



Metropolitan Transit System 05-05-06 10:04 IN

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

Agenda

****JOINT MEETING AND FINANCE WORKSHOP****

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

May 11, 2006

» » 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. **MTS: FY 2007 Budget Development**

Action would receive a report on the MTS fiscal year 2007 operating budget and approve the following budgetary assumptions for fiscal year 2007: funding shift of any Comprehensive Operational Analysis savings to the FY 2008 Capital Improvement Program; and approval of the Performance Incentive Program.

Possible Action

3. **Public Comments**



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.

BOARD MEETING - 9:00 A.M.

4. a. Roll Call
- b. Approval of Minutes - April 27, 2006 Approve
- c. 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.

CONSENT ITEMS

6. MTS: Increased Authorization for Legal Fees for the San Ysidro Approve
Action would ratify the previous actions of the CEO and authorize the CEO to enter into Contract Amendment No. 6 to MTS Doc. No. L0602.0-02 with Best Best & Krieger, LLP for legal services for the San Ysidro Intermodal Transportation Center Project.

CLOSED SESSION ITEMS

24. a. MTS: CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to Subdivision (a) of Government Code Section 54956.9: OPM, Inc. v. MTDB, et al., Superior Court Case No. GIS 8067-1 Possible Action
- b. MTS: CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code Section 54956.8
Property: Right-of-Way Adjacent to Grossmont Center Station Parking Lot at the Intersection of Grossmont Center Drive and Fletcher Parkway
Agency Negotiators: R. Martin Bohl, Paul Jablonski, Tim Allison, Tiffany Lorenzen, and Jerry Trimble
Negotiating Parties: Fairfield Residential, LLC, JP Morgan Chase Bank, and Mass Mutual
Under Negotiation: Instructions to Negotiators will Include Price and Terms of Payment Possible Action
- c. MTS: CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Significant Exposure to Litigation Pursuant to Subdivision (b) of California Government Code Section 54956.9: One Potential Case Possible Action

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

30. MTS: Update on the Status of the Grossmont Trolley Station Joint Development Project Possible Action
- Action would: (1) receive an update from General Counsel regarding the status of the Grossmont Trolley Station Joint Development Project; and (2) approve or authorize the following documents if negotiations have been concluded with Fairfield Residential, LLC's (Fairfield's) lenders. These documents will be couriered to each Board member's office next week if a final agreement is reached: (a) authorize the Chief Executive Officer (CEO) to execute the Disposition and Development Agreement (DDA) and Ground Lease, in substantially the same format as provided to the Board; (b) approve the appraisal report; and (c) authorize the CEO to execute and sign any other documents necessary to complete the transaction, including the lenders' Estoppel Certificate and the Parcel Map.

REPORT ITEMS

45. MTS: Operations Budget Status Report for March 2006 Receive
- Action would receive this report for information.
60. Chairman's Report Possible Action
61. Chief Executive Officer's Report Information
62. Board Member Communications
63. Additional Public Comments Not on the Agenda Possible Action
- If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this agenda, additional speakers will be taken at this time. 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: May 25, 2006
65. Adjournment

Submitted by	_____
Reviewed by	_____
Reviewed by	_____
Reviewed by	_____
Reviewed by	_____

Submitted by: D. Bridge

Remove On: 5/11/06

Return to Submitter: G. Williams

OR (Pick One)

Retain in Posting File _____

**METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL**

MEETING OF (DATE): 5/11/06

CALL TO ORDER (TIME): 9:09 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:17 a.m.

RECONVENE: 10:29 a.m.

ORDINANCES ADOPTED: _____

ADJOURN: 10:49 a.m.

BOARD MEMBER				(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/>		(Vacant)	<input type="checkbox"/>		
CLABBY	<input checked="" type="checkbox"/>		(Selby)	<input type="checkbox"/>		
EMERY	<input checked="" type="checkbox"/>		(Cafagna)	<input type="checkbox"/>		
EWIN	<input checked="" type="checkbox"/>		(Jantz)	<input type="checkbox"/>		
FAULCONER	<input type="checkbox"/>		(Vacant)	<input type="checkbox"/>		<input checked="" type="checkbox"/>
HANSON-COX	<input type="checkbox"/>		(Lewis)	<input checked="" type="checkbox"/>		
MAIENSCHIN	<input checked="" type="checkbox"/>		(Vacant)	<input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/>		(Vacant)	<input type="checkbox"/>		
MCLEAN	<input checked="" type="checkbox"/>		(Janney)	<input type="checkbox"/>		
			(Rose)	<input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/>		(Tierney)	<input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/>		(McCann)	<input type="checkbox"/>	9:12 a.m. during AI 3	
ROBERTS	<input checked="" type="checkbox"/>		(Cox)	<input type="checkbox"/>		
RYAN	<input type="checkbox"/>		(B. Jones)	<input checked="" type="checkbox"/>		
YOUNG	<input checked="" type="checkbox"/>		(Vacant)	<input type="checkbox"/>	9:17 a.m. for AI 24	10:29 a.m. after AI 24
ZARATE	<input checked="" type="checkbox"/>		(Parra)	<input type="checkbox"/>		

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

Gail Williams

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

Jeffrey Houson

METROPOLITAN TRANSIT DEVELOPMENT BOARD
FINANCE WORKSHOP

ROLL CALL

MEETING OF (DATE): 5/11/06

CALL TO ORDER (TIME): 8:17 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 9:08 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
CLABBY	<input checked="" type="checkbox"/> (Selby) <input type="checkbox"/>		
EMERY	<input checked="" type="checkbox"/> (Cafagna) <input type="checkbox"/>		
EWIN	<input checked="" type="checkbox"/> (Jantz) <input type="checkbox"/>		
FAULCONER	<input type="checkbox"/> (Vacant) <input type="checkbox"/>		<input checked="" type="checkbox"/>
HANSON-COX	<input type="checkbox"/> (Lewis) <input checked="" type="checkbox"/>		
MAIENSCHIEIN	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>	8:47 a.m.	
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCLEAN	<input checked="" type="checkbox"/> (Janney) <input type="checkbox"/> <input type="checkbox"/> (Rose)		
MONROE	<input checked="" type="checkbox"/> (Tierney) <input type="checkbox"/>		
RINDONE	<input type="checkbox"/> (McCann) <input type="checkbox"/>		<input checked="" type="checkbox"/>
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	8:25 a.m.	
RYAN	<input type="checkbox"/> (B Jones) <input checked="" type="checkbox"/>		
YOUNG	<input type="checkbox"/> (Vacant) <input type="checkbox"/>		<input checked="" type="checkbox"/>
ZARATE	<input checked="" type="checkbox"/> (Parra) <input type="checkbox"/>		

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD Gail Williams

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL Jeffrey W. Wenzel

NOT TURNED IN TO ACCOUNTING FOR THE PAYMENT OF FEES. ONLY THE ROLL CALL FOR THE FULL BOARD MEETING ON THIS DATE WAS TURNED IN FOR PAYMENT OF FEES.

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

April 27, 2006

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Mathis called the meeting to order at 9:03 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Ms. Atkins moved to approve the minutes of the April 13, 2006, Board of Directors meeting. Mr. Clabby seconded the motion, and the vote was 9 to 0 in favor.

4. Employee Recognition
(Taken Out of Order)

Mr. Paul Jablonski, MTS Chief Executive Officer (CEO), reported that, in September 2005, MTS was invited to participate in the Transportation Security Administration's National Explosive Detection Unit K-9 Team Program. He then introduced San Diego Trolley employees Lenzoral Parham and his dog, Bino, and Jose Manzo and his dog, July. Mr. Jablonski reported that each of these officers underwent ten weeks of training to become MTS's first explosives detection canine handlers. He reported that Mr. Parham was given the "Top Dog Handler" award, and Mr. Manzo scored in the top 4 in their class. Mr. Jablonski stated that a third team is still in training. He recognized the employees for their great job in representing the MTS organization and wished them success. Chairman Mathis reported that MTS's participation in this program was made possible through a grant from the U. S Department of Homeland Security.

3. Public Comment

Don Stillwell: Mr. Mathis requested that Mr. Stillwell not revisit issues he had addressed at previous Board meetings. Mr. Stillwell objected to Mr. Mathis' request. Mr. Stillwell went on to say that there was a dangerous situation developing. He also stated that, as a rider, he would not want to go to the SDSU Trolley Station in order to get to the bus stop at Kaiser Hospital.

Chuck Lungerhausen: Mr. Lungerhausen reported that he turned in \$4,795 in donations for the 2006 MS Walk, and that Team Water Walkers turned in over \$109,000. He stated that someone made a anonymous donation of \$92,000. He also stated that he had read letters in the local newspaper from individuals who were not in favor of the television system MTS will be installing on buses and trolley cars. He stated that elected officials need to promote support for a level of tax funding for San Diego similar to that received in Los Angeles and San Francisco.

CONSENT ITEMS *(Taken Out of Order)*

6. MTS: South Bay/East County Maintenance Facilities Capital Project Budget Adjustments
(CIP 11079, 10973, 11026, 10845, OPS 920.6)

Recommend that the Board of Directors authorize the Chief Executive Officer (CEO) to (1) approve the transfer of funds between capital projects (as noted in Attachment A of the agenda item); and (2) approve a three-year contract (Doc. No. B0451.0-06) for rental of self-storage units adjacent to the South Bay Maintenance Facility that provides for additional transit vehicle parking and storage (Attachment B of the agenda item).

7. MTS: Increased Authorization for Legal Services (LEG 491, PC 50121)

Recommend that the Board of Directors authorize the CEO to enter into a contract amendment (MTS Doc. No. G0934.3-04, Attachment A of the agenda item) with R. Martin Bohl of the Law Offices of R. Martin Bohl, for legal services related to joint development projects, in substantially the same form as attached to the agenda item.

8. SDTC: Contract Award for Brake and Planetary Kits (OPS 960.6)

Recommend that the Board of Directors authorize the CEO to execute a one-year contract (SDTC Doc. No. B05-007, Attachment A of the agenda item) with Truck Trailer Transit, Inc. for brake and planetary kits. The total cost of this procurement, including California sales tax, shall not exceed \$61,268.69.

9. MTS: Budget Transfer and Construction Management Contract Amendment for Mission Valley East (CIP 10426.12)

Recommend that the Board of Directors authorize the CEO to (1) transfer \$250,000 into the Construction Management (CM) line item (WBS #10426-0700) to fund Contract Amendment No. 40 with Washington Group International (WGI) to extend CM services on the Mission Valley East (MVE) Light Rail Transit (LRT) Project (see Attachment A of the agenda item, Budget Transfer History); and (2) execute Contract Amendment No. 40 (MTS Doc. No. L6343.40-01) with WGI in substantially the same form as shown in Attachment B of the agenda item, in an amount not to exceed \$248,067 for CM services on the MVE LRT Project, including extension of the CM services through August 31, 2006.

Recommended Consent Items

Mr. Ewin moved to approve Consent Agenda Nos. 6, 7, 8, and 9. Ms. Atkins seconded the motion, and the vote was 10 to 0 in favor.

CLOSED SESSION:

5. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:15 a.m.

- a. SDTI: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to Subdivision (a) of California Government Code Section 54956.9: Save Our Heritage Organisation (SOHO) v. City of San Diego, et. al., (Superior Court Case No. GIC 837743)

- b. MTS: CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to Government Code Section 54956.8
Property: Right-of-Way Adjacent to Grossmont Center Station Parking Lot at the intersection of Grossmont Center Drive and Fletcher Parkway
Agency Negotiators: R. Martin Bohl, Paul Jablonski, Tim Allison, Tiffany Lorenzen, and Jerry Trimble
Negotiating Parties: Fairfield Residential, LLC, JP Morgan Chase Bank, and Mass Mutual
Under Negotiation: Instructions to Negotiators will Include Price and Terms of Payment
- c. MTS: CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant Exposure to Litigation Pursuant to Subdivision (b) of California Government Code Section 54956.9: (One Potential Case)

The Board reconvened to Open Session at 10:12 a.m.

Oral Report of Final Actions Taken in Closed Session

Ms. Tiffany Lorenzen, General Counsel, reported the following:

- a. The Board received a report and gave direction to outside counsel. City of San Diego representatives were not present for the discussion of this item.
- b. The Board received a report and gave direction to outside counsel and agency negotiators.
- c. The Board received a report and gave direction to General Counsel.

NOTICED PUBLIC HEARINGS

There were no Noticed Public Hearings.

DISCUSSION ITEMS

- 30. MTS: Update on the Status of the Grossmont Trolley Station Joint Development Project (LEG 460, PC 50787)

Ms. Tiffany Lorenzen, MTS General Counsel, introduced Mr. Wesley Espinoza of Fairfield Residential LLC and then provided the Board with an update on the status of the Grossmont Trolley Station Joint Development Project. She reported that MTS and Fairfield have resolved all outstanding issues associated with the Disposition and Development Agreement (DDA) and the Ground Lease. She further reported that the lenders for this project, JP Morgan Chase and Mass Mutual, are unwilling to identify their outstanding issues until they receive a copy of the Ground Lease. She added that outside counsel is currently finalizing that document and has already finalized and sent out the DDA. She added that staff will be participating in a conference call today with the lender to review portions of the Ground Lease and anticipated that an additional conference call will be scheduled for either Friday or Monday. She hoped that all issues would be identified during this process.

Ms. Lorenzen recommended that the Board table its review and approval of the documents outlined in numbers 2, 3, and 4 of the recommendation as outlined in the agenda item so negotiations with the lender can be completed and finalized. She referred Board members to

page 3 of the agenda item for a list of the clarifications that have been made to the version of the Ground Lease that was provided as part of the agenda item. She added that the Executive Committee and staff discussed some of the more important issues at the last Executive Committee meeting. She stated that the Committee provided input with respect to the construction schedule as well as the milestones for completion of the parking structure and the entire project. She added that the Committee also provided input with respect to pulling the building and construction permits for the project.

Ms. Lorenzen stated that the adjoining property owner, CCRT Properties, which has a parking license to utilize the existing 600 spaces at the Grossmont Station, has been provided with the final draft of the amendment to that particular license. She anticipated hearing back from CCRT Properties today or tomorrow. She also reported that MTS staff met with the Chief Operating Officer for the owner of the adjacent property on which the pedestrian bridge landing is proposed to be located. The property owner has been informed about the necessity for soil borings and understands that the bridge and landing cannot be moved until the soil borings have been completed. She stated that MTS is waiting for agreement from the property owner to proceed with the soil borings. Mr. Espinoza indicated that he had nothing to add to Ms. Lorenzen's report. Mr. Jablonski thanked Mr. Espinoza for attending the Board meeting.

Public Comment

Clive Richard: Mr. Richard asked if there was a specific timeframe for completion of the project and if a rendering and construction schedule for the project were available. He indicated that he is a member of the Trolley Access Advisory Committee, which is interested in this project. He also inquired about discrimination guidelines for the project. Ms. Lorenzen responded that drawings for this project as submitted for the Capital Improvement Program are 65 percent complete. She stated that a nondiscrimination clause was included in either the DDA or the Ground Lease, and the project is also covered by state and federal discrimination laws.

Action Taken

Mr. Ewin moved to (1) receive an update from General Counsel regarding the status of the Grossmont Trolley Station Joint Development Project; and continue items 2, 3, and 4 as follows: (2) authorize the CEO to execute the Disposition and Development Agreement and Ground Lease, in substantially the same format as attached to the agenda item (Attachments B and C), assuming an agreement can be reached with Fairfield Residential, LLC on the remaining issues; (3) approve the appraisal report; and (4) authorize the CEO to execute and sign any other documents necessary to complete the transaction, including the lender's Estoppel Certificate and the Parcel Map. Mr. Monroe seconded the motion, and the vote was 10 to 0 in favor.

31. SDTC: Extension of the ARC of San Diego Contract for Interior Deep Cleaning of SDTC Buses (OPS 960.6)

Ms. Claire Spielberg, Chief Operating Officer-Bus, reported that SDTC would like to execute a temporary month-to-month contract extension with ARC of San Diego while negotiations are underway to increase the wage rate paid to ARC employees and their job coaches. She reported that ARC employees are performing at a level higher than anticipated. Ms. Monroe stated that ARC is an incredible organization, and that he totally supports this agenda item. Chairman Mathis reported that he and Ms. Spielberg have discussed this matter, and that the ARC employees are doing a good job and integrate well with the rest of SDTC's workforce. Mr.

Monroe recognized the IBEW members and leadership for their willingness to team with this effort.

Action Taken

Mr. Monroe moved to authorize the Chief Operating Officer-Bus to execute a temporary (not to exceed three months) month-to-month contract extension with ARC of San Diego to deep clean the interior of San Diego Transit Corporation's buses, for an amount not to exceed \$24,332 (\$8,112 per month). Ms. Atkins seconded the motion, and the vote was 10 to 0 in favor.

REPORT ITEMS

45. MTS: C Street Master Plan (ADM 124, PC 50451)

Mr. Brandon Farley, MTS Senior Transportation Planner, introduced this item. He reported that approximately 100,000 passenger trips are made each day on trolley service along C Street, and, of those, 35,000 to 40,000 trips are linked to one of the four stations on C Street (City College, Fifth Avenue, Civic Center, and American Plaza). Mr. Farley introduced Mr. Sachin Kalbag who is the Centre City Development Corporation Project Leader for this project. Mr. Kalbag provided background information and then reported on the following elements of the project: Project boundary, team structure, goals, tasks, schedule, public process, make up of advisory committees, participants in stakeholder interviews, key observations as identified during stakeholder interviews, priorities as identified during the public workshops, and the next steps.

Mr. Monroe suggested that Senator James R. Mills be contacted for a stakeholder interview. He suggested that Mr. Faulconer participate in the interview and stated that he would also like to participate. Mr. Faulconer stated that he is the Chair of the C Street Advisory Committee and reported that approximately 120 people attended the first workshop. He stated that there is a lot of opportunity for improving both the aesthetics and functionality of the C Street corridor. In response to a question from Mr. Monroe, Mr. Kalbag reported that CCDC is already considering ways to make it feasible for longer train consists to operate on C Street.

Action Taken

Mr. Faulconer moved to receive a report on Centre City Development Corporation's C Street Master Plan. Ms. Atkins seconded the motion, and the vote was 11 to 0 in favor.

60. Chairman's Report

There was no Chairman's Report.

61. Chief Executive Officer's Report

Article in The Daily Aztec: Mr. Jablonski referred to an article that was written by Contributing Columnist Michael Erler for The Daily Aztec, which was placed on the table prior to the start of the meeting. He stated that it was an excellent article and that Mr. Erler had a good experience when he decided to ride transit rather than drive his car. Mr. Rindone suggested that MTS use Mr. Erler to provide testimonials for marketing purposes.

62. Board Member Communications

Letter Regarding Television-Equipped Buses and Trolleys: Mr. Monroe referred to a letter from Mr. Ed Beasley expressing his objection to equipping buses and trolley cars with televisions. Mr. Beasley sent each Board member an individually addressed copy of this letter, which was placed at the table prior to the start of the meeting. Mr. Monroe stated that there appears to be a misconception that MTS is paying for these televisions and added that the majority of the public support this program. Mr. Rob Schupp, Director of Marketing and Communications, reported that a letter to the editor had been issued providing details of this project. Mr. Jablonski stated that a copy of this letter will be faxed to Board members. Ms. Atkins requested that staff respond to Mr. Beasley's letter.

Mr. Jablonski reported that this item will be brought back to the Board. He added that MTS started negotiations with Transit Television Network after a one-year testing period and added that this is the first application for televisions on a light rail transit vehicle. He stated that MTS is not incurring any cost but will receive revenues from this project. He stated that the system will help MTS meet Americans With Disabilities (ADA) regulations and will provide next-stop announcements, allowing MTS to avoid the cost of installing an expensive system for that purpose.

63. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

64. Next Meeting Date

Chairman Mathis reminded Board members that the next regularly scheduled Board meeting will start with a Finance Workshop at 8:00 a.m. on Thursday, May 11, 2006,

65. Adjournment

Chairman Mathis adjourned the meeting at 10:43 a.m.



Chairperson
San Diego Metropolitan Transit System
Filed by:



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

Attachment: A. Roll Call Sheet
gail.williams/minutes

Approved as to form:



Office of the General Counsel
San Diego Metropolitan Transit System

METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL

MEETING OF (DATE): 4/27/06

CALL TO ORDER (TIME): 9:03 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:15 a.m.

RECONVENE: 10:12 a.m.

ORDINANCES ADOPTED: _____

ADJOURN: 10:43 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
CLABBY	<input checked="" type="checkbox"/> (Selby) <input type="checkbox"/>		
EMERY	<input type="checkbox"/> (Cafagna) <input type="checkbox"/>		<input checked="" type="checkbox"/>
EWIN	<input checked="" type="checkbox"/> (Jantz) <input type="checkbox"/>		
FAULCONER	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
HANSON-COX	<input type="checkbox"/> (Lewis) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MAIENSCHIN	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>	9:16 a.m. during AI 5	
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCLEAN	<input checked="" type="checkbox"/> (Janney) <input type="checkbox"/> (Rose) <input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/> (Tierney) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (McCann) <input type="checkbox"/>		
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>	9:07 a.m. during AI 3	
RYAN	<input type="checkbox"/> (B. Jones) <input checked="" type="checkbox"/>	10:32 a.m. during AI 45	
YOUNG	<input type="checkbox"/> (Vacant) <input type="checkbox"/>		<input checked="" type="checkbox"/>
ZARATE	<input checked="" type="checkbox"/> (Parra) <input type="checkbox"/>		

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

Gail Williams
[Signature]



Spoke
AGENDA ITEM NO.

9:05

PC 4C

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

1

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

1. INSTRUCTIONS

This Request to Speak form 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 5-11-2006

Name (PLEASE PRINT) DON STILLWELL

Address 6308 RANCHO MEN RD #173

SAN DIEGO, CA 92108

Telephone (619) 282-7760

Organization Represented (if any) _____

Subject of your remarks: FLAW IN THE DESIGN

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.****



May 9, 2006 Board of Supervisors

Good morning, Ladies and Gentlemen. My subject is Help Prevent a Disaster at Kaiser Hospital. Because members of the Board of Supervisors are on both the MTS Board and the SANDAG Boards where transportation issues are decided that affect the bus and trolley riders of San Diego County, I am bringing to your attention a very dangerous situation concerning buses that I believe is a recipe for disaster.

The disaster is the connection of a 15 minute frequency bus route, #13, to a 30 minute frequency bus route, #14, on a city street, CRAWFORD. Do the math, 15 goes into 30 twice. This means two 15 minute frequency buses will arrive and one will depart BEFORE the connecting 30 minute bus will arrive, with a potential of at least 26 minutes wait for riders needing to continue on their EASTBOUND trip on Zion Avenue. This means two sets of unhappy #13 bus passengers waiting on the narrow sidewalk.

Add a 15 minute rest stop for the #13 bus driver because it is the end of the route. Result: the appearance of a permanently parked bus on CRAWFORD Street.

Now add the westbound #14 bus and the passengers waiting for it, which include manual wheelchairs, walkers, the blind, and the elderly, on the same sidewalk. It needs space to park because the #13 bus is still there.

* At rush hour, on the first workday of the week the service begins, the #13 driver will leave the Zion Avenue bus stop, make a right turn on Crawford Street and will announce, "This is the end of the line, all passengers continuing east on Zion Avenue must transfer to the #14 bus." The driver then proceeds to take his break.

After about 9 years of service by the #13 bus EASTBOUND on Zion Avenue to Allied Gardens, this announcement will be a shock, to say the least. People expecting to get to work or home will suddenly be standing on the sidewalk, waiting for the #14 bus EASTBOUND.

MTS solution to all complaints is, "If it doesn't work, we can fix it later." I suggest, "Do it right the first time and you won't have to fix it later."

The solution is simple and it will save money. It is currently being used, and is called Grantville Trolley Station. The #14 bus currently has a bus stop there. KEEP IT THERE. The #13 bus currently has a bus stop there. KEEP IT THERE, and make it the NORTHERN TERMINAL for the #13 bus route.

Reduce the frequency of #13 bus trips to KAISER HOSPITAL bus stops to the same frequency as the #14 bus. With each bus route at a 30 minute frequency, you will still have an average 15 minute frequency to KAISER HOSPITAL, and you will be serving the residents of Allied Gardens, Navajo, Grantville, and Mission Valley, as well, and the conditions for a DISASTER have been eliminated.

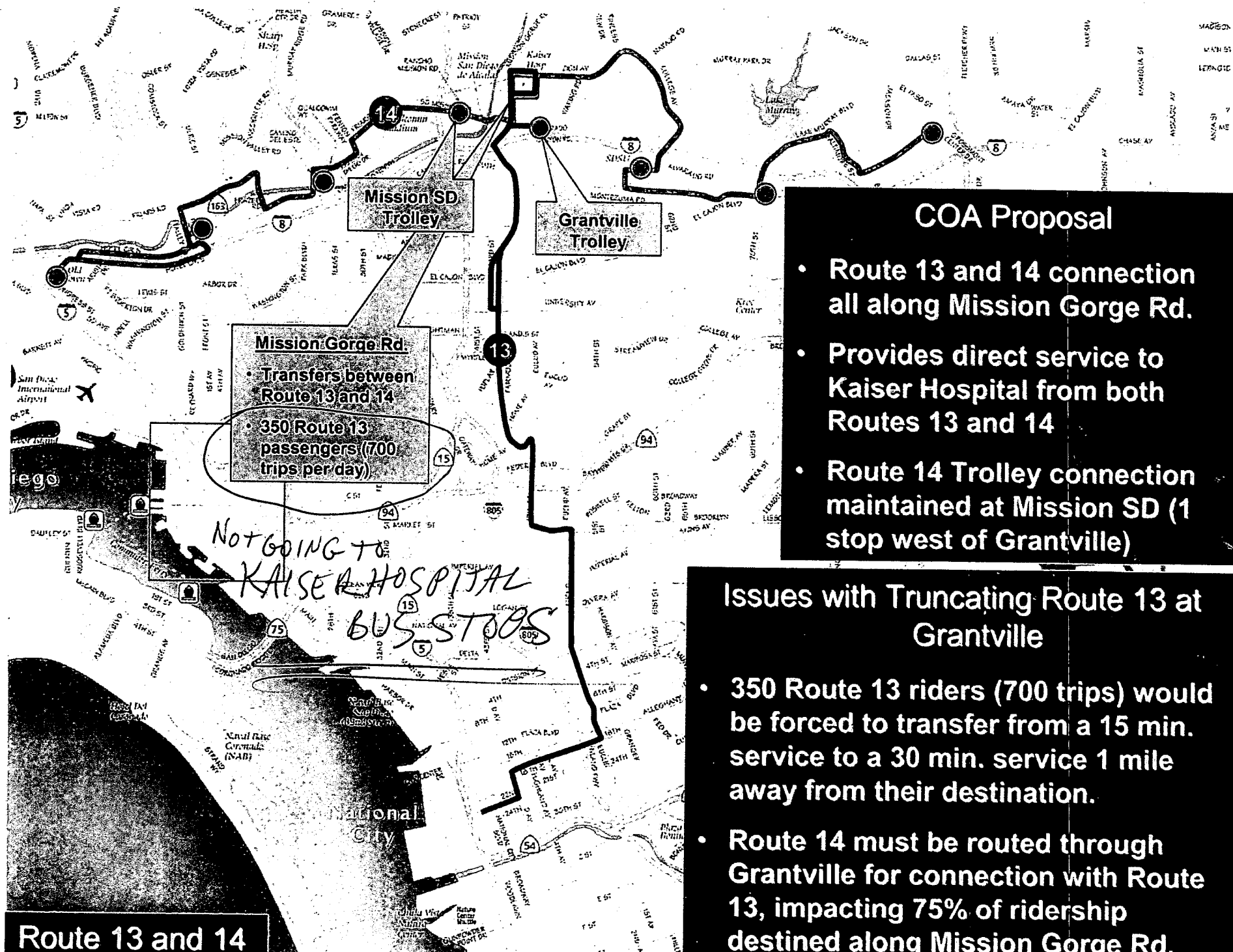
Will you Supervisors please take a close look at this dangerous situation and my suggestion for eliminating it before it can happen? The Allied Gardens, Navajo, and Mission Valley Community Councils all support my recommendations. Ask them. I ask you for your support.

Thank you, and God bless you.

Don Stillwell, 6308 Rancho Mission Road #173, San Diego, CA 92108 (619) 282-7760

2006

Date	Bus No.	Z or C	Time	Arrive	Depart	Waiting	Riders	On Bus	Comments
5-8	1267	Z	2:45	2:47	0	0	1		
	1867	C	2:47	2:58	0	3	6		
	1867	Z	3:15	3:17	0	3	0		
	1816	C	3:22	3:26	0	3	3		
	1267	C	3:53	3:56	1	2	7		NO STOP-AFTER 3:53 DROVE BY
	1618	Z	4:16	4:17	0	0	3		
	1517	C	4:23	4:28	0	0	4		
	1846	Z	4:46	4:47	1	1	3		
	1265	C	4:59	5:00	1	0	3		
	1511	Z	5:13	5:14	1	0	1		HOT
	1618	C	5:33	5:33	1	2	9		
	1267	Z	5:43	5:46	3	0	4		
	1871	C	5:57	5:58	1	0	14		
	1517	Z	6:13	6:16	0	1	6		
	1867	C	6:25	6:25	0	0	2		NO STOP
					10	15	66		



COA Proposal

- Route 13 and 14 connection all along Mission Gorge Rd.
- Provides direct service to Kaiser Hospital from both Routes 13 and 14
- Route 14 Trolley connection maintained at Mission SD (1 stop west of Grantville)

Issues with Truncating Route 13 at Grantville

- 350 Route 13 riders (700 trips) would be forced to transfer from a 15 min. service to a 30 min. service 1 mile away from their destination.
- Route 14 must be routed through Grantville for connection with Route 13, impacting 75% of ridership destined along Mission Gorge Rd.



AGENDA ITEM NO.

Spoke 4C 9:08
REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED



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

1. INSTRUCTIONS

This Request to Speak form 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 2006-05-11Name (PLEASE PRINT) Clive RichardAddress 5153 La Dorna Street
San Diego, CA 92115-1530Telephone 619-582-4034

Organization Represented (if any) _____

Subject of your remarks: _____

Agenda Item Number on which you request to speak _____

Your comments are presenting a position of: SUPPORT

☐

OPPOSITION

☐**2. TESTIMONY AT NOTICED PUBLIC HEARINGS**

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

3. DISCUSSION OF AGENDA ITEMS

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

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

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

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





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

Agenda

Item No. 2

MTS OPERATORS FINANCE WORKSHOP

FIN 310.1 (PC 50601)

May 11, 2006

Subject:

MTS: FY 2007 BUDGET DEVELOPMENT

RECOMMENDATION:

That the Board of Directors receive a report on the MTS fiscal year 2007 operating budget and approve the following budgetary assumptions for the fiscal year 2007:

- Funding shift of any Comprehensive Operational Analysis (COA) savings to the FY 2008 Capital Improvement Program.
- Approval of the Performance Incentive Program.

Budget Impact

None at this time.

DISCUSSION:

Fiscal Year 2007 Budget Recap

A recap of the fiscal year 2007 budget:

- In January, staff reviewed with the MTS Board of Directors the fiscal year 2006 projections, selected the five-member Budget Development Committee, and reviewed the time line of the budgetary process.
- Our first Budget Development Committee meeting in mid-February and the second Finance Workshop in late February took place. Within those two meetings, we discussed and received approval of the fiscal year 2006 midyear



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

budget adjustment and discussed preliminary revenues and expenses. Within the discussions of the 2006 midyear adjustment, staff projected an approximate \$3.6 million increase in energy costs within the fiscal year. Despite this significant unfavorable impact on the budget, staff trimmed the budget across the board. Through this very difficult exercise of expense cutting, all divisions and departments contributed, and there were no additional reserves needed to balance the budget at midyear.

- In early and mid-April, staff discussed the following assumptions and requested guidance and approval from the Budget Development Committee and MTS Board of Directors:
 - Revenue – The operating and nonoperating revenue assumptions were reviewed and approved. Within the discussion, the MTS Board of Directors approved the shift of nonrecurring TransNet funding to the fiscal year 2008 Capital Improvement Program.
 - Energy Rates – The Budget Development Committee increased staff's recommendation to \$1.50 per therm for compressed natural gas (CNG) and \$2.32 per gallon for diesel. The MTS Board of Directors approved these assumptions.
 - Revenues Exceeding Expenses – The Budget Development Committee provided guidance, and the MTS Board of Directors approved the shifting of any revenue dollars exceeding expenses to the fiscal year 2008 Capital Improvement Program. This was estimated at approximately \$1.4 million.

Energy Rate Impact on Fiscal Year 2007 Budget

As discussed at the last Finance Workshop earlier in April, the approval of energy rates to \$1.50 per therm for CNG and \$2.32 per gallon for diesel took place. The original estimated impact on the fiscal year 2007 budget was \$1.25 million. After inclusion within the detail of the fiscal year budget, staff has quantified the actual impact at \$1.5 million within fiscal year 2007, which is a difference of approximately \$250,000.

Comprehensive Operational Analysis

FY 2007 Impact. Attachment A details the COA impacts by operation and total organization.

Fiscal year 2007 will be recognized as a year of restructuring, transition, and change. Several significant operational achievements will take place that will have a budgetary impact within the fiscal year.

The first such operational achievement will include the consolidated bidding of approximately \$40 million in contracted services scheduled to take place by the end of the current fiscal year. This significant consolidated procurement is expected to produce a number of operational and financial efficiencies, although currently the full budgetary impact is unknown.

The MTS Board of Directors approved the COA in March 2006. The implementation of this significant organizational restructuring will be phased in June 2006, September 2006, and January 2007. Due to this phasing and some COA start-up costs (training, bus sign changes, marketing, etc.), the fiscal year will not recognize the full impact of the budgetary efficiencies. The organization will likely see the actual full effects of the COA within the 2008 fiscal year.

The budgetary impact of the COA impact is quantified in two ways. First, the system has been reconfigured to provide services in a more unified needs-required manner. Second, the system has become more efficient, and budgetary efficiencies are realized by the system reconfiguration.

Based on the best estimates realizing the various implementation schedules, the combined impact of the route-change implementation and the service-efficiency impacts total \$719,000 for fiscal year 2007.

The Budget Development Committee recommends shifting the fiscal year 2007 COA budgetary savings to the fiscal year 2008 Capital Improvement Program.

FY 2007 Operating Budget

With the above assumption of shifting the COA impact to the fiscal year 2008 Capital Improvement Program, the following summarizes the adjusted operating fiscal year 2007 revenues and expenses.

FY 2007 Revenues. Attachment B summarizes the total operating and nonoperating revenues in a schedule format, which includes the MTS Board of Directors-approved shifting of \$4.5 million of nonrecurring TransNet funding into the fiscal year 2008 Capital Improvement Program. Several small revenue adjustments adding subsidy revenue (\$218,000) have been incorporated and included since the latest version of total fiscal year 2007 revenues. This is primarily due to additional Caltrans revenues (\$77,000) subsidizing mitigation within the northern part of the MTS system. The total increase in revenues with the above adjustments total \$17.1 million or 7.6 percent.

FY 2007 Expenses. All of the following information includes the MTS Board-approved adjustment to energy rates as detailed above, the COA impact on the fiscal year 2007 budget, and \$77,000 in expenses for the Poway mitigation as described above.

Attachment C contains the total revenues as detailed above and the total proposed expenses for the 2007 fiscal year. As indicated within the schedule, fiscal year 2007 combined expenses total \$240.3 million, which is an increase from the FY 2006 amended budget of \$15.1 million (6.7 percent).

As indicated within Attachment D, excluding nonpension bond-debt service expenses, the operational expense increase totals \$8.4 million or 4.1 percent.

Attachment E details each operating division and each administrative department in detail and includes the impacts of fuel, the COA, and the Caltrans mitigation. Even with a significant adjustment within the energy rates, total operations increased on a consolidated basis by only 4.3 percent compared to fiscal year 2006 midyear adjusted levels.

Performance Incentive Program

As part of the annual budgetary process, the Board has historically approved a Performance Incentive Program that recognizes staff's effort as well as provides a positive incentive for staff to work as a team. This Performance Incentive Program provides an opportunity for nonrepresented employees working as an agency-wide team to be financially rewarded when goals are achieved. The financial reward is based on 3.5 percent of the budgeted wages (not including benefits).

Attachment F details the program in detail. On April 5, 2006, the Budget Development Committee provided guidance with regard to the Performance Incentive Program. The Committee's insight included the acceptance of a strategy to condense the program into the three main organizational goals to provide companywide focus and action on the organizational direction. These three goals are specific, measurable, and result-oriented and emphasize continued organizational efficiencies. The Committee also reviewed staff's distribution options and provided direction for a "discretionary distribution" of any pooled proceeds from achievement of these goals. On April 26, 2006, the Budget Development Committee recommended the attached program (Attachment F) for MTS Board approval.

The program, as indicated above, is budgeted at 3.5 percent of budgeted wages and totals approximately \$550,000 for fiscal year 2007.

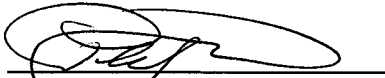
The three goals for the fiscal year emphasize budgetary savings impacts within expenditures and revenues and focus on the impacts of the previously discussed COA for fiscal year 2007. Each goal is tiered, and the bonus pool inflates based upon the level of achievement (with no award being disbursed based upon just meeting the budget).

From a disbursement perspective:

- The bonus pool is calculated by the achievements of the three goals.
- The Chief Executive Officer (CEO) assigns the total bonus pool to divisions and departments based upon the respective division's and department's contribution to the goal achievement.
- The division and department heads compile a list of individuals within their division or department meriting a bonus and award these individuals bonuses within their respective areas. The total amount within the list should not exceed the allocation provided by the CEO.

- These divisional and departmental lists will be reviewed by the CEO for approval before bonus awards are disbursed.

The Budget Development Committee recommends MTS Board of Directors approval of the fiscal year 2007 Performance Incentive Program.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Larry Marinesi, 619.557.4542, larry.marinesi@sdmts.com

MAY11-06.FINANCEWKSH.P.2.FY07BUDGETDEV.LMARINESI

Attachments: A. COA Service Change Implementation/Impacts
B. FY 2007 Operating Budget – Revenue Summary
C. FY 2007 Operating Budget – Revenue/Expense Format
D. FY 2007 Operating Budget – Revenue/Expense Format (Excluding Debt Service)
E. FY 2007 Operating Budget – Divisional/Departmental Analysis Format
F. Performance Incentive Program

**San Diego Metropolitan Transit System
COA Service Change Implementation
Fiscal Year 2007**

**FINANCE WORKSHOP
Att. A, AI 2,
5/11/06, FIN 310.1**

	FY07 Pre-COA Statistics	COA Impact	Adjusted FY07 Statistics
Internal Bus Operations	9,565,535	50,000	9,615,535
Rail Operations - Base	8,342,580	-	8,342,580
MCS - Fixed Route	8,692,992	(15,900)	8,677,092
MCS - Paratransit	3,318,679	-	3,318,679
Chula Vista Transit	1,408,500	(30,500)	1,378,000
National City Transit	476,000	65,000	541,000
Coronado Ferry	-	-	-
Total Revenue Miles	31,804,286	68,600	31,872,886
Internal Bus Operations	11,381,332	60,000	11,441,332
Rail Operations - Base	8,477,700	-	8,477,700
MCS - Fixed Route	10,086,133	(31,400)	10,054,733
MCS - Paratransit	4,315,877	-	4,315,877
Chula Vista Transit	1,514,000	(32,700)	1,481,300
National City Transit	497,000	67,500	564,500
Coronado Ferry	-	-	-
Total Miles	36,272,042	63,400	36,335,442
Internal Bus Operations	826,361	(33,000)	793,361
Rail Operations - Base	466,284	-	466,284
MCS - Fixed Route	753,217	(500)	752,717
MCS - Paratransit	197,496	-	197,496
Chula Vista Transit	110,390	(2,250)	108,140
National City Transit	42,000	2,500	44,500
Coronado Ferry	-	-	-
Total Revenue Hours	2,395,748	(33,250)	2,362,498
Internal Bus Operations	889,059	(35,500)	853,559
Rail Operations - Base	478,810	-	478,810
MCS - Fixed Route	820,676	(8,700)	811,976
MCS - Paratransit	260,944	-	260,944
Chula Vista Transit	118,000	(2,400)	115,600
National City Transit	45,000	2,750	47,750
Coronado Ferry	-	-	-
Total Hours	2,612,489	(43,850)	2,568,639

**San Diego Metropolitan Transit System
COA Service Change Implementation
Fiscal Year 2007**

	FY07 Pre-COA Statistics	COA Impact	Adjusted FY07 Statistics
Internal Bus Operations	25,373,404	-	25,373,404
Rail Operations - Base	35,064,222	-	35,064,222
MCS - Fixed Route	18,045,000	-	18,045,000
MCS - Paratransit	597,000	-	597,000
Chula Vista Transit	3,271,391	-	3,271,391
National City Transit	1,715,000	-	1,715,000
Coronado Ferry	-	-	-
Total Passengers	84,066,017	-	84,066,017

Internal Bus Operations	\$	76,611,515	\$	(852,130)	\$	75,759,385
Rail Operations - Base	\$	52,482,791	\$	-	\$	52,482,791
MCS - Fixed Route	\$	45,415,568	\$	138,880	\$	45,554,448
MCS - Paratransit	\$	11,797,207	\$	-	\$	11,797,207
Chula Vista Transit	\$	7,367,425	\$	(136,574)	\$	7,230,851
National City Transit	\$	3,228,560	\$	131,211	\$	3,359,771
Coronado Ferry	\$	139,112	\$	-	\$	139,112
Admin Pass Through	\$	344,180	\$	-	\$	344,180
Total Operating Expenses	\$	197,386,357	\$	(718,613)	\$	196,667,744

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATING BUDGET
REVENUE SUMMARY
FISCAL YEAR 2007**

	BUDGET FY06	MID YEAR BUDGET FY06	BUDGET FY07	DOLLAR CHANGE BUDGET/ PROJECTED	% CHANGE BUDGET/ PROJECTED
OPERATING REVENUE					
PASSENGER REVENUE	\$ 70,582,446	\$ 70,540,754	\$ 70,865,316	\$ 324,562	0.5%
ADVERTISING REVENUE	700,000	900,000	850,000	(50,000)	-5.6%
CONTRACT SERVICE REVENUE	25,000	25,000	30,000	5,000	20.0%
OTHER INCOME	2,043,910	2,228,910	2,407,008	178,098	8.0%
TOTAL OPERATING REVENUE	\$ 73,351,356	\$ 73,694,664	\$ 74,152,324	\$ 457,660	0.6%
SUBSIDY REVENUE					
FEDERAL REVENUE	\$ 24,368,912	\$ 24,134,550	\$ 23,217,500	\$ (917,050)	-3.8%
TRANSPORTATION DEVELOPMENT ACT (TDA)	71,561,600	72,125,717	78,943,303	6,817,586	9.5%
STATE TRANSIT ASSISTANCE (STA)	6,572,986	6,572,986	11,026,100	4,453,114	67.7%
STATE REVENUE - OTHER	544,543	544,543	617,892	73,348	13.5%
TRANSNET	17,292,212	17,292,175	19,368,768	2,076,593	12.0%
OTHER LOCAL SUBSIDIES	2,049,512	2,030,947	1,975,918	(55,029)	-2.7%
TOTAL SUBSIDY REVENUE	\$ 122,389,765	\$ 122,700,918	\$ 135,149,481	\$ 12,448,563	10.1%
NONRECURRING REVENUES					
USE OF TRANSNET (BRT) FUNDS	\$ 2,371,677	\$ 2,371,677	\$ -	\$ (2,371,677)	-100.0%
FEDERAL CMAQ FOR MISSION VALLEY EAST	4,587,588	4,587,588	4,569,305	(18,283)	-0.4%
OTHER RESERVES (TAXICAB/SD&AE)	167,342	164,529	104,641	(59,888)	-36.4%
CONTINGENCY RESERVES	-	-	-	-	-
TOTAL NONRECURRING REVENUES	\$ 7,126,607	\$ 7,123,794	\$ 4,673,946	\$ (2,449,848)	-34.4%
DEBT SERVICE/LEASE LEASEBACK REVENUE	\$ 21,690,637	\$ 21,690,637	\$ 28,316,087	\$ 6,625,450	30.5%
GRAND TOTAL REVENUES	\$ 224,558,365	\$ 225,210,013	\$ 242,291,838	\$ 17,081,825	7.6%

FINANCE WORKSHOP
Att. B, AI 2
5/11/06, FIN 310.1

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
TOTAL OPERATING BUDGET
PROPOSED FY 2007 BUDGET
(in \$000's)

	FY 2006 APPROVED BUDGET	FY 2006 AMENDED BUDGET	FY 2007 PROPOSED BUDGET	\$ VARIANCE FY07 BUDGET TO FY06 AMENDED	% VARIANCE FY07 BUDGET TO FY06 AMENDED
Fare Revenue	\$ 70,582	\$ 70,541	\$ 70,865	\$ 325	0.5%
Other Revenue	2,769	3,154	3,287	133	4.2%
Total Operating Revenue	\$ 73,351	\$ 73,695	\$ 74,152	\$ 458	0.6%
Subsidy	151,207	151,515	168,140	16,624	11.0%
Total Revenue	\$ 224,558	\$ 225,210	\$ 242,292	\$ 17,082	7.6%
Wages	\$ 60,744	\$ 59,935	\$ 60,845	\$ 910	1.5%
Fringes	31,084	30,668	33,545	2,878	9.4%
Services	16,292	15,719	16,274	555	3.5%
Purchased Transportation	49,975	49,291	51,879	2,588	5.3%
Materials	8,234	7,881	7,961	80	1.0%
Energy	23,049	26,683	28,015	1,332	5.0%
Risk Management	5,765	5,658	5,733	75	1.3%
General and Administrative	1,356	1,406	1,291	(115)	-8.1%
Vehicle/Facility Lease	320	229	332	102	44.6%
Debt Service	27,740	27,740	34,397	6,657	24.0%
Reserve	-	-	-	-	n/a
Total Costs	\$ 224,558	\$ 225,210	\$ 240,273	\$ 15,063	6.7%
Overhead Allocation	-	-	-	-	0.0%
Total Revenue Less Total Costs	\$ 0	\$ (0)	\$ 2,019	\$ 2,019	n/a
Net Operating Subsidy	\$ (151,207)	\$ (151,515)	\$ (166,120)	\$ (14,605)	9.6%

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
COMBINED MTS BUDGET
FISCAL YEAR 2007**

	NET OPERATING MID YEAR BUDGET FY06	BUDGET FY07	RTMS AFC LRV	NET OPERATING BUDGET FY07	DOLLAR VARIANCE	PERCENT VARIANCE
TOTAL OPERATING REVENUES	\$ 73,694,664	\$ 74,152,325		\$ 74,152,325	\$ 457,661	0.6%
TOTAL NON OPERATING REVENUE	129,824,712	168,139,515	28,316,087	139,823,428	9,998,716	7.7%
TOTAL COMBINED REVENUES	\$ 203,519,376	\$ 242,291,840	\$ 28,316,087	\$ 213,975,753	\$ 10,456,377	5.1%
TOTAL PERSONNEL EXPENSES	\$ 90,602,425	\$ 94,390,248	\$ -	\$ 94,390,248	\$ 3,787,823	4.2%
TOTAL PURCHASED TRANSPORTATION	49,291,035	51,879,081	-	51,879,081	2,588,046	5.3%
TOTAL OUTSIDE SERVICES	15,704,646	16,273,883	-	16,273,883	569,237	3.6%
TOTAL MATERIALS AND SUPPLIES	7,866,292	7,961,039	-	7,961,039	94,747	1.2%
TOTAL ENERGY	26,680,227	28,014,969	-	28,014,969	1,334,742	5.0%
RISK MANAGEMENT	5,707,174	5,733,082	-	5,733,082	25,908	0.5%
GENERAL AND ADMINISTRATIVE	1,388,795	1,291,427	-	1,291,427	(97,368)	-7.0%
DEBT SERVICE	6,049,434	34,397,392	28,316,087	6,081,305	31,871	0.5%
VEHICLE / FACILITY LEASE	229,348	331,600	-	331,600	102,252	44.6%
TOTAL OPERATING EXPENSES	\$ 203,519,376	\$ 240,272,720	\$ 28,316,087	\$ 211,956,633	\$ 8,437,257	4.1%
TOTAL REVENUES LESS TOTAL EXPENSES	\$ -	\$ 2,019,120	\$ -	\$ 2,019,120	\$ 2,019,120	

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
TOTAL OPERATING BUDGET
PROPOSED FY 2007 BUDGET
(in \$000's)

	Adjusted FY06 Amended Expense Budget		FY 2007 Original Expense Budget		FY 2007 Additional Fuel Expenses		FY 2007 COA Expense Impact		FY 2007 Other Exp Adj		FY 2007 Current Expense Budget		Difference		Percent Variance
Operations															
Internal Bus Operations	73,656	\$	75,923	\$	689	\$	(852)	\$	-	\$	75,759	\$	2,104		2.9%
Rail Operations	50,123		52,483		-		-		-		52,483		2,360		4.7%
Contract Services - Combined	53,997		56,423		713		139		77		57,352		3,355		6.2%
Chula Vista Transit	7,187		7,284		83		(137)		-		7,231		44		0.6%
National City Transit	3,101		3,219		10		131		-		3,360		259		8.3%
Coronado Ferry	135		139		-		-		-		139		4		3.0%
Administrative Pass Through	344		344		-		-		-		344		-		0.0%
Combined Operations	188,542	\$	195,815	\$	1,495	\$	(719)	\$	77	\$	196,668	\$	8,125		4.3%
Combined Other Operations	901		864		-		-		-		864		(37)		-4.1%
Combined Administrative	13,826		14,174		-		-		-		14,174		349		2.5%
Combined Debt Service	21,941		28,566		-		-		-		28,566		6,625		30.2%
Combined Grand Total	225,210	\$	239,420	\$	1,495	\$	(719)	\$	77	\$	240,273	\$	15,063		6.7%

**San Diego Metropolitan Transit System
Performance Incentive Program
Fiscal Year 2007**

A. Performance Incentive Program Pool

3 1/2 percent of total budgeted administrative straight wages.
Total potential bonus pool = \$550,000.

B. Performance Incentive Program Goals

PIP Goal	Total Award Into Bonus Pool
1. Actual operating expenditures (excluding energy) are to come in \$1,000,000 under the originally budgeted operating expenditures (excluding energy).	\$ 200,000
Achievement Tiers:	
- Achieve at least \$1.0M under budget receive 100% of award goal	200,000
- Achieve \$750K under budget receive 75% of award goal	150,000
- Achieve \$500K under budget receive 50% of award goal	100,000
- Achieve \$250K under budget receive 25% of award goal	50,000
- Achieve less than \$250K under budget receive 0% of award goal	-
2. Actual operating revenues are to come in \$1,000,000 over the originally budgeted operating revenues.	\$ 200,000
Achievement Tiers:	
- Achieve at least \$1.0M over budget receive 100% of award goal	200,000
- Achieve \$750K over budget receive 75% of award goal	150,000
- Achieve \$500K over budget receive 50% of award goal	100,000
- Achieve \$250K over budget receive 25% of award goal	50,000
- Achieve less than \$250K over budget receive 0% of award goal	-
3. Comprehensive Operational Analysis Performance Goals:	\$ 150,000
a. Systemwide Passengers per Revenue Hour increases by more than 5 percent from FY 2006 levels.	50,000
b. Systemwide Subsidy per Passenger decreases by more than 5 percent from FY 2006 levels.	50,000
c. Increase in farebox recovery (excluding energy) compared to FY 2006 levels.	50,000

C. Performance Incentive Program Award Distribution

- 1. Bonus pool is calculated based upon the tier achievements within goals 1 and 2 and COA achievements within goal 3.**
- 2. CEO assigns total bonus pool to divisions and departments based upon the respective division's and department's contribution in goal achievement.**
- 3. Division and department heads compile a list of individuals within their division or department meriting a bonus and award these individuals bonuses within their respective areas. The total amount within the list should not exceed the allocation provided by the CEO.**
- 4. These divisional and departmental lists will be reviewed by the CEO for approval before bonus awards are disbursed.**

Metropolitan Transit System FY 2007 Budget Development

Finance Workshop
May 11, 2006



Finance Workshop Agenda

- Fiscal Year 2007 Budget Recap
- Energy Rate Impact on FY 2007 Budget
- Comprehensive Operational Analysis
- FY 2007 Operating Budget
- Performance Incentive Program



Fiscal Year 2007 Budget Recap

- **January 2006 (1st Finance Workshop)**
 - Five member committee selected
 - Reviewed the FY 2006 Projections
 - Reviewed the FY 2007 Budget Timeline
- **February 2006 (1st BDC / 2nd Finance Workshop)**
 - Reviewed and approved FY 2006 Mid Year Budget
 - \$3.6 projected energy impact on budget
 - No additional reserves needed to balance budget
 - Reviewed Subsidy Revenues
 - Reviewed Preliminary Assumptions



Fiscal Year 2007 Budget Recap (cont.)

- **April 2006 (2nd & 3rd BDC / 3rd Finance Workshop)**
 - Reviewed Operating and Non Operating Revenues
 - Shift of nonrecurring Transnet Revenue to FY08 CIP
 - Revenue Assumptions Reviewed and Approved
 - Reviewed Operating Expenses
 - BDC increased energy rates to \$1.50/therm for CNG and \$2.32/gallon for diesel.
 - Shift of Revenues exceeding Expenses to FY08 CIP
 - Expense Assumptions Reviewed and Approved



Finance Workshop Agenda

- Fiscal Year 2007 Budget Recap
- Energy Rate Impact on FY 2007 Budget
- Comprehensive Operational Analysis
- FY 2007 Operating Budget
- Performance Incentive Program



Energy Impact on Operations

Current Rates in FY 2007 Operating Budget

CNG	\$135 / therm
Diesel	\$2.25 / gallon

Current Experience

	Feb-06	YTD 2006
CNG	1439	1370
Diesel	2.119	2.268

BDC Recommendation & MTS Board Approved Rates

CNG	\$150 / therm
Diesel	\$2.32 / gallon

Approx. Impact on FY 2007 Budget - \$1,250,000

Actual Impact on FY 2007 Budget - \$1,494,000



Finance Workshop Agenda

- Fiscal Year 2007 Budget Recap
- Energy Rate Impact on FY 2007 Budget
- Comprehensive Operational Analysis
- FY 2007 Operating Budget
- Performance Incentive Program



Comprehensive Operational Analysis

Fiscal Year 2007 - "Restructuring/Transition Year"

- Several Operating Achievements will take place in FY07
 - * Consolidated bidding of approx \$40M in Contract Svcs
 - Efficiencies expected - full budget impact unknown
 - * COA Implementation
 - FY07 Phased Implementation
 - June 2006
 - September 2006
 - January 2007
 - Due to Phasing and Implementation Costs (i.e. driver training, bus stop sign changes, Marketing etc), Full Budget Effect Likely in FY08



Comprehensive Operational Analysis (cont.)
Fiscal Year 2007 - "Restructuring/Transition Year"

- * COA Implementation
 - FY07 Revenues/Passengers
 - Phased Implementation
 - > June 2006 - Service Reductions
 - > Sept 06/Jan 07 - Increases in Service
 - > Service change history reflects a slight reduction in ridership for a short period of time.
 - > No net impact on passenger levels or revenues
 - > Full revenue impact in FY 2008
 - Budget Impact Quantified in Two Ways
 - System Reconfiguration
 - System Efficiencies



San Diego Metropolitan Transit System
COA Service Change Implementation
 (in 000's)

	FY07 Pre-COA	COA	Adj FY07
Total Revenue Miles	31,804	69	31,873
Total Miles	36,272	63	36,335
Total Revenue Hours	2,396	(33)	2,362
Total Hours	2,612	(44)	2,569
Total Passengers	84,066	-	84,066
<hr/>			
Total Operating Exps	\$ 204,876	\$ (719)	\$ 204,158



Comprehensive Operational Analysis

- Policy Issue - COA Savings
 - FY07 \$719,000 in COA Savings

Budget Development Committee Recommendation
Move \$719K in COA Savings to FY08 Capital



Finance Workshop Agenda

- Fiscal Year 2007 Budget Recap
- Energy Rate Impact on FY 2007 Budget
- Comprehensive Operational Analysis
- FY 2007 Operating Budget
- Performance Incentive Program



FY 2007 Combined Budget - Revenue / Expense Schedule
Excluding Debt Service / Includes COA
in (000's)

	Mid Year FY 2006	Budget FY 2007	Variance	Variance Percentage
TOTAL REVENUES				
Operating Revenues	73,695	74,152	458	0.6%
Non Operating Revenues	129,825	139,823	9,999	7.7%
Combined Revenues	203,519	213,976	10,456	5.1%
TOTAL EXPENSES				
Personnel Expenses	90,602	94,390	3,788	4.2%
Purchased Transportation	49,291	51,879	2,588	5.3%
Outside Services	15,705	16,274	569	3.6%
Materials and Supplies	7,866	7,961	95	1.2%
Energy	26,680	28,015	1,335	5.0%
Risk Management	5,707	5,733	26	0.5%
General and Administrative	1,389	1,291	(97)	-7.0%
Debt Service	6,049	6,081	32	0.5%
Vehicle/Facility Lease	229	332	102	44.6%
Combined Expenses	203,519	211,957	8,437	4.1%
Total Revs Less Exps	-	2,019	2,019	



Summary of Shifting to FY 2008 CIP

Total Nonrecurring Transnet Funding	4,479,710
Total Net Revenues Exceeding Expenses	2,019,120
Total Shift to FY 2008 CIP	6,498,830



Finance Workshop Agenda

- Fiscal Year 2007 Budget Recap
- Energy Rate Impact on FY 2007 Budget
- Comprehensive Operational Analysis
- FY 2007 Operating Budget
- Performance Incentive Program



Performance Incentive Program Fiscal Year 2007

1. **PIP Structure/Strategy:** Company-wide focus and action on three main MTS goals for fiscal year 2007.
2. **Goals:** Specific, measurable, and results oriented. Structured and focused MTS' upcoming challenges.
3. **Emphasis:** Expense and Revenue Budgetary Savings and Impacts on Comprehensive Operational Analysis
4. **Program is budgeted at 3.5 percent of total budgeted administrative straight wages.**



Performance Incentive Program - Goals Fiscal Year 2007	
PIP Goal	Total Award Into Bonus Pool
1. Actual operating expenditures (excluding energy) are to come in \$ 1,000,000 under the originally budgeted operating expenditures (excluding energy). Achievement Tiers: - Achieve at least \$ 10M under budget receive 100% of award goal - Achieve \$ 750K under budget receive 75% of award goal - Achieve \$ 500K under budget receive 50% of award goal - Achieve \$ 250K under budget receive 25% of award goal - Achieve less than \$ 250K under budget receive 0% of award goal	200,000 200,000 150,000 100,000 50,000 -
2. Actual operating revenues are to come in \$ 1,000,000 over the originally budgeted operating revenues. Achievement Tiers: - Achieve at least \$ 10M over budget receive 100% of award goal - Achieve \$ 750K over budget receive 75% of award goal - Achieve \$ 500K over budget receive 50% of award goal - Achieve \$ 250K over budget receive 25% of award goal - Achieve less than \$ 250K over budget receive 0% of award goal	200,000 200,000 150,000 100,000 50,000 -



Performance Incentive Program - Goals (cont.) Fiscal Year 2007	
PIP Goal	Total Award Into Bonus Pool
3. Comprehensive Operational Analysis Performance Goals: a. Systemwide Passengers per Revenue Hour increases by more than 5 percent from FY 2006 levels. b. Systemwide Subsidy per Passenger decreases by more than 5 percent from FY 2006 levels. c. Increase in farebox recovery (excluding energy) compared to FY 2006 levels.	150,000 50,000 50,000 50,000



**Performance Incentive Program - Distribution
Fiscal Year 2007**

PIP Goal

- 1. Bonus pool is calculated based upon the tier achievements within goals 1 and 2 and COA achievements within goal 3.**
- 2. CEO assigns total bonus pool to divisions and departments based upon the respective division's and department's contribution in goal achievement.**
- 3. Division and department heads compile a list of individuals within their division or department meriting a bonus and award these individuals bonuses within their respective areas. The total amount within the list should not exceed the allocation provided by the CEO.**
- 4. These divisional and departmental lists will be reviewed by the CEO for approval before bonus awards are disbursed.**



Next Steps...

SANDAG Transportation Committee - May 19th

Review Draft Budget

Public Hearing - June 8th

Provide Final Balanced Budget/Public Hearing

SANDAG Transportation Committee - June 16th

Provide Final Balanced Budget



Metropolitan Transit System FY 2007 Budget Development

Finance Workshop
May 11, 2006





1255 Imperial Avenue, Suite 1000
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.

CIP 10453.6

May 11, 2006

Subject:

MTS: INCREASED AUTHORIZATION FOR LEGAL FEES FOR THE SAN YSIDRO
INTERMODAL TRANSPORTATION CENTER

RECOMMENDATION:

That the Board of Directors ratify previous actions of the Chief Executive Officer (CEO) and authorize the CEO to enter into Contract Amendment No. 6 to MTS Document No. L0602.0-02, in substantially the same form as Attachment A, with Best Best & Krieger, LLP (BBK), for legal services for the San Ysidro Intermodal Transportation Center (SYITC) Project.

Budget Impact

This amendment increases the contract authorization by \$150,000 for a total contract amount of \$551,000. The contract increase would be funded from the Right-of-Way line item of the SYITC Project (WBS #10453-0900), which has an available balance of \$458,450.

DISCUSSION:

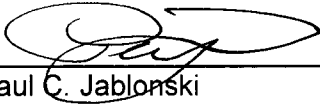
MTS has been sued by OPM, Inc. for work on the SYITC Project contending that there has been a taking of their property by the construction activities and an impairment of their access by the crossing gates and warning bells. No portion of their property was condemned for the project.

The liability phase was tried by the court. The court found no liability for construction activities but found liability for the crossing gates, warning bells, and damage to the property. The valuation phase of the suit is underway. Condemnation counsel,



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.

Bruce W. Beach of Best Best & Krieger, estimates an additional \$150,000 is required to defend this matter. MTS executed a contract and amendments with BBK for a total contract amount of \$401,000. This contract amendment brings the total contract to \$551,000.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tim Allison, 619.595.4903, tim.allison@sdmts.com

MAY11-06.6.LEGALFEESYITC.TALLISON

Attachment: A. MTS Doc. No. L0602.6-02



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

DRAFT

May 11, 2006

MTS Doc. No. L0602.6-02
CIP 10453.6

Bruce W. Beach, Esq.
Best Best & Krieger, LLP
655 West Broadway, 15th Floor
San Diego, CA 92101

Dear Mr. Beach:

Subject: AMENDMENT NO. 6 TO MTS DOCUMENT NO. L0602.0-02: MTDB v. OPM, INC.
(GATEWAY INN)

This letter will serve as Amendment No. 6 to MTS Document No. L0602.0-02.

SCOPE OF SERVICES

Continue to provide legal services in conjunction with the inverse condemnation action filed by OPM, Inc., for the San Ysidro Intermodal Transportation Center Project.

SCHEDULE

There is no change in the contract schedule.

PAYMENT

This contract amendment authorizes additional costs not to exceed \$150,000 for the above-referenced legal services. The total value of this contract, including this amendment, is \$551,000. Additional authorization is contingent upon MTS approval. All other terms and conditions of the contract remain unchanged.

If you agree with the above, please sign in the space below and return the document marked "original" to Traci Berghold, Contracts Specialist, at MTS. The second copy is for your records.

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

Bruce W. Beach, Esq.
Best Best & Krieger, LLP

MAY11-06.9.ATTA.L0602.6-02.TALLISON

Date: _____

cc: Tim Allison



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 of the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

LEG 460 (PC 50787)

May 11, 2006

Subject:

MTS: UPDATE ON THE STATUS OF THE GROSSMONT TROLLEY STATION JOINT
DEVELOPMENT PROJECT

RECOMMENDATION:

That the Board of Directors:

1. receive an update from General Counsel regarding the status of the Grossmont Trolley Station Joint Development Project; and
2. approve or authorize the following documents if negotiations have been concluded with Fairfield Residential, LLC's (Fairfield's) lenders. These documents will be couriered to each Board member's office next week if a final agreement is reached:
 - a. authorize the Chief Executive Officer (CEO) to execute the Disposition and Development Agreement (DDA) and Ground Lease, in substantially the same format as provided to the Board;
 - b. approve the appraisal report; and
 - c. authorize the CEO to execute and sign any other documents necessary to complete the transaction, including the lenders' Estoppel Certificate and the Parcel Map.

Budget Impact

Revenue generation is estimated at \$381,285 beginning in year 1 of the Ground Lease with total revenue projection over the 99-year lease term at \$635,278,000.



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

Capital Project Funds. Capital project funds in the amount of \$4.7 million are allocated for related station improvements, including \$2 million in San Diego Association of Governments (SANDAG) Smart Growth grant funds awarded to the City of La Mesa and MTS, and \$540,000 in local Transportation Development Act (TDA) funds contributed by the City of La Mesa.

DISCUSSION:

The purpose of this item is to update the Board of Directors on the status of the negotiations regarding the Grossmont Trolley Station Joint Development Project. In July 2003, the MTS Board entered into an Exclusive Negotiating Agreement (ENA) with the City of La Mesa and Fairfield to create a mixed-use, transit-oriented development project. Fairfield is proposing to develop 527 apartments over the existing parking lot at the Grossmont Transit Center Station. Eighty of these units would be made affordable to low- and moderate-income families. The project will also provide 2,800 square feet of ground-floor commercial space. The bus stop and trolley station would be retained on site along with planned pedestrian enhancements. The apartments would be built over two levels of structured parking. Approximately 600 exclusive parking spaces would be provided on the ground level of the parking structure oriented to the existing trolley station to replace the existing 600 surface parking spaces.

After several months of negotiations, MTS and Fairfield reached an agreement regarding the financial terms and conditions for the development of the Grossmont Transit Center Station and a long-term lease of the land thereafter. Those terms and conditions are memorialized into two documents—a DDA and a Ground Lease. The DDA and Ground Lease govern how the project will be designed and constructed and gives Fairfield a long-term lease for the project.

The economic terms include:

- Term of Ground Lease: 55-year lease term with one option to renew for 20 years and a second option to renew for 24 years. Total term of 99 years.
- Base Rent: \$85,333 year 1; \$170,667 year 2; \$256,000 per year thereafter until year 30.
- Base Rent Commencement Date: Upon close of escrow.
- Overage Rent: 1.25 % of gross income commencing year 1 and completing in year 30.
- Appraisal Adjustment of Base Rent: Base rent is adjusted to 8% of the fair market value of the land based upon "mark-to-market" appraisal at the start of years 31, 56, and 76, capped at 6.5%, 8.0%, and 10% of gross income based upon appraisals at years 31, 56, and 81.
- Base Rent Escalation: Consumer Price Index adjustment every 5 years limited to 15% commencing in year 31.

General Counsel will provide an oral update on the status of any outstanding lender or developer issues during the Board meeting.

Following the last Board meeting, outside counsel prepared a final version of the DDA and Ground Lease, which was provided to Fairfield and its lenders late Friday, April 28, 2006. On Monday, May 1, 2006, Fairfield, MTS staff, and the lenders scheduled a conference call. The intent of the call was to identify and discuss the lenders' concerns with the documents; however, at the start of the call, the lenders indicated they were not prepared to discuss the Ground Lease or the DDA at that time.

A subsequent conference call is scheduled for Friday, May 5, 2006, at 9:00 a.m. Staff hopes that the lenders will provide a list of issues to be discussed during the meeting; however, at the time of the drafting of this agenda item (Thursday, May 4, 2006), no such list had been provided.

In order to maintain MTS's negotiating position, staff will continue to request all lender issues be identified and placed on the table by Friday, May 5, 2006. Assuming an agreement can be reached on all issues, copies of the final documents will be couriered to each Board member for review prior to the meeting. In the event that a resolution cannot be reached, staff recommends the Board continue recommendations 2, 2a, 2b, and 2c set forth on page 1 of this agenda item.

With respect to other outstanding issues for this project, tentative approval has been given to proceed with the soil borings, and the adjacent property owner has responded to the final draft of the Amended and Restated Parking License Agreement.



Paul G. Jablonski
Chief Executive Officer

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

MAY11-06.30.GROSSMONT.TLOREN

Attachment: A. Project Checklist

Grossmont Trolley Station Transit-Oriented Development Project

Tasks Remaining Checklist

Area	Task	Remaining Action	Responsible Party	Due date	Task Completed
Plans/Drawings	Residential Construction Plan Review by SANDAG	Waiting for final submittal by Fairfield	Frank/Tim	ASAP	✓
		Frank to review submitted plans and provide comments to Fairfield	Frank/Tim	5/20/06	
	Finalize Capital Improvement Plans	Fairfield to submit 95% complete Plans	Dave	4/30/06	Not a condition of escrow
	Approval Capital Project Plans	Review and approve	Frank/Tim	5/15/06	Not a condition of escrow
	Finalize CIP Expenditure plan	Formulate expenditure plan for \$4.7 million	Paul	5/15/06	Not a condition of escrow
Environmental					
	Prepare NEPA docs for capital improvements	FTA review complete, Caltrans approval pending	Frank		✓
	Obtain NEPA approval	Caltrans to authorize clearance	Caltrans		✓
	Obtain 404 permit for storm drain work	Approval pending	Frank		Not a condition of escrow
Insurance					
	Submit proposed insurance certificates	Fairfield to provide certificates		4/15/06	
Entitlements					
	Building Permits	Waiting to issue	City	1 and 2 years after Close of Escrow	
	Sewer Relocation Permit	Waiting to issue	City	10 days after Close of Escrow	
	Grading Permit	Waiting to issue	City	10 days after Close of Escrow	
	Encroachment Permit for off-site public	Waiting to issue	City	Close of Escrow	

	improvements				
	Subdivision Improvement Agreement	Waiting to issue	City	Close of Escrow	
	Final Parcel Map	Approve map	Board	4/27/06	
		MTS statement as owner and signature on map	Paul	Close of Escrow	
		MTS process grants of easements for entitlements not granted by final map	Tim	5/3/06	
		Resolution approving Parcel Map	City	Close of Escrow	
Related Documents	Letter Agreement re: drainage improvements	City to draft letter	Dave Witt	2/10/06	✓
		MTS to respond to letter	Marty Bohl	5/19/06	
	Purchase and Sale Agreement	MTS to respond to latest draft	Marty Bohl	5/12/06	
		Sign Final Agreement		5/19/06	
	Accept drainage easements	Obtain easement from AAA	City	Close of Escrow	
	Clarify maintenance of box culvert	Easement to City of La Mesa	Tim	5/15/06	
	Finalize construction plan agreement b/t SANDAG & Fairfield	Submit agreement for Fairfield review	Julie	2/17/06	✓
		Fairfield to respond to Agreement	Marcia	3/24/06	✓
		Fairfield and SANDAG to finalize Agreement	Marcia/Julie	5/1/06	
	Prepare new License Agreement w/CCRT	Draft new agreement, submit to CCRT for review	Tiffany	2/17/06	✓
		Execute amended license			
	Obtain ROE from City for construction of drainage improvements	City to draft ROE			Not a condition of Escrow
	Issue ROE to Fairfield for offsite utility work and bus	Finalize ROE and execute	Tim	5/1/06	Waiting to issue

	relocation work				
	Issue ROE to SDGE for gas relocation	Finalize ROE and execute	Tim	5/1/06	
	Fairfield to submit bus relocation plan	MTS to approve plan	Dave/Tim		✓
Financing	Fairfield to submit Evidence of Financing	Submit certified financial statements covering last 2 years	Marcia	4/25/06	
		Submit Loan Term Sheet, Construction loan commitments, evidence of equity capital	Marcia	4/25/06	
		Submit contract between Fairfield and General Contractor	Marcia	4/25/06	
		Submit Assignment of Construction Contract for review/ approval, evidence of land use approvals, evidence of necessary easements and sub-leases.	Marcia/David	4/30/06	
	Approve Assignment of Construction Contract for review/ approval, evidence of land use approvals, evidence of necessary easements	MTS approves documents	Marty	5/5/06	
	MTS to approve Guaranteed Maximum Price (GMP)	MTS to approve GMP	Marty	3/15/06	
Closing Documents	Finalize DDA	Prepared final draft	Marty	3/17/06	✓
	Approve DDA	Approve final draft	Marcia	3/21/06	✓
		Lender to provide list of issues to resolve	Lenders	5/5/06	
		Execute Final DDA		5/11/06	
	Finalize Ground Lease	Prepare final draft	Marty	3/22/06	✓
	Approve Ground Lease	Approve final draft	Marcia	3/24/06	✓
		Lender to provide list of issues to resolve	Lenders	5/5/06	

		Execute final Lease		Close of Escrow	
	Transmit DDA and Ground Lease to CalSTERS		Marcia	3/10/06	✓
	MTS reviews CalSTERS comments to Ground Lease & Estoppel Cert.	Submit comments to MTS	Marcia	3/17/06	✓
	Transmit DDA and Ground Lease to Construction Lenders	Submit final drafts for approval	Marcia	3/25/06	✓
	MTS reviews comments by Construction Lenders	Review and approve comments	Marty/Tiffany	3/30/06	✓
	Estoppel Certificate	MTS responds to form of Estoppel Certificate	Marty	4/3/06	✓
		Lender to respond to MTS comments	JP Morgan Chase and Mass Mutual	4/21/06	
		Execute final Estoppel Certificate		Close of Escrow	
	Loan Documents	Submit loan docs to MTS	Marcia	5/16/06	
		MTS to review/approve loan docs	Marty/Tiffany	5/22/06	
	Grant easements by SDAE	Finalize easements and record documents	Tim	5/1/06	
	Terminate ancillary parking agreement	Terminate Sharp Hospital parking agreement	Tim	3/6//06	✓
	Finalize Closing checklist	Submit to MTS for review/approval	Marcia	5/19/06	
		MTS to review/provide comments re checklist	Marty/Tiffany	5/26/06	
	Memorandum of Lease	Fairfield to provide to MTS	Marcia		
Title	Conduct Appraisal	Fairfield to propose instructions and certified appraiser	Wes	2/10/06	✓
		MTS to approve instructions and appraiser	Tim	2/15/06	✓
	MTS reviews and approves appraisal	Submit complete appraisal	Wes	4/30/06	✓
		Board approves appraisal		5/11/06	
Schedule of	Submit Schedule of	Fairfield to provide final schedule	Dave	3/17/06	✓

Performance	performance				
		MTS to review/revise updated schedule and attach to Ground Lease	Marty/Tim/Tiffany	3/22/06	✓
Escrow	Open Escrow	Select final date and open escrow	Marcia	5/15/06	
	Close Escrow	Close Escrow upon completion of escrow checklist	Marcia	6/15/06	



Spoke
AGENDA ITEM NO.

9:25
30

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

1

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

1. INSTRUCTIONS

This Request to Speak form 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 2006-05-11
Name (PLEASE PRINT) Clive Richard
Address 5153 La Dorna St.
San Diego, CA 92115-1530
Telephone 619.582.4036
Organization Represented (if any) _____

Subject of your remarks: _____

Agenda Item Number on which you request to speak _____

Your comments are presenting a position of: SUPPORT

☐

OPPOSITION

☐

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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

3. DISCUSSION OF AGENDA ITEMS

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

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

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

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





1255 Imperial Avenue, Suite 1000
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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.

FIN 310.1 (PC 50601)

May 11, 2006

Subject:

MTS: OPERATIONS BUDGET STATUS REPORT FOR MARCH 2006

RECOMMENDATION:

That the Board of Directors receive the Metropolitan Transit System (MTS) Operations Budget Status Report for March 2006.

Budget Impact

None at this time.

DISCUSSION:

This report summarizes MTS's operating results for March 2006. Attachment A-1 combines the operations, administration, and other activities results for March 2006. Attachment A-2 details the March 2006 combined operations results, and Attachments A-3 to A-10 present budget comparisons for each MTS operation. Attachment A-11 details budget comparisons for MTS Administration, and Attachment A-12 provides March 2006 results for MTS other activities (Taxicab/ San Diego and Arizona Eastern Railway Company/debt service).

MTS NET-OPERATING SUBSIDY RESULTS

As indicated within Attachment A-1, March 2006 produced a favorable net-operating subsidy of \$906,000 (7.3%). The MTS operating divisions produced an \$835,000 (8.4%) favorable net-operating subsidy variance while the administrative area had a \$71,000 (2.8%) favorable net-operating subsidy variance.



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

Year-to-date through March 2006, the MTS net-operating subsidy favorable variance totaled \$1,032,000 (0.9%). Operations produced a \$992,000 (1.2%) favorable variance, and the administrative area contributed a \$40,000 (0.2%) favorable variance.

MTS COMBINED RESULTS

Revenues

Year-to-date combined revenues through March 2006 were \$56,163,000 compared to the year-to-date budget of \$56,044,000, representing an \$119,000 (0.2%) favorable variance. From a year-to-date perspective, internal bus operations and contract services/fixed-route produced positive variances of \$87,000 (0.5%) and \$248,000 (2.1%), respectively. Compared to the budget, rail operations had a year-to-date unfavorable variance of \$353,000 (-1.6%). All other year-to-date bus-related operations, administration, and other activities were \$137,000 over budget (2.4%).

Expenses

Year-to-date combined expenses through March 2006 were \$166,242,000 compared to the year-to-date budget of \$167,154,000, resulting in a \$913,000 (0.5%) favorable variance.

Personnel Costs. Year-to-date personnel-related costs totaled \$67,295,000 compared to a year-to-date budgetary figure of \$67,561,000, producing a favorable variance of \$266,000 (0.4%). This was mainly due to savings in workers' compensation expenses within internal bus operations.

Outside Services and Purchased Transportation. Total outside services for the first nine months of the fiscal year totaled \$48,237,000 compared to a budget of \$48,039,000, resulting in a year-to-date unfavorable variance of \$288,000 (-0.6%). This unfavorable variance was mainly attributable to security and other outside services over budget by \$171,000 and \$179,000, respectively.

Materials and Supplies. Total year-to-date materials and supplies expenses totaled \$5,861,000 compared to a budgetary figure of \$5,776,000, resulting in an unfavorable expense variance of \$85,000 (-1.5%).

Energy – Year-to-Date March 2006. Total year-to-date energy costs were \$19,411,000 compared to the budget of \$19,897,000, resulting in a year-to-date favorable variance of \$486,000 (2.4%). On a year-to-date basis, traction power within rail operations had a \$413,000 (8.6%) favorable variance. Year-to-date diesel prices averaged \$2.254 per gallon compared to the midyear adjusted budgetary rate of \$2.280 per gallon. Year-to-date compressed natural gas (CNG) prices averaged \$1.353 per therm compared to the midyear adjusted budgetary rate of \$1.400 per therm.

Risk Management. Year-to-date expenses for risk management were \$222,000 (5.6%) under budget totaling \$3,723,000 compared to the year-to-date budgetary figure of \$3,946,000.

General and Administrative. Year-to-date general and administrative costs including vehicle and facilities leases were \$312,000 (31.5%) under budget totaling \$677,000 through March 2006 compared to a year-to-date budget of \$989,000.

YEAR-TO-DATE SUMMARY

The March 2006 year-to-date net-operating subsidy totaled a favorable variance of \$1,023,000 (0.9%) was produced by many factors. Favorable variances in fringe-related, energy, risk management, and general expenses were offset by security and other outside service expenses.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Larry Marinesi, 619.557.4542, Larry.Marinesi@sdmts.com

MAY11-06.45.OPSBUDGETMARCH.LMARINESI

Attachment: A. Comparison to Budget

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

**Att. A, AI 45,
5/11/06, FIN 310.1**

**MTS
CONSOLIDATED**

COMPARISON TO BUDGET - FISCAL YEAR 2006

MARCH 31, 2006

(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 5,799	\$ 5,707	\$ 92	1.6%
Other Revenue	360	347	12	3.5%
Total Operating Revenue	\$ 6,159	\$ 6,054	\$ 104	1.7%
Subsidy	\$ 13,255	\$ 13,226	\$ 28	0.2%
Other Non Operating Income	858	858	-	0.0%
Total Non Operating Revenue	\$ 14,113	\$ 14,084	\$ 28	0.2%
Total Revenue	\$ 20,272	\$ 20,139	\$ 133	0.7%
Wages	\$ 5,046	\$ 5,154	\$ 108	2.1%
Fringes	2,318	2,594	276	10.6%
Services	1,092	989	(103)	-10.4%
Purchased Transportation	4,384	4,360	(24)	-0.6%
Materials and Supplies	675	599	(76)	-12.7%
Energy	1,976	2,280	304	13.3%
Risk Management	320	448	129	28.8%
General and Administrative	(60)	115	174	151.3%
Debt Service	1,979	1,979	-	0.0%
Vehicle/Facility Lease	18	32	14	43.8%
Total Costs	\$ 17,747	\$ 18,550	\$ 802	4.3%
Total Revenue Less Total Costs	\$ 2,524	\$ 1,589	\$ 935	58.8%
Net Operating Subsidy	\$ (11,589)	\$ (12,495)	\$ 906	7.3%
	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 53,578	\$ 53,412	\$ 166	0.3%
Other Revenue	2,585	2,632	(47)	-1.8%
Total Operating Revenue	\$ 56,163	\$ 56,044	\$ 119	0.2%
Subsidy	\$ 117,625	\$ 117,666	\$ (41)	0.0%
Other Non Operating Income	7,726	7,726	-	0.0%
Total Non Operating Revenue	\$ 125,351	\$ 125,392	\$ (41)	0.0%
Total Revenue	\$ 181,515	\$ 181,437	\$ 78	0.0%
Wages	\$ 44,922	\$ 44,920	\$ (3)	0.0%
Fringes	22,373	22,642	269	1.2%
Services	11,486	11,170	(316)	-2.8%
Purchased Transportation	36,841	36,869	28	0.1%
Materials	5,861	5,776	(85)	-1.5%
Energy	19,411	19,897	486	2.4%
Risk Management	3,723	3,946	222	5.6%
General and Administrative	582	860	278	32.3%
Debt Service	20,945	20,945	-	0.0%
Vehicle/Facility Lease	95	129	34	26.4%
Total Costs	\$ 166,242	\$ 167,154	\$ 913	0.5%
Total Revenue Less Total Costs	\$ 15,273	\$ 14,282	\$ 991	6.9%
Net Operating Subsidy	\$ (110,078)	\$ (111,110)	\$ 1,032	0.9%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
CONSOLIDATED
OPERATIONS
COMPARISON TO BUDGET - FISCAL YEAR 2006
MARCH 31, 2006
(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 5,799	\$ 5,707	\$ 92	1.6%
Other Revenue	73	118	(45)	-37.9%
Total Operating Revenue	\$ 5,872	\$ 5,825	\$ 47	0.8%
Subsidy	\$ 10,349	\$ 10,321	\$ 28	0.3%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 10,349	\$ 10,321	\$ 28	0.3%
Total Revenue	\$ 16,221	\$ 16,146	\$ 75	0.5%
Wages	\$ 4,476	\$ 4,560	\$ 84	1.8%
Fringes	2,333	2,618	285	10.9%
Services	981	888	(93)	-10.5%
Purchased Transportation	4,384	4,360	(24)	-0.6%
Materials and Supplies	675	594	(81)	-13.7%
Energy	1,957	2,264	307	13.6%
Risk Management	276	404	128	31.8%
General and Administrative	(102)	66	168	254.4%
Debt Service	-	-	-	-
Vehicle/Facility Lease	18	32	14	43.4%
Total Costs	\$ 14,998	\$ 15,785	\$ 787	5.0%
Total Revenue Less Total Costs	\$ 1,224	\$ 361	\$ 863	238.9%
Net Operating Subsidy	\$ (9,125)	\$ (9,960)	\$ 835	8.4%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 53,578	\$ 53,412	\$ 166	0.3%
Other Revenue	994	1,060	(66)	-6.2%
Total Operating Revenue	\$ 54,572	\$ 54,472	\$ 100	0.2%
Subsidy	\$ 103,887	\$ 103,970	\$ (83)	-0.1%
Other Non Operating Income	0	0	-	0.0%
Total Non Operating Revenue	\$ 103,887	\$ 103,970	\$ (83)	-0.1%
Total Revenue	\$ 158,459	\$ 158,443	\$ 17	0.0%
Wages	\$ 39,690	\$ 39,704	\$ 14	0.0%
Fringes	25,113	25,368	255	1.0%
Services	9,483	9,199	(283)	-3.1%
Purchased Transportation	36,841	36,869	28	0.1%
Materials	5,848	5,761	(87)	-1.5%
Energy	19,272	19,759	488	2.5%
Risk Management	3,269	3,493	224	6.4%
General and Administrative	192	408	216	53.0%
Debt Service	-	-	-	-
Vehicle/Facility Lease	92	129	37	28.4%
Total Costs	\$ 139,800	\$ 140,691	\$ 892	0.6%
Total Revenue Less Total Costs	\$ 18,659	\$ 17,751	\$ 908	5.1%
Net Operating Subsidy	\$ (85,227)	\$ (86,219)	\$ 992	1.2%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
INTERNAL BUS OPERATIONS
(SAN DIEGO TRANSIT CORPORATION)
COMPARISON TO BUDGET - FISCAL YEAR 2006
MARCH 31, 2006
(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 1,868	\$ 1,797	\$ 71	3.9%
Other Revenue	43	101	(58)	-57.2%
Total Operating Revenue	\$ 1,911	\$ 1,898	\$ 13	0.7%
Subsidy	\$ 4,649	\$ 4,621	\$ 28	0.6%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 4,649	\$ 4,621	\$ 28	0.6%
Total Revenue	\$ 6,559	\$ 6,518	\$ 41	0.6%
Wages	\$ 2,559	\$ 2,527	\$ (32)	-1.3%
Fringes	1,777	2,077	300	14.4%
Services	106	157	51	32.4%
Purchased Transportation	-	-	-	-
Materials and Supplies	390	403	13	3.2%
Energy	718	736	18	2.4%
Risk Management	117	189	71	37.8%
General and Administrative	(103)	14	117	830.7%
Debt Service	-	-	-	-
Vehicle/Facility Lease	6	14	8	56.9%
Total Costs	\$ 5,571	\$ 6,118	\$ 546	8.9%
Total Revenue Less Total Costs	\$ 988	\$ 401	\$ 588	146.7%
Net Operating Subsidy	\$ (3,660)	\$ (4,220)	\$ 560	13.3%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 16,407	\$ 16,234	\$ 173	1.1%
Other Revenue	679	765	(86)	-11.2%
Total Operating Revenue	\$ 17,086	\$ 16,999	\$ 87	0.5%
Subsidy	\$ 45,523	\$ 45,606	\$ (83)	-0.2%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 45,523	\$ 45,606	\$ (83)	-0.2%
Total Revenue	\$ 62,609	\$ 62,605	\$ 4	0.0%
Wages	\$ 22,553	\$ 22,360	\$ (193)	-0.9%
Fringes	18,970	19,446	476	2.4%
Services	1,148	1,211	62	5.1%
Purchased Transportation	-	-	-	-
Materials	3,067	3,191	124	3.9%
Energy	6,483	6,520	37	0.6%
Risk Management	1,301	1,460	159	10.9%
General and Administrative	26	149	123	82.3%
Debt Service	-	-	-	-
Vehicle/Facility Lease	26	48	22	46.1%
Total Costs	\$ 53,575	\$ 54,385	\$ 810	1.5%
Total Revenue Less Total Costs	\$ 9,034	\$ 8,220	\$ 814	9.9%
Net Operating Subsidy	\$ (36,488)	\$ (37,386)	\$ 898	2.4%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

**RAIL OPERATIONS
(SAN DIEGO TROLLEY, INC.)**

COMPARISON TO BUDGET - FISCAL YEAR 2006

MARCH 31, 2006

(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 2,160	\$ 2,446	\$ (285)	-11.7%
Other Revenue	30	17	13	74.0%
Total Operating Revenue	\$ 2,191	\$ 2,463	\$ (272)	-11.1%
Subsidy	\$ 1,942	\$ 1,942	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 1,942	\$ 1,942	\$ -	0.0%
Total Revenue	\$ 4,133	\$ 4,405	\$ (272)	-6.2%
Wages	\$ 1,730	\$ 1,813	\$ 83	4.6%
Fringes	535	521	(13)	-2.6%
Services	557	516	(41)	-7.9%
Purchased Transportation	-	-	-	-
Materials and Supplies	275	175	(100)	-57.3%
Energy	595	708	112	15.9%
Risk Management	133	184	51	27.6%
General and Administrative	(1)	19	20	103.3%
Debt Service	-	-	-	-
Vehicle/Facility Lease	7	8	0	1.8%
Total Costs	\$ 3,832	\$ 3,944	\$ 112	2.8%
Total Revenue Less Total Costs	\$ 301	\$ 462	\$ (160)	-34.7%
Net Operating Subsidy	\$ (1,641)	\$ (1,481)	\$ (160)	-10.8%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 20,919	\$ 21,292	\$ (373)	-1.8%
Other Revenue	315	295	19	6.6%
Total Operating Revenue	\$ 21,234	\$ 21,588	\$ (353)	-1.6%
Subsidy	\$ 18,098	\$ 18,098	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 18,098	\$ 18,098	\$ -	0.0%
Total Revenue	\$ 39,332	\$ 39,686	\$ (353)	-0.9%
Wages	\$ 15,366	\$ 15,560	\$ 194	1.2%
Fringes	5,762	5,545	(217)	-3.9%
Services	6,527	6,231	(296)	-4.8%
Purchased Transportation	-	-	-	-
Materials	2,677	2,460	(216)	-8.8%
Energy	6,279	6,514	235	3.6%
Risk Management	1,633	1,702	70	4.1%
General and Administrative	130	164	34	20.7%
Debt Service	-	-	-	-
Vehicle/Facility Lease	59	60	1	2.1%
Total Costs	\$ 38,431	\$ 38,236	\$ (195)	-0.5%
Total Revenue Less Total Costs	\$ 901	\$ 1,450	\$ (549)	-37.8%
Net Operating Subsidy	\$ (17,197)	\$ (16,648)	\$ (549)	-3.3%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONTRACT SERVICES

FIXED ROUTE

COMPARISON TO BUDGET - FISCAL YEAR 2006

MARCH 31, 2006

(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 1,300	\$ 1,085	\$ 214	19.8%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,300	\$ 1,085	\$ 214	19.8%
Subsidy	\$ 2,289	\$ 2,289	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 2,289	\$ 2,289	\$ -	0.0%
Total Revenue	\$ 3,589	\$ 3,375	\$ 214	6.4%
Wages	\$ 37	\$ 32	\$ (5)	-15.4%
Fringes	-	-	-	-
Services	129	96	(32)	-33.4%
Purchased Transportation	3,115	3,095	(20)	-0.6%
Materials and Supplies	-	-	-	-
Energy	452	567	115	20.3%
Risk Management	-	-	-	-
General and Administrative	0	1	1	79.4%
Debt Service	-	-	-	-
Vehicle/Facility Lease	4	7	3	36.5%
Total Costs	\$ 3,738	\$ 3,799	\$ 62	1.6%
Total Revenue Less Total Costs	\$ (149)	\$ (425)	\$ 276	-65.0%
Net Operating Subsidy	\$ (2,438)	\$ (2,714)	\$ 276	10.2%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 12,057	\$ 11,809	\$ 248	2.1%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 12,057	\$ 11,809	\$ 248	2.1%
Subsidy	\$ 24,826	\$ 24,826	\$ (0)	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 24,826	\$ 24,826	\$ (0)	0.0%
Total Revenue	\$ 36,883	\$ 36,635	\$ 248	0.7%
Wages	\$ 303	\$ 286	\$ (17)	-6.1%
Fringes	-	-	-	-
Services	820	816	(4)	-0.5%
Purchased Transportation	26,230	26,265	35	0.1%
Materials	-	-	-	-
Energy	4,618	4,729	111	2.3%
Risk Management	-	-	-	-
General and Administrative	3	5	2	44.0%
Debt Service	-	-	-	-
Vehicle/Facility Lease	4	12	7	61.3%
Total Costs	\$ 31,978	\$ 32,112	\$ 134	0.4%
Total Revenue Less Total Costs	\$ 4,905	\$ 4,523	\$ 382	8.4%
Net Operating Subsidy	\$ (19,921)	\$ (20,303)	\$ 382	1.9%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
CONTRACT SERVICES
PARA TRANSIT
COMPARISON TO BUDGET - FISCAL YEAR 2006
MARCH 31, 2006
(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 156	\$ 109	\$ 47	43.0%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 156	\$ 109	\$ 47	43.0%
Subsidy	\$ 904	\$ 904	\$ -	0.0%
Other Non Operating Income	(0)	-	-	100.0%
Total Non Operating Revenue	\$ 904	\$ 904	\$ -	0.0%
Total Revenue	\$ 1,060	\$ 1,013	\$ 47	4.6%
Wages	\$ 15	\$ 21	\$ 6	28.8%
Fringes	-	-	-	-
Services	14	22	8	35.3%
Purchased Transportation	818	792	(27)	-3.4%
Materials and Supplies	-	-	-	-
Energy	97	119	22	18.8%
Risk Management	-	-	-	-
General and Administrative	0	0	0	80.9%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	3	3	-
Total Costs	\$ 945	\$ 958	\$ 13	1.4%
Total Revenue Less Total Costs	\$ 115	\$ 55	\$ 60	108.5%
Net Operating Subsidy	\$ (789)	\$ (849)	\$ 60	7.1%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 1,235	\$ 1,167	\$ 68	5.8%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,235	\$ 1,167	\$ 68	5.8%
Subsidy	\$ 8,881	\$ 8,881	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 8,881	\$ 8,881	\$ -	0.0%
Total Revenue	\$ 10,116	\$ 10,048	\$ 68	0.7%
Wages	\$ 149	\$ 156	\$ 7	4.7%
Fringes	-	-	-	-
Services	293	311	18	5.7%
Purchased Transportation	6,822	6,795	(27)	-0.4%
Materials	-	-	-	-
Energy	921	963	41	4.3%
Risk Management	-	-	-	-
General and Administrative	2	3	1	27.7%
Debt Service	-	-	-	-
Vehicle/Facility Lease	3	9	6	66.6%
Total Costs	\$ 8,190	\$ 8,236	\$ 46	0.6%
Total Revenue Less Total Costs	\$ 1,926	\$ 1,812	\$ 114	6.3%
Net Operating Subsidy	\$ (6,955)	\$ (7,069)	\$ 114	1.6%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
CHULA VISTA TRANSIT - CONSOLIDATED
COMPARISON TO BUDGET - FISCAL YEAR 2006
MARCH 31, 2006
(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 215	\$ 182	\$ 33	18.2%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 215	\$ 182	\$ 33	18.2%
Subsidy	\$ 404	\$ 404	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 404	\$ 404	\$ -	0.0%
Total Revenue	\$ 619	\$ 586	\$ 33	5.7%
Wages	\$ 40	\$ 76	\$ 36	47.7%
Fringes	-	-	-	-
Services	53	47	(5)	-11.1%
Purchased Transportation	439	461	22	4.8%
Materials and Supplies	-	-	-	-
Energy	73	103	30	29.2%
Risk Management	-	-	-	-
General and Administrative	0	5	5	93.7%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 604	\$ 692	\$ 88	12.7%
Total Revenue Less Total Costs	\$ 15	\$ (106)	\$ 121	-113.9%
Net Operating Subsidy	\$ (389)	\$ (510)	\$ 121	23.7%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 1,952	\$ 1,917	\$ 35	1.8%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,952	\$ 1,917	\$ 35	1.8%
Subsidy	\$ 4,444	\$ 4,444	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 4,444	\$ 4,444	\$ -	0.0%
Total Revenue	\$ 6,396	\$ 6,361	\$ 35	0.5%
Wages	\$ 443	\$ 475	\$ 31	6.6%
Fringes	-	-	-	-
Services	3,852	3,879	27	0.7%
Purchased Transportation	-	-	-	-
Materials	-	-	-	-
Energy	655	713	58	8.2%
Risk Management	-	-	-	-
General and Administrative	14	22	8	35.7%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 4,965	\$ 5,089	\$ 124	2.4%
Total Revenue Less Total Costs	\$ 1,431	\$ 1,272	\$ 159	12.5%
Net Operating Subsidy	\$ (3,013)	\$ (3,172)	\$ 159	5.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
NATIONAL CITY TRANSIT
COMPARISON TO BUDGET - FISCAL YEAR 2006
MARCH 31, 2006
(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 100	\$ 88	\$ 12	13.7%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 100	\$ 88	\$ 12	13.7%
Subsidy	\$ 150	\$ 150	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 150	\$ 150	\$ -	0.0%
Total Revenue	\$ 250	\$ 238	\$ 12	5.1%
Wages	\$ 96	\$ 91	\$ (5)	-5.0%
Fringes	22	20	(1)	-6.7%
Services	122	49	(73)	-151.0%
Purchased Transportation	-	-	-	-
Materials and Supplies	10	15	6	36.5%
Energy	22	32	9	29.1%
Risk Management	25	31	6	19.4%
General and Administrative	1	26	25	96.1%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 297	\$ 264	\$ (33)	-12.7%
Total Revenue Less Total Costs	\$ (47)	\$ (26)	\$ (21)	83.7%
Net Operating Subsidy	\$ (197)	\$ (176)	\$ (21)	-12.2%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 1,007	\$ 992	\$ 15	1.5%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,007	\$ 992	\$ 15	1.5%
Subsidy	\$ 1,648	\$ 1,648	\$ -	0.0%
Other Non Operating Income	(0)	-	-	100.0%
Total Non Operating Revenue	\$ 1,648	\$ 1,648	\$ -	0.0%
Total Revenue	\$ 2,655	\$ 2,640	\$ 15	0.6%
Wages	\$ 875	\$ 868	\$ (8)	-0.9%
Fringes	193	189	(4)	-2.1%
Services	375	305	(70)	-23.0%
Purchased Transportation	-	-	-	-
Materials	104	110	6	5.2%
Energy	316	321	5	1.5%
Risk Management	335	331	(5)	-1.4%
General and Administrative	17	65	49	74.4%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 2,215	\$ 2,188	\$ (27)	-1.2%
Total Revenue Less Total Costs	\$ 440	\$ 452	\$ (12)	-2.7%
Net Operating Subsidy	\$ (1,208)	\$ (1,196)	\$ (12)	-1.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
CORONADO FERRY
COMPARISON TO BUDGET - FISCAL YEAR 2006
MARCH 31, 2006
(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Subsidy	\$ 11	\$ 11	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 11	\$ 11	\$ -	0.0%
Total Revenue	\$ 11	\$ 11	\$ -	0.0%
Wages	\$ -	\$ -	\$ -	-
Fringes	-	-	-	-
Services	-	-	-	-
Purchased Transportation	11	11	-	0.0%
Materials and Supplies	-	-	-	-
Energy	-	-	-	-
Risk Management	-	-	-	-
General and Administrative	-	-	-	-
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 11	\$ 11	\$ -	0.0%
Total Revenue Less Total Costs	\$ (0)	\$ (0)	\$ -	0.0%
Net Operating Subsidy	\$ (11)	\$ (11)	\$ -	0.0%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Subsidy	\$ 123	\$ 123	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 123	\$ 123	\$ -	0.0%
Total Revenue	\$ 123	\$ 123	\$ -	0.0%
Wages	\$ -	\$ -	\$ -	-
Fringes	-	-	-	-
Services	0	0	-	0.0%
Purchased Transportation	101	101	-	0.0%
Materials	-	-	-	-
Energy	-	-	-	-
Risk Management	-	-	-	-
General and Administrative	-	-	-	-
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 101	\$ 101	\$ -	0.0%
Total Revenue Less Total Costs	\$ 22	\$ 22	\$ -	0.0%
Net Operating Subsidy	\$ (101)	\$ (101)	\$ -	0.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
ADMINISTRATION PASS THRU
COMPARISON TO BUDGET - FISCAL YEAR 2006
MARCH 31, 2006
(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Subsidy	\$ -	\$ -	\$ -	-
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ -	\$ -	\$ -	-
Total Revenue	\$ -	\$ -	\$ -	-
Wages	\$ -	\$ -	\$ -	-
Fringes	-	-	-	-
Services	-	-	-	-
Purchased Transportation	-	-	-	-
Materials and Supplies	-	-	-	-
Energy	-	-	-	-
Risk Management	-	-	-	-
General and Administrative	-	-	-	-
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ -	\$ -	\$ -	-
Total Revenue Less Total Costs	\$ -	\$ -	\$ -	-
Net Operating Subsidy	\$ -	\$ -	\$ -	-

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Subsidy	\$ 344	\$ 344	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 344	\$ 344	\$ -	0.0%
Total Revenue	\$ 344	\$ 344	\$ -	0.0%
Wages	\$ -	\$ -	\$ -	-
Fringes	189	189	-	0.0%
Services	156	156	-	0.0%
Purchased Transportation	-	-	-	-
Materials	-	-	-	-
Energy	-	-	-	-
Risk Management	-	-	-	-
General and Administrative	-	-	-	-
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 344	\$ 344	\$ -	0.0%
Total Revenue Less Total Costs	\$ -	\$ -	\$ -	-
Net Operating Subsidy	\$ (344)	\$ (344)	\$ -	0.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

ADMINISTRATION CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2006

MARCH 31, 2006

(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	51	37	13	36.0%
Total Operating Revenue	\$ 51	\$ 37	\$ 13	36.0%
Subsidy	\$ 435	\$ 434	\$ 1	0.1%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 435	\$ 434	\$ 1	0.1%
Total Revenue	\$ 486	\$ 472	\$ 14	3.0%
Wages	\$ 541	\$ 536	\$ (5)	-0.9%
Fringes	134	126	(9)	-6.8%
Services	97	90	(7)	-7.6%
Purchased Transportation	-	-	-	-
Materials and Supplies	-	6	6	-
Energy	18	15	(3)	-19.8%
Risk Management	37	37	(0)	-0.9%
General and Administrative	42	47	6	12.1%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	0	0	-
Total Costs	\$ 869	\$ 857	\$ (12)	-1.4%
Total Revenue Less Total Costs	\$ (384)	\$ (386)	\$ 2	0.5%
Net Operating Subsidy	\$ (819)	\$ (820)	\$ 1	0.2%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	858	833	25	3.0%
Total Operating Revenue	\$ 858	\$ 833	\$ 25	3.0%
Subsidy	\$ 4,780	\$ 4,738	\$ 42	0.9%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 4,780	\$ 4,738	\$ 42	0.9%
Total Revenue	\$ 5,638	\$ 5,571	\$ 67	1.2%
Wages	\$ 4,916	\$ 4,862	\$ (55)	-1.1%
Fringes	903	917	14	1.5%
Services	1,941	1,878	(63)	-3.4%
Purchased Transportation	-	-	-	-
Materials	9	14	5	38.0%
Energy	130	128	(2)	-1.9%
Risk Management	388	386	(2)	-0.5%
General and Administrative	1,234	1,280	47	3.6%
Debt Service	-	-	-	-
Vehicle/Facility Lease	3	0	(3)	-804.1%
Total Costs	\$ 9,525	\$ 9,466	\$ (59)	-0.6%
Total Revenue Less Total Costs	\$ (3,886)	\$ (3,895)	\$ 8	0.2%
Net Operating Subsidy	\$ (8,666)	\$ (8,632)	\$ (34)	-0.4%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OTHER ACTIVITIES CONSOLIDATED

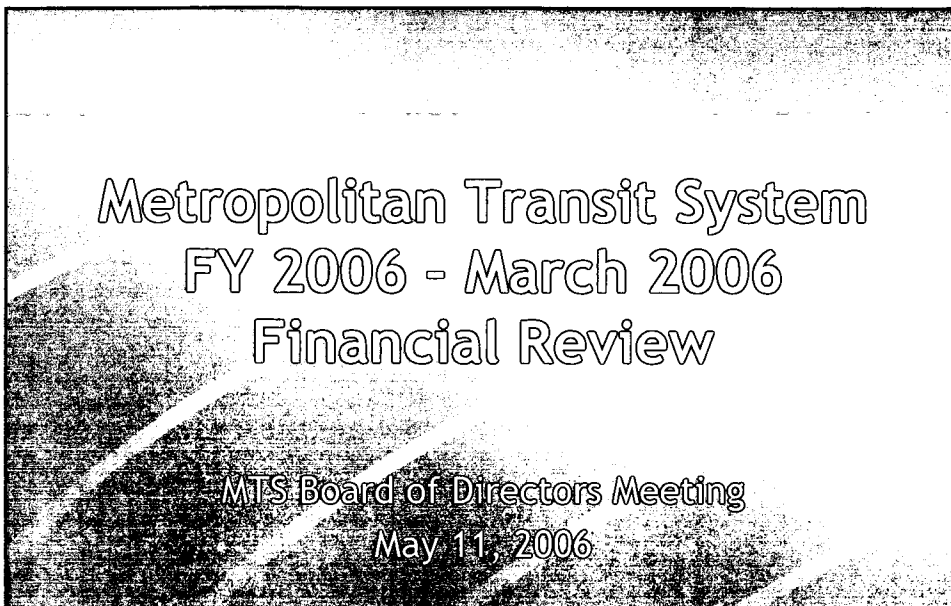
COMPARISON TO BUDGET - FISCAL YEAR 2006

MARCH 31, 2006

(in \$000's)



	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	235	192	43	22.6%
Total Operating Revenue	\$ 235	\$ 192	\$ 43	22.6%
Subsidy	\$ 2,471	\$ 2,471	\$ -	0.0%
Other Non Operating Income	858	858	-	0.0%
Total Non Operating Revenue	\$ 3,329	\$ 3,329	\$ -	0.0%
Total Revenue	\$ 3,565	\$ 3,521	\$ 43	1.2%
Wages	\$ 28	\$ 57	\$ 29	50.5%
Fringes	(150)	(150)	(1)	0.4%
Services	15	12	(3)	-27.7%
Purchased Transportation	-	-	-	-
Materials and Supplies	-	-	-	-
Energy	1	2	1	34.9%
Risk Management	7	7	1	7.4%
General and Administrative	0	1	1	81.7%
Debt Service	1,979	1,979	-	0.0%
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 1,880	\$ 1,907	\$ 27	1.4%
Total Revenue Less Total Costs	\$ 1,684	\$ 1,614	\$ 70	-4.4%
Net Operating Subsidy	\$ (1,645)	\$ (1,715)	\$ 70	4.1%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	733	738	(6)	-0.8%
Total Operating Revenue	\$ 733	\$ 738	\$ (6)	-0.8%
Subsidy	\$ 8,958	\$ 8,958	\$ -	0.0%
Other Non Operating Income	7,726	7,726	-	0.0%
Total Non Operating Revenue	\$ 16,685	\$ 16,685	\$ -	0.0%
Total Revenue	\$ 17,417	\$ 17,423	\$ (6)	0.0%
Wages	\$ 316	\$ 354	\$ 38	10.7%
Fringes	(3,643)	(3,644)	(1)	0.0%
Services	63	93	30	32.6%
Purchased Transportation	-	-	-	-
Materials	4	-	(4)	100.0%
Energy	9	10	1	9.1%
Risk Management	66	67	0	0.7%
General and Administrative	(844)	(829)	15	-1.8%
Debt Service	20,945	20,945	-	0.0%
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 16,917	\$ 16,997	\$ 80	0.5%
Total Revenue Less Total Costs	\$ 500	\$ 426	\$ 74	-17.4%
Net Operating Subsidy	\$ (16,184)	\$ (16,259)	\$ 74	0.5%





Metropolitan Transit System
FY 2006 - March 2006
Financial Review

MTS Board of Directors Meeting
May 11, 2006

SAN DIEGO METROPOLITAN TRANSIT SYSTEM		
COMBINED OPERATIONS		
MONTH TO DATE / YEAR TO DATE HIGHLIGHTS		
(in 000's)		
	MONTH TO DATE	YEAR TO DATE
COMBINED NET OPERATING SUBSIDY VARIANCE		
Operations	835	992
General Fund	71	40
Total Combined Net Operating Subsidy Variance	906	1,032

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
COMBINED MTS TRANSIT OPERATORS
COMPARISON TO AMENDED BUDGET - FY 2006
YEAR TO DATE, MARCH 31, 2006
(in \$000's)**

	YEAR TO DATE			
	ACTUAL	AMENDED BUDGET	VARIANCE	% VAR
Fare Revenue	\$53,578	\$53,412	\$166	0.3%
Other Revenue	994	1,060	(66)	-6.2%
Total Operating Revenue	54,572	54,472	100	0.2%
Wages/Fringes	64,803	65,072	270	0.4%
Purchased Transportation	36,841	36,869	28	0.1%
Energy	19,272	19,759	488	2.5%
Other Expenses	18,884	18,991	107	0.6%
Total Costs	139,800	140,691	892	0.6%
Net Operating Subsidy	(\$85,227)	(\$86,219)	\$992	1.2%



**Metropolitan Transit System
FY 2006 - March 2006
Financial Review**

MTS Board of Directors Meeting
May 11, 2006





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

Agenda

Item No. 61

Chief Executive Officer's Report

ADM 121.7 (PC 50101)

May 11, 2006

Minor Contract Actions

- Clear Channel Broadcasting for radio spots and on-site promotion at San Diego courthouses of the juror program during Annual Juror Appreciation Week.
- The Adcentive Group for promotional pens.
- USPS for Goodwill MidCity shelter posters.
- San Diego This Week for a ¼ page ad to be run for three months.
- North County Transit District for the final one-year option on the contract for state lobbying services.
- Stacy & Witbeck, Inc. to adjust compensation for track evacuation for the San Ysidro Intermodal Transportation Center (SYITC).
- Berryman and Henigar for engineering services for the Mission Valley East (MVE) Light Rail Transit (LRT) Extension and for the historic trolley.
- HAR Construction, Inc. for construction services for the SYITC ticket booth.
- City Chevrolet VW for sport utility vehicles for Code Compliance Canine Handlers.
- SDSU Foundation for a lease amendment for 5814 and 5850 Hardy Avenue increasing the contract value based on utilities, taxes, and additional months rent.

Contract Matters

There were no contract matters to report.

gail.williams/agenda item 61



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. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway,



Spoke 10:08
AGENDA ITEM NO. 63

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

1

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

1. INSTRUCTIONS

This Request to Speak form 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 5-11-2006

Name (PLEASE PRINT) JUDITH MacLeod

mail Address P.O. Box 711973, San Diego, CA 92171

Res. 2086 Via Las Cumbres, San Diego, CA 92111

Telephone 858-565-1970

Organization Represented (if any) _____

Subject of your remarks: Planner recommends topic to bus passengers,
& TV = noise pollution

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.****

