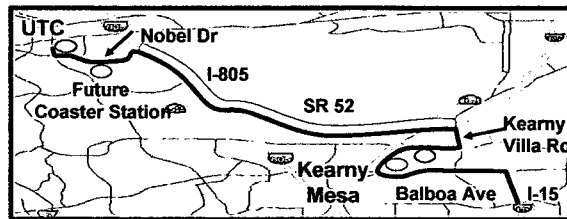
Minnesota Experience

- No serious accidents in 20 years
 - Professional bus drivers; use shoulders at their discretion
 - Buses operating at low speeds
 - Buses yield to cars at on/off ramps
- Auto drivers have been accepting of program
- Transit passengers reaction is very positive
 - Saves time
 - Have recommended service to others
- Transit operations benefits from improved trip reliability
- Multi-agency "Team Transit" approach works well



Freeway Transit Lanes Proposal

- Convert existing freeway shoulders to transit only lanes
- Follow Minnesota operating rules
- Develop transit lanes design/operating concept
- Implement one year demonstration on SR 52/I-805
- Evaluate demo (safety, perceptions, maintenance)
- Evaluate potential for application on other freeways



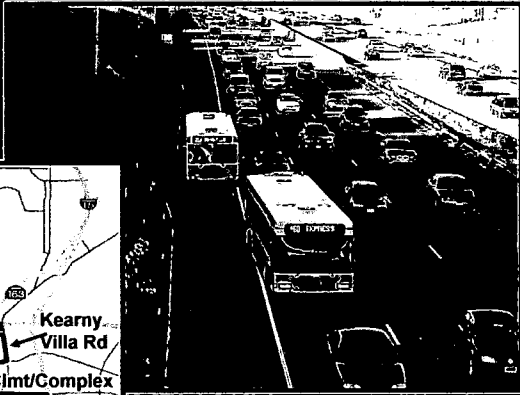
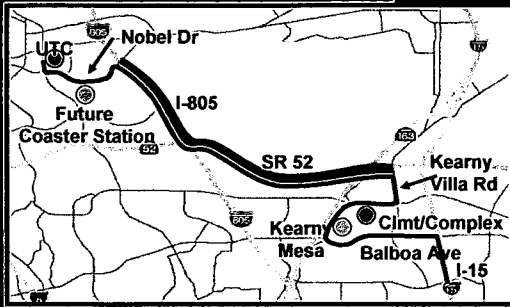
Next Steps

- **Develop operating concept (SANDAG lead)**
- **Conduct design work (Caltrans lead)**
 - Striping, signage, minor pavement
- **Construct improvements**
- **Implement demonstration project**
- **Monitor results of one year demo**

*Aim is to have the demonstration project
operational in Summer 2005*



SR 52/I-805 Freeway Transit Lane Demonstration Project



SANDAG



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

Agenda

Item No. 46

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

OPS 980.8 (PC 30117)

January 13, 2005

Subject:

MTS: ACCESS/ADA SUBURBAN PARATRANSIT OPERATIONS

RECOMMENDATION:

That the Board of Directors receive this report as an update on paratransit issues.

Executive Committee Recommendation

At its meeting on December 2, 2004, the Executive Committee recommended forwarding this item to the Board for information.

Budget Impact

None.

DISCUSSION:

Background

MTS Access and Americans with Disabilities Act (ADA) Suburban Paratransit are both operated by Laidlaw Transit Services (Laidlaw). The former was assumed from the Red Cross in November 2002, while the latter was divested by the County of San Diego and is still often referred to nominally as CTS Paratransit by passengers. Under both contracts, record productivity has been experienced through strict enforcement of the contractual guidelines that are based on the ADA baseline mandate for complementary paratransit. ADA Suburban operates in Zones 2, 3, and 4, which include mid-county, East County, and South Bay. Meanwhile, MTS Access operates in San Diego.



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS 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.

Collectively, both services transport roughly 365,000 passengers or approximately 1,000 individuals on a day-to-day basis. Enhancing productivity is the key to controlling costs and refers to maximizing the number of passengers on as few vehicles as possible while complying with service standards.

The largest challenge associated with compliance with service standards is passenger demand for higher levels of more customized services. Both operations have operated as complementary, curb-to-curb services since inception in 1995. However, the previous ADA Paratransit contractor often provided higher levels of service, including door-to-door rather than curb-to-curb and virtually unlimited subscription service with limited regard to efficiency standards; this pleased passengers, but also substantially increased the number of billable hours operated. The current contractor, Laidlaw, has brought the service back in line with contractual standards, achieved record levels of productivity on both ADA Suburban and MTS Access, and remained under budgeted billable hours.

Passengers at various outreach forums have voiced concerns over current service levels. It has been noted at the MTS Accessible Services Advisory Committee (ASAC) meetings that while ADA compliance is mandated, there is nothing prohibiting local transit agencies from exceeding those standards. Meeting the ADA at the baseline minimum is expensive in and of itself. However, exceeding certain ADA parameters, which may impact the ability to meet other parameters, is simply a matter of cost.

Covered below are several policy areas, which are most frequently brought up by passengers. The modification of these policy areas would also happen to have an unpredictable impact on demand, but unquestionably reduce productivity, thereby increasing costs. Since ADA paratransit is a federally mandated service, it is operated with "off-the-top" Transportation Development Act (TDA) Article 4.0 funds, and increases in MTS Access and ADA Suburban costs result in less money available for operating other transit services. MTS has continued a policy of providing only the legally mandated level of service to maintain expenses.

As referenced above, operating at the minimum ADA standards allows an agency to operate as efficiently as possible. An agency needs to decide how to balance efficiency, specialized interest responsiveness, and service equity.

- Efficiency. Efficiency is defined as maximizing passengers per hour and reducing service costs. ADA complementary paratransit services are generally the most costly to operate with the lowest productivity (passengers/revenue hour). Operating under the minimum ADA standards is the most cost-efficient, but still relatively expensive compared to fixed-route.
- Specialized Interest Responsiveness. Recently various advocacy interest groups have expressed their interest in maximizing services for their clients. Often times, independent financial problems of special interest groups prompt them to seek transportation alternatives. The level of services sought by these interest groups exceeds the minimum ADA standards.
- Service Equity. Treating each trip request equally. Whether service is needed for dialysis by a person represented by an advocacy group or by an individual on their way to a recreational activity, the ADA prohibits prioritization by trip purpose.

Operational Issues

Subscription Service. Subscription trip levels remain high during peak periods of service in the morning and afternoon; however, MTS Access is still in compliance with the ADA, as Laidlaw has not denied any demand-based trips. An audit of the trips provided by ARC, our former contractor for the MTS Access service, found that subscription requests continued to be accepted despite the high levels. While the ADA makes no requirement for subscription service and does not dictate regarding how agencies are to provide it, the ADA specifically limits the subscription level to a maximum of 50 percent of the trip capacity at any time. To ensure that MTS remains in compliance with the ADA, Laidlaw was directed to not accept any new requests for subscription service, including any changes to existing subscriptions. Laidlaw was directed to evaluate existing subscription trips to destinations with high ridership. This process involved altering existing subscription pickup times and notifying individual passengers in writing of any change. Subscription levels have decreased to a more manageable level, thereby allowing MTS to approve individual requests for changes and additions to subscription rides on the basis that they improve operational efficiency. This efficiency-based authorization ensures that the trip will not adversely impact other riders and overall system costs, but it also significantly reduces the number of subscription rides to interested parties.

Service Area

Both MTS Access and ADA Suburban services operate within 3/4 of a mile of all operating fixed-routes and trolley stations in the service area. This is in compliance with the ADA. In August 2002 the electronic service map was upgraded to a very high level of accuracy and incorporated the entire service area (Zones 1, 2, 3, and 4). It immediately became apparent that some passengers had been receiving service that is outside of the service area. In some cases, the previous contractor authorized trips as many as several miles beyond the service area. Since then, passengers that have received service in the past have been grandfathered in on a case-by-case basis as they call in to book service. Meanwhile, many prospective passengers who would like service are refused due to their being outside of the service area. Relatively populated areas that are not incorporated in the ADA service area and are therefore not within 3/4 of a mile of an operating fixed-route include much of Scripps Ranch, much of Rancho Penasquitos west of Interstate 15, the entire Carmel Mountain area, north Lakeside, and the growing communities of Southeast San Diego including Jamul.

The challenge with unmet need requests for ADA Paratransit is that they often conflict with the design of the community. This is due to the fact that a request for ADA Paratransit is a de facto request for fixed-route, as the former depends on the presence of the latter. In many cases, either the building of the community happened so rapidly that it precluded the fixed-route presence for the next several years or was designed to make the inclusion of fixed-route challenging at best.

One-Hour Negotiation Window

This refers to the ADA requirement that all passengers who request service by 5 p.m. the day before they want their ride must receive a trip offer within one hour of their request. The inability to offer a trip to a passenger within one hour of their pickup request constitutes an ADA denial. Patterned ADA denials are specifically cited in the ADA as unallowable and are monitored by the Federal Transit Administration (FTA). This forms the basis for what is a pickup-centered reservation system, rather than a drop-off centered one. Ride times are unpredictable due to this being a shared ride system and are generally scheduled not to exceed one hour and in cases planned for up to 90 minutes for longer trips (over ten miles). In planning for a trip being up to one hour, the passenger usually asks for a trip one hour earlier than when they want to be somewhere. However, this could leave the passenger with a trip offer getting them where they want to go over an hour early or being dropped off an hour late. It is recommended that in cases where the passenger has an appointment, they should request something earlier so that, even with the one-hour window, they will not arrive late. At the extreme, this could leave someone who wants to arrive somewhere at 10 a.m. asking for an 8 a.m. and then being offered a 7 a.m. with a short ride time. The challenge with reducing the one-hour window is that it decreased the number of rides available for schedulers to fit passengers in at any given time. Should this lead to service denials (inability to offer anyone a trip within one hour of their request), a pattern caused by the decision to exceed ADA could be established, which again, is specifically prohibited under the ADA.

Curb-to-Curb Standard Versus Door-to-Door

MTS always contracted for the curb-to-curb standard. Being a complementary service to fixed-route, ADA Paratransit service begins and ends at the pickup point. While drivers assist all passengers during boarding and alighting, they are not supposed to retrieve a passenger from or assist a passenger inside their destination. Laidlaw has made a concerted effort to enforce this standard and has been involved with outreach forums with MTS staff to inform centers and facilities of the actual service standard. To this day, many passengers ride the service who cannot be left unattended, don't travel with a care attendant, and schedule trips that lead to arrivals at facilities before the program opens for the day. In the interests of safety, strategies are employed to enforce the standard whenever possible, while at the same time keeping passengers out of harm's way. For example, if a driver arrives at a drop-off point where no one is available to assist passengers who appear to be unable to care for themselves, they must radio dispatch for direction. The result usually is to take this passenger on an extended ride while picking up other passengers (thereby staying on schedule) and attempting to drop them off again once someone is available to receive them. If this is not possible by the end of the driver's shift, they take the individual to the nearest police station, which has happened on rare occasions.


Transportation coordinators for major service users who are responsible to determine the safest form of transportation for individuals based on their respective disabilities continue to recommend MTS Access and ADA Suburban for passengers who are known to not travel with a care attendant and cannot be left unattended. The decision of the coordinators is largely financial as the paratransit system is far less expensive than internally contracted service. This speaks both to the challenges inherent to enforcing the curb-to-curb standard and the demand for door-to-door service in the region. As an

extreme example of what expectations have risen to in the community, a senior advocate on the Paratransit Coordination Council (PCC for San Diego Association of Governments [SANDAG]) spoke to the need to have attendants on board paratransit vehicles to assist senior citizens while they shop.

Conclusion

Overall, the service is operated according to baseline ADA standards. These standards do not always meet the specialized needs of some passengers. Complementary ADA service is meant to approximate the fixed-route standard for individuals who cannot get to board, ride, or disembark a public transit vehicle or trolley. A way of looking at this is the paratransit system is bringing a paratransit vehicle and a "route" to the person. The person's address of pickup and drop-off functions like bus stops. As is indicative of this comparison, the same (often times frustrating) realities of transit are a reality on paratransit. It is a shared-ride system with variable ride times that operates according to a schedule and is available for a far less expensive fare than private specialized forms of transportation. If operated according to ADA parameters, paratransit service meets federal legislative requirements, provides a generic model that is roughly equal to all who use it, and it is capable of adhering to the current budget.

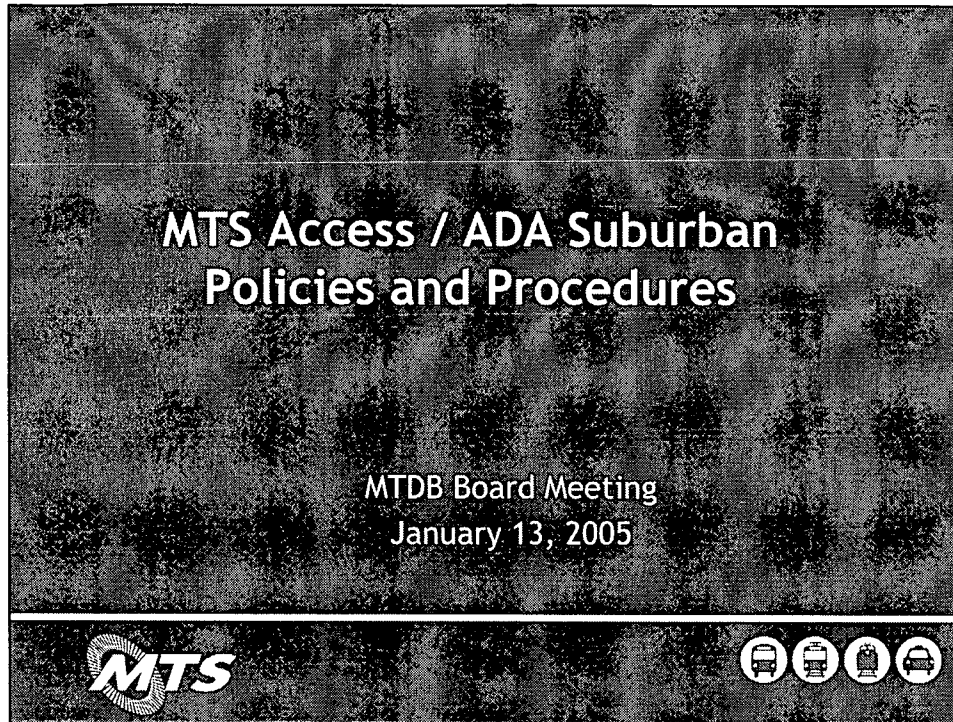
Although some other transit systems have approved policies to operate above the minimum ADA standard, it would be difficult for us to fund increased service levels within our current funding environment. Staff will continue to provide periodic updates to keep the Board advised of our operating challenges.



Paul C. Jablonski
Chief Executive Officer



Key Staff Contact: Susan Hafner, 619.595.3084, susan.hafner@sdmts.com

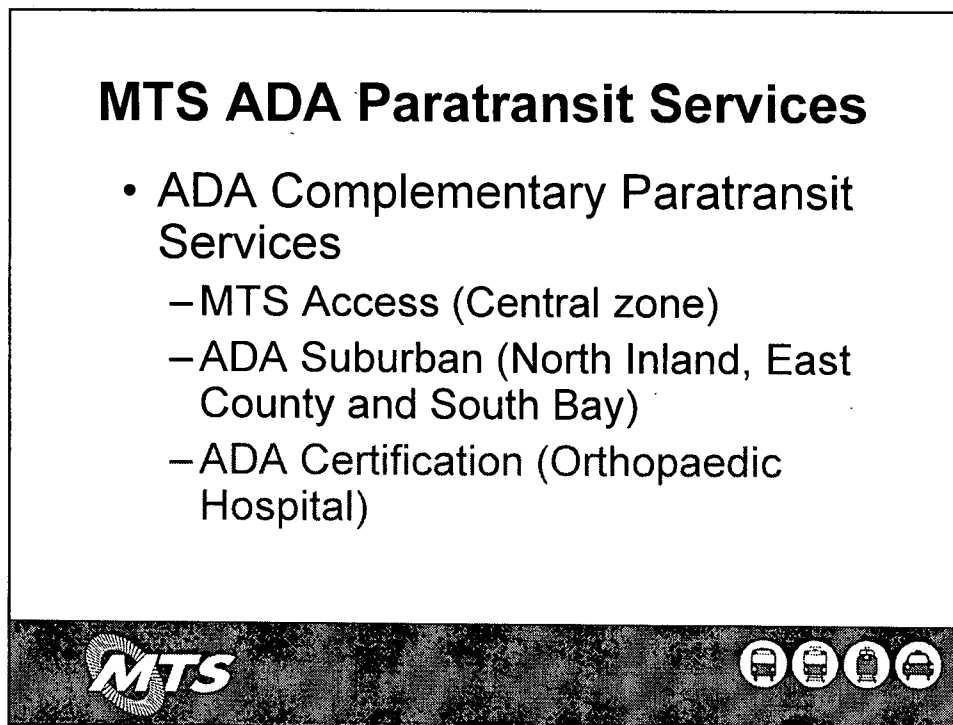
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**MTS Access / ADA Suburban
Policies and Procedures**



MTDB Board Meeting
January 13, 2005

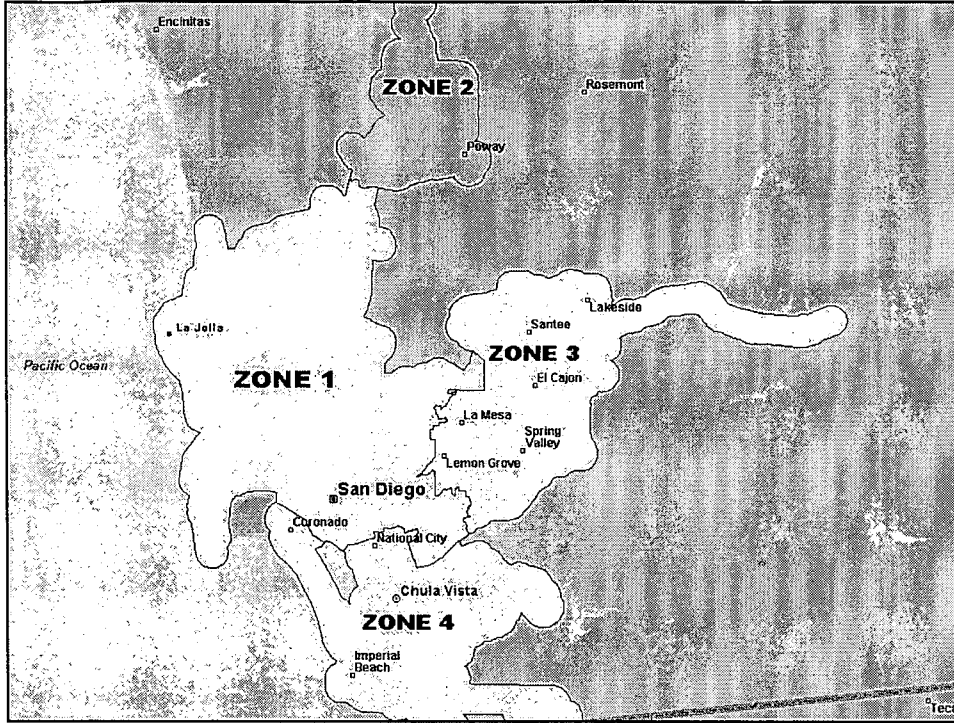
 



MTS ADA Paratransit Services

- ADA Complementary Paratransit Services
 - MTS Access (Central zone)
 - ADA Suburban (North Inland, East County and South Bay)
 - ADA Certification (Orthopaedic Hospital)



MTS ADA Service Budget

- ADA Operating Budget FY05
 - \$9,163,000 Operating Cost
 - \$1,360,000 Fare Revenues
 - \$7,803,000 Net Subsidy
- 356,000 Projected Riders



Productivity / Subsidy

- Productivity Trends
 - FY04 and FY05 to date, higher passengers per hour carried.
 - Subsidy per passenger is nearly **\$22.00**
 - Need to maximize productivity due to high cost on ADA Paratransit
- Current ADA Paratransit productivity is roughly 2.0 passengers per hour



Policies of Interest

- Subscription Service Thresholds
- Curb-to-Curb contrasted with Door-to-Door
- One Hour Reservation
Negotiation/Variability of Ride Times



Subscription Service

- ADA statutes allow up to 50 percent of capacity to be pre-booked with subscriptions
- Highest demand in peak weekday periods
- Peak periods are the most difficult to add subscription service



Curb-to-Curb vs. Door-to-Door

- MTS contracts for curb-to-curb service
- Many passengers require higher levels of assistance such as door-to-door
- Passengers may travel with a Personal Care Attendant (PCA)
- MTS does not provide assistants on vehicles



One Hour Reservation Negotiation/ Variable Ride Times

- ADA Paratransit utilizes one-hour negotiation window
- Passengers often do not get a request that exactly meets their specific needs
- All offers for trip times meet ADA requirements



Conclusion

- MTS Access and ADA Suburban paratransit services balance the need to adhere to budget, comply with ADA requirements, and meet service demand in an equitable manner.





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Agenda

Item No. 60

Chief Executive Officer's Report

ADM 121.7 (PC 30100)

January 13, 2005

Minor Contract Actions

- City of San Diego for field- and plan-check services for the San Ysidro Intermodal Transportation Center (SYITC).
- Helix Environmental Planning for maintenance monitoring for the Mission Valley East Light Rail Transit Extension (MVE LRT).
- Gonzalez White Consulting for Equal Employment Opportunity consulting services related to the MVE LRT.
- Parsons Brinckerhoff for construction management services for the SYITC.
- Stacy & Witbeck, Inc. for construction services for the SYITC.
- West Coast General Corp. for construction services for the 12th & Market Station Reconfiguration Project.
- Clark Construction Group, Incorporated for construction services for the SDSU Tunnel & Underground Station portion of MVE LRT.
- Modern Continental Construction Co. for construction services for MVE LRT.
- Balfour Beatty/Ortiz Enterprises for construction services for the La Mesa segment of the MVE LRT.

Contract Matters

Stacy & Witbeck was granted Relief from Maintenance for the SYITC Project, Phase 2, Contract LRT-453, MTDB Doc. No. L0596.0-02.

gail.williams/agenda.item.60-1/4/2005



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 Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTPB 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.

PROGRESS AND PREVIEWS

PROJECTS, PLANS, ACTIVITIES, AND ISSUES AS OF JANUARY 4, 2005

San Diego Trolley, Inc. Provides Presentation at Special Event Transportation Planning Conference

The 1ST National Conference on Managing Travel for Planned Special Events was held December 1 – 3, 2004, in New Orleans. The conference was cosponsored by the Transportation Research Board (TRB), the American Public Transportation Association (APTA), and the Federal Highway Administration (FHA).

William Millar, President of APTA, gave an impassioned discourse on the important role public transportation can and should play in event planning. San Diego Trolley, Inc. was invited to participate in a panel session based on its experience in handling large special events. Special Event Coordinator, Tom Doogan, delivered a presentation focusing on the experiences with Qualcomm Stadium and PETCO Park events, illustrating the important role public transportation can play in providing service to event venues.

Many of the conference attendees were highway traffic engineers who were interested in the congestion-relief element that public transportation can provide by reducing the number of cars on the roadways.

MTS Passes the Test at Teacher Zoo Night

On Wednesday, November 9, 2004, the San Diego Zoo hosted a special Teacher Zoo Night for over 200 teachers in San Diego County and North County. Workshops and resources were provided to teachers on how to creatively enhance their lesson plans. MTS was the only outside sponsor invited for the fifth year in a row to attend and display information to teachers during this event. **Christina Gonzalez**, MTS Customer Service Supervisor, and **Jessica Krieg**, MTS Marketing Coordinator, handed out information on the MTS Classroom Day Tripper program and promoted the new MVE Green Line. Teachers expressed a lot of interest in the new trolley extension and are looking forward to taking their students on a Classroom Day Tripper field trip to the new underground tunnel at SDSU next year!



**MTS Board Receives Thank You Letter from
2004 MTS/Coca Cola Scholarship Recipient**

For the last two years, MTS, in partnership with The Coca-Cola Bottling Company of San Diego, has developed and implemented a scholarship for graduating high school seniors in San Diego County. The students are asked to write about various subjects relative to the role public transportation plays in the lives of people in the San Diego region. This year, 2004, 25 essays were selected as winners, and those students were each given a stipend of \$250 as well as a laptop computer. Recently, we received a letter from one of the 2004 winning students, thanking the MTS Board of Directors for the scholarship prizes. The text of his letter is as follows:

“Dear Metropolitan Transit System Board,

I want to thank you again for your generous scholarship gift. How can I ever thank you for the awesome lap top computer! It has made a tremendous difference on my ability to do my schoolwork. Not only have I been able to accomplish all my work, but also I have been able to do it with ease and style. I have had the privilege to attend a university and have thoroughly enjoyed my first semester. It has been a tremendous learning experience for me, and I am so grateful for the opportunity you have afforded me.

Thank you so much, John Zeugschmidt”

**Customer Appreciation Event Held At San
Ysidro Intermodal Transportation Station**

MTS, in partnership with the Coca-Cola Company of San Diego, staged a customer appreciation event at the San Ysidro Intermodal Transportation Center on December 10, 2004, from 7 a.m. to 10 a.m. Radio station 98.9 provided the music and gave away 98.9 t-shirts as well as auto show tickets that MTS provided. Customers enjoyed the delicious pastries provided by Peartrees Catering and various drinks provided by the Coca-Cola Company. It was a festive time, and MTS was successful in connecting with its customer base to say thank you. MTS staff members also had the opportunity to answer questions and to promote the new Mission Valley East – Green Line, opening in the summer of 2005.