



08-04-06 12:47 IN

1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
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Agenda

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

August 10, 2006

9:00 a.m.

James R. Mills Building
Board Meeting Room, 10th Floor
1255 Imperial Avenue, San Diego

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please call the Clerk of the Board at least five working days prior to the meeting to ensure availability. Assistive Listening Devices (ADLs) are available from the Clerk of the Board/Assistant Clerk of the Board prior to the meeting and are to be returned at the end of the meeting.

ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes - July 13, 2006 Approve
3. 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 give your copies to the Clerk of the Board.



Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and the owner of the San Diego and Arizona Eastern Railway Company. MTS member agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

CONSENT ITEMS

- | | | |
|-----|---|---------|
| 6. | <u>MTS: Proposed 2006/2007 Internal Audit Plan Summary</u>
Action would approve the proposed 2006/2007 Internal Audit Plan Summary. | Approve |
| 7. | <u>MTS: SDTI Transportation Department Performance Measurement Audit Report</u>
Action would receive this report for information. | Receive |
| 8. | <u>MTS: SDTC Transportation Department Performance Measurement Audit Report</u>
Action would receive this report for information. | Receive |
| 9. | <u>SDTC & SDTI: Ratification of Statement of Information</u>
Action would ratify the CEO's filing of the Statement of Information form for San Diego Transit Corporation (SDTC) and San Diego Trolley, Inc. (SDTI). | Approve |
| 10. | <u>MTS: Federal Transit Administration Funding and Funding Agreements</u>
Action would approve Resolution No. 06-11 authorizing the CEO to submit applications for Federal Transit Administration (FTA) funding and funding agreements. | Approve |
| 11. | <u>MTS: San Ysidro Transit Center Closed-Circuit Television (CCTV) Video Surveillance System Contract Award</u>
Action would authorize the CEO to execute a Standard Services Agreement with Electro Specialty Systems, Inc. for furnishing, installing, commissioning, and providing one year of warranty support for the closed-circuit television video (CCTV) surveillance system for San Ysidro Transit Center. | Approve |
| 12. | <u>MTS: U.S. Department of Homeland Security Funding/Project Changes</u>
Action would approve: (1) a reduction in the U.S. Department of Homeland Security (DHS) funding levels previously approved with the fiscal year 2007 Capital Improvement Program; and (2) <u>shifting</u> DHS-funded projects. | Approve |

CLOSED SESSION

- | | | |
|-----|----|--|
| 24. | a. | <u>MTS: CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION</u>
Significant Exposure to Litigation Pursuant To Subdivision (b) of California Government Code section 54956.9 (<u>One Potential Case</u>) |
| | b. | <u>MTS: CONFERENCE WITH REAL PROPERTY NEGOTIATORS</u>
Pursuant to California Government Code section 54945.8
<u>Property:</u> 522 West 8th Street, National City, California
<u>Agency Negotiators:</u> Tiffany Lorenzen, Paul Jablonski, Sharon Cooney, and Tim Allison
<u>Negotiating Parties:</u> City of National City
<u>Under Negotiation:</u> Price and Terms of Payment |

- c. SDTC: CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to California Government Code section 54957.6
Agency-Designated Representative - Jeff Stumbo
Employee Organization - Amalgamated Transit Union Local 1309
- d. MTS: CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Pursuant to Subdivision (a) of California Government Code
Section 54956.9 (Stella Reed) (Claim No. Unassigned)

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

- | | | |
|-----|---|-----------------|
| 30. | <u>MTS: Proposed Plan for Use of State Infrastructure Bond-Initiative Funding</u>
Action would provide comments and direction to the CEO regarding the proposed list of transit projects that could be funded with any proceeds from the Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006. | Possible Action |
| 31. | <u>MTS: Federal Railroad Administration Horn Rule - Quiet Zones</u>
Action would receive this report for information and direct the CEO to: (1) continue to work with the City of San Diego, Centre City Development Corporation (CCDC), and other public agencies impacted to support the "quiet zone" concept at public grade crossings between Old Town Transit Center and Fifth Avenue, and other locations that may be considered; and (2) negotiate a Maintenance and Operations Agreement for quiet zones with CCDC, the City of San Diego, or North County Transit District (NCTD) as appropriate. This agreement shall include, as a minimum: (a) essential indemnification and/or standard insurance language to cover MTS operations, its Board, and appropriate other entities; (b) provide that MTS shall not incur any costs associated with studies or risk analysis documentation, construction, equipment procurement or contractor expenses; (c) provide that MTS light rail transit (LRT) operations not be adversely impacted by such special construction, including maintaining the status quo of operations as it pertains to gate bell activation and nearside gate hold-off features; (d) require that specialized track detection loops be maintained by City of San Diego technicians; and (e) require the requesting agency to provide spare-parts inventory for special equipment, so designated, to support quiet zone status. | Possible Action |

- | | | |
|-----|---|-----------------|
| 32. | <u>MTS: Capital Improvement Program Budget Transfers</u>
Action would forward a request to the San Diego Association of Governments (SANDAG) Board of Directors to approve the transfer of funds in various Capital Improvement Programs (CIPs). | Approve |
| 33. | <u>SDTC: Retirement Plans Actuarial Valuation as of January 1, 2006</u>
Action would receive the actuarial valuation as of January 1, 2006, and adopt the pension contribution rate of 12.469 percent for the FY 06 SDTC pension plan. | Possible Action |

REPORT ITEMS

- | | | |
|-----|---|-----------------|
| 45. | <u>MTS: Operations Budget Status Report for May 2006</u>
Action would receive the MTS Operations Budget Status Report for May 2006. | Receive |
| 46. | <u>SDTC: RV Kuhns Second Quarter 2006 Pension Review</u>
Action would receive a report for information. | Receive |
| 47. | <u>MTS: June 2006 Monthly Performance Indicators</u>
Action would receive a report for information. | Receive |
| 61. | <u>Chief Executive Officer's Report</u> | Information |
| 62. | <u>Board Member Communications</u> | |
| 63. | <u>Additional Public Comments Not on the Agenda</u>
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. | Possible Action |
| 64. | <u>Next Meeting Date:</u> September 14, 2006 | |
| 65. | <u>Adjournment</u> | |

JGarde/AGENDAS EC 8-3-06 BD 8-10-06

_____	Submitted by
_____	Review on
_____	Return to Submitter
_____	OR (Pick One)
_____	Retain in Posting File

Submitted by: D. BRIDGE

Remove On: 8/11/06

Return to Submitter: G. WILLIAMS

OR (Pick One)

Retain in Posting File: _____

METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL

MEETING OF (DATE): 8/10/06

CALL TO ORDER (TIME): 9:10 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:32 a.m.

RECONVENE: 11:08 a.m.

ORDINANCES ADOPTED: _____

ADJOURN: 12:15 p.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 type="checkbox"/> (Allan) <input checked="" type="checkbox"/>		10:29 a.m. after AI 24
FAULCONER	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>	9:10 a.m. during AI 3	11:35 a.m. after AI 31
HANSON-COX	<input type="checkbox"/> (Lewis) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MAIENSCHIN	<input type="checkbox"/> (Vacant) <input type="checkbox"/>		<input checked="" 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"/>		
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		11:08 a.m. during AI 31
RYAN	<input type="checkbox"/> (B. Jones) <input checked="" type="checkbox"/>	9:12 a.m. during AI 3	
YOUNG	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>	9:16 a.m. during AI 3	
ZARATE	<input type="checkbox"/> (Parra) <input type="checkbox"/>		<input checked="" type="checkbox"/>

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

Gail Williams

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

Duffy Wenzel

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

July 13, 2006

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Mathis called the meeting to order at 9:05 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. Young moved to approve the minutes of the June 22, 2006, Board of Directors meeting. Mr. Ewin seconded the motion, and the vote was 9 to 0 in favor.

3. Public Comment

Donna Erickson: Ms. Erickson provided the Board with a handout outlining steps that can be taken to fight global warming, including using public transportation. She then objected to the FY 2007 Performance Incentive Program that provides bonuses to MTS employees. She stated that, in light of the recent service changes made during the Comprehensive Operational Analysis (COA), and particularly Route No. 25 through Linda Vista, this program should not have been approved. She stated that there are over 1,000 concerned Linda Vista citizens who have been disenfranchised by the service changes and are concerned that the savings from the Comprehensive Operational Analysis will be used to pay bonuses. She discussed how the service changes increase the amount of time it takes Linda Vista residents to travel to Sharp Hospital. She also asked if the cities and the County of San Diego have a contingency-based unspecified bonus program and, if not, why does MTS? She also asked for a description of the purpose of the MTS Board of Directors.

Don Stillwell: Mr. Stillwell provided Board members with a map showing the current routing of Route Nos. 13 and 14 and again requested that the Board add a stop at the Grantville Trolley Station to Route No. 14. He objected to the fact that passengers have to cross Mission Gorge Road on foot rather than by bus because of the change to this route.

4. MTS Coca-Cola Scholarship Awards

Mr. Rob Schupp, MTS Director of Marketing and Communications, introduced Mr. Charles Simpson of Coca-Cola and Mr. Jim Esterbrooks of the San Diego County Office of Education. He stated that these two organizations partner with MTS to provide this program to eligible students and spearhead the effort. He indicated that the Padres also participated in the program this year. Mr. Schupp then introduced Paulina Gilbert, MTS Community Relations

Coordinator, who reviewed eligibility requirements for the program and reported that 28 notebook computers were given to students who completed essays and were selected as winners by the awards committee. She reported that the essay theme for this year was *120 Years of Public Transit in San Diego* and that there were some very impressive essays with superior content and quality. Ms. Gilbert also reported that Coca-Cola donated tickets for the Padres/LA Dodgers game to the winners. Photos were taken of the students who were able to attend the Board meeting. Mr. Simpson and Mr. Esterbrooks both made comments about the importance of the program. Chairman Mathis, Mr. Roberts, Mr. Monroe, Ms. Atkins, and Mr. Young all thanked the San Diego County Board of Education and Coca-Cola for their involvement, recognized the importance of partnerships, the diversity of the students and schools, and the importance of the program. In response to a question from Mr. Monroe, Mr. Esterbrooks reported that all schools received scholarship award application packets. Mr. Monroe stated that he would do what he could to get increased participation by Coronado students. Ms. Zarate told the students that the Board was proud of them and to keep up the good work.

CONSENT ITEMS

6. MTS: LRV Paint and Body Rehabilitation Services Work Orders (OPS 970.6, PC 30102)

Recommend that the Board of Directors authorize the Chief Executive Officer (CEO) to issue Work Order Nos. 07-01 (Attachment A of the agenda item) and 07-02 (Attachment B of the agenda item) to MTS Doc. No. L0744.0-06 with Carlos Guzman, Inc. for painting/bodywork rehabilitation on eight U2 light rail vehicles (LRVs) and extraordinary bodywork services on LRVs on an as-needed basis, for a total cost not to exceed \$308,000 and \$175,000, respectively.

7. MTS: Increased Authorization for Legal Services (LEG 491, PC 50633)

Recommend that the Board of Directors authorize the CEO to enter into contract amendments with Mark Barber of the law firm Wismar & Barber (MTS Doc. No. G0750.11-02) for legal services, in substantially the same form as attached (Attachment A of the agenda item), and ratify prior amendments entered into under the CEO's and/or previous General Manager's authority(ies).

8. MTS: CCTV System Contract Award (OPS 970.6)

Recommend that the Board of Directors authorize the CEO to execute a Standard Services Agreement (in substantially the same form as Attachment A of the agenda item) with Electro Specialty Systems, Inc. for furnishing, installing, commissioning, and providing one year of warranty support for the closed-circuit television video surveillance systems for the Bayfront/ESTreet, H Street, and Palomar Street Stations, for a total cost not to exceed \$380,191.12.

9. MTS: Increased Authorization for Legal Services (LEG 490, PC 50121)

Recommend that the Board of Directors authorize the CEO to enter into a contract amendment (MTS Doc. No. G0934.4-04) 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 (Attachment A of the agenda item).

10. MTS: Americans with Disabilities Act (ADA) Paratransit Vehicle Paint Scheme (CIP 11418)

Recommend that the Board of Directors approve the modified branding scheme (Attachment A of the agenda item) for the new ADA paratransit vehicles and authorize reallocating the savings to amenities that would enhance service quality/efficiency.

Recommended Consent Items

Mr. Young moved to approve Consent Agenda Items No. 6, 7, 8, 9, and 10. Mr. Ewin seconded the motion, and the vote was 12 to 0 in favor.

Chairman Mathis pointed out that Agenda Item 10 includes color photos of the new paint scheme for paratransit vehicles. Mr. Rindone thanked MTS staff for working toward greater security for the Chula Vista stations with the CCTV project. He pointed out that Chula Vista is covering one-half of the cost for this project. Chairman Mathis acknowledged Chula Vista's participation and stated that this project was accelerated because of that participation. He stated that he would like to see more partnerships of this nature.

CLOSED SESSION:

24. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:27 a.m.

- a. MTS: Conference with Real Property Negotiators Pursuant to Government Code Section 54956.8
Property: Grossmont Center Trolley Station Parking Lot at the intersection of Grossmont Center Drive and Fletcher Parkway
Agency Negotiators: R. Martin Bohl, Paul Jablonski, Tim Allison, and Tiffany Lorenzen,
Negotiating Parties: Fairfield Residential, LLC, JP Morgan Chase Bank, and Mass Mutual
Under Negotiation: Instructions to Negotiators will Include Price and Terms of Payment

The Board reconvened to Open Session at 9:41 a.m.

Oral Report of Final Actions Taken in Closed Session

Ms. Julie Wiley, San Diego Association of Governments (SANDAG) General Counsel, reported the following:

- a. The Board received a report from staff and outside counsel.

NOTICED PUBLIC HEARINGS

25. There were no Noticed Public Hearings

DISCUSSION ITEMS

30. MTS: Update and Ratification of Action Taken by the Executive Committee on the Grossmont Trolley Station Joint Development Project (LEG 460, PC 50787)

Mr. Paul Jablonski, MTS Chief Executive Officer (CEO), reviewed the recommendation for this item. He reported that the Ground Lease is for a full term with options for 99 years. He reported that revenue for the first year will be \$381,000 and for the full 99 years will be \$635,000 million, which takes into consideration a \$7 million value for MTS's land.

Chairman Mathis acknowledged the City of La Mesa and its City Manager, Sandra Kerl, who was in the audience. He also acknowledged Wesley Espinoza of Fairfield Residential, LLC, who was also in the audience. Mr. Monroe pointed out that the San Diego Union-Tribune made positive comments in a recent article about this project and its incorporation of Smart Growth concepts. Chairman Mathis thanked Jeff Ristine of the Union-Tribune and stated that MTS looks forward to his articles.

Action Taken

Mr. Ewin moved to (1) receive an update from the CEO regarding the status of the Grossmont Trolley Station Joint Development Project; and (2) ratify the Executive Committee's approval or authorization of the following documents: (a) authorize the CEO to execute the Disposition and Development Agreement 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. Mr. Monroe seconded the motion, and the vote was 11 to 0 in favor, with Mr. Rindone abstaining.

31. MTS: Contract Services Fixed-Route Procurement Award (OPS 920.5)

Mr. Jablonski reported that about one-half of MTS's service is contracted out and some of those contracts were scheduled for renewal. He added that the passage of Senate Bill (SB) 1703 gave MTS the ability to use a number of new procurement methods, including negotiated procurements, which was used for this particular contract. He reported that the evaluation team consisted of personnel from Multimodal, Procurement, and Finance supported by other MTS staff.

Ms. Susan Hafner, Director of Multimodal Operations, reviewed the particulars of the contract and provided an overview of the contract model. She stated that this contract combines four separate contracts, which were bid together to maximize cost efficiencies. She also reviewed the results of the evaluation process and provided a comparative price analysis. She reported that the new contract yields an estimated savings of \$7.1 million, and that the contract is 7.8 percent less than the next closest price submittal with the negotiated procurement process producing 5.1 percent of the cost reduction.

Mr. Monroe stated that he appreciated the letter of support from the Amalgamated Transit Union, Local 1309. He requested that future performance indicator reports present information separately for this contract. He also requested that the data be defined consistent with the definitions used for the other service segments being reported.

Chairman Mathis introduced Mr. Justin Augustine of Veolia Transportation, Inc., who thanked the Board for allowing Veolia the opportunity to continue to serve MTS. He stated that MTS was very well represented during negotiations and that the negotiating team was very tough. Mr. Jablonski stated that this contract is one of the largest private sector contracts in the country, both in terms of the dollar amount and the amount of service. He pointed out that the contract process was very elaborate, and no protests were received from the other two bidders. Mr. Rindone stated that Chula Vista participated with MTS in the project, and that he was happy to support the project and see the savings that resulted from combining the contracts. Chairman Mathis congratulated staff members who played a key role in the negotiations.

Action Taken

Mr. Monroe moved to authorize the CEO to execute a contract (in substantially the same format as Attachment A of the agenda item – MTS Doc. No. B0453.0-07) with Veolia Transportation, Inc. for the provision of fixed-route bus services in East County, Chula Vista, South Bay and regional express service for a 5½-year base period with 3 one-year options, in an amount not to exceed \$234,551,353 for the initial 5½-year term of the contract. This would include purchased transportation mileage-based costs, performance surety costs, performance bonuses, fuel pass-through costs, and other miscellaneous pass-through costs as defined in the contract. Mr. Clabby seconded the motion, and the vote was 12 to 0 in favor.

REPORT ITEMS

45. MTS: Comprehensive Annual Financial Report (CAFR) for FY 2004 (FIN 300, PC 50601)

Mr. Cliff Telfer, MTS Interim Chief Financial Officer, reported that the FY 2004 audit has been completed and that the Comprehensive Annual Financial Report presents MTS's financial position as of June 30, 2004. He added that MTS's FY 2005 audit should be completed by the end of next week.

Mr. Tom Lynch, MTS Controller, reported that completion of the FY 2004 audit was delayed because of KPMG resource issues, complications caused by the consolidation, and turnover of MTS staff. He added that the FY 2004 CAFR reflects the split of MTS and SANDAG assets and liabilities related to SB 1703 and the combining of agencies under MTS. Mr. Jablonski recognized the tremendous amount of work done by the Accounting Department on the FY 2004 audit under difficult circumstances. He added that the FY 2006 audit should be completed by the end of the calendar year within the normal timeframe for the completion of MTS audits. Chairman Mathis pointed out that completion of the FY 2004 audit provided the necessary information for completion of the FY 2005 audit.

Action Taken

Mr. Ewin moved to receive this report for information. Ms. Zarate seconded the motion, and the vote was 12 to 0 in favor.

46. MTS: May 2006 Monthly Performance Indicators (OPS 920.1, 960.5, 970.5, PC 50451)

Ms. Anika Smart, Associate Transportation Planner, reviewed the operating environment, ridership, on-time performance, mean distance between failures, collision accidents, and customer complaints for the period ending May 2006.

Mr. Monroe stated that staff should report back to the Board on two items. He referred to the new method of tracking on-time performance and questioned why previous on-time performance data wasn't more accurate. He also questioned why there was such a difference between San Diego Transit and Multimodal Operations mean distance between failures.

Ms. Claire Spielberg, Chief Operating Officer-Bus, reported that San Diego Transit is using the on-time performance data to identify the four worst-performing routes and doing an analysis to determine how on-time performance can be improved. She stated that route schedules may need to be adjusted for that purpose. She added that they will then take the next four routes and continue in that manner to improve on-time performance for all San Diego Transit routes. She stated that staff will report back to the Board on the success of this effort. Ms. Spielberg also advised the Board that San Diego Transit's preventive maintenance program has been extremely effective. She reported that there were 67 road calls in June 2004, 28 in June 2005, and 8 in June 2006.

Mr. Jablonski stated that staff is working through differences in the way that contractors have reported miles between road calls. He stated that staff is working toward having all agencies and contractors reporting using the same definitions, criteria, and data-gathering process to ensure that valid comparisons can be made.

In response to a question from Mr. Ewin, Ms. Spielberg reported that San Diego Transit has an excellent Customer Service Department that logs and reviews every complaint, verbal or written. She added that San Diego Transit has also retrained more than 100 operators in the last year in customer relations skills.

Action Taken

Ms. Atkins moved to receive this report for information. Mr. Monroe 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

The CEO had no verbal comments to make.

62. Board Member Communications

SANDAG Transportation Committee Funding Actions: Mr. Monroe reported that the Transportation Committee was asked at its last meeting to approve the transfer of funding for one MTS project to another MTS project, and this item had not been brought to the attention of

the MTS Board for approval prior to Transportation Committee review. Mr. Monroe stated that staff consider at least an e-mail briefing. Chairman Mathis stated that staff is developing a process for dealing with these types of matters. In response to a question from Ms. Atkins, Mr. Jablonski stated that the Transportation Committee approved the funding transfers contingent upon approval at the MTS level. Ms. Atkins pointed out that the longer it takes to get a project started, the more it usually costs.

Catenary Wire Accident: In response to a question from Mr. Ewin, Mr. Jablonski reported that the catenary pole has been reinstalled and operations returned to normal about 10 days ago. He stated that MTS is pursuing a claim in this regard that should be less than \$25,000.

Quiet Zones: Mr. Faulconer reported that Mr. Jablonski will be attending a public workshop Monday night at the City Concourse regarding Quiet Zones downtown. He stated that participants include the Centre City Development Corporation, MTS, North County Transit, and the Burlington Northern Santa Fe Railway.

63. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

64. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, August 10, 2006, at 9:00 a.m. in the same location.

65. Adjournment

Chairman Mathis adjourned the meeting at 10:27 a.m.

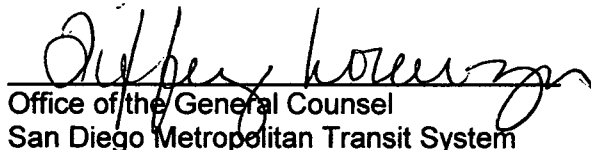


Chairperson
San Diego Metropolitan Transit System
Filed by:



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

Approved as to form:



Office of the General Counsel
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

gail.williams/minutes

METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL

MEETING OF (DATE): 7/13/06

CALL TO ORDER (TIME): 9:05 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:27 a.m.

RECONVENE: 9:41 a.m.

ORDINANCES ADOPTED: _____

ADJOURN: 10:27 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>	9:11 a.m. during AI 3	
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"/>	9:11 a.m. during AI 3	
HANSON-COX	<input type="checkbox"/> (Lewis) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MAIENSCHIN	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCLEAN	<input type="checkbox"/> (Janney) <input type="checkbox"/> (Rose) <input type="checkbox"/>		<input checked="" 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"/>	9:10 a.m. during AI 3	
RYAN	<input type="checkbox"/> (B. Jones) <input checked="" type="checkbox"/>		
YOUNG	<input checked="" type="checkbox"/> (Vacant) <input 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
Dipley Watson



AGENDA ITEM NO.

3

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 10 August 2006
Name (PLEASE PRINT) R. MITCHEL BEAUCHAMP
Address 1434 East 24th Street
National City CA 91950
Telephone 619 477 0295
Organization Represented (if any) Operation Lifesaver /
San Diego Electric Railway Assn
Subject of your remarks: Support of Operation Lifesaver

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.

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INFORMATION to get you started . . .

. . . Operation Lifesaver, Inc. and many states have developed special Operation Lifesaver materials for state and local use.

. . . For the name of your state Operation Lifesaver Coordinator and a list of publications, curriculum materials, and films for various age groups. contact:

Operation Lifesaver, Inc.
1420 King Street, Suite 401
Alexandria, Virginia 22314
1-800-537-6224



IT'S A DEADLY TRACK ONLY IF YOU MAKE IT ONE!

OPERATION LIFESAVER® URGES YOU TO:

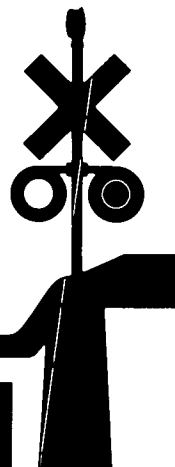
Look, Listen...
...and Live!



Printed in USA

Introducing...

**OPERATION
LIFESAVER®**



WHAT Operation Lifesaver Is ...

300,000 public and private highway-rail grade crossings.

... An active, continuous public information and education program to help prevent and reduce crashes, injuries and fatalities and improve driver performance at the nation's

WHY it is needed ...

... Because thousands of people are seriously injured and hundreds are killed in nearly 6,000 highway-rail grade crossing crashes each year.

... Because a highway-rail grade crossing presents a unique traffic environment for motorists, many drivers do not cross railroad tracks often enough to be familiar with the warning devices designed for their safety. Often they are unaware that trains cannot stop as quickly as motor vehicles to avoid a collision. Others simply ignore all warning signs because they are "in a hurry" and would rather play "beat the train" than wait. Driver ignorance and impatience are the most common factors contributing to motor vehicle/train collisions at highway-rail grade crossings.

WHEN it began ...

... Operation Lifesaver was born in Idaho in 1972 after Union Pacific Railroad and community leaders in the state decided to band together and fight the growing number of highway-rail grade crossing crashes, injuries and fatalities with a public education program. The result? At the end of the first year, the highway-rail grade crossing fatality rate dropped a resounding 39 percent.

... A second program, initiated in Nebraska, demonstrated even more impressive results after a one-year period—a 46 percent reduction in rail/highway grade crossing fatalities.

WHERE it is active ...

... All states have their own Operation Lifesaver programs. It is at the grassroots level—in the cities, in rural communities, and in the schools where Operation Lifesaver has been most effective. States have reported fatality reductions at highway-rail grade crossings ranging from 28 percent to 100 percent one year after establishing the program.

WHO gets involved ...

... The nation's railroads, related federal, state, and local governments, business, railroad suppliers, labor, civic and community leaders and other concerned safety professionals are all part of state programs. But it doesn't end there. Any person, including yourself and your organization, is welcome to join in a state program or become involved at the local level doing whatever you can to help educate motorists that they need to exercise greater care when driving across highway-rail grade crossings.

HOW you can help ...

... As we've said, the key to the success of Operation Lifesaver is through participation at the grassroots level. You can become involved by contacting Operation Lifesaver, Inc. or your state Operation Lifesaver Coordinator. Your local PTA, church, women's club, civic or fraternal organizations to which you belong may want to be part of Operation Lifesaver.

Evaluation
Engineering
Enforcement
Education



8:57



AGENDA ITEM NO.

No 3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

2

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

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Date 8/10/06

Name (PLEASE PRINT) John Groeling

Address 3802 Rosecrans St 201
S.D. Ca, 92110

Telephone 858.722.8400

Organization Represented (if any) EB Property

Subject of your remarks: MTS/SD&AE affairs

Agenda Item Number on which you request to speak 3

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.

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8:57

AGENDA ITEM NO.

No 3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

23

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Date 8/10/06
Name (PLEASE PRINT) Brian Martin
Address 3802 Rosecrans Ste 201
S.D. Ca. 92170
Telephone 858.722.8400
Organization Represented (if any) EB property

Subject of your remarks: MTS/SDTAB affairs

Agenda Item Number on which you request to speak Now agenda 3

Your comments are presenting a position of: SUPPORT

☐

OPPOSITION

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

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EB PROPERTY

3802 ROSECRANS, STE 201
SAN DIEGO, CALIFORNIA 92110
V/F (619) 640-3015

August 2, 2006

Mr. Paul Jablonski
Chief Executive Officer
San Diego Metropolitan Transit System
San Diego & Arizona Eastern Railroad
1255 Imperial Avenue, Suite 10th Floor
San Diego, CA 92101-7490

Subject: SD&AE Board meeting, July 25, 2006

Dear Mr. Jablonski:

As you know, on July 25 EB Property was compelled to inform the Board of failures by San Diego and Imperial Valley Railroad (SDIV), a subsidiary of RailAmerica, to perform its obligations under the Agreement between San Diego and Arizona Eastern Railroad Company (SD&AE) and SDIV. The failures were outlined and forwarded to parties. Neither the statement nor the continued failures of SDIV are the subject of this letter, but how, the lead Counsel and the Chairman conducted their behavior at the meeting.

As members of the public, my associate, whom is a Juris Doctorate, and I were deeply troubled by the conduct of Mr. Peter Jespersen, presiding Chairman and General Manager of SDIV, and especially the lack of professionalism by Ms. Tiffany Lorenzen, lead Counsel for SD&AE and Metropolitan Transit Service (MTS). According to the American Bar Association (Bar), an attorney representing the Bar is suppose to endeavor to be courteous and civil, both oral and written communications. The Bar further states, in its professional standards, that a attorney must resolve to abide to higher standards of conduct, to preserve and develop within the profession integrity, competence, fairness, courage, and a devotion to the public interest.

During the Board meeting Ms. Lorenzen behavior was hostile and worse of all, was making distracting facial contortions to the Board during my three-minute speech to the Board. My associate and witnesses describe it as a child mimicking another child on a kindergarten playground. This behavior was witnessed by the entire Board of SD&AE and was then ratified by inaction.

EB and its associates are concerned that this type of behavior sends the wrong message and has compromised its position, both publicly and privately and may cause adverse conditions.

As one witness summarized the incident, "evidently they do not take their jobs, profession, and duty to the public seriously to allow such mockery of integrity and professionalism to proceed and in such an openly hostile and childish manner."

This kind of conduct erodes public confidence in public agencies, officers and staff, and must not be tolerated, condoned or allowed to promulgate. Restitution and a public apology are appropriate.

Please contact me at (619) 840-3827 to discuss this matter further. Thank you in advance for your timely response.

Sincerely,

Brian Martins
Principal Agent

Subject: Statement to SD&AE Board
By: EB Property
Re: San Ysidro Property

July 25, 2006

Greeting

Good morning Ladies and Gentleman and Members of the Board.

Introduction

My name is Brian Martins, Principal Agent for EB Property ("EB"), a private entity, who holds equity and legal power to deal with real property adjacent to the San Ysidro Rail Yard.

Matter

It is with reservation, that EB has been compelled to expose the counterproductive mode of SDIV, a subsidiary of RailAmerica, experienced by EB.

For nearly 9 months SDIV has been stonewalling EB's attempts to engage SDIV in client-relationship talks for the purposes of additional freight by rail. By doing so, according of the Agreement, dated March 8, 1984 (MTDB Document Number 00-84-323 S 850) SDIV has defaulted in its obligations, including but not limited to:

Legal

Provision (2h). **Quote** "*Actively promote and solicit additional shipments by rail*"

- a. SDIV has not actively promoted its services to EB.
- b. SDIV has not solicited EB business, despite EB repeated attempts to engage.

Provision (15). **Quote in part** ("*.... Operating Company [SDIV] will cause SD&AE [MTDB] to cooperate with and enter into appropriate agreements with... private property owners, relating to such matters as improvements to grade crossing, removal or addition of spur tracks...*")

- a. SDIV has not caused EB's interest to be expressed to SD&AE or MTDB

This counterproductive mode of SDIV has delayed opportunities for:

1. Significance economic benefits to San Diego and Baja California Region,
2. Greater net revenue for SD&AE, and operators,
3. Reduced congestion at the Otay Border, and
4. Additional movement of freight by rail.

Economics

At the sole expense of EB, without any governmental funding in the millions, the San Ysidro Yard rail activity would increase by approximately 40% per year, compared to the decrease in rail activity ranging from 5% to 22% as reported year-to-date. Carrizo Gorge Railway (Carrizo), indicated that they could move the said rail freight to EB's site at the same time that freight is interchanged with SDIV, at minimal cost, utilizing improvements caused by EB.

Request

1. MTDB immediate direct SDIV/RailAmerica cure defaults and to enter into good faith, constructive, talks with EB,
2. MTDB cause said talks to be monitored bi-monthly,
3. MTDB, under provision (3d) of the Agreement, **Quote** ("*Assist Operating Company [SDIV] to the maximum extent feasible in the solicitation of additional shipments by rail.*"),
4. MTDB ensure no possible conflicts of interest among Board Members,
5. In the assent of the above requests, invoke Alternative.

Alternative

According to Agreement Provision (37) Termination of Agreement.

B. Quote ("*Causes for termination of Operating Company [SDIV] for default shall be as follows:*")

(1) **Quote** ("*Failure to provide freight services as required under this Agreement...*")

9:00



AGENDA ITEM NO.

3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

4

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Date 8-10-06
Name (PLEASE PRINT) DONNA ERICKSON
Address 1814 Coolidge St
San Diego CA 92111
Telephone 858-2707-2169
Organization Represented (if any) _____

Subject of your remarks: Points To Remember

Agenda Item Number on which you request to speak _____

Your comments are presenting a position of: SUPPORT

☐

OPPOSITION

☐

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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August 10, 2006 MTS Board Meeting

Good Morning! My name is Donna Erickson
1814 Coolidge Street, San Diego 92111, 858-277-2169

The headlines about the pension scandal have reported negligence on the part of past and present leaders.

So today I ask you

Are the seeds of a scandal growing at MTS?

Have you asked the hard questions; connected the dots?

I've been waiting and waiting for your lightbulb to go off, yet all I hear is that "it doesn't resonate". We in Linda Vista have related over and over that there have been repeated misrepresentations by MTS ...

+ about our December community meeting

"We gave the people what they wanted, the Osler loop" How many times did you hear that? This half truth neglected to mention neither MTS' manipulation at the meeting nor our petitions with over 900 signatures to keep the #25 as is.

+ about ridership figures on the Route 25

In Nov the number of per-day passengers to the greater Sharp area was "around 600" and by Dec had increased to "nearly 800". These inflated numbers were used to legitimize the by-passing of Linda Vista. Presently there are "a couple of hundred"; a much smaller number that excludes a 15 minute frequency north of Fashion Valley for the 120L.

There are more, perhaps only the tip of the iceberg ...

+ about the TTN no cost to MTS

Again this is a half truth. At the May 25th Board Meeting did you not hear Mark Lowthian say that hopefully after two years MTS could start paying for the Transit Television Network?

+ about the lack of money

In a touching OP-ED piece by Atkins, Monroe, and Emery they stated that "we don't have the needed funds to adequately address the critical capital and maintenance needs of our current system". If this is true why did the board vote for a \$550,000 non-essential expenditure for employee bonuses [PIP] which is nearly 70% of the FY 2007 COA savings? Doesn't Larry Marinesi report that "revenues are projected to exceed expenses by \$2,019,000 for FY 2007"?

Next we could take a look at ...

+ the dis-membering of a "productive" route

According to SANDAG, in FY 2004 Route 25 provided transportation to over 921,000 passengers. It ranked ninth in ridership among 29 fixed routes. Its operating cost was \$6.54 compared to the average of \$7.30 per revenue mile. The split into the 25 shuttle and the 120L leaves Linda Vista residents with the need to take one or more buses. A trip to Sharp

which was about ten minutes and one bus increases to an hour trip and two buses. This split leaves a shell of the old route with the 120L making seven stops after leaving Fashion Valley heading toward downtown. Who are they serving? And why is it okay for the 120L heading north out of Fashion Valley to "go out of direction" and connect with the #44 on Convoy when the reason for by-passing Linda Vista was that it was "out of direction" and that was for only one more mile! The old #25 met the needs of many passengers as it traveled from Downtown to Clairemont.

+ the violations that haven't been addressed

1. Violation Of The Linda Vista Community Plan

On file with the city of San Diego it states that the "community is served by bus route 5, 25, 27, 41, 44, and 81". The policy is to "maintain at least the existing level of service".

2. Violation Of The Brown Act

On March 23rd the young blind attorney who rides the #210 told the Board that MTS was in violation of the Brown Act. How was that addressed? Was it ignored? By the very process of making changes to what was voted on, is there a violation of the Brown Act?

3. Violation In Spirit Of The ADA and CEQA

+ the personality clashes

At the March 2nd Public Hearing it was quite evident that there was a personality clash, even a resentment from MTS' Planning Director toward the president of the Linda Vista Planning Group. Did this compromise good judgment resulting in questionable decisions? Even innuendos of spreading rumors were directed toward me. And what about Mr. Stillwell?

+ ignoring the various petitions

No real communications was received about our petitions. How did Mr. Stillwell and the others fare?

Further, I would like to know how you are holding COA and MTS accountable? And where is MTS' Mission Statement? In Dec I tried to get a copy - there was none. It was suggested that I hand copy the MTDB one in a plastic cube as there were no paper copies available. "It is being revised". That instrument would answer my question, "What Is Your Purpose?"

where is MTS'?

MTDB

Mission Statement

- We take pride in fulfilling our Board-adopted mission by
- Obtaining maximum benefit for every dollar spent
 - Being the Community's major public transportation advocate
 - Increasing public transportation usage per capita
 - Taking a customer-oriented approach in everything we do
 - Implementing capital projects on schedule & within budget

Offering high quality public transportation services

Responding to the community's socio-economic interests



AGENDA ITEM NO.

3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

5

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Date 2006-08-10

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: Code Enforcement

Agenda Item Number on which you request to speak 3

Your comments are presenting a position of: SUPPORT

☐

OPPOSITION

☐

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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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.

LEG 492 (PC 50121)

August 10, 2006

SUBJECT:

MTS: PROPOSED 2006/2007 INTERNAL AUDIT PLAN SUMMARY

RECOMMENDATION:

That the Board of Directors approve the Proposed 2006/2007 Internal Audit Plan Summary (Attachment A).

Budget Impact

None.

DISCUSSION:

MTS's Internal Auditor has proposed a 2006/2007 work plan consisting of 11 internal audit projects, including an allowance of 320 hours to complete various management and Board requests. The estimated time required to complete each project is shown on the attached audit plan. Each agency process to be reviewed is listed as well as the estimated business risks associated with each process.

Paul C. Jablonski
Chief Executive Officer

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

AUG10-06.6.AUDITPLAN.MABBEY

Attachment: A. Proposed 2006/2007 Internal Audit Plan Summary (**Confidential – Board Only**)



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.



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

Agenda

Item No. 7

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

LEG 492 (PC 50121)

August 10, 2006

Subject:

MTS: SDTI TRANSPORTATION DEPARTMENT PERFORMANCE MEASUREMENT
AUDIT

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

MTS's Internal Auditor recently performed a review of San Diego Trolley, Inc.'s (SDTI's) Transportation Department Performance Measurement process. As a result of this review, two recommendations were made to further improve procedures and controls. Management has accepted these recommendations, and action is underway for implementation.

Paul C. Jablonski
Chief Executive Officer

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

JULY13-06.7.SDTITRANSPDEPTAUDIT.MABBEY

Attachment: A. Audit Report (**Confidential - Board Only**)



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

Agenda

Item No. 8

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

LEG 492 (PC 50121)

August 10, 2006

Subject:

MTS: SDTC TRANSPORTATION DEPARTMENT PERFORMANCE MEASUREMENT
AUDIT

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

MTS's Internal Auditor recently performed a review of San Diego Transit Corporation's (SDTC's) Transportation Department Performance Measurement process. As a result of this review, several recommendations were made to further improve procedures and controls. Management has accepted these recommendations, and action is underway for implementation.

A handwritten signature in black ink, appearing to read 'Paul C. Jablonski'.

Paul C. Jablonski
Chief Executive Officer

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

JULY13-06.8.SDTCTRANSPDEPTAUDIT.MABBEY

Attachment: A. Audit Report (**Confidential – Board Only**)



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

Agenda

Item No. 9

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

OPS 960, OPS 970

August 10, 2006

SUBJECT:

SDTC & SDTI: RATIFICATION OF STATEMENT OF INFORMATION

RECOMMENDATION:

That the Board of Directors ratify the Chief Executive Officer's filing of the Statement of Information for San Diego Transit Corporation (SDTC) and San Diego Trolley, Inc. (SDTI).

Budget Impact

\$20 filing fee for each corporation.

DISCUSSION:

Each year, corporations doing business in the State of California must file an annual Statement of Information with the California Secretary of State. SDTC and SDTI are nonprofit public benefit corporations of which the Metropolitan Transit System is the sole member. The General Counsel recommends the Board of Directors for each corporation ratify the filing of the Statement of Information in order to comply with annual corporate-reporting requirements.

Paul C. Jablonski
Chief Executive Officer

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

AUG10-06.9.STATEMENTOFFICERS.TLOREN

Attachments: A. Statement of Officers for SDTC
B. Statement of Officers for SDTI





State of California Secretary of State

STATEMENT OF INFORMATION (Domestic Nonprofit Corporation)

N

Att. A, AI 9, 8/10/06,
OPS 960, 970

Filing Fee \$20.00. If amendment, see instructions.

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

1. CORPORATE NAME (Please do not alter if name is preprinted.)

C0511662
San Diego Transit Corporation
100 16th Street
San Diego CA 92101

This Space For Filing Use Only

DUE DATE:

COMPLETE PRINCIPAL OFFICE ADDRESS (Do not abbreviate the name of the city. Item 2 cannot be a P.O. Box.)

2. STREET ADDRESS OF PRINCIPAL OFFICE IN CALIFORNIA, IF ANY.

CITY

STATE

ZIP CODE

100 16th Street

San Diego

CA

92101

NAMES AND COMPLETE ADDRESSES OF THE FOLLOWING OFFICERS (The corporation must have these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

3. CHIEF EXECUTIVE OFFICER/

ADDRESS

CITY AND STATE

ZIP CODE

Paul Jablonski

1255 Imperial Avenue, Suite 1000

San Diego, CA

92101

4. SECRETARY/

ADDRESS

CITY AND STATE

ZIP CODE

Claire Spielberg

100 16th Street

San Diego, CA

92101

5. CHIEF FINANCIAL OFFICER/

ADDRESS

CITY AND STATE

ZIP CODE

Cliff Telfer

1255 Imperial Avenue, Suite 1000

San Diego, CA

92101

AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and Item 7 must be completed with a California address. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and Item 7 must be left blank.)

6. NAME OF AGENT FOR SERVICE OF PROCESS

Tiffany Lorenzen

7. ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL

CITY

STATE

ZIP CODE

1255 Imperial Avenue, Suite 1000

San Diego

CA

92101

DAVIS-STIRLING COMMON INTEREST DEVELOPMENT ACT (California Civil Code section 1350, et seq.)

8. ☐ Check here if the corporation is an association formed to manage a common interest development under the Davis-Stirling Common Interest Development Act and proceed to Items 9, 10 and 11.

NOTE: Corporations formed to manage a common interest development must also file a Statement by Common Interest Development Association (Form SI-CID) as required by California Civil Code section 1363.6. Please see instructions on the reverse side of this form.

9. ADDRESS OF BUSINESS OR CORPORATE OFFICE OF THE ASSOCIATION, IF ANY

CITY

STATE

ZIP CODE

10. FRONT STREET AND NEAREST CROSS STREET FOR THE PHYSICAL LOCATION OF THE COMMON INTEREST DEVELOPMENT (Complete if the business or corporate office is not on the site of the common interest development.)

9-DIGIT ZIP CODE

11. NAME AND ADDRESS OF ASSOCIATION'S MANAGING AGENT, IF ANY

CITY

STATE

ZIP CODE

12. THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT.

Paul Jablonski

TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM

SIGNATURE

Chief Executive Ofcr

TITLE

7/5/06

DATE

SI-100 (REV 05/2005)

APPROVED BY SECRETARY OF STATE



State of California Secretary of State

STATEMENT OF INFORMATION (Domestic Nonprofit Corporation)

NAtt. B, AI 9, 8/10/06,
OPS 960, 970

Filing Fee \$20.00. If amendment, see instructions.

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM**1. CORPORATE NAME** (Please do not alter if name is preprinted.)C1000109
San Diego Trolley, Inc.
1255 Imperial Avenue, Suite 900
San Diego CA 92101

This Space For Filing Use Only

DUE DATE:**COMPLETE PRINCIPAL OFFICE ADDRESS** (Do not abbreviate the name of the city. Item 2 cannot be a P.O. Box.)

2. STREET ADDRESS OF PRINCIPAL OFFICE IN CALIFORNIA, IF ANY.	CITY	STATE	ZIP CODE
1255 Imperial Avenue, Suite 900	San Diego	CA	92101

NAMES AND COMPLETE ADDRESSES OF THE FOLLOWING OFFICERS (The corporation must have these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

3. CHIEF EXECUTIVE OFFICER/	ADDRESS	CITY AND STATE	ZIP CODE
Paul Jablonski	1255 Imperial Avenue, Suite 1000	San Diego, CA	92101
4. SECRETARY/	ADDRESS	CITY AND STATE	ZIP CODE
Peter Tereschuck	1255 Imperial Avenue, Suite 900	San Diego, CA	92101
5. CHIEF FINANCIAL OFFICER/	ADDRESS	CITY AND STATE	ZIP CODE
Cliff Telfer	1255 Imperial Avenue, Suite 1000	San Diego, CA	92101

AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and Item 7 must be completed with a California address. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and Item 7 must be left blank.)**6. NAME OF AGENT FOR SERVICE OF PROCESS**

Tiffany Lorenzen

7. ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL	CITY	STATE	ZIP CODE
1255 Imperial Avenue, Suite 1000	San Diego	CA	92101

DAVIS-STIRLING COMMON INTEREST DEVELOPMENT ACT (California Civil Code section 1350, et seq.)

8. ☐ Check here if the corporation is an association formed to manage a common interest development under the Davis-Stirling Common Interest Development Act and proceed to Items 9, 10 and 11.

NOTE: Corporations formed to manage a common interest development must also file a Statement by Common Interest Development Association (Form SI-CID) as required by California Civil Code section 1363.6. Please see instructions on the reverse side of this form.

9. ADDRESS OF BUSINESS OR CORPORATE OFFICE OF THE ASSOCIATION, IF ANY	CITY	STATE	ZIP CODE
---	------	-------	----------

10. FRONT STREET AND NEAREST CROSS STREET FOR THE PHYSICAL LOCATION OF THE COMMON INTEREST DEVELOPMENT (Complete if the business or corporate office is not on the site of the common interest development.)	9-DIGIT ZIP CODE
---	------------------

11. NAME AND ADDRESS OF ASSOCIATION'S MANAGING AGENT, IF ANY	CITY	STATE	ZIP CODE
--	------	-------	----------

12. THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT.

Paul Jablonski

TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM

SIGNATURE

Chief Executive Ofcr

TITLE

7/5/06

DATE

SI-100 (REV 05/2005)

APPROVED BY SECRETARY OF STATE



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

Agenda

Item No. 10

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

FIN 340.1 (PC 50601)

August 10, 2006

SUBJECT:

MTS: FEDERAL TRANSIT ADMINISTRATION FUNDING AND FUNDING
AGREEMENTS

RECOMMENDATION:

That the Board of Directors approve Resolution No. 06-11 authorizing the Chief Executive Officer (CEO) to submit applications for Federal Transit Administration (FTA) funding and to execute funding agreements.

Budget Impact

Beginning Federal Fiscal Year 2006, the Metropolitan Transit Development Board, also known as the Metropolitan Transit System (hereinafter "MTS"), Grantee No. 2301, will continue to be a grant recipient for future Section 5307 Urbanized Area Formula funds and Section 5309 Rail Modernization and Bus Programs. The authorizing resolution would permit the CEO to apply for the funds, provide appropriate certifications, and execute the funding agreements to access these funds.

DISCUSSION:

On May 25, 2006, Gary Gallegos, Executive Director of the San Diego Association of Government (SANDAG), wrote a letter to the FTA informing it that SANDAG and MTS have agreed that MTS should continue to be a grant recipient for future Section 5307 Urbanized Area Formula Funds and Section 5309 Rail Modernization and Bus Programs and to request that the FTA allow submittal of MTS's FY 06 grant applications in the Transportation Electronic and Management system. MTS grants (like those of the North County Transit District [NCTD]), would be confined to funding for preventive maintenance, vehicles, and minor capital projects related to transit operations.



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.

SANDAG, MTS, and NCTD staffs have agreed that the procurement of day-to-day operational equipment and the management of those equipment inventories would best be handled at the transit agencies under the policy direction of their boards. Therefore, those functions have been transferred back to MTS and will remain at NCTD. It follows that MTS, like NCTD, should be the direct recipient of the funds for those procurements. SANDAG would continue to be responsible for major development projects for MTS and NCTD. This request is consistent with the provisions of SB 1703, which allows MTS latitude in the ultimate transition of responsibilities.

With the recent assumption of the name Metropolitan Transit System, it is necessary to resubmit the authorizing resolution. No future resolutions would be necessary unless the name of the agency or the title of the designated official were to change.



Paul C. Jablonski
Chief Executive Officer

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

AUGUST10-06.10.FTAFUNDINGAGREEMTS.AGOTTWIG

Attachment: A. Resolution No. 06-11

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 06-11

Resolution Approving the Metropolitan Transit Development Board's,
also known as the Metropolitan Transit System,
Claim for Filing of Applications with the Federal Transit Administration

Resolution authorizing the filing of applications with the Federal Transit Administration, an operating administration of the United States Department of Transportation, for federal transportation assistance authorized by 49 U.S.C., chapter 53, Title 23, United States Code, and other federal statutes administered by the Federal Transit Administration.

WHEREAS, the Federal Transit Administration has been delegated authority to award federal financial assistance for a transportation project; and

WHEREAS, the grant or cooperative agreement for federal financial assistance will impose certain obligations upon the Applicant and may require the Applicant to provide the local share of the project cost; and

WHEREAS, the Applicant has or will provide all annual certifications and assurances to the Federal Transit Administration required for the project; NOW THEREFORE, BE IT RESOLVED, that the Metropolitan Transit Development Board, also known as the Metropolitan Transit System, (hereinafter "MTS") does hereby:

1. authorize the Chief Executive Officer or his designee to execute and file an application for federal assistance on behalf of MTS with the Federal Transit Administration for federal assistance authorized by 49 U.S.C., chapter 53, Title 23, United States Code, or other federal statutes authorizing a project administered by the Federal Transit Administration. If the Applicant is requesting Urbanized Area Formula Program assistance authorized by 49 U.S.C., Section 5307, either alone or in addition to other federal assistance administered by the Federal Transit Administration, the resolution should state whether the Applicant is the Designated Recipient as defined by 49 U.S.C., Section 5307, (a) (2) or whether the applicant has received authority from the Designated Recipient to apply for Urbanized Area Formula Program assistance.

2. authorize the Chief Executive Officer or his designee to execute and file with its applications the annual certifications and assurances and other documents the Federal Transportation Administration requires before awarding a federal-assistance grant or cooperative agreement.

3. authorize the Chief Executive Officer or his designee to execute grant and cooperative agreements with the Federal Transit Administration on behalf of MTS.

The undersigned duly qualified Chief Executive Officer, acting on behalf of MTS, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the MTS Board held on August 10, 2006.

PASSED AND ADOPTED by the Board of Directors this ____ day of _____
2006, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

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

Office of the General Counsel
San Diego Metropolitan Transit System

AUGUST10-06.10.ATTA.RESNO06-11.FTAFUNDING.AGOTTWIG



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Agenda

Item No. 11

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

OPS 970.6 (CIP 11170)

August 10, 2006

SUBJECT:

MTS: SAN YSIDRO TRANSIT CENTER CLOSED-CIRCUIT TELEVISION (CCTV)
VIDEO SURVEILLANCE SYSTEM CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute a Standard Services Agreement (Attachment A) with Electro Specialty Systems, Inc. for furnishing, installing, commissioning, and providing one year of warranty support for a closed-circuit television (CCTV) video surveillance system at the San Ysidro Transit Center for a total cost not to exceed \$294,479.46.

Budget Impact

The total cost of \$294,479.46 for a CCTV system for the San Ysidro Transit Center contract would come from FY 06 Capital Improvement Program (CIP) 11170 (San Ysidro CCTV System) funded by the U.S. Department of Homeland Security (DHS).

DISCUSSION:

In early April 2006, MTS applied for a federal DHS grant for a video surveillance system at the San Ysidro Transit Center based on its location as the world's busiest land-based border crossing and San Diego Trolley's second busiest ridership station. In June 2006, the DHS approved the grant application, and MTS began compiling project specifications for competitive bidding.



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The project was advertised for bids on July 3, 2006. Two bids were received on July 25, 2006, in response (Attachment B, Bid Summary). The most responsive and responsible low bid was submitted by Electro Specialty Systems, Inc.; therefore, Board approval is requested for award of this contract to Electro Specialty Systems, Inc.



Paul C. Jablonski
Chief Executive Officer

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

AUG10-06.11.SYITC CCTV AWARD.RDESAI

Attachments: A. Standard Services Agreement
B. Bid Summary



Metropolitan Transit System

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San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

DRAFT

Att. A, AI 11, 8/10/06, CIP 11170

STANDARD SERVICES AGREEMENT

L0772.0-07
CONTRACT NUMBER
CIP 11170
FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2006, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Electro Specialty Systems, Inc. Address: 9474 Chesapeake Drive, Suite 903

Form of Business: Corporation San Diego, CA 92123
(Corporation, partnership, sole proprietor, etc.)

Telephone: 858.571.7746

Authorized person to sign contracts: Mr. Dan Brault President
Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Furnish, install, commission, and provide one year of warranty support for the closed-circuit television (CCTV) video surveillance systems for the San Ysidro Transit Center per the Technical Specifications and Plans in the Invitation for Bids dated July 3, 2006. This contract consists of the Invitation for Bids, the Standard Services Agreement, the Standard Conditions Services, the Technical Specifications, the Cost Proposal, and the Federal Requirements. The total value of this Agreement shall not exceed \$294,479.46.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____
By: _____ Office of General Counsel	Signature
	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$294,479.46	11170	FY 07

By: _____ Date
Chief Financial Officer

(___ total pages, each bearing contract number)
AUG10-06.11.ATTA.ELECTRO SSA.RDESAI

A-1

BID SUMMARY

SAN YSIDRO SURVEILLANCE SYSTEM PROJECT

Bids due to SDTI: July 25, 2006 @ 2:00 p.m.

	<u>Company Name</u>	<u>Total</u>
1.	Electro Specialty Systems, Inc. 9474 Chesapeake Drive, Suite 903 San Diego, CA 92123	\$294,479.46*
2.	American Surveillance and Security 413 Las Posas Road San Marcos, CA 92078	\$419,192.74

*Responsive low bid

Russ Desai
Project Engineer



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

Agenda

Item No. 12

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

OPS 970.8 (PC 30102)

August 10, 2006

SUBJECT:

MTS: U.S. DEPARTMENT OF HOMELAND SECURITY FUNDING/PROJECT
CHANGES

RECOMMENDATION:

That the Board of Directors approve:

1. a reduction in the U.S. Department of Homeland Security (DHS) funding levels previously approved within the fiscal year 2007 Capital Improvement Program (CIP) by \$25,140 as detailed within Attachment A; and
2. shifting DHS-funded projects as detailed within Attachment A.

Budget Impact

The total DHS funding levels would decrease by \$25,140 (from \$1,916,640 to \$1,891,500).

DISCUSSION:

The fiscal year 2005 DHS transit security grant has been reduced by \$25,140 collectively for rail and bus operations. This is primarily due to an underestimation of DHS administration expenses, which were projected at 1% within the Board-approved fiscal year 2007 CIP.

The fiscal year 2007 CIP had four rail projects and two bus projects that were utilizing these DHS funds. Within the four rail operations' projects, the nonrevenue vehicles and security supplies originally included in the fiscal year 2007 CIP have been eliminated as



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these projects are not eligible under the guidelines of this grant. The other two rail projects for closed-circuit television (CCTV) and SDTI yard fence/other security measures have been modified due to an unscheduled allocation of \$400,000 from DHS for the San Ysidro CCTV Project. The origin of the San Ysidro CCTV funds was a reallocation of unused FY 04 grant monies previously assigned to other agencies not associated with MTS.

Attachment A summarizes the reduced level of DHS funding as well as the shifting of funded projects for both rail and bus operations.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Bill Burke, 619.595.4947, bill.burke@sdmts.com

AUG10-06.12.DHS FUNDING.BBURKE

Attachment: A. Summary of DHS Funding and Project Changes

**San Diego Metropolitan Transit System
Department of Homeland Security Funding / Project Adjustments**

	FY 07 Approved	FY 07 Adjusted	Difference
DHS Funding (Rail)	\$1,372,140	\$1,358,000	(14,140)
DHS Funding (Bus)	544,500	533,500	(11,000)
Total Funding	1,916,640	1,891,500	(25,140)
<hr/>			
CCTV Equipment	750,000	410,000	(340,000)
SDTI Yard Fence / Other Security Measures	493,600	947,960	454,360
NRV Security	103,500	-	(103,500)
Misc. Security Equipment	25,000	-	(25,000)
Total Rail Projects	1,372,100	1,357,960	(14,140)
Bus Video Cameras	410,500	399,500	(11,000)
Bus Video Cameras	134,000	134,000	-
Total Bus Projects	544,500	533,500	(11,000)
Grand Total Projects	\$1,916,600	\$1,891,460	(25,140)



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Agenda

Item No. 30

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

FIN 340.2 (PC 50111)

August 10, 2006

SUBJECT:

MTS: PROPOSED PLAN FOR USE OF STATE INFRASTRUCTURE BOND
INITIATIVE FUNDING

RECOMMENDATION:

That the Board of Directors provide comments and direction to the Chief Executive Officer (CEO) regarding the proposed list of transit projects (Attachment A) that could be funded with proceeds from the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006.

Budget Impact

None.

Executive Committee Recommendation

At its meeting on August 3, 2006, the Executive Committee recommended forwarding this item to the Board for approval.

DISCUSSION:

On May 5, 2006, the Legislature and Governor completed negotiations for a ten-year infrastructure bond package to be placed on the November 2006 General Election Ballot. The entire infrastructure package proposes more than \$35 billion in new funding for transportation projects, air quality improvement programs, education facilities, flood protection and levee repairs, water quality, and housing. The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (SB 1266) includes the



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transportation and air quality components of the overall bond proposal and details \$19.75 billion in programs, several of which could be available for public transit projects in the event of voter approval of Proposition 1B.

The following transit-eligible funding categories are included in SB 1266:

- \$3.6 billion in flexible capital funds allocated to all transit operators based on the State Transit Assistance (STA) formula.
- \$1 billion in transit safety, security, and disaster-preparedness funds with an allocation methodology yet to be determined.
- \$400 million in intercity rail funds.
- \$2 billion in State Transportation Improvement Program (STIP) funds, which could be allocated for transit projects.
- \$1 billion in state-local partnership funds, which could be used to match transit projects funded with TransNet.
- \$250 million in railroad and highway grade-separation funds with additional funds available for grade-separation projects that enhance movement of goods from land ports of entry, seaports, and airports.
- \$2 billion in city/county local streets and roads funds, which could be spent on projects that facilitate transit expansion.

An additional \$300 million would be set aside for loans under the Housing and Emergency Shelter Trust Fund Act of 2006 (SB 1689) for infrastructure associated with transit-oriented development projects such as the Grossmont Project recently negotiated by MTS. This program will be included in the larger housing bond initiative, Proposition 1C.

The largest program proposed under the infrastructure bond initiatives for public transit funding is the \$3.6 billion in flexible funds designated for distribution by formula to the state's transit operators. This proposed program is particularly significant because it would not require MTS to compete with other public agencies since funds would be distributed based on the STA formula. With voter approval of the bond package and, using the most recent State Controller estimates, MTS could expect to receive an estimated \$164 million for use on any type of transit capital project. This fixed capital allocation could be augmented by the other categories of funding in Proposition 1B, and staff would aggressively pursue a strategy to maximize MTS's share of funding from these other categories.

In light of the funding potential created by the state bond initiative, MTS staff has reviewed the ten-year capital program and created a list of capital projects that could be funded over the next ten years with the bond proceeds and other anticipated sources of revenue (Attachment A). This exercise will assist MTS in its interactions with the San Diego Association of Governments (SANDAG), the California Transportation Commission, legislative offices, and other parties who have already begun to flesh out

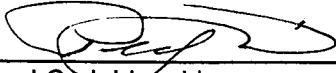
details for the bond initiative programs and who have solicited input. This list was created using various assumptions:

1. That the bond measure would pass, and that MTS can at least expect to receive the \$164 million identified above along with an additional \$30 million from the transit security category.
2. SANDAG TransNet II Early Action Program would be amended to provide MTS with the \$134 million designated in TransNet II for Blue Line trolley improvements and the \$34 million designated for Orange Line trolley improvements. Those funds require a 50 percent match.
3. That funding will not become available in the next ten years to achieve the Board's goal of an all-low-floor-vehicle light rail system, but that the goal of having one low-floor car per train consist could be achieved.
4. That rehabilitation of 60 U2 light rail vehicles would be eligible for TransNet funding.
5. That the region and state share MTS's commitment to fund these projects.

It is important to note that the infrastructure bond program is unlikely to completely cover the unfunded capital needs of the MTS system. Based on the conservative estimate of bond revenue assumed in the staff analysis, an \$83.9 million shortfall in funding for the attached project list could remain. In addition, this list does not include two grade-separation projects at E and H Streets in Chula Vista that were included in TransNet II and are projected to cost \$55 million. Potential funding sources for the unfunded need could be the other competitive funding programs in SB 1266, additional Proposition 42 funds due to increases in sales tax and fuel prices, Proposition 42 spillover funds that might be approved for transit use in future state budgets, STIP funding, or other revenues that cannot be conservatively anticipated at this time. MTS will continue to work with SANDAG and the state to find ways to address funding shortfalls and will aggressively compete for other categories of SB 1266 funding in the event that they become available.

In order to prioritize and identify funding for projects, staff proposes to follow a strategy of maximizing total revenue for the agency while focusing resources on projects essential for keeping the system running. For example, Blue and Orange Line capacity-enhancing improvements (signal equipment, station and platform improvements, and purchase of light rail vehicles) rise to the top of the list for funding priority if the TransNet match is available. Bus purchases and rehabilitation of the U2 LRVs take priority out of necessity as do track and catenary wire rehabilitation on the Blue and Orange Lines. Security projects, such as centralized train control, security cameras, and fiber optics make good candidates for the transit security category in the bond program. Grade-separation projects in Chula Vista would be competitive for state-local partnership, grade separation, goods movement, city local streets and roads, and STIP fund categories in the state bond program. The types of funding available would be carefully matched with the projects in MTS's capital improvement program. As a part of the overall strategy, MTS staff would actively engage in discussions with state agencies and legislators to define the programs included in SB 1266 so that MTS capital projects will be most competitive.

The Board of Directors is asked to review and discuss the funding scenario in light of the proposed bond initiative and to provide direction to the CEO.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, sharon.cooney@sdmts.com

AUG10-06.30.BOND FUNDING.SCOONEY

Attachment: A. Infrastructure Funding Scenario

San Diego Metropolitan Transit System Infrastructure Bond / TransNet II Strategy Ten Year Projection

	Construction (in million \$)	Project Cost
Revenue		
TransNet II Blue Line	134.0	134.0
TransNet II Orange Line	34.0	34.0
Infrastructure Bond - \$16.4 million for 10 years	164.0	164.0
Infra Bond Security - \$3 million for 10 years	30.0	30.0
Federal 5307 - \$35 million for 10 years	350.0	350.0
Federal 5309 - \$11 million for 10 years	110.0	110.0
Federal Local Match	115.0	115.0
Preventative Maintenance - \$29 million for 10 years	(290.0)	(290.0)
Other Revenue (Recurring, COA, etc.) - \$3 million for 10 years	30.0	30.0
STA (FY07) Excess Funding Over Initial Projection	17.4	17.4
Total Revenue	694.4	694.4
Expenses		
Rail Operations		
Blue Line Rehabilitation		
Wayside Signal Equipment	9.2	13.4 *
Overhead Catenary System	19.4	28.1
Traction Power Substations	2.2	3.2
Rail and Trackway Improvements	38.0	55.1
Track Drainage	1.0	1.5
Station Platform and Shelter Modifications	24.9	36.1 *
Parking Lots	-	-
Light Rail Vehicle Equipment	-	-
Non-Revenue Vehicles	-	-
Non-Revenue Equipment	-	-
Facilities and Buildings	-	-
Maintenance over 10 Years	-	-
Grand Total Blue Rehabilitation	94.6	137.2
Downtown Rehabilitation		
C Street Rehabilitation	9.0	13.1 *
12th and Imperial Transfer Station Improvements	4.0	5.8 *
Traction Power Substations	-	-
Rail and Trackway Improvements	-	-
Track Drainage	-	-
Station Platform and Shelter Modifications	-	-
Parking Lots	-	-
Light Rail Vehicle Equipment	-	-
Non-Revenue Vehicles	-	-
Non-Revenue Equipment	-	-
Facilities and Buildings	-	-
Maintenance over 10 Years	-	-
Grand Total Downtown Rehabilitation	13.0	18.9

San Diego Metropolitan Transit System

Infrastructure Bond / TransNet II Strategy

Ten Year Projection

	Construction (in million \$)	Project Cost
Old Town Rehabilitation		
Wayside Signal Equipment	-	-
Overhead Catenary System	-	-
Traction Power Substations	-	-
Rail and Trackway Improvements	-	-
Track Drainage	-	-
Station Platform and Shelter Modifications	6.1	8.8 *
Parking Lots	-	-
Light Rail Vehicle Equipment	-	-
Non-Revenue Vehicles	-	-
Non-Revenue Equipment	-	-
Facilities and Buildings	-	-
Maintenance over 10 Years	-	-
Grand Total Old Town Rehabilitation	6.1	8.8
Orange Line Rehabilitation		
Wayside Signal Equipment	6.1	8.8 *
Overhead Catenary System	1.8	2.5
Traction Power Substations	-	-
Rail and Trackway Improvements	1.3	1.8
Track Drainage	-	-
Station Platform and Shelter Modifications	19.9	28.8 *
Parking Lots	-	-
Light Rail Vehicle Equipment	-	-
Non-Revenue Vehicles	-	-
Non-Revenue Equipment	-	-
Facilities and Buildings	-	-
Maintenance over 10 Years	-	-
Grand Total Orange Line Rehab	28.9	42.0
Vehicle Options		
	# of	Price
Low Floor (S-70) Purchases	35	3.20
Rehabilitation of U2s	60	1.40
UTDC LRVs and parts - Lease/Purchase *	-	0.20
Total Vehicles		196.0
Grand Total Rail Operations	338.7	402.9
Contracted Bus Operations		
South Bay Maintenance Facility	25.0	36.3 *
East County Maintenance Facility	41.0	59.5 *
Regional Transit Centers / System Improvements	-	0

San Diego Metropolitan Transit System Infrastructure Bond / TransNet II Strategy Ten Year Projection

	Construction (in million \$)	Project Cost
Vehicles	80.0	80.0
Fare Collection	7.0	7.0
Radios (not including AVL)	1.5	1.5
MCS Maintenance Over 10 Years	-	0
Grand Total Contracted Bus Operations	154.5	184.2
Bus Operations		
Vehicles	115.0	115.0
Facilities	9.0	13.1 *
Maintenance Over 10 Years	-	-
Grand Total Bus Operations	124.0	128.1
Security		
Facility / CCTV	1.0	1.5 *
Security Lighting	1.0	1.5 *
Centralized Train Control	9.0	13.1 *
Fiber Optics	12.0	17.4 *
Station CCTV (Misc. Other)	2.6	3.8 *
Bus Video Cameras (incl. Paratransit)	6.0	6.0
Grand Total Security	31.6	43.2
Administration		
Administration	20.0	20.0
Grand Total Administration	20.0	20.0
Grand Total Expenses	668.8	778.3
Grand Total Revenues Less Expenses	25.6	(83.9)

* Presumed TransNet II Eligible



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Agenda

Item No. 31

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

AG 210.3 (PC 50111)

August 10, 2006

SUBJECT:

MTS: FEDERAL RAILROAD ADMINISTRATION HORN RULE – QUIET ZONES

RECOMMENDATION:

That the Board of Directors direct the Chief Executive Officer (CEO) to:

1. continue to work with the City of San Diego, Centre City Development Corporation (CCDC), and other public agencies impacted to support the "quiet zone" concept at public grade crossings between Old Town Transit Center and Fifth Avenue and other locations that may be considered; and
2. negotiate a Maintenance and Operations Agreement for quiet zones with CCDC, the City of San Diego, or North County Transit District (NCTD) as appropriate. This agreement shall include, as a minimum:
 - a. essential indemnification and/or standard insurance language to cover MTS operations, its Board, and appropriate other entities;
 - b. provide that MTS shall not incur any costs associated with studies or risk analysis documentation, construction, equipment procurement or contractor expenses;
 - c. provide that MTS light rail transit (LRT) operations not be adversely impacted by such special construction, including maintaining the status quo of operations as it pertains to gate bell activation and nearside gate hold-off features;



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.

- d. require that specialized track detection loops be maintained by City of San Diego technicians; and
- e. require the requesting agency to provide spare-parts inventory for special equipment, so designated, to support quiet zone status.

Budget Impact

Uncertain at this time. Costs associated with maintenance of additional gates, lights, and bells are likely to be less than \$10,000 annually.

Executive Committee Recommendation

At its meeting on August 3, 2006, the Executive Committee recommended forwarding this item to the Board for approval.

DISCUSSION:

Existing State of California regulations require all LRT operators, including San Diego Trolley, Inc. (SDTI), to sound an audible warning on the approach to all grade crossings. Since the inception of LRT service, SDTI has complied with this standard and sounds the appropriate horn sounds. Further, LRT vehicles have two different horn devices onboard—a low-volume buzzer horn and a loud-volume air horn type of device. Operators have discretion as to which device to use based on conditions at the crossings upon approach.

In June 2005 and after industry reviews through interim rule measures, the Federal Railroad Administration (FRA) issued a final rule requiring the use of horn sounds for all trains approaching grade crossings. Until this rule was promulgated, each railroad had its own specific standards, and there was no federal standard established.

Reference Attachment A for a complete summary of the FRA Horn Rule Summary and associated issues.

In addition to establishing horn requirements, the final rule also contains a provision that allows for certain "public agencies" to apply to the FRA for certain crossings to be designated as quiet zones. This provision, subject to very specific criteria and approval by the FRA, allows communities to designate one or more crossings as locations where train horns are not required as otherwise prescribed by the rule.

With the increasing development of downtown San Diego, the issue regarding use of train horns has been a long-standing concern. Until such time as the official issuance of the horn rule in June 2005 with the quiet zone option, previous attempts to require trains operating through downtown to discontinue using horns has been unsuccessful.

MTS staff has been actively working with CCDC, the lead agency, as part of a multiagency approach to assess all downtown locations to determine which ones are candidates for quiet zone status. Since work associated with this effort requires certain studies, risk assessments, and installation of equipment or other actions in the form of

"supplementary and alternative safety measures" (SSMs and ASMs), the designated locations require considerable evaluation to determine the extent to which SSMs or ASMs could be applied to secure quiet zone status. Moreover, the issue regarding indemnification of the rail-operating entities is of paramount concern in order to limit liability exposure.

The locations currently under consideration for quiet zones include the following:

1. Laurel Street – BNSF, Coaster, and Amtrak only
2. Hawthorn Street – BNSF, Coaster, and Amtrak only
3. Grape Street – BNSF, Coaster, and Amtrak only
4. Cedar Street – All rail services
5. Beech Street – All rail service
6. Ash Street – All rail services
7. Broadway – All rail services
8. G Street & Kettner Boulevard – All rail services
9. Market Street – All rail services
10. Front Street – All rail services
11. First Avenue & Harbor Drive – All rail services
12. Fifth Avenue – All rail services

Each of the above locations will require some additional equipment (SSMs or ASMs) in order to satisfy the FRA and maintain low accident-risk thresholds.

The policy issues that require consideration for all rail operators at the crossings under consideration include the following:

1. Indemnification for liability protection.
2. Cost associated with SSMs or ASMs.
3. Additional operations, maintenance, and construction costs.
4. Equipment location issues and multiagency agreements.



Paul C. Jablonski
Chief Executive Officer

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

AUG10-06.31.FRAHORNRULE.PTERESCHUCK

Attachment: A. FRA Horn Rule Summary



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FEDERAL RAILROAD ADMINISTRATION (FRA) HORN RULE SUMMARY

QUIET ZONES

1. Background

- January 2000 – the FRA issues a Notice of Proposed Rulemaking.
- December 2003 – the FRA publishes an Interim Final Rule requiring that locomotives sound their horns approaching and passing highway grade crossings.
- Industry and community comments are solicited and received. Over 3,000 comments are submitted.
- June 2005 – the FRA issues a Final Horn Rule (49 CFR Parts 222 and 229).
- The final rule requires that all railroads and certain rapid transit rail systems connected to the general railroad system of operations sound their horns while approaching and passing highway grade crossings. The final rule contains a provision for public agencies to establish a so-called “quiet zone” in order to reduce or eliminate horn sounds in local communities in proximity to rail lines.

2. Implementation and Issues

- The rule establishes horn-sound levels at a minimum of 96 decibels and a maximum of 110 decibels.
- The rule establishes horn-sound intervals as two long pulls, one short pull, and one long pull.
- Railroads and communities are concerned about liability in quiet zones.
- Communities are concerned about excessive noise from horn use.

3. Quiet Zone Provisions/Requirements

- FRA approval is required and certain criteria must be met. A quiet zone can include single or multiple crossings and may be “partial” (late night only) or “full” (all day).
- Quiet zone implementation requires several safety or risk assessments and field evaluations to provide the FRA with a degree of confidence that high levels of safety can



be maintained and accident risk is low. Actions include the following:

- a. Provisions for partial or full quiet zones.
- b. Distance can vary based on analyses of specific locations.
- c. Completion of Nationwide Significant Risk Index.
- d. Completion of Crossing Corridor Risk Index.
- e. Field diagnostic team visit to location(s) under consideration.
- f. Quiet zone applications require supplementary safety measures, including some or all of the following:
 - Full street closure.
 - Addition of crossing gates, lights, and bells along with medians and channelization devices.
 - Four quadrant gates (four gates vs. two gates).
 - Inground presence-detector loops.
 - One-way street designation.
- g. Quiet zone applications may require alternative safety measures, including some or all of the following:
 - Enhanced enforcement measures.
 - Public education and outreach programs.
 - Photo enforcement capability.
 - Wayside horns located at crossings.

4. Analysis Criteria (Both Diagnostic and Prediction Formulas)

- Traffic volumes (average daily traffic); number of lanes.
- Speeds posted on highways.
- Accident history.
- Number of daily train trips by type (Amtrak, Coaster, BNSF, LRT).
- Maximum allowable train speeds per timetable.
- Number of school buses and public transit buses traversing tracks.
- Approaching tracks are on super elevation or on curves (sight line).

The above categories represent input data to a formula that determines whether the risk factor meets, exceeds, or is lower than the National Significant Risk Threshold as established by the FRA.

5. Implementation of Quiet Zone

- If approved by the FRA, quiet zones can be implemented and engineers can be instructed not to sound their train horns upon approach.
- Quiet zones can be full day or partial (nighttime only).
- Quiet zones can be rescinded based on incident/accident history.
- The horn rule maintains a provision that allows train engineers to have discretion over whether or not to use the horn despite a quiet zone designation based on field conditions and safety/accident potential.
- Other measures may be required, including the continuous sounding of gate-warning bells.
- Gate activation hold-off feature (LRT issue only) may be impacted.

AUG10-06.31.QUIETZONES.PTERESCHUCK

Federal Railroad Administration Horn Rule – Quiet Zones

**Presentation
to
MTS Board of Directors
August 10, 2006**



Background of Horn Rule

- Federal concerns re standardizing horn sounds at railroad grade crossings
- January 2000 FRA proposes new horn rule & issues NPRM
- December 2003 Interim rule published
- Community concerns raised re excess noise...3,000 comments received
- June 2005 – FRA Issues Final Horn Rule



Provisions of Horn Rule

- Requires all railroads and certain public transit systems (LRT) to comply – SDTI
- Establishes horn sound levels (96-110 decibels)
- Requires standard sound of two longs, one short and one long at crossings
- Allows for establishing of "Quiet Zones"



Issues of Concern

- Community concerns re excess noise
- Railroads concerned about costs for additional crossing equipment & maintenance
- Railroads concerned about indemnification should QZ be established



Implementation of Quiet Zones

- If approved by FRA, engineers may withhold sounding train horns at approved locations
- Engineers retain authority to sound horn based on crossing conditions
- QZ can be for full day or partial day (night only)
- Continuous sounding of gate bells may be required
- Nearside gate hold-off feature may be voided



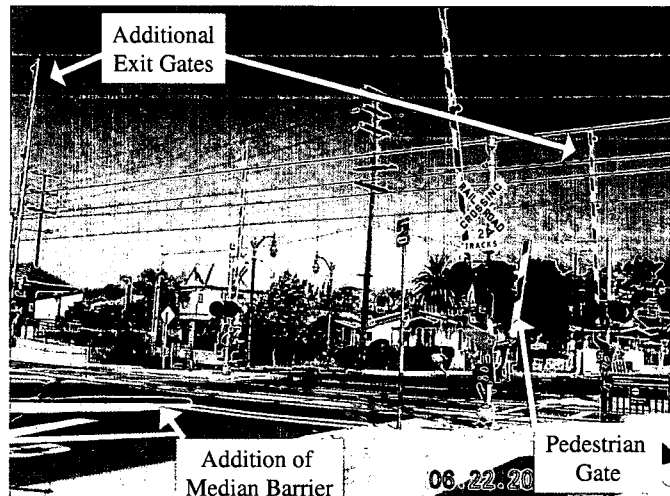
Quiet Zone Provisions

- Enables public agencies to apply for QZ status at a single or multiple crossings
- QZ can be established for full day or partial (night only)
- Provisions require supplemental safety measures (SSMs) or alternative safety measures (ASMs), and safety / risk analysis



Supplemental Safety Measures

- Full closure of street crossing or designation of crossing as one-way
- Additional crossing gates, flashing lights and bells where none exist
- Addition of medians or other devices to channelize traffic
- Four quadrant gates with bells & lights



Los Angeles Gold Line Quad Gates





Los Angeles Gold Line Quad Gates



Addition of Detector Loops



Four Quadrant Gates for QZ

- Typically requires added median
- Requires installation of two extra crossing gates for exit control
- May require short pedestrian gates
- Requires addition of embedded loops to detect traffic stopped on tracks



Alternative Safety Measures

- Enhanced enforcement measures
- Public education, outreach efforts (Operation Lifesaver)
- Photo enforcement
- Wayside horns located at crossing



MTS Considerations / Concerns

- Staff working with CCDC & City for QZ
- 13 crossings identified for QZ status (10 affecting MTS light rail, Old Town - Bayside)
- Indemnification for liability
- Capital costs for SSMs / ASMs
- Added operations / maintenance costs
- Equipment location issues/multi-agency agreements



Downtown Quiet Zone Locations

LRT Impacted
In Red

LAUREL STREET
HAWTHORN STREET
GRAPE STREET
CEDAR STREET
BEECH STREET
ASH STREET
BROADWAY
G STREET
MARKET STREET
FRONT STREET
FIRST AVENUE
FIFTH AVENUE
PARK BOULEVARD
Delayed Until Ped Bridge



Recommendations

- Direct staff to continue to work with CCDC, City of SD, NCTD, and negotiate an O & M agreement for QZ implementation
- Require essential indemnification protection to cover all MTS entities and Board
- Require that LRT have no adverse impact
- Require that track loops be maintained by others (City)
- Require requesting agency to provide capital outlay for all equipment, spare parts, risk analysis, engineering for QZ implementation with zero cost impact to MTS





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Agenda

Item No. 32

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

CIP 10958, 11057, 11002
10972, 11149, 11099

August 10, 2006

SUBJECT:

MTS: CAPITAL IMPROVEMENT PROGRAM BUDGET TRANSFERS

RECOMMENDATION:

That the Board of Directors forward a request to the San Diego Association of Governments (SANDAG) Board of Directors to approve the transfer of funds in various Capital Improvement Programs (CIPs) shown on Attachment A (Budget Transfer Summary).

Budget Impact

No change to the overall CIP amount. Individual project budget revisions are shown on Attachment A.

1. \$750,000 from the Kearny Mesa Division (KMD) Underground Tanks Project to the KMD Tile and Roof Repair Project;
2. \$350,000 from the KMD Underground Tanks Project to fund extra work on the KMD Compressed Natural Gas (CNG) Fuel Station Improvement Project;
3. \$500,000 from the KMD Underground Tanks Project to fund additional improvements on the IAD/KMD Parking Lot Resurface Project; and
4. \$37,000 from the KMD Drop Table/Refurbish Paint Booth Project to fund the Transit First Now Project's First and Ash Queue Jumper contract.

These projects are being implemented for MTS by SANDAG.



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.

Executive Committee Recommendation

At its meeting on August 3, 2006, the Executive Committee recommended forwarding this item to the Board for approval.

DISCUSSION:

The KMD Underground Tanks Project is nearing completion. This project removed a number of environmentally noncompliant underground tanks at the IAD and KMD bus yards, replaced them with aboveground tanks, and brought the few remaining underground tanks into compliance. This project had favorable bids and a large contingency in the budget to clean up any contamination, which was largely unused; therefore, the project is finishing under budget. The proposed actions use some of the remaining balance to accomplish other priority MTS capital projects.

The FY 06 CIP included a project to reroof Building No. 1 (administrative offices) and Building No. 2 (bus maintenance garage) at the KMD bus yard. Both roofs are at the end of their useful lives (they leak and are not maintainable). Failure to halt the leakage will reduce the life of the building and create safety concerns for workers.

The design for the project is complete, and the Engineer's Estimate to complete the construction exceeds the project budget. Staff recommends transferring the amount shown in Attachment A into the reroofing project from the remaining balance in the KMD Underground Tanks Project. The Engineer's Estimate is significantly over the original budgeted amount because the condition of the roof and rooftop equipment is much worse than originally contemplated, and the cost of building materials has risen sharply since this project was programmed.

MTS fuels both CNG and diesel buses under one canopy at the IAD bus yard. While in the process of designing a new CNG fueling facility at KMD, including placing CNG and diesel dispensers under a canopy at KMD similar to the IAD configuration, the San Diego Fire Department determined that both facilities were in violation of California Building Code requirements. MTS, SANDAG, and the Fire Department have reached an agreement on a design that allows San Diego Transit Corporation (SDTC) to continue fueling both CNG and diesel buses and vacuum bus interiors from a single location under the canopy. The agreement requires additional detection and ventilation modifications to both fueling locations. Colocating all of the fueling and cleaning is vital to SDTC for efficient operation.

The proposed action would transfer funds into the KMD CNG Improvement Project to fund the additional work needed at KMD and IAD to meet the San Diego Fire Department's requirements to allow the dual fueling. The additional work includes improved fire detection and ventilation system controls, fire sprinklers, and passive ventilation. Staff recommends transferring the amount shown on Attachment A into the KMD CNG Improvement Project from the remaining balance in the Underground Tank Project.

The FY07 SANDAG Capital Budget includes a project to resurface the IAD bus parking lot. Most of the IAD bus parking areas have deteriorating asphalt surfaces that need to be replaced with concrete or resurfaced with asphalt based upon the turning and traffic wear from the buses. Staff recommends transferring the amount shown on

Attachment A into the IAD Parking Lot Improvement Project from the remaining balance in the Underground Tank Project to fund the resurfacing. The lot resurfacing has been deferred in past CIP budgets. Continued deferment of this work will lead to further deterioration and ultimately more costly repair in the future. For this project in particular, the volatility of oil and aggregate prices as they relate to asphalt and concrete costs are of particular concern.

The Transit First Now Program was a preconsolidation project that evaluated early actions to improve bus mobility and reliability on surface streets. The program identified and ranked a number of intersections where bus queue jumpers would improve bus operations. Through this project, staff identified and facilitated the installation of six queue jumpers at no cost to MTS or SANDAG. The queue jumpers implemented to date have been funded through redevelopment and street improvement projects in the cities of San Diego and Chula Vista. Other high-priority locations do not have the same funding opportunities.

At the end of the study phase, the Transit First Now Project had a balance that appeared sufficient to design and implement one queue jumper. Operations determined that the highest priority location was First and Ash Street, served by Routes 11, 30, 50, and 150 (12 buses in the peak hour). At this location, buses must move from the right-hand curb at the First Avenue/Ash Street bus stop to the far left lane (across two lanes of traffic on First Street) in the p.m. peak period in order to bypass the extensive queue backup on First Avenue caused by the ramp metering on the southbound Interstate 5 on-ramp. This maneuver is particularly slow, difficult, and, at times, unsafe. A queue jumper would allow buses a head start at the traffic light to help them safely cross over to the left lane ahead of the traffic also resulting in improved travel speeds and trip reliability.

SANDAG designed and bid a queue jumper for this location. The bids significantly exceeded the engineer's estimate. Upon review of the bids and engineer's estimate, it was determined that the bid prices were fair and reasonable. Staff is recommending a budget transfer, as shown in Attachment A, to fund construction of this queue jumper. The funds would come from a remaining balance in the completed KMD Paint Booth Project. This project was completed under budget as a result of value engineering during the early design stages.

The amount of these budget transfers is expected to fund the work based on the current estimates; however, unanticipated conditions, material costs, regulatory requirements, or delays may result in the need for additional budget actions. SANDAG project engineering staff has committed to keeping us informed of potential CIP budget issues, which we will bring to the Board and Executive Committee for approval as warranted.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Jim Linthicum, 619.699.1970, jlin@sandag.org

AUG10-06.32.CIP BUDGET TRANSFERS.JLINTHICUM

Attachment: A. Budget Transfer Summary

BUDGET TRANSFER SUMMARY

CIP NO.	PROJECT NAME	BUDGET (\$1,000's)			ESTIMATED COST TO COMPLETE
		EXISTING	PROPOSED	CHANGE	
1114900	KMD TILE AND ROOF REPAIR	403	1,153	750	1,153
1105700	IAD/KMD PARKING LOT RESURFACE	1,750	2,250	500	2,250
1097200	KMD CNG FUEL STATION IMPROVEMENT	4,550	4,900	350	4,900
1095800	KMD UNDERGROUND TANKS	5,400	3,800	(1,600)	3,200
1109900	FIRST & ASH ST QUE JUMPER	100	137	37	137
1100200	KMD DROP TABLE/REFURBISH PAINT BOOTH	820	783	(37)	625

Att. A, AI 32, 8/10/06, CIP 10958,
11057, 11002, 10972, 11149, 11099

Capital Project Budget Transfer

- SANDAG designs & builds construction projects recommended by MTS
- Project budget transfers over \$100k (cumulative) require MTS support for SANDAG action
- Proposed action requests support for 6 budget transfers

1



Capital Project Budget Transfers

PROJECT NAME	BUDGET (\$1,000's)			EST. COST TO COMPLETE
	EXISTING	PROPOSED	CHANGE	
KMD ROOF AND TILE REPAIR	403	1,153	750	1,153
IAD/KMD PARKING LOT RESURFACE	1,750	2,250	500	2,250
KMD CNG FUEL EXPANSION	4,550	4,900	350	4,900
IAD / KMD UNDERGROUND TANKS	5,400	3,800	(1,600)	3,200
FIRST & ASH ST QUE JUMPER	100	137	37	137
KMD DROP TABLE / PAINT BOOTH	820	783	(37)	625

2



KMD Roof

Replaces leaking roofs on two Buildings

- **Need:** leaking, building damage, safety, 18yrs old
- **Cost Justification:** scope & materials increases
- **Budget Source:** IAD/KMD underground tanks
- **Status:** bids opened, timed for fall construction, prior SANDAG Board approval

3



Parking Lot Resurfacing

Replaces and rehabilitates bus yard paving

- **Need:** failing asphalt surfaces, high maintenance, storm water requirements, safety
- **Cost Justification:** scope revisions, regulatory issues, construction & materials increases
- **Budget Source:** IAD/KMD underground tanks
- **Status:** 75% design

4



KMD CNG Fuel Expansion

Expands CNG fueling facilities at KMD & centralizes fuel dispensing

- Need: additional CNG fueling capacity, more efficient fueling and cleaning
- Cost Justification: added scope to meet Fire Dept requirements at KMD & IAD
- Budget Source: IAD/KMD underground tanks
- Status: under construction 70% complete

5



First & Ash Queue Jumper

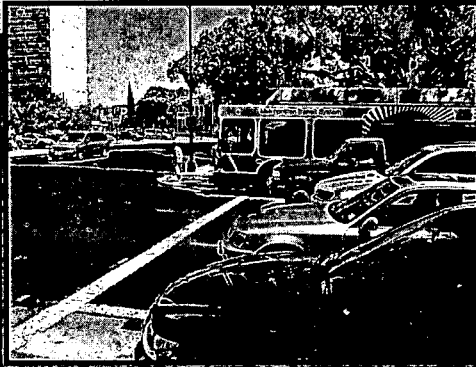
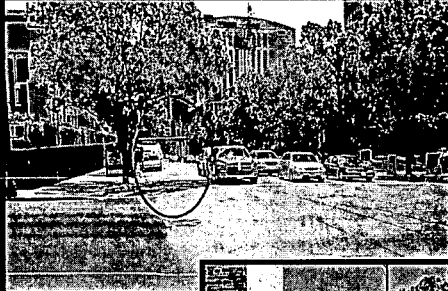
Modifies traffic signal for bus queue jumper

- Need: improve bus operation & safety, Transit First Now! implementation
- Cost Justification: bids exceeded estimate, bid prices verified
- Budget Source: KMD Drop Table
- Status: Bids opened, awaiting budget approval to award

7



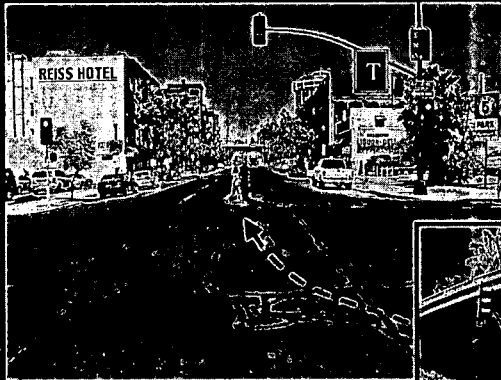
First & Ash Bus Stop



9

SANDAG

First & Ash Bus Movements



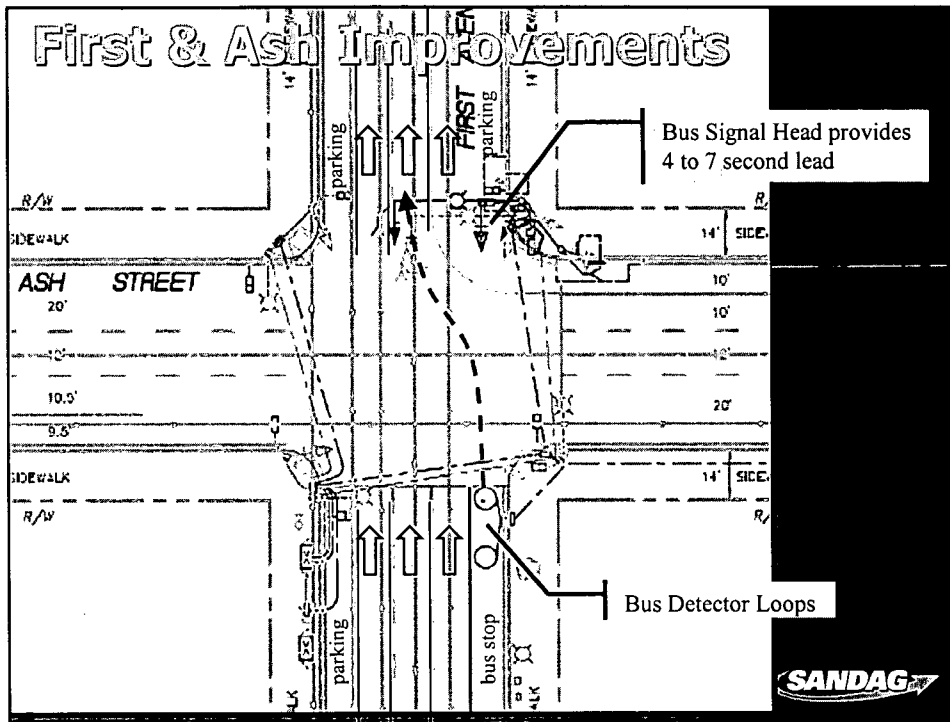
First & Ash Looking North

**Replace Pole and Arm, Add
Transit Signal**

**First & Cedar Looking North
to I-5 On Ramps**



10



Recommended Budget Transfers

PROJECT NAME	BUDGET (\$1,000's)			EST. COST TO COMPLETE
	EXISTING	PROPOSED	CHANGE	
KMD ROOF AND TILE REPAIR	403	1,153	750	1,153
IAD/KMD PARKING LOT RESURFACE	1,750	2,250	500	2,250
KMD CNG FUEL EXPANSION	4,550	4,900	350	4,900
IAD / KMD UNDERGROUND TANKS	5,400	3,800	(1,600)	3,200
FIRST & ASH ST QUE JUMPER	100	137	37	137
KMD DROP TABLE / PAINT BOOTH	820	783	(37)	625



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Agenda

Item No. 33

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

OPS 960.5 (PC 50601)

August 10, 2006

SUBJECT:

SDTC: RETIREMENT PLANS ACTUARIAL VALUATION AS OF JANUARY 1, 2006

RECOMMENDATION:

That the Board of Directors receive the actuarial valuation as of January 1, 2006, and adopt the pension contribution rate of 12.469 percent for the FY 06 SDTC pension plan.

Budget Impact

This would result in an annual pension contribution of approximately \$4,359,000.

DISCUSSION:

The actuarial valuation of the retirement plans for SDTC as of January 1, 2006, has recently been completed. The purpose of the actuarial valuation is to compute the annual pension contribution rate and provide disclosures necessary for Governmental Accounting Standards Board (GASB) Statement No. 25.

This valuation was completed by EFI Actuaries and has produced an increase in the recommended contribution rate. The previous valuation (January 1, 2005) recommended a contribution rate of 11.112 percent of covered payroll; the January 2006 valuation recommends a 12.469 percent contribution rate. This contribution rate would become effective for FY 07 and is lower than the FY 07 budget assumption of 13%.

There are many factors that have an effect on the annual contribution rate. These factors include investment gains/losses, modifications to plan provisions, and demographic and



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actuarial assumption changes. The following table details how the cost of the plan has changed since the last actuarial valuation.

	<u>Cost in Dollars</u>	<u>Cost as % of Payroll</u>
January 1, 2005	\$3,873,406	11.112%
Change in cost due to expected demographic changes and funding from 1-1-05 to 1-1-06	403,988	0.843%
Changes in cost due to demographic gains/losses from 1-1-05 to 1-1-06	(27,381)	(0.069) %
Changes in cost due to gains/losses from salary increases from 1-1-05 to 1-1-06	(324,786)	(0.658) %
Changes in cost due to investment gains/losses from 1-1-05 to 1-1-06	433,772	1.241%
January 1, 2006	\$4,358,999	12.469%

The expected demographic change is due to the fact that SDTC, as well as other agencies throughout the transit industry, is hiring new employees who are older than in the past. Over the last five years, the average age of new operators is 39. The previous average was 32. This seven-year increase in the average age of new hires results in an increase in the cost of the retirement plan. This is due to the fact that the plan has on average seven less years to fund the older employees' pensions. The current normal cost for all plan members is about 8% of payroll, while the normal cost for the older new hires is nearly 13%.

The demographic experience of the plan for calendar year 2005 (rates of retirement, death, disability, and termination) was very close to expectations and resulted in a decrease of 0.069% of payroll.

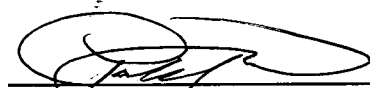
During 2005, salaries for plan members increased at a rate below our 3.5% assumption. As a result, pension liabilities and costs increase less than assumed resulting in a plan cost decrease of 0.658%.

The plan's investment return of 5.71% for the period was lower than the plan's 8% assumption. The effect of this was an increase to the plan's costs by 1.241% of pay. The plan uses a five-year smoothing method. The smoothing method spreads investment gains and losses over five years.

The plan's funding status declined during the year. As of January 1, 2005, the plan's unfunded actuarial accrued liability was \$10,001,907, which increased to \$15,794,218 as of January 1, 2006, resulting in a current funding ratio of 91% compared to 94% last year.

In addition to the 12.469% of payroll, MTS pays approximately 13.7% of payroll due to the pension obligation bonds for a combined rate of 26.17%. For comparison purposes, we pay 24.9% for MTS employees and 27.7% for SDTI noncontract employees.

The attached report details these and other factors that were used in the calculation of the 12.469 percent contribution rate. Bob McCrory of EFI Actuaries will present the full report in detail to the Board.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Cliff Telfer, 619.557.4532, cliff.telfer@sdmts.com

AUG10-06.33.SDTC RETIREMENT ACTUARIAL.CTELFER

Attachment: A. Actuarial Valuation as of 1/1/06 (Board Only due to volume)

Retirement Plans of San Diego Transit Corporation

Actuarial Valuation as of
January 1, 2006

Bob McCrory, FSA
EFI Actuaries

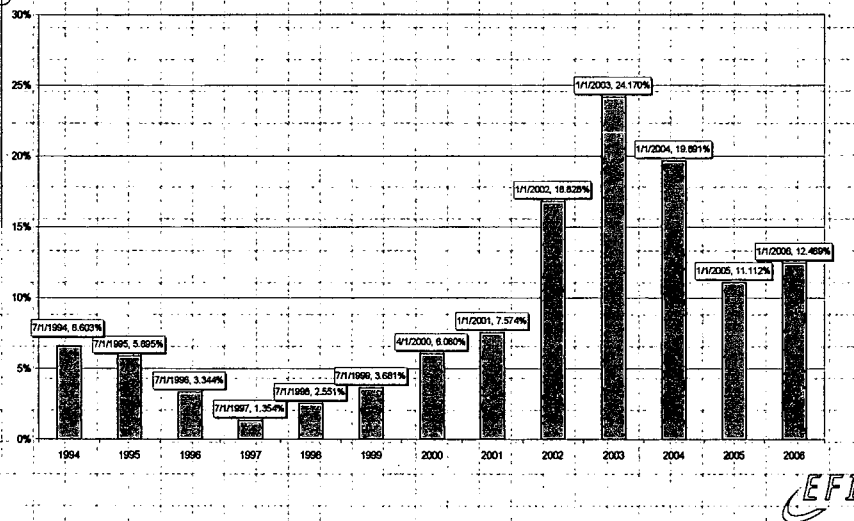


Introduction

- ◆ History of Plan cost
- ◆ History of Plan funding ratios
- ◆ Current Plan cost
- ◆ Future Plan costs

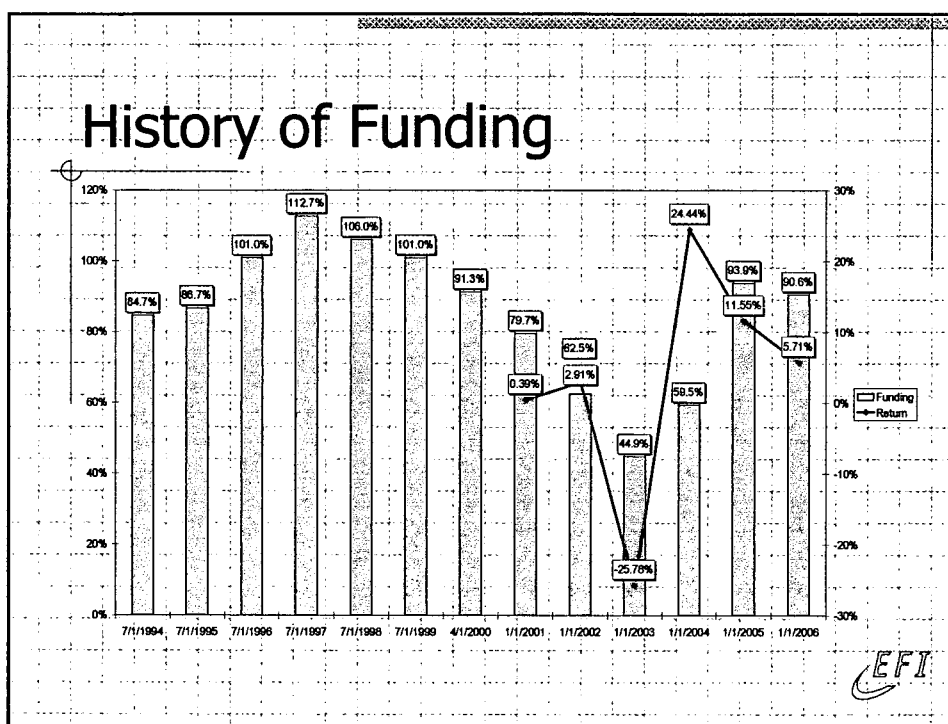


History of Costs



Current Cost

	Cost in Dollars	Cost as % of Payroll
January 1, 2005 (Section 3.1, Column 1)	\$3,873,406	11.112%
Change in cost due to expected demographic changes and funding from January 1, 2005 to January 1, 2006	403,988	0.843%
Change in cost due to demographic gains/losses from January 1, 2005 to January 1, 2006	(27,381)	(0.069)%
Change in cost due to gains/losses from salary increases from January 1, 2005 to January 1, 2006	(324,786)	(0.658)%
Change in cost due to investment gains/losses from January 1, 2005 to January 1, 2006 (Section 3.2, Column 1)	433,772	1.241%
January 1, 2006 (Section 3.2, Column 2)	\$4,358,999	12.469%



What does funding ratio mean?

- ◆ Assets are 91% of target
 - "Actuarial accrued liability" is not a liability
 - AAL is a target level of assets
 - Assets are about 91% of that target
- ◆ Contributions increase to catch up with asset target
 - About one third of contribution is devoted to funding the actuarial accrued liability

EFI

Misconceptions about the funding ratio

◆ Plan sponsor not behind in funding

- All required contributions have been made
- Below target because of investment returns, or
- Below target because of benefit increases, or both

◆ Plan is not insolvent or unsound

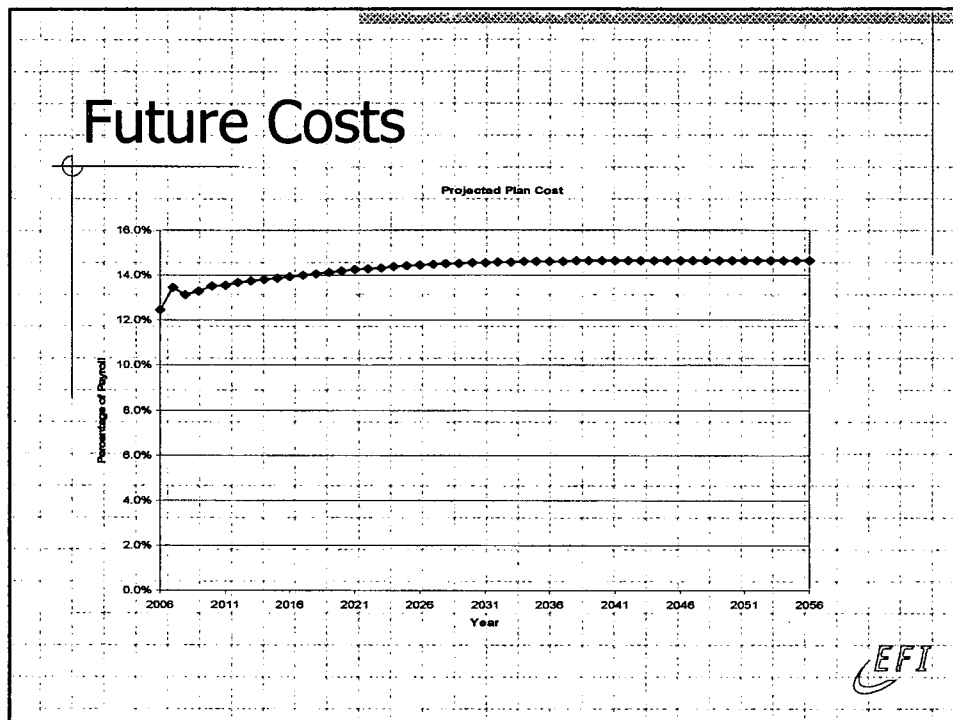
- Sound as long as contribution is affordable
- Includes cost of current accruals (normal cost)
- Includes cost to fund the asset target over time (amortization of unfunded liability)



Comparison With Other Districts

<u>District</u>	<u>Cost (% Pay)</u>	<u>Funding Ratio</u>
AC Transit	19.46%	76.6%
Sacramento RT	16.96%	79.7%
San Diego Transit	12.56%	90.6%
VTA	15.62%	79.5%



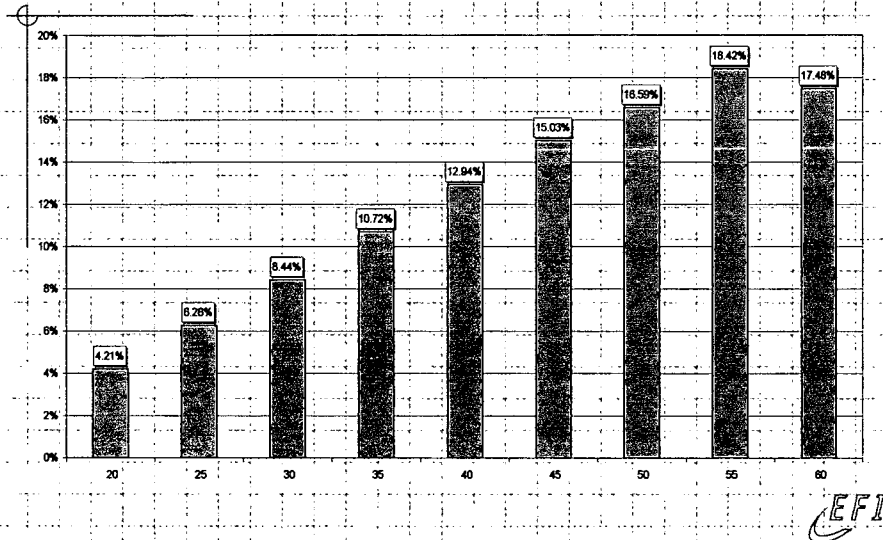


Future Costs

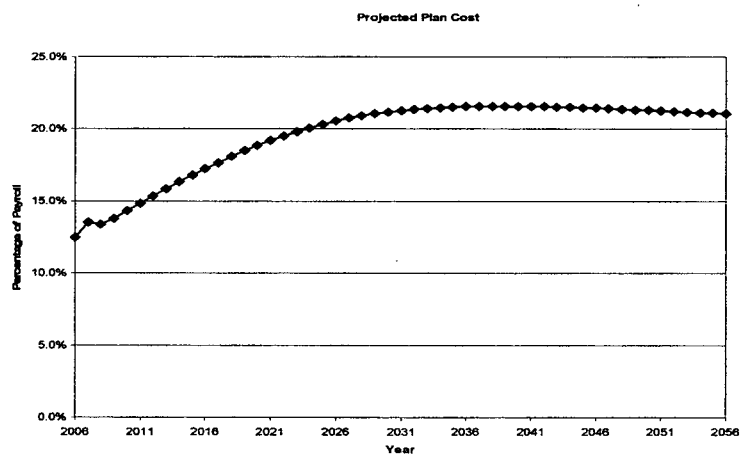
- ◆ Likely to increase to over 14% pay
 - Actuarial value of assets = 102% of market value
 - Realization of small unrealized losses
 - Hiring older workers
 - ◆ Age 39 vs. age 32
- ◆ Could be higher depending on investment return

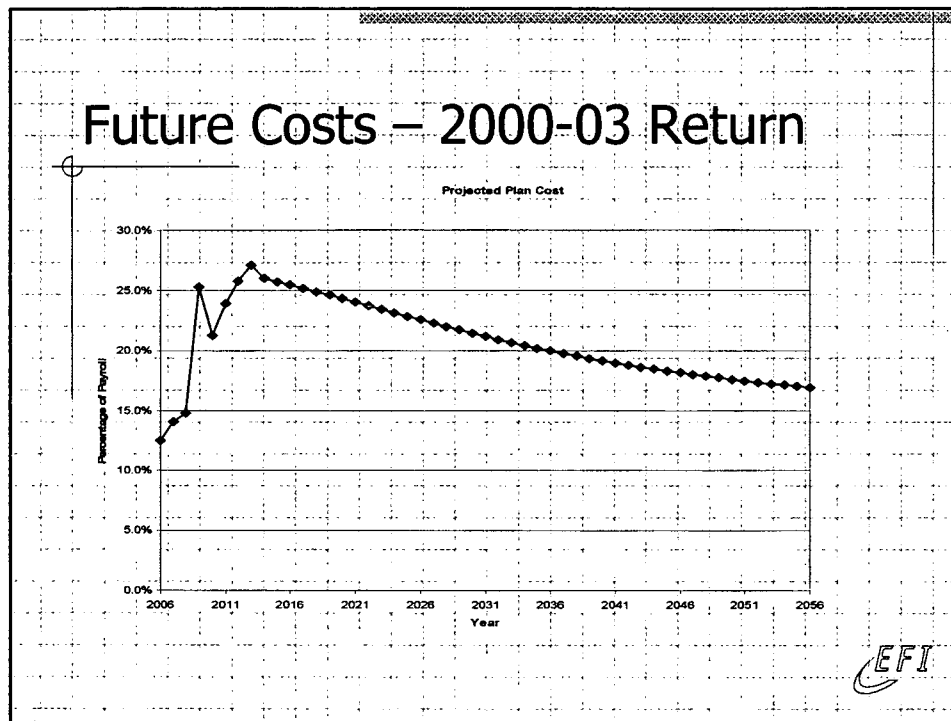
EFI

New Hire Costs



Future Costs – 7% Return





Retirement Plans of San Diego Transit Corporation

Actuarial Valuation as of January 1, 2006

Bob McCrory, FSA
EFI Actuaries

EFI



Metropolitan Transit System

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

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 (PC 50601)

August 10, 2006

SUBJECT:

MTS: OPERATIONS BUDGET STATUS REPORT FOR MAY 2006

RECOMMENDATION:

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

Budget Impact

None at this time.

DISCUSSION:

This report summarizes MTS operating results for May 2006. Attachment A-1 combines the operations, administration, and other activities results for May 2006. Attachment A-2 details the May 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 A-12 provides May 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, May 2006 produced a favorable net-operating subsidy of \$634,000 (4.6%). The MTS operating divisions produced a \$430,000 (4.0%) favorable net-operating subsidy variance while the administrative area had a \$205,000 (6.7%) 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 May 2006, the MTS net-operating subsidy favorable variance totaled \$1,958,000 (1.4%). Operations produced a \$1,529,000 (1.4%) favorable variance, and the administrative area contributed a \$429,000 (1.4%) favorable variance.

MTS COMBINED RESULTS

Revenues

Year-to-date combined revenues through May 2006 were \$68,183,000 compared to the year-to-date budget of \$67,796,000, representing a \$387,000 (0.6%) favorable variance. From a year-to-date perspective, internal bus operations and contract services (fixed-route) produced positive variances of \$194,000 (0.9%) and \$409,000 (2.9%), respectively. Compared to the budget, rail operations had a year-to-date unfavorable variance of \$672,000 (-2.5%). All other year-to-date bus-related operations, administration, and other activities were \$456,000 over budget.

Expenses

Year-to-date combined expenses through May 2006 were \$203,304,000 compared to the year-to-date budget of \$204,875,000, resulting in a \$1,571,000 (0.8%) favorable variance.

Personnel Costs. Year-to-date personnel-related costs totaled \$83,175,000 compared to a year-to-date budgetary figure of \$83,654,000, producing a favorable variance of \$478,000 (0.6%). 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 11 months of the fiscal year totaled \$59,225,000 compared to a budget of \$58,696,000, resulting in a year-to-date unfavorable variance of \$529,000 (-0.9%). This unfavorable variance was mainly attributable to security and other outside services over budget by \$258,000 and \$346,000, respectively.

Materials and Supplies. Total year-to-date materials and supplies expenses totaled \$7,097,000 compared to a budgetary figure of \$6,971,000, resulting in an unfavorable expense variance of \$127,000 (-1.8%).

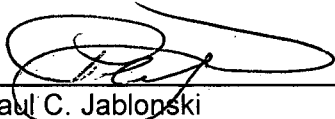
Energy – Year-to-Date May 2006. Total year-to-date energy costs were \$23,388,000 compared to the budget of \$24,365,000, resulting in a year-to-date favorable variance of \$976,000 (4.0%). On a year-to-date basis, traction power within rail operations had a \$675,000 (11.2%) favorable variance. Year-to-date diesel prices averaged \$2.298 per gallon compared to the midyear adjusted budgetary rate of \$2.280 per gallon. Year-to-date CNG prices averaged \$1.325 per therm compared to the midyear adjusted budgetary rate of \$1.400 per therm.

Risk Management. Year-to-date expenses for risk management were \$328,000 (6.7%) under budget totaling \$4,604,000 compared to the year-to-date budgetary figure of \$4,932,000.

General and Administrative. Year-to-date general and administrative costs including vehicle and facilities leases were \$444,000 (32.7%) under budget totaling \$912,000 through May 2006 compared to a year-to-date budget of \$1,356,000.

YEAR-TO-DATE SUMMARY

The May 2006 year-to-date net-operating subsidy totaled a favorable variance of \$1,927,000 (1.4%) and was produced by many factors. Favorable variances in operating revenues, wages, and fringe-related expenses, 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

AUG10-06.45.OPSBUDGETMAY.LMARINESI

Attachment: A. Comparison to Budget

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

**MTS
CONSOLIDATED**

COMPARISON TO BUDGET - FISCAL YEAR 2006

MAY 31, 2006

(in \$000's)

**Att. A, AI 45,
8/10/06, FIN 310**

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 5,867	\$ 5,740	\$ 127	2.2%
Other Revenue	302	157	145	92.4%
Total Operating Revenue	\$ 6,169	\$ 5,897	\$ 272	4.6%
Subsidy	\$ 4,209	\$ 5,379	\$ (1,170)	-21.8%
Other Non Operating Income	858	858	-	0.0%
Total Non Operating Revenue	\$ 5,067	\$ 6,237	\$ (1,170)	-18.8%
Total Revenue	\$ 11,236	\$ 12,134	\$ (898)	-7.4%
Wages	\$ 5,112	\$ 5,173	\$ 61	1.2%
Fringes	3,438	3,459	21	0.6%
Services	1,553	1,295	(257)	-19.8%
Purchased Transportation	4,078	4,157	79	1.9%
Materials and Supplies	615	602	(13)	-2.2%
Energy	1,974	2,278	304	13.3%
Risk Management	425	493	68	13.8%
General and Administrative	60	156	96	61.5%
Debt Service	1,979	1,979	-	0.0%
Vehicle/Facility Lease	27	32	5	15.6%
Total Costs	\$ 19,260	\$ 19,623	\$ 363	1.8%
Total Revenue Less Total Costs	\$ (8,024)	\$ (7,489)	\$ (536)	7.2%
Net Operating Subsidy	\$ (13,092)	\$ (13,726)	\$ 634	4.6%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 65,058	\$ 64,827	\$ 230	0.4%
Other Revenue	3,125	2,969	157	5.3%
Total Operating Revenue	\$ 68,183	\$ 67,796	\$ 387	0.6%
Subsidy	\$ 132,498	\$ 131,978	\$ 520	0.4%
Other Non Operating Income	9,443	9,443	-	0.0%
Total Non Operating Revenue	\$ 141,941	\$ 141,421	\$ 520	0.4%
Total Revenue	\$ 210,125	\$ 209,217	\$ 907	0.4%
Wages	\$ 54,761	\$ 55,088	\$ 327	0.6%
Fringes	28,414	28,566	151	0.5%
Services	14,436	13,681	(755)	-5.5%
Purchased Transportation	44,789	45,015	226	0.5%
Materials	7,097	6,971	(127)	-1.8%
Energy	23,388	24,365	976	4.0%
Risk Management	4,604	4,932	328	6.7%
General and Administrative	772	1,164	392	33.7%
Debt Service	24,903	24,903	-	0.0%
Vehicle/Facility Lease	140	192	52	27.1%
Total Costs	\$ 203,304	\$ 204,875	\$ 1,571	0.8%
Total Revenue Less Total Costs	\$ 6,820	\$ 4,342	\$ 2,478	57.1%
Net Operating Subsidy	\$ (135,121)	\$ (137,079)	\$ 1,958	1.4%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONSOLIDATED OPERATIONS

COMPARISON TO BUDGET - FISCAL YEAR 2006

MAY 31, 2006

(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 5,867	\$ 5,740	\$ 127	2.2%
Other Revenue	182	118	64	54.0%
Total Operating Revenue	\$ 6,049	\$ 5,858	\$ 191	3.3%
Subsidy	\$ 3,639	\$ 5,294	\$ (1,655)	-31.3%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 3,639	\$ 5,294	\$ (1,655)	-31.3%
Total Revenue	\$ 9,688	\$ 11,152	\$ (1,464)	-13.1%
Wages	\$ 4,545	\$ 4,539	\$ (5)	-0.1%
Fringes	3,458	3,473	16	0.4%
Services	1,220	959	(261)	-27.2%
Purchased Transportation	4,128	4,207	80	1.9%
Materials and Supplies	573	594	20	3.4%
Energy	1,953	2,261	308	13.6%
Risk Management	373	404	31	7.6%
General and Administrative	20	66	46	69.7%
Debt Service	-	-	-	-
Vehicle/Facility Lease	27	32	5	15.0%
Total Costs	\$ 16,297	\$ 16,535	\$ 239	1.4%
Total Revenue Less Total Costs	\$ (6,609)	\$ (5,383)	\$ (1,226)	22.8%
Net Operating Subsidy	\$ (10,248)	\$ (10,677)	\$ 430	4.0%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 65,058	\$ 64,827	\$ 230	0.4%
Other Revenue	1,252	1,319	(66)	-5.0%
Total Operating Revenue	\$ 66,310	\$ 66,146	\$ 164	0.2%
Subsidy	\$ 117,563	\$ 117,591	\$ (28)	0.0%
Other Non Operating Income	0	(0)	-	0.0%
Total Non Operating Revenue	\$ 117,563	\$ 117,591	\$ (28)	0.0%
Total Revenue	\$ 183,873	\$ 183,737	\$ 136	0.1%
Wages	\$ 48,578	\$ 48,607	\$ 29	0.1%
Fringes	31,103	31,321	218	0.7%
Services	11,675	11,152	(522)	-4.7%
Purchased Transportation	44,838	45,065	226	0.5%
Materials	7,046	6,939	(107)	-1.5%
Energy	23,187	24,194	1,006	4.2%
Risk Management	4,046	4,301	254	5.9%
General and Administrative	333	537	204	38.0%
Debt Service	-	-	-	-
Vehicle/Facility Lease	135	192	57	29.5%
Total Costs	\$ 170,942	\$ 172,307	\$ 1,365	0.8%
Total Revenue Less Total Costs	\$ 12,931	\$ 11,429	\$ 1,502	13.1%
Net Operating Subsidy	\$ (104,632)	\$ (106,162)	\$ 1,529	1.4%

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

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 1,888	\$ 1,820	\$ 68	3.7%
Other Revenue	148	101	47	46.9%
Total Operating Revenue	\$ 2,036	\$ 1,921	\$ 115	6.0%
Subsidy	\$ 1,122	\$ 2,778	\$ (1,655)	-59.6%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 1,122	\$ 2,778	\$ (1,655)	-59.6%
Total Revenue	\$ 3,158	\$ 4,698	\$ (1,540)	-32.8%
Wages	\$ 2,506	\$ 2,525	\$ 19	0.7%
Fringes	2,764	2,932	168	5.7%
Services	178	158	(20)	-12.8%
Purchased Transportation	-	-	-	-
Materials and Supplies	368	403	36	8.8%
Energy	567	734	166	22.7%
Risk Management	167	189	22	11.6%
General and Administrative	14	16	2	11.4%
Debt Service	-	-	-	-
Vehicle/Facility Lease	8	14	6	40.7%
Total Costs	\$ 6,573	\$ 6,971	\$ 398	5.7%
Total Revenue Less Total Costs	\$ (3,415)	\$ (2,272)	\$ (1,142)	50.3%
Net Operating Subsidy	\$ (4,537)	\$ (5,050)	\$ 513	10.2%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 20,114	\$ 19,803	\$ 310	1.6%
Other Revenue	872	988	(116)	-11.7%
Total Operating Revenue	\$ 20,986	\$ 20,791	\$ 194	0.9%
Subsidy	\$ 51,292	\$ 51,320	\$ (28)	-0.1%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 51,292	\$ 51,320	\$ (28)	-0.1%
Total Revenue	\$ 72,278	\$ 72,112	\$ 167	0.2%
Wages	\$ 27,474	\$ 27,283	\$ (191)	-0.7%
Fringes	23,618	24,332	714	2.9%
Services	1,441	1,524	83	5.4%
Purchased Transportation	-	-	-	-
Materials	3,749	3,994	245	6.1%
Energy	7,663	7,966	302	3.8%
Risk Management	1,630	1,838	208	11.3%
General and Administrative	144	179	36	20.0%
Debt Service	-	-	-	-
Vehicle/Facility Lease	35	77	42	54.8%
Total Costs	\$ 65,754	\$ 67,194	\$ 1,440	2.1%
Total Revenue Less Total Costs	\$ 6,524	\$ 4,918	\$ 1,606	32.7%
Net Operating Subsidy	\$ (44,768)	\$ (46,402)	\$ 1,634	3.5%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RAIL OPERATIONS (SAN DIEGO TROLLEY, INC.)

COMPARISON TO BUDGET - FISCAL YEAR 2006

MAY 31, 2006

(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 2,349	\$ 2,472	\$ (123)	-5.0%
Other Revenue	34	17	17	95.1%
Total Operating Revenue	\$ 2,383	\$ 2,489	\$ (106)	-4.3%
Subsidy	\$ 2,127	\$ 2,127	\$ -	0.0%
Other Non Operating Income	0	-	-	100.0%
Total Non Operating Revenue	\$ 2,127	\$ 2,127	\$ -	0.0%
Total Revenue	\$ 4,510	\$ 4,616	\$ (106)	-2.3%
Wages	\$ 1,861	\$ 1,813	\$ (48)	-2.6%
Fringes	675	521	(153)	-29.4%
Services	742	593	(149)	-25.1%
Purchased Transportation	-	-	-	-
Materials and Supplies	198	175	(24)	-13.6%
Energy	674	708	33	4.7%
Risk Management	181	184	3	1.5%
General and Administrative	4	14	10	71.8%
Debt Service	-	-	-	-
Vehicle/Facility Lease	9	8	(1)	-13.7%
Total Costs	\$ 4,344	\$ 4,016	\$ (328)	-8.2%
Total Revenue Less Total Costs	\$ 166	\$ 601	\$ (435)	-72.4%
Net Operating Subsidy	\$ (1,961)	\$ (1,527)	\$ (435)	-28.5%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 25,511	\$ 26,233	\$ (722)	-2.8%
Other Revenue	380	330	50	15.1%
Total Operating Revenue	\$ 25,891	\$ 26,564	\$ (672)	-2.5%
Subsidy	\$ 22,168	\$ 22,168	\$ -	0.0%
Other Non Operating Income	0	-	-	100.0%
Total Non Operating Revenue	\$ 22,168	\$ 22,168	\$ -	0.0%
Total Revenue	\$ 48,059	\$ 48,731	\$ (672)	-1.4%
Wages	\$ 18,987	\$ 19,127	\$ 141	0.7%
Fringes	7,063	6,570	(493)	-7.5%
Services	7,899	7,418	(482)	-6.5%
Purchased Transportation	-	-	-	-
Materials	3,175	2,804	(371)	-13.2%
Energy	7,605	7,906	301	3.8%
Risk Management	2,015	2,071	56	2.7%
General and Administrative	150	194	44	22.7%
Debt Service	-	-	-	-
Vehicle/Facility Lease	73	75	2	3.2%
Total Costs	\$ 46,967	\$ 46,166	\$ (801)	-1.7%
Total Revenue Less Total Costs	\$ 1,091	\$ 2,565	\$ (1,474)	-57.5%
Net Operating Subsidy	\$ (21,076)	\$ (19,602)	\$ (1,474)	-7.5%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONTRACT SERVICES

FIXED ROUTE

COMPARISON TO BUDGET - FISCAL YEAR 2006

MAY 31, 2006

(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 1,196	\$ 1,085	\$ 111	10.2%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,196	\$ 1,085	\$ 111	10.2%
Subsidy	\$ 182	\$ 182	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 182	\$ 182	\$ -	0.0%
Total Revenue	\$ 1,379	\$ 1,268	\$ 111	8.8%
Wages	\$ 24	\$ 32	\$ 7	23.3%
Fringes	-	-	-	-
Services	217	114	(103)	-90.6%
Purchased Transportation	2,909	3,003	95	3.2%
Materials and Supplies	-	-	-	-
Energy	483	556	74	13.2%
Risk Management	-	-	-	-
General and Administrative	0	1	1	89.9%
Debt Service	-	-	-	-
Vehicle/Facility Lease	10	7	(3)	-43.0%
Total Costs	\$ 3,642	\$ 3,713	\$ 71	1.9%
Total Revenue Less Total Costs	\$ (2,264)	\$ (2,446)	\$ 182	-7.4%
Net Operating Subsidy	\$ (2,446)	\$ (2,628)	\$ 182	6.9%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 14,389	\$ 13,980	\$ 409	2.9%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 14,389	\$ 13,980	\$ 409	2.9%
Subsidy	\$ 27,283	\$ 27,283	\$ (0)	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 27,283	\$ 27,283	\$ (0)	0.0%
Total Revenue	\$ 41,673	\$ 41,263	\$ 409	1.0%
Wages	\$ 357	\$ 347	\$ (10)	-2.8%
Fringes	-	-	-	-
Services	1,134	1,032	(102)	-9.9%
Purchased Transportation	31,885	32,115	230	0.7%
Materials	-	-	-	-
Energy	5,609	5,814	205	3.5%
Risk Management	-	-	-	-
General and Administrative	3	8	5	60.1%
Debt Service	-	-	-	-
Vehicle/Facility Lease	24	25	0	0.1%
Total Costs	\$ 39,012	\$ 39,340	\$ 328	0.8%
Total Revenue Less Total Costs	\$ 2,661	\$ 1,923	\$ 737	38.3%
Net Operating Subsidy	\$ (24,623)	\$ (25,360)	\$ 737	2.9%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONTRACT SERVICES

PARA TRANSIT

COMPARISON TO BUDGET - FISCAL YEAR 2006

MAY 31, 2006

(in \$000's)

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 146	\$ 109	\$ 37	33.5%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 146	\$ 109	\$ 37	33.5%
Subsidy	\$ -	\$ -	\$ -	-
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ -	\$ -	\$ -	-
Total Revenue	\$ 146	\$ 109	\$ 37	33.5%
Wages	\$ 12	\$ 21	\$ 9	44.4%
Fringes	-	-	-	-
Services	16	22	6	28.8%
Purchased Transportation	791	769	(22)	-2.8%
Materials and Supplies	-	-	-	-
Energy	120	115	(5)	-4.5%
Risk Management	-	-	-	-
General and Administrative	0	0	0	80.3%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	3	3	-
Total Costs	\$ 938	\$ 930	\$ (8)	-0.8%
Total Revenue Less Total Costs	\$ (792)	\$ (821)	\$ 29	-3.5%
Net Operating Subsidy	\$ (792)	\$ (821)	\$ 29	3.5%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 1,521	\$ 1,386	\$ 135	9.7%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,521	\$ 1,386	\$ 135	9.7%
Subsidy	\$ 9,499	\$ 9,499	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 9,499	\$ 9,499	\$ -	0.0%
Total Revenue	\$ 11,019	\$ 10,884	\$ 135	1.2%
Wages	\$ 175	\$ 198	\$ 23	11.9%
Fringes	-	-	-	-
Services	323	355	31	8.8%
Purchased Transportation	8,334	8,294	(40)	-0.5%
Materials	-	-	-	-
Energy	1,141	1,186	44	3.7%
Risk Management	-	-	-	-
General and Administrative	2	4	2	40.9%
Debt Service	-	-	-	-
Vehicle/Facility Lease	3	15	12	80.0%
Total Costs	\$ 9,979	\$ 10,051	\$ 73	0.7%
Total Revenue Less Total Costs	\$ 1,041	\$ 833	\$ 208	24.9%
Net Operating Subsidy	\$ (8,458)	\$ (8,665)	\$ 208	2.4%

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

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 197	\$ 166	\$ 31	18.9%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 197	\$ 166	\$ 31	18.9%
Subsidy	\$ 79	\$ 79	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 79	\$ 79	\$ -	0.0%
Total Revenue	\$ 276	\$ 245	\$ 31	12.8%
Wages	\$ 47	\$ 58	\$ 11	18.4%
Fringes	-	-	-	-
Services	28	24	(3)	-14.1%
Purchased Transportation	417	424	7	1.6%
Materials and Supplies	-	-	-	-
Energy	64	117	53	45.1%
Risk Management	-	-	-	-
General and Administrative	1	8	7	88.9%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 558	\$ 632	\$ 74	11.7%
Total Revenue Less Total Costs	\$ (282)	\$ (387)	\$ 105	-27.2%
Net Operating Subsidy	\$ (361)	\$ (466)	\$ 105	22.6%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 2,333	\$ 2,257	\$ 76	3.3%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 2,333	\$ 2,257	\$ 76	3.3%
Subsidy	\$ 4,920	\$ 4,920	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 4,920	\$ 4,920	\$ -	0.0%
Total Revenue	\$ 7,253	\$ 7,177	\$ 76	1.1%
Wages	\$ 521	\$ 602	\$ 81	13.5%
Fringes	-	-	-	-
Services	4,742	4,800	57	1.2%
Purchased Transportation	-	-	-	-
Materials	-	-	-	-
Energy	786	939	153	16.3%
Risk Management	-	-	-	-
General and Administrative	16	35	19	54.8%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 6,065	\$ 6,375	\$ 310	4.9%
Total Revenue Less Total Costs	\$ 1,188	\$ 802	\$ 386	48.1%
Net Operating Subsidy	\$ (3,732)	\$ (4,118)	\$ 386	9.4%

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

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 91	\$ 88	\$ 3	3.9%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 91	\$ 88	\$ 3	3.9%
Subsidy	\$ 127	\$ 127	\$ -	0.0%
Other Non Operating Income	(0)	-	-	100.0%
Total Non Operating Revenue	\$ 127	\$ 127	\$ -	0.0%
Total Revenue	\$ 218	\$ 215	\$ 3	1.6%
Wages	\$ 95	\$ 91	\$ (4)	-4.3%
Fringes	19	20	1	6.3%
Services	39	47	8	16.5%
Purchased Transportation	-	-	-	-
Materials and Supplies	7	15	9	55.5%
Energy	45	32	(13)	-41.6%
Risk Management	25	31	6	19.4%
General and Administrative	1	26	25	97.0%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 230	\$ 262	\$ 32	12.1%
Total Revenue Less Total Costs	\$ (12)	\$ (48)	\$ 35	-73.9%
Net Operating Subsidy	\$ (139)	\$ (174)	\$ 35	20.2%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 1,190	\$ 1,168	\$ 22	1.9%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,190	\$ 1,168	\$ 22	1.9%
Subsidy	\$ 1,922	\$ 1,922	\$ -	0.0%
Other Non Operating Income	-	0	-	-
Total Non Operating Revenue	\$ 1,922	\$ 1,922	\$ -	0.0%
Total Revenue	\$ 3,112	\$ 3,090	\$ 22	0.7%
Wages	\$ 1,066	\$ 1,050	\$ (16)	-1.5%
Fringes	233	230	(3)	-1.4%
Services	475	400	(74)	-18.5%
Purchased Transportation	-	-	-	-
Materials	122	141	18	13.0%
Energy	382	384	2	0.4%
Risk Management	401	392	(9)	-2.4%
General and Administrative	18	117	99	84.4%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 2,698	\$ 2,714	\$ 16	0.6%
Total Revenue Less Total Costs	\$ 414	\$ 376	\$ 39	10.2%
Net Operating Subsidy	\$ (1,507)	\$ (1,546)	\$ 39	2.5%

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

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Subsidy	\$ 1	\$ 1	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 1	\$ 1	\$ -	0.0%
Total Revenue	\$ 1	\$ 1	\$ -	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	\$ (10)	\$ (10)	\$ -	0.0%
Net Operating Subsidy	\$ (11)	\$ (11)	\$ -	0.0%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Subsidy	\$ 135	\$ 135	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 135	\$ 135	\$ -	0.0%
Total Revenue	\$ 135	\$ 135	\$ -	0.0%
Wages	\$ -	\$ -	\$ -	-
Fringes	-	-	-	-
Services	(0)	(0)	-	0.0%
Purchased Transportation	124	124	-	0.0%
Materials	-	-	-	-
Energy	-	-	-	-
Risk Management	-	-	-	-
General and Administrative	-	-	-	-
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 124	\$ 124	\$ -	0.0%
Total Revenue Less Total Costs	\$ 11	\$ 11	\$ -	0.0%
Net Operating Subsidy	\$ (124)	\$ (124)	\$ -	0.0%

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

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	85	32	53	163.3%
Total Operating Revenue	\$ 85	\$ 32	\$ 53	163.3%
Subsidy	\$ 569	\$ 83	\$ 486	583.6%
Other Non Operating Income	-	-	(0)	-
Total Non Operating Revenue	\$ 569	\$ 83	\$ 486	583.6%
Total Revenue	\$ 654	\$ 115	\$ 538	466.2%
Wages	\$ 541	\$ 566	\$ 26	4.5%
Fringes	130	136	6	4.4%
Services	311	324	13	3.9%
Purchased Transportation	(50)	(50)	(0)	1.0%
Materials and Supplies	42	9	(33)	-380.6%
Energy	20	15	(5)	-32.5%
Risk Management	45	82	37	44.6%
General and Administrative	39	80	41	51.0%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	0	0	-
Total Costs	\$ 1,078	\$ 1,162	\$ 83	7.2%
Total Revenue Less Total Costs	\$ (425)	\$ (1,046)	\$ 621	59.4%
Net Operating Subsidy	\$ (994)	\$ (1,129)	\$ 136	12.0%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	1,001	898	103	11.5%
Total Operating Revenue	\$ 1,001	\$ 898	\$ 103	11.5%
Subsidy	\$ 5,782	\$ 5,234	\$ 548	10.5%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 5,782	\$ 5,234	\$ 548	10.5%
Total Revenue	\$ 6,783	\$ 6,132	\$ 651	10.6%
Wages	\$ 5,817	\$ 5,993	\$ 175	2.9%
Fringes	1,255	1,189	(66)	-5.5%
Services	2,630	2,412	(218)	-9.1%
Purchased Transportation	(50)	(50)	-	0.0%
Materials	47	32	(15)	-48.2%
Energy	189	157	(32)	-20.2%
Risk Management	477	550	73	13.2%
General and Administrative	1,275	1,434	160	11.1%
Debt Service	-	-	-	-
Vehicle/Facility Lease	5	1	(4)	-662.3%
Total Costs	\$ 11,646	\$ 11,718	\$ 72	0.6%
Total Revenue Less Total Costs	\$ (4,863)	\$ (5,586)	\$ 722	12.9%
Net Operating Subsidy	\$ (10,646)	\$ (10,820)	\$ 174	1.6%

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

	MONTH			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	35	7	28	397.7%
Total Operating Revenue	\$ 35	\$ 7	\$ 28	397.7%
Subsidy	\$ 1	\$ 1	\$ -	0.0%
Other Non Operating Income	858	858	-	0.0%
Total Non Operating Revenue	\$ 860	\$ 860	\$ -	0.0%
Total Revenue	\$ 895	\$ 867	\$ 28	3.2%
Wages	\$ 26	\$ 67	\$ 40	60.5%
Fringes	(150)	(150)	(1)	0.4%
Services	21	12	(9)	-78.8%
Purchased Transportation	-	-	-	-
Materials and Supplies	-	-	-	-
Energy	1	2	1	54.2%
Risk Management	7	7	1	7.4%
General and Administrative	1	10	9	89.5%
Debt Service	1,979	1,979	-	0.0%
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 1,885	\$ 1,926	\$ 41	2.1%
Total Revenue Less Total Costs	\$ (991)	\$ (1,059)	\$ 69	6.5%
Net Operating Subsidy	\$ (1,850)	\$ (1,919)	\$ 69	3.6%

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	872	752	120	16.0%
Total Operating Revenue	\$ 872	\$ 752	\$ 120	16.0%
Subsidy	\$ 9,153	\$ 9,153	\$ -	0.0%
Other Non Operating Income	9,443	9,443	-	0.0%
Total Non Operating Revenue	\$ 18,596	\$ 18,596	\$ -	0.0%
Total Revenue	\$ 19,468	\$ 19,348	\$ 120	0.6%
Wages	\$ 365	\$ 488	\$ 123	25.1%
Fringes	(3,944)	(3,944)	(1)	0.0%
Services	132	117	(15)	-12.7%
Purchased Transportation	-	-	-	-
Materials	4	-	(4)	100.0%
Energy	12	13	2	13.8%
Risk Management	80	81	1	1.1%
General and Administrative	(836)	(808)	28	-3.5%
Debt Service	24,903	24,903	-	0.0%
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 20,716	\$ 20,850	\$ 134	0.6%
Total Revenue Less Total Costs	\$ (1,247)	\$ (1,501)	\$ 254	16.9%
Net Operating Subsidy	\$ (19,843)	\$ (20,097)	\$ 254	1.3%

Metropolitan Transit System FY 2006 -May 2006 Financial Review

MTS Board of Directors Meeting
August 10, 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	430	1,529
General Fund	205	429
Total Combined Net Operating Subsidy Variance	634	1,958



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

	YEAR TO DATE			
	ACTUAL	AMENDED BUDGET	VARIANCE	% VAR
Fare Revenue	\$65,058	\$64,827	\$230	0.4%
Other Revenue	1,252	1,319	(66)	-5.0%
Total Operating Revenue	66,310	66,146	164	0.2%
Wages/Fringes	79,681	79,928	247	0.3%
Purchased Transportation	44,838	45,065	226	0.5%
Energy	23,187	24,194	1,006	4.2%
Other Expenses	23,236	23,121	(114)	-0.5%
Total Costs	170,942	172,307	1,365	0.8%
Net Operating Subsidy	<u>(\$104,632)</u>	<u>(\$106,162)</u>	<u>\$1,529</u>	<u>1.4%</u>



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

MTS Board of Directors Meeting
August 10, 2006





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

Agenda

Item No. 46

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

FIN 300 (PC 50601)

August 10, 2006

SUBJECT:

SDTC: RV KUHNS SECOND QUARTER 2006 PENSION REVIEW

RECOMMENDATION:

That the Board of Directors receive this report for information.

Budget Impact

None.

DISCUSSION:

A copy of RV Kuhns' pension investment performance analysis for San Diego Transit Corporation's (SDTC's) Employee Retirement Plans as of June 30, 2006, is attached (Attachment A). The pension plan's investment advisor, Bruno Grimaldi, will be attending the meeting to present the report and answer any of the Board's questions. This information is being provided to the Board as an informational item only.

The market value of the pension fund on June 30, 2006, was \$154,245,577, which represents an increase of \$3,732,000 from June 30, 2005.

The pension fund consisted of \$85.7 million in equity-oriented portfolios, \$58.8 million in fixed-income portfolios, \$8.4 million in real estate, and \$1.4 million in cash and cash equivalents. This resulted in an asset mix at year-end of 55.5 percent equities, 38.1 percent fixed-income investments, 5.4 percent in real estate, and 0.9 percent in cash equivalents.



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.

The total fund return of -1.44 percent underperformed the customized index return of -1.01 percent. This negative quarter brings the plan's one-year return (July 05 to June 06) to 8.21 percent. The plan's annual return outperformed the customized index return of 7.62 percent.

The 1.69 percent return provided by Brandes compared to the -0.33 percent from its benchmark (the MSCI World Index) was the highlight of the quarter. The Westwood Large Cap, JP Morgan Core Bond, and Cohen and Steers REIT funds added to the plan's performance. Nicholas Applegate's Global Large Cap Fund (-3.64 percent), TCW Large Cap Portfolio (-5.21 percent), and GMO US Small/Mid Cap Value Fund (-4.97 percent) were the major detractors for the quarter.

For the year ended June 30, 2006, seven of the plan's managers outperformed their respective indices. Cohen and Steers REIT (22.87 percent), Brandes Investment Partners (19.09 percent), Nicholas Applegate's Global Large Cap Fund (19.06 percent), and Westwood Large Cap Portfolio (18.29 percent) led the plan's return for the year. TCW's return of 4.9 percent (below its index return of 6.19 percent) and Vanguard's Explorer Fund return of 13.67 percent (compared to the Russell 2500 Growth Index return of 14.62 percent) were the only managers who underperformed their respective indices on an annual basis.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Cliff Telfer, 619.557.4532, cliff.telfer@sdmts.com

AUG10-06.46.2NDQTRPENSIONREVIEW.CTELFER

Attachment: A. SDTC's Employees Retirement Plan Summary (6/30/06)



San Diego Transit Corporation Employees Retirement Plan

Investment Performance Analysis

Month Ended

June 30, 2006

Prepared By

Eric Hillison

RVKuhns

▶ ▶ ▶ & ASSOCIATES, INC.

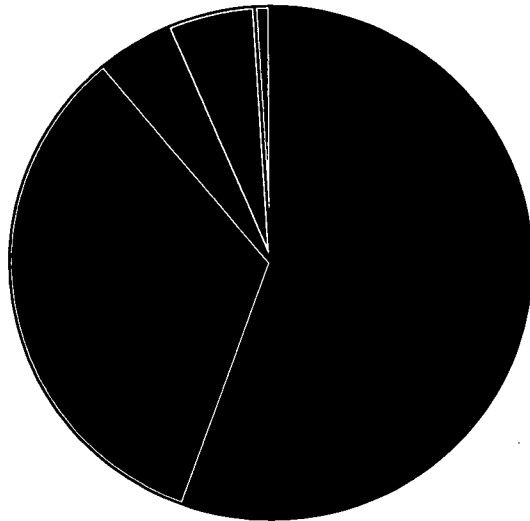
2 Penn Plaza, Suite 1500
New York, New York 10121
212.292.5634 f:212.292.5643
www.rvkuhns.com

Att. A, AI 46, 8/10/06, FIN 300

**San Diego Transit Corporation Employees Retirement Plan
Asset Allocation
San Diego Transit Total Fund
As of June 30, 2006**

Asset Allocation By Asset Class

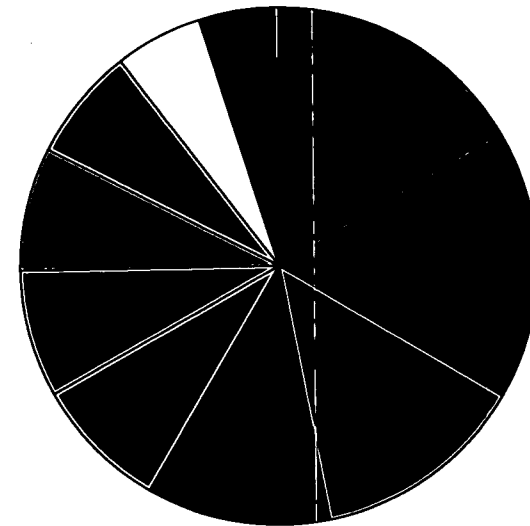
June 30, 2006 : \$154,245,577



Asset Class	Market Value (\$)	Allocation (%)
■ Domestic Equity	71,266,062	46.20
■ International Equity	14,394,839	9.33
■ Domestic Fixed Income	51,583,434	33.44
■ International Fixed Income	7,171,225	4.65
■ Real Estate	8,403,324	5.45
■ Cash	1,426,692	0.92

Asset Allocation By Manager

June 30, 2006 : \$154,245,577



Manager	Market Value (\$)	Allocation (%)
■ PIMCO Total Return Fund (Inst'l)	25,793,883	16.72
■ JP Morgan Core Bond Trust	25,789,557	16.72
■ Westwood Large Cap	20,801,789	13.49
■ TCW Investment Management	17,644,340	11.44
■ Brandes Investment Partners	12,988,313	8.42
■ Nicholas Applegate	12,289,447	7.97
■ Vanguard Explorer Fund (Admiral)	11,941,184	7.74
■ GMO US Small/Mid Cap Value Fund	10,962,398	7.11
■ Cohen & Steers REIT Fund	8,403,586	5.45
■ Loomis Sayles Global Bond Fund	7,173,454	4.65
■ Cash Account	457,626	0.30

Note: Market values are preliminary and subject to change.

San Diego Transit Corporation Employees Retirement Plan
Policy Index Specification
San Diego Transit Total Fund
As of June 30, 2006

Label	Start Date	End Date	Allocation (%)	Index
Policy Index	Jul-1982	Dec-1988	60.00 40.00	S&P 500 Index LB Aggregate Bond Index
	Jan-1989	Dec-1993	50.00 10.00 40.00	S&P 500 Index MSCI EAFE Index (Net) LB Aggregate Bond Index
	Jan-1994	Sep-1996	37.00 10.00 13.00 36.00 4.00	S&P 500 Index MSCI EAFE Index (Net) MSCI World Index (Net) LB Aggregate Bond Index Citigroup World Government Bond Index
	Oct-1996	Sep-1998	27.00 10.00 10.00 13.00 36.00 4.00	S&P 500 Index R 2000 Index MSCI EAFE Index (Net) MSCI World Index (Net) LB Aggregate Bond Index Citigroup World Government Bond Index
	Oct-1998	Dec-2001	35.00 10.00 15.00 35.00 5.00	S&P 500 Index R 2000 Index MSCI EAFE Index (Net) LB Aggregate Bond Index Citigroup World Government Bond Index
	Jan-2002	Mar-2005	25.20 4.20 4.20 26.40 35.00 5.00	S&P 500 Index R 2000 Index R 2500 Index MSCI World Index (Gross) LB Aggregate Bond Index Citigroup World Government Bond Index
	Apr-2005	Present	25.00 7.50 7.50 15.00 35.00 5.00 5.00	S&P 500 Index R 2000 Index R 2500 Index MSCI World Index (Gross) LB Aggregate Bond Index Citigroup World Government Bond Index Dow Jones Wilshire REIT Index

San Diego Transit Corporation Employees Retirement Plan
Policy Index (POB) Specification
San Diego Transit Total Fund (POB)
As of June 30, 2006

Label	Start Date	End Date	Allocation (%)	Index
Policy Index (POB)	Oct-2004	Mar-2005	25.20	S&P 500 Index
			4.20	R 2000 Index
			4.20	R 2500 Index
			26.40	MSCI World Index (Gross)
			35.00	LB Aggregate Bond Index
			5.00	Citigroup World Government Bond Index
	Apr-2005	Present	25.00	S&P 500 Index
			7.50	R 2000 Index
			7.50	R 2500 Index
			15.00	MSCI World Index (Gross)
			35.00	LB Aggregate Bond Index
			5.00	Citigroup World Government Bond Index
			5.00	Dow Jones Wilshire REIT Index

San Diego Transit Corporation Employees Retirement Plan
Comparative Performance
As of June 30, 2006

	1 Month	1 Quarter	2 Quarters Ending Jun-2006	3 Quarters Ending Jun-2006	1 Year	3 Years	5 Years	2003	2004	2005	Since Inception	Inception Date
Westwood Large Cap	0.74	1.31	8.10	10.31	18.29	17.83	7.30	23.64	14.10	15.77	12.79	07/01/1986
R 1000 Value Index	0.64	0.59	6.56	7.91	12.10	15.70	6.90	30.03	16.50	7.05	12.14	
Difference	0.10	0.72	1.54	2.40	6.19	2.13	0.40	-6.39	-2.40	8.72	0.65	
TCW Investment Management	0.05	-5.21	-6.09	-0.37	4.90	9.87	N/A	51.08	12.37	5.06	3.95	01/01/2002
R 1000 Growth Index	-0.39	-3.90	-0.93	2.03	6.12	8.35	-0.76	29.75	6.30	5.27	0.82	
Difference	0.44	-1.31	-5.16	-2.40	-1.22	1.52	N/A	21.33	6.07	-0.21	3.13	
GMO US Small/Mid Cap Value Fund	-1.02	-4.97	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-4.97	04/01/2006
R 2500 Value Index	0.57	-2.53	7.67	8.66	12.52	20.96	13.40	44.93	21.58	7.74	-2.53	
Difference	-1.59	-2.44	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-2.44	
Vanguard Explorer Fund (Admiral)	-0.55	-6.61	4.25	7.67	13.67	N/A	N/A	N/A	N/A	9.91	16.75	10/01/2004
R 2500 Growth Index	-0.47	-6.13	4.98	7.83	14.62	17.03	4.39	46.31	14.59	8.17	16.42	
Difference	-0.08	-0.48	-0.73	-0.16	-0.95	N/A	N/A	N/A	N/A	1.74	0.33	
Cohen & Steers REIT Fund	5.74	-0.57	14.23	17.97	22.87	N/A	N/A	N/A	N/A	N/A	28.61	03/01/2005
DJW REIT Index (Float Adjusted)	5.69	-1.12	14.49	17.38	22.01	27.68	20.17	36.18	33.14	13.82	27.63	
Difference	0.05	0.55	-0.26	0.59	0.86	N/A	N/A	N/A	N/A	N/A	0.98	
Brandes Investment Partners	1.53	1.69	9.49	8.84	19.09	20.37	N/A	45.15	17.11	6.72	12.34	12/01/2001
MSCI World Index (Gross)	0.01	-0.33	6.37	9.73	17.50	17.41	6.21	33.76	15.25	10.02	8.62	
Difference	1.52	2.02	3.12	-0.89	1.59	2.96	N/A	11.39	1.86	-3.30	3.72	
Nicholas Applegate	-0.79	-3.64	5.15	9.51	19.06	16.98	N/A	29.06	11.31	15.98	7.38	12/01/2001
MSCI World Index (Gross)	0.01	-0.33	6.37	9.73	17.50	17.41	6.21	33.76	15.25	10.02	8.62	
Difference	-0.80	-3.31	-1.22	-0.22	1.56	-0.43	N/A	-4.70	-3.94	5.96	-1.24	

Performance shown is gross of fees. Performance is preliminary and subject to change.
Returns for periods greater than one year are annualized.

RVKuhns
▶ ▶ ▶ & ASSOCIATES, INC.

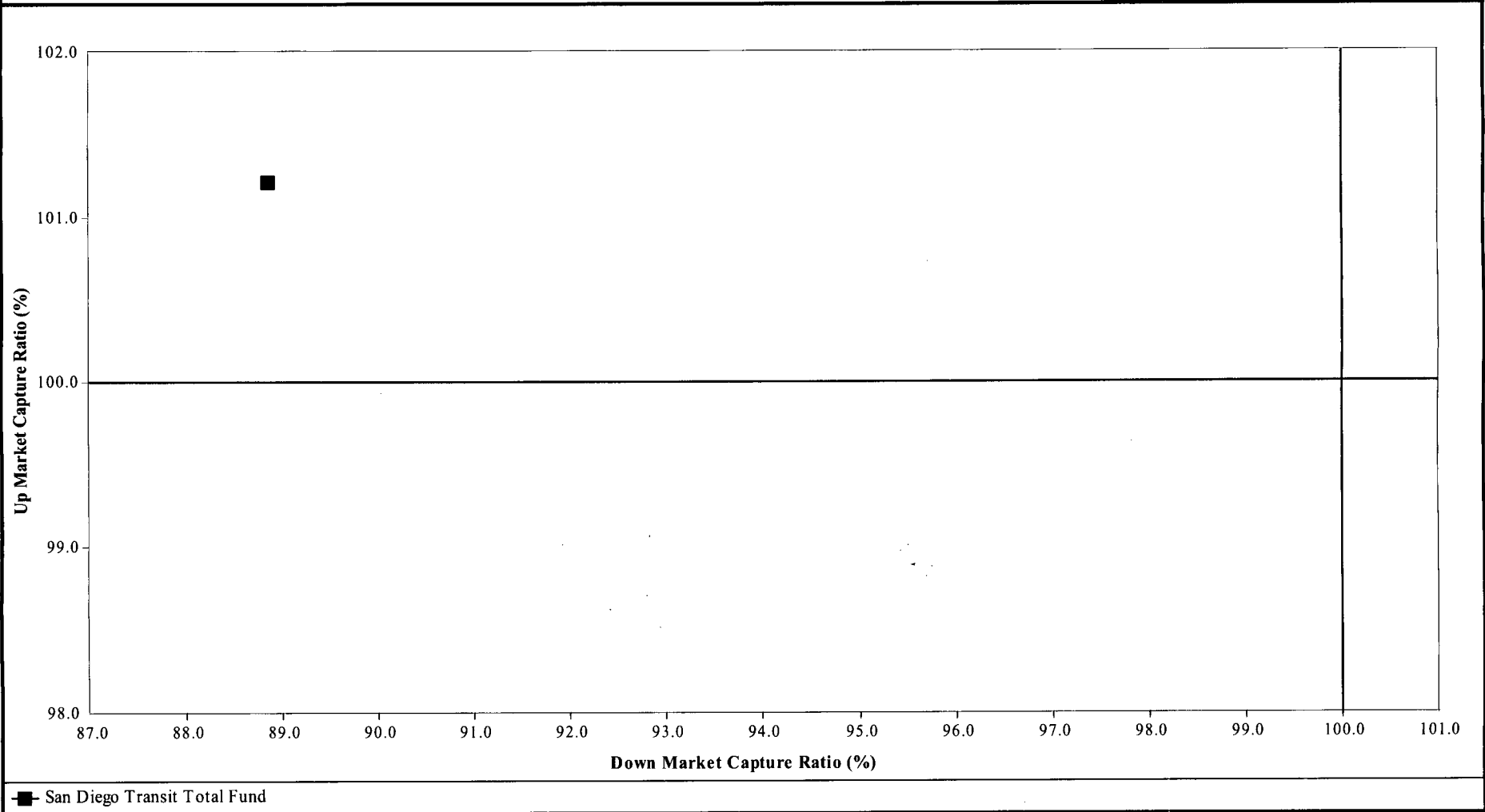
San Diego Transit Corporation Employees Retirement Plan
Comparative Performance
As of June 30, 2006

	1 Month	1 Quarter	2 Quarters Ending Jun-2006	3 Quarters Ending Jun-2006	1 Year	3 Years	5 Years	2003	2004	2005	Since Inception	Inception Date
JP Morgan Core Bond Trust	0.25	0.13	-0.33	0.28	-0.27	2.74	N/A	N/A	4.51	2.95	2.57	06/01/2003
LB Aggregate Bond Index	0.21	-0.08	-0.72	-0.13	-0.81	2.05	4.97	4.10	4.34	2.43	1.93	
Difference	0.04	0.21	0.39	0.41	0.54	0.69	N/A	N/A	0.17	0.52	0.64	
PIMCO Total Return Fund (Inst'l)	-0.06	-0.19	-0.64	-0.11	-0.52	2.79	N/A	N/A	5.68	2.98	2.89	05/01/2003
LB Aggregate Bond Index	0.21	-0.08	-0.72	-0.13	-0.81	2.05	4.97	4.10	4.34	2.43	2.47	
Difference	-0.27	-0.11	0.08	0.02	0.29	0.74	N/A	N/A	1.34	0.55	0.42	
Loomis Sayles Global Bond Fund	-0.53	2.42	3.54	2.69	-2.37	5.96	11.97	22.26	10.76	-3.57	8.07	05/01/1998
Citi World Gov't Bond Index	-1.05	3.17	2.74	0.77	-0.37	4.25	8.52	14.93	10.36	-6.87	5.70	
Difference	0.52	-0.75	0.80	1.92	2.74	1.71	3.45	7.33	0.40	3.30	2.37	
San Diego Transit Total Fund	0.36	-1.44	2.42	4.48	8.21	10.73	5.52	22.79	10.14	16.99	11.21	10/01/1982
Policy Index	0.39	-1.01	3.36	4.88	7.62	10.28	5.74	21.68	10.36	5.56	11.36	
Difference	-0.03	-0.43	-0.94	-0.40	0.59	0.45	-0.22	1.11	-0.22	1.43	-0.15	
San Diego Transit Total Fund (POB)	0.36	-1.44	2.42	4.48	8.21	N/A	N/A	N/A	N/A	6.99	9.99	10/01/2004
Policy Index (POB)	0.39	-1.01	3.36	4.88	7.62	N/A	N/A	N/A	N/A	5.56	9.48	
Difference	-0.03	-0.43	-0.94	-0.40	0.59	N/A	N/A	N/A	N/A	1.43	0.51	

Performance shown is gross of fees. Performance is preliminary and subject to change.
Returns for periods greater than one year are annualized.

**San Diego Transit Corporation Employees Retirement Plan
Up/Down Markets
Versus Policy Index
10 Years Ending June 30, 2006**

	Full Period Return		Quarters Benchmark Up(26)				Quarters Benchmark Down(14)			
			Manager Ahead		Manager Behind		Manager Ahead		Manager Behind	
	Manager	Benchmark	No. Quarters	Avg. Ahead	No. Quarters	Avg. Behind	No. Quarters	Avg. Ahead	No. Quarters	Avg. Behind
San Diego Transit Total Fund	8.28	7.62	16	0.84	10	-1.20	6	1.63	8	-0.61



Performance shown is gross of fees.



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

Agenda

Item No. 47

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

OPS 920.1, 960.5, 970.5
(PC 50451)

August 10, 2006

SUBJECT:

MTS: JUNE 2006 MONTHLY PERFORMANCE INDICATORS

RECOMMENDATION:

That the Board of Directors receive this report for information.

Budget Impact

None.

DISCUSSION:

Operating Environment

The following report is a summary of the MTS operational statistics for June 2006, month twelve of FY 2006. In June, there were 22 operational weekdays and 8 weekend days of service. Among the events in June were regular-season Padres baseball games for which MTS rail provided special-event service. The annual Rock 'N' Roll Marathon was held on Sunday, June 4. Early-morning shuttle service on MTS buses were reserved for the event with assistance from Laidlaw contracted buses. These shuttles ran between the start and finish lines. Additional early-morning service was also provided on MTS rail.

June 11 marked the first of three major changes scheduled for the entire MTS bus system; these changes are the result of the planning and scheduling efforts of the Comprehensive Operational Analysis (COA).



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.

Service Statistics

The following are the relevant service statistics for June 2006 categorized by performance indicator. Charts based on the statistics are provided in Attachments A through E. It is important to note that the methods and definitions for each of the operations reported is still in the process of being revised as each agency previously collected data according to different standards. It is therefore not possible to firmly compare the performances among the agencies on any indicator.

- Service Effectiveness

- In June, the MTS system carried 6,569,570 passengers with 3,729,277 traveling on buses and 2,840,293 passengers traveling on trolleys. The ridership graph details the ridership trends for each of the MTS Bus components, and an additional graph details the ridership on MTS Rail by route.

- Service Reliability

- On-Time Performance: MTS system on-time performance was calculated at 87.7%. MTS bus operations reported 76.7% of its June trips as on time, MTS Contract Services reported 85.8% of its trips as on time, and MTS rail reported 94.2% of its trips as on time. Although the same standard for reporting is used, each agency uses a different methodology to calculate on-time performance.
- Mean Distance Between Failures (MDBF): The MDBF statistic reported was 37,305 miles for MTS bus operations, 7,342 miles for MTS Contract Services fixed-route services, and 699,507 car miles for MTS rail. The methodology and data-collection methods are still being reviewed and streamlined for this statistic to ensure consistency among operations.

- Quality of Service

- Collision Accidents: MTS Bus Operations reported 4.24 collision accidents per 100,000 miles in June, and MTS Contract Services reported 1.98 accidents per 100,000 miles. MTS rail reported 0.29 collisions per 100,000 miles. The methodology and data collection methods are still being reviewed and streamlined for this statistic to ensure consistency among operations.
- Customer Complaints: MTS bus operations reported 12.46 complaints per 100,000 passengers in June. The non-ADA services of MTS Contract Services reported 6.79 complaints per 100,000 passengers. There were 12 ADA complaints reported by MTS Contract Services, which represented 0.04% of total ADA ridership. The methodology and data-collection methods are still being reviewed and streamlined for this statistic to ensure consistency among operations. This statistic will eventually be reported through one consistent data source as the agency consolidation progresses.

A detail of MTS Bus Customer Contacts (Attachment E) report for June is provided for review. The graph shows the various categories of customer feedback and the reported statistics. As a point of note, only Bus Operator Complaints, Maintenance/Other MTS Bus Complaints, and MTS System Complaints are captured as part of the customer complaints statistic.



Paul C. Jablonski
Chief Executive Officer

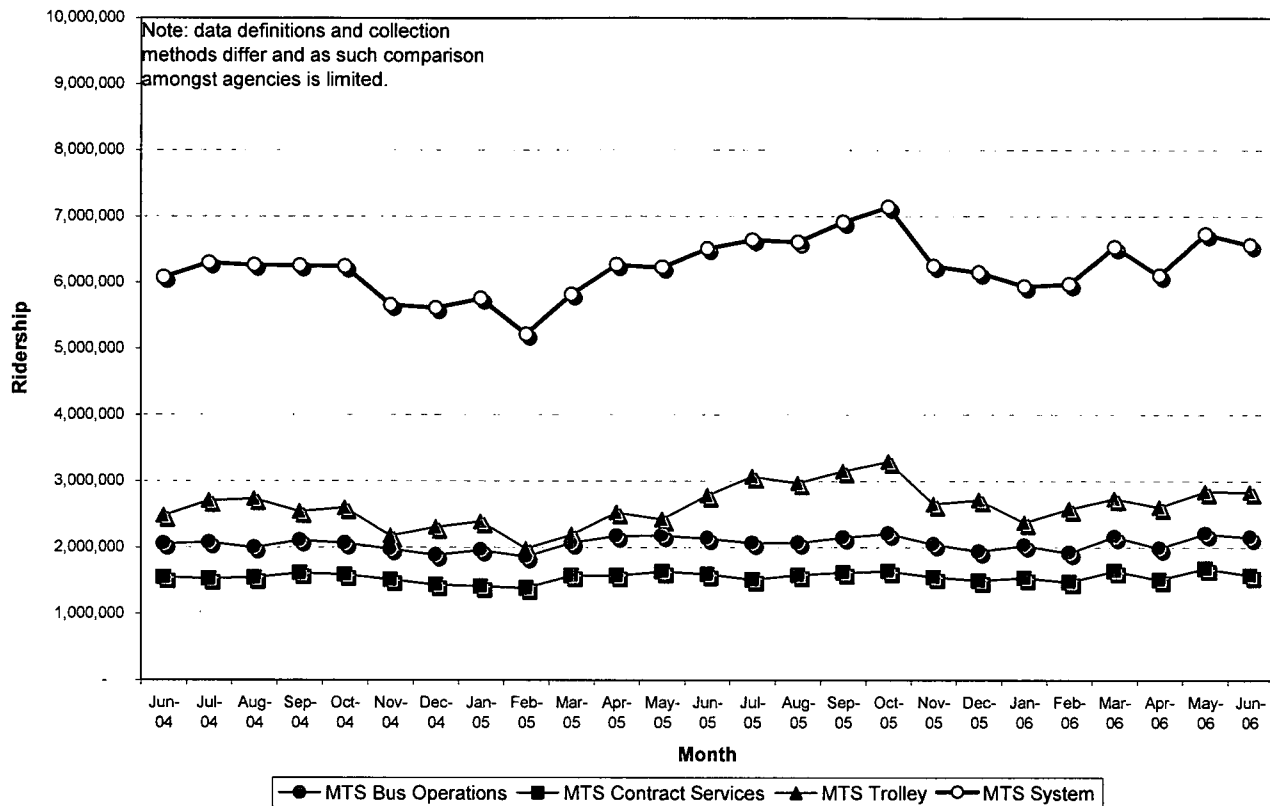
Key Staff Contact: Anika-Aduesa Smart, 619.595.4901, anika.smart@sdmts.com

AUG10-06.47.PERFORMANCEIND.ASMART

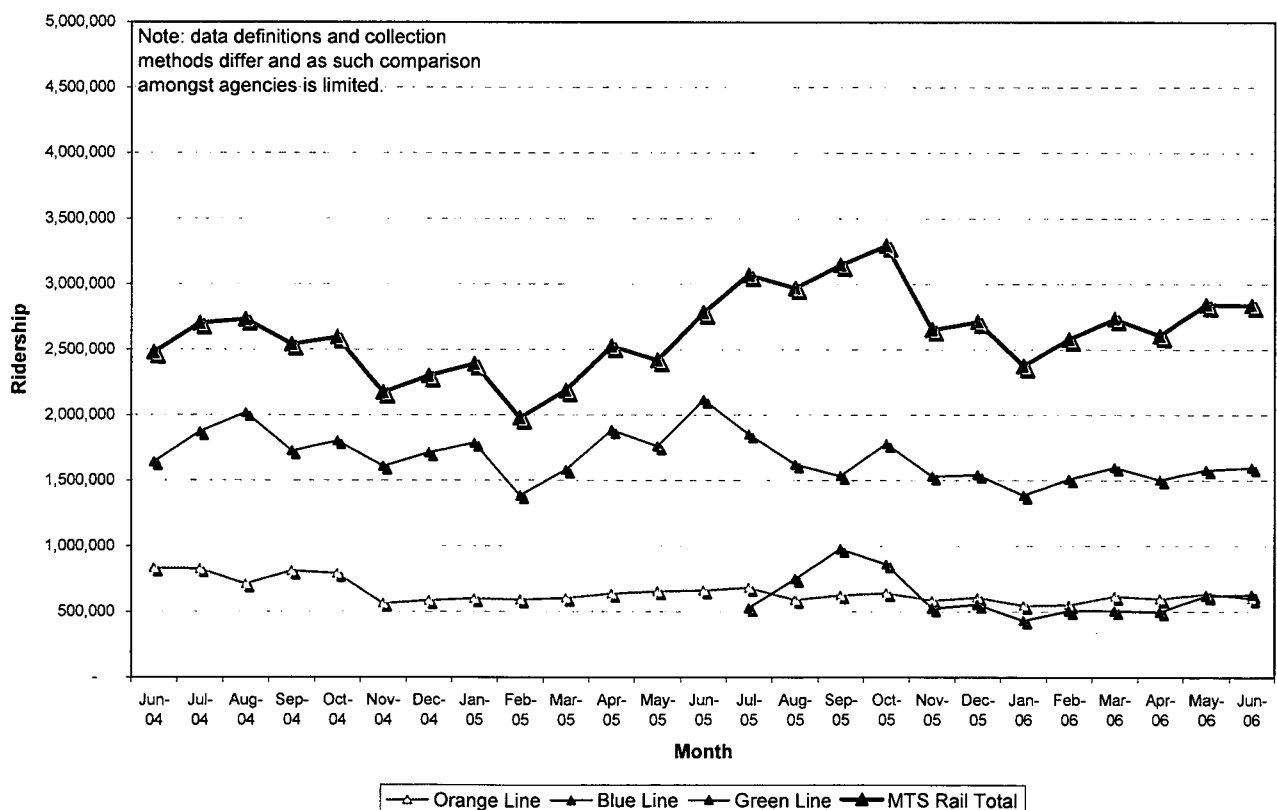
Attachments: A. MTS System Ridership (Bus, Rail, System), MTS Rail Ridership
B. On-Time Performance
C. MTS Mean Distance Between Mechanical Failures (Bus, Rail)
D. MTS Total Collision Accidents (Bus, Rail)
E. MTS Customer Complaints (Non-ADA Service), MTS Bus Customer Contacts

RIDERSHIP

MTS System Ridership - FY04 - FY06YTD

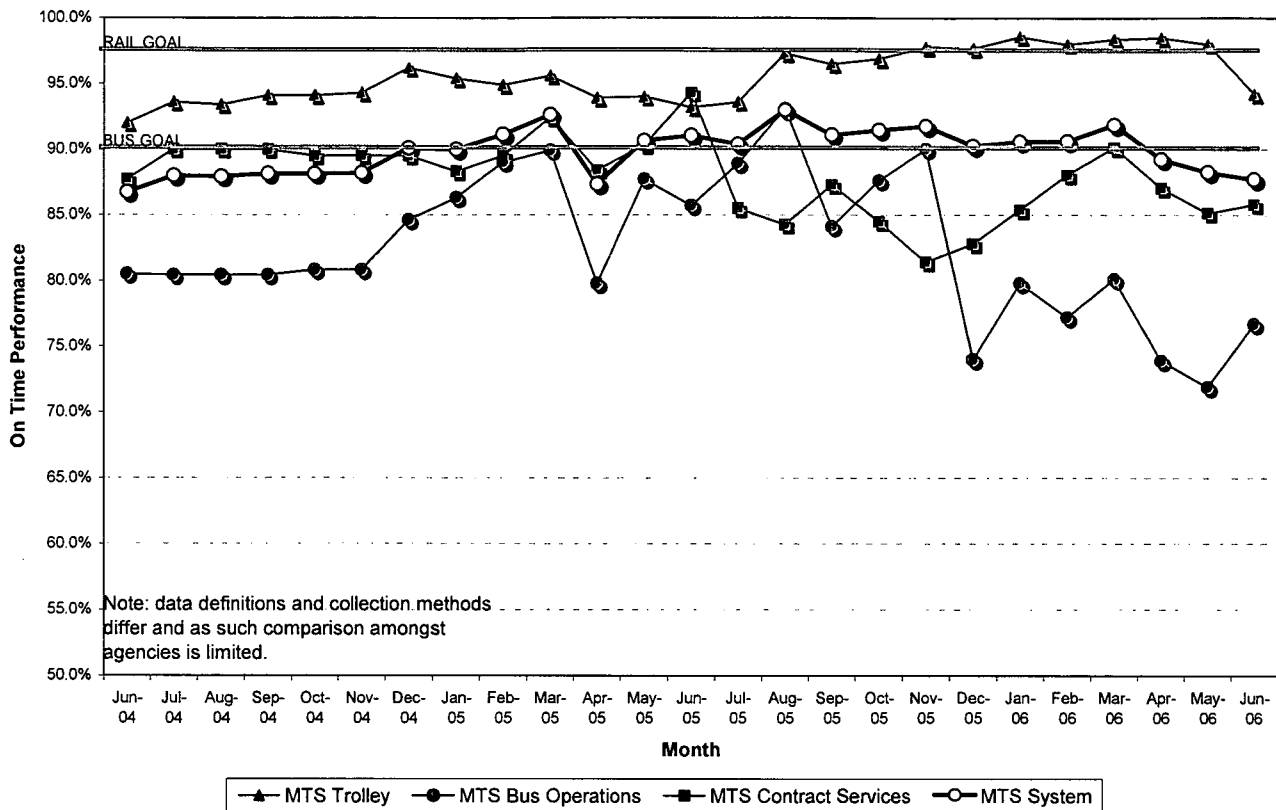


MTS Rail Ridership Detail - FY04 - FY06YTD



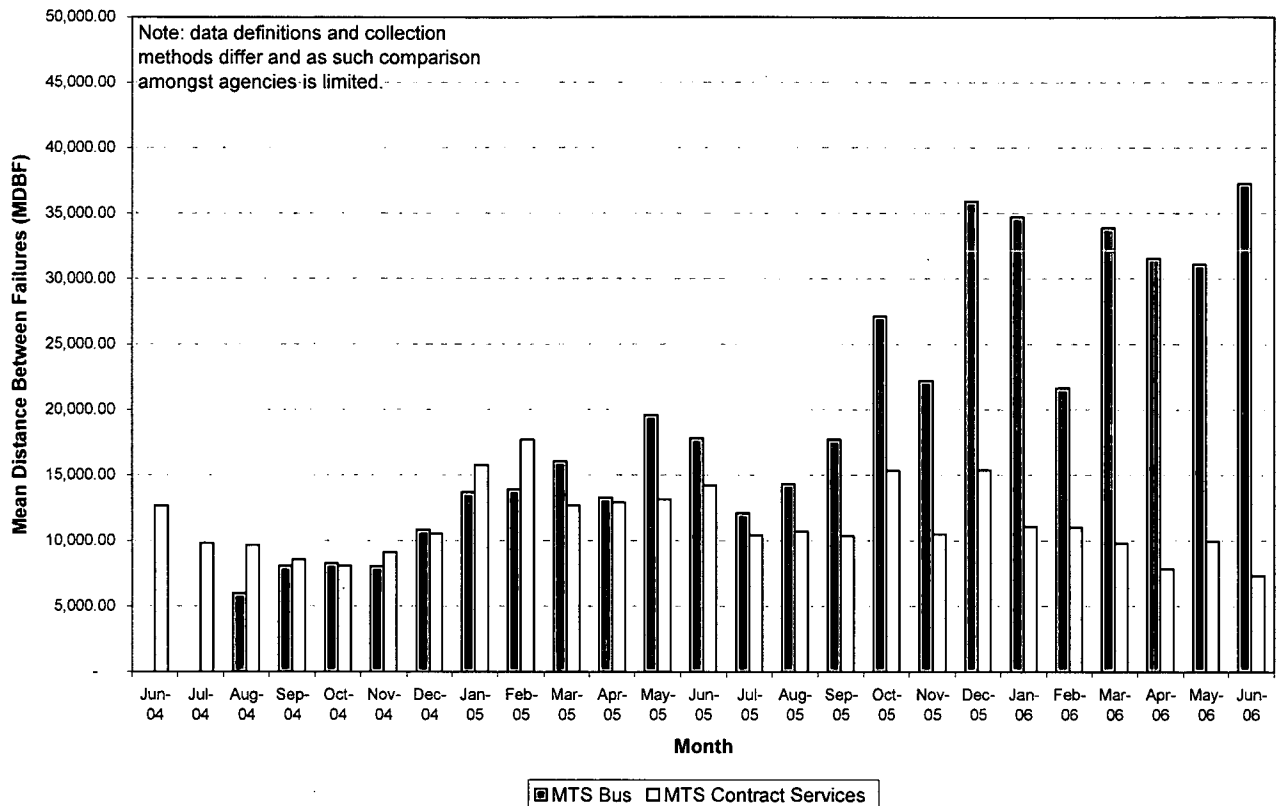
ON TIME PERFORMANCE

MTS On Time Performance - FY04 - FY06YTD

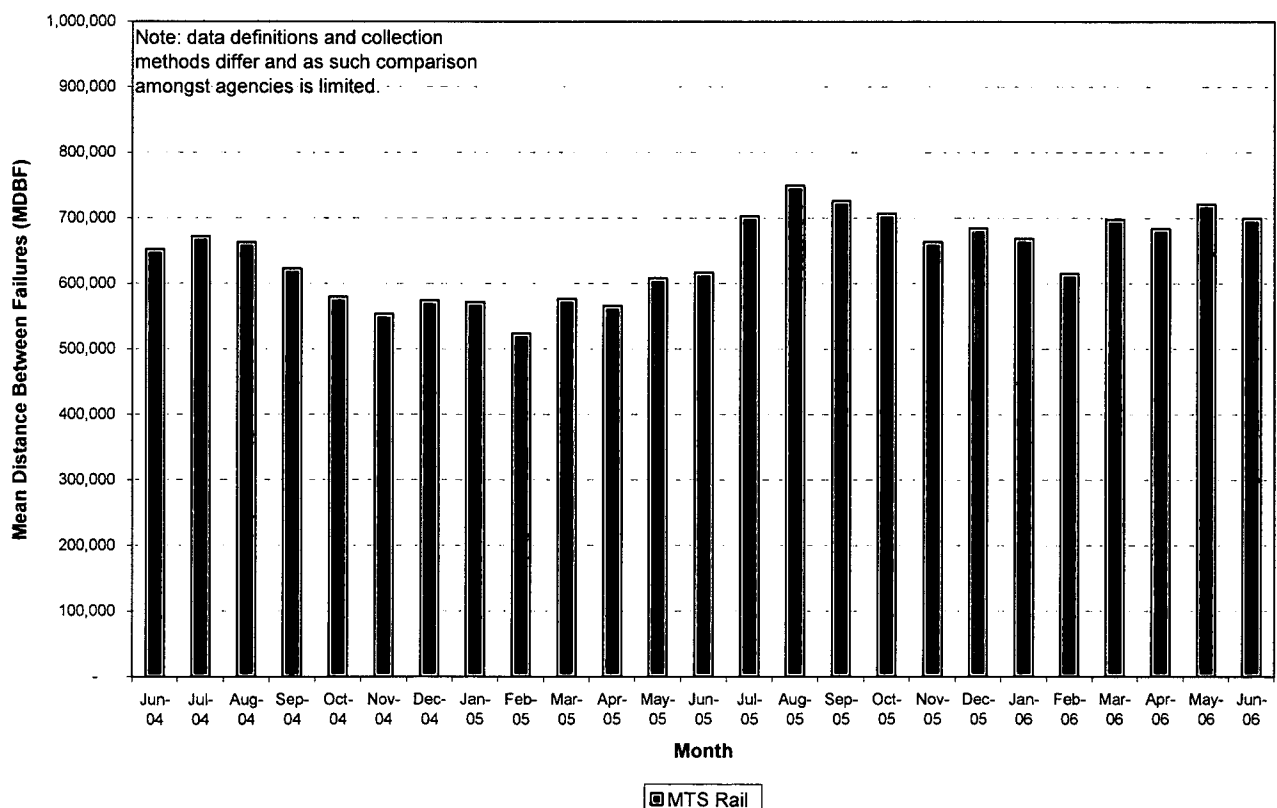


MEAN DISTANCE BETWEEN MECHANICAL FAILURES

MTS Bus Mean Distance Between Failures (MDBF) - FY04 - FY06YTD

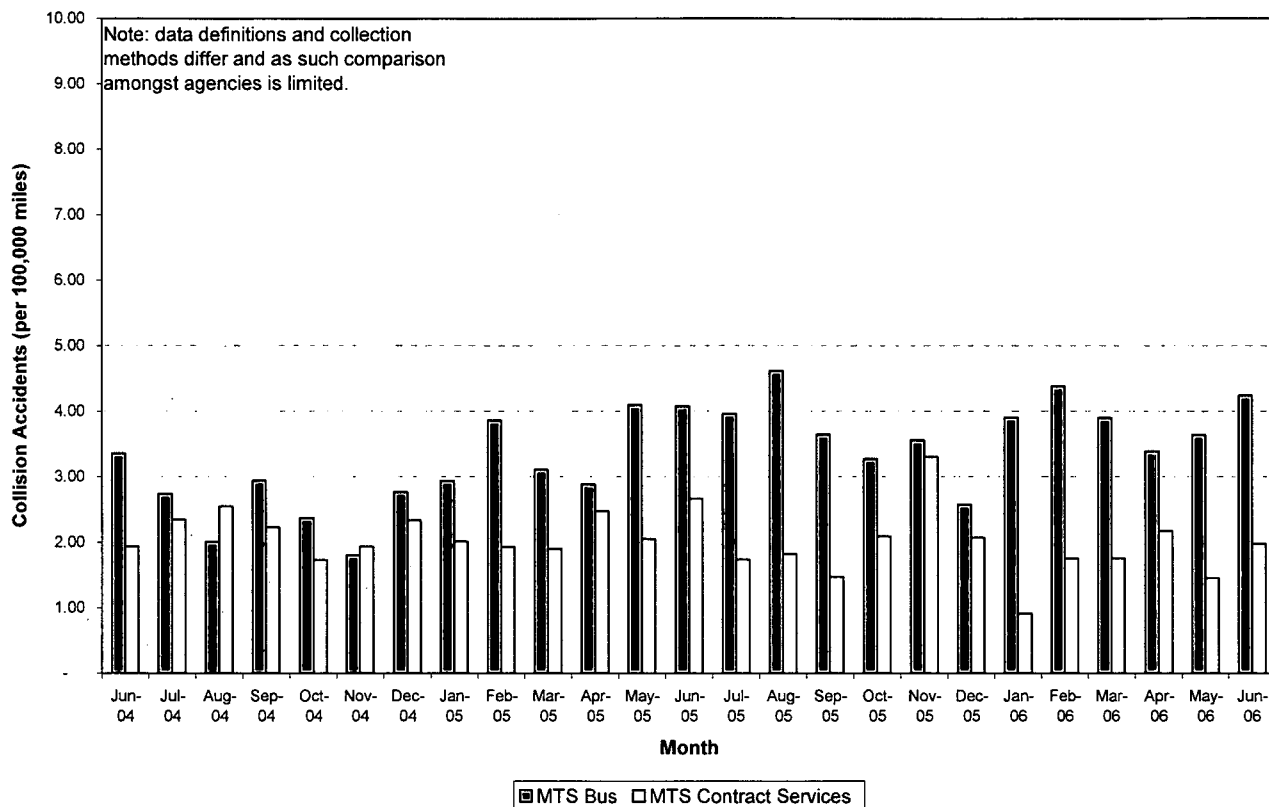


MTS Rail Mean Distance Between Failures - FY04 - FY06YTD

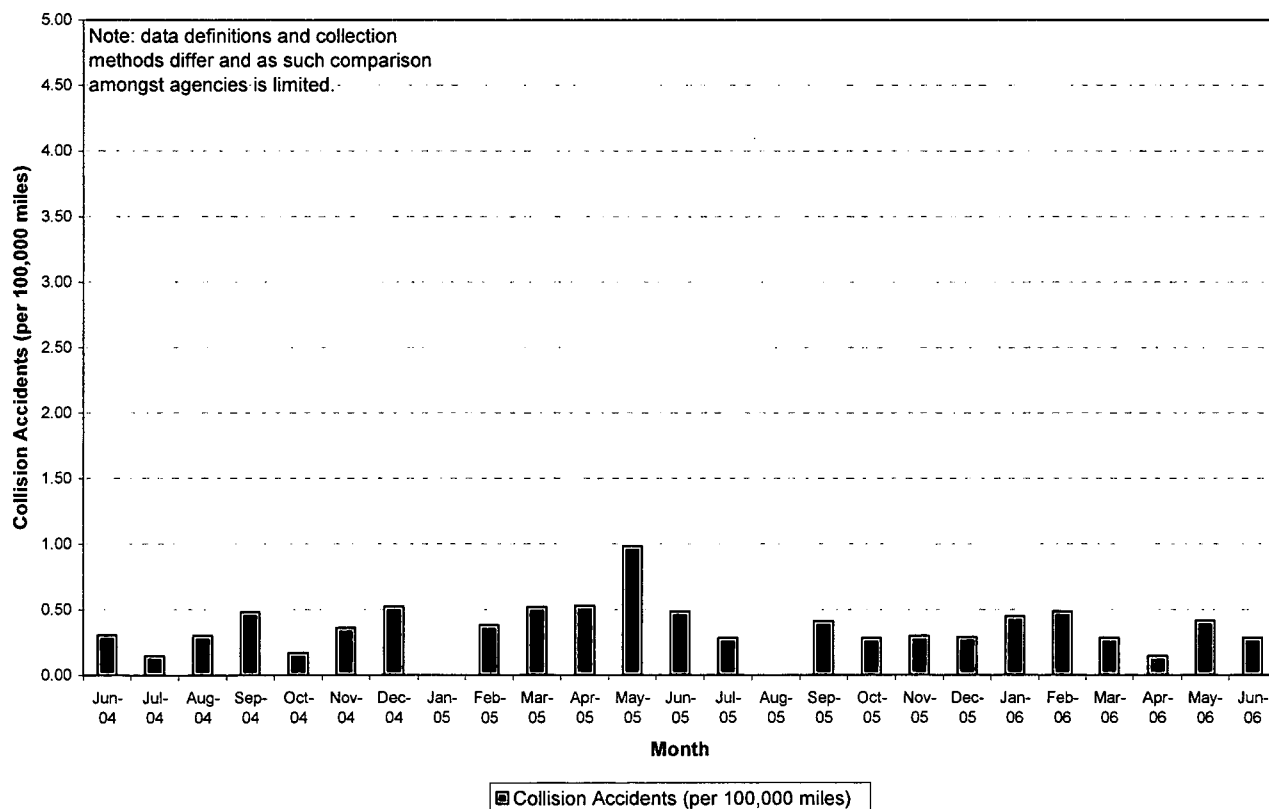


TOTAL COLLISION ACCIDENTS (PER 100,000 MILES)

MTS Bus Collision Accidents (per 100,000 miles) - FY04 - FY06YTD

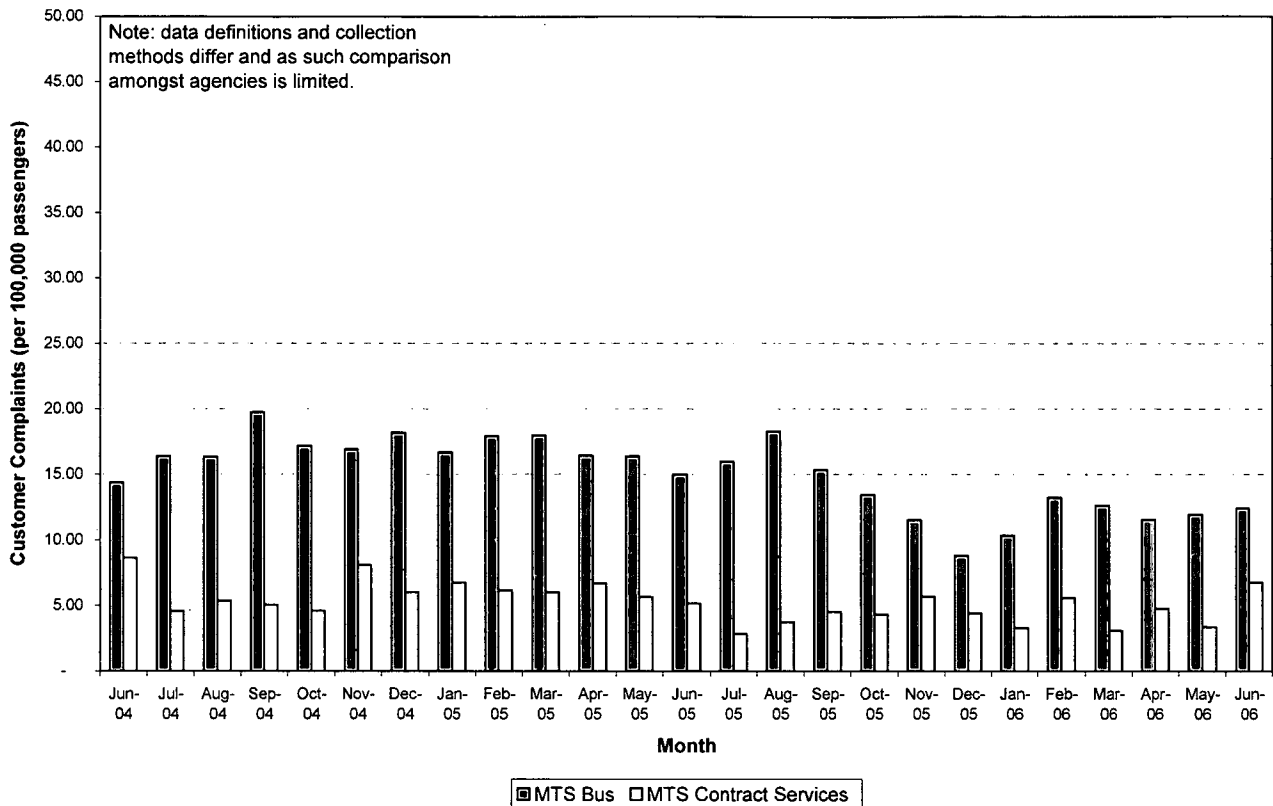


MTS Rail Collision Accidents - FY04 - FY06YTD

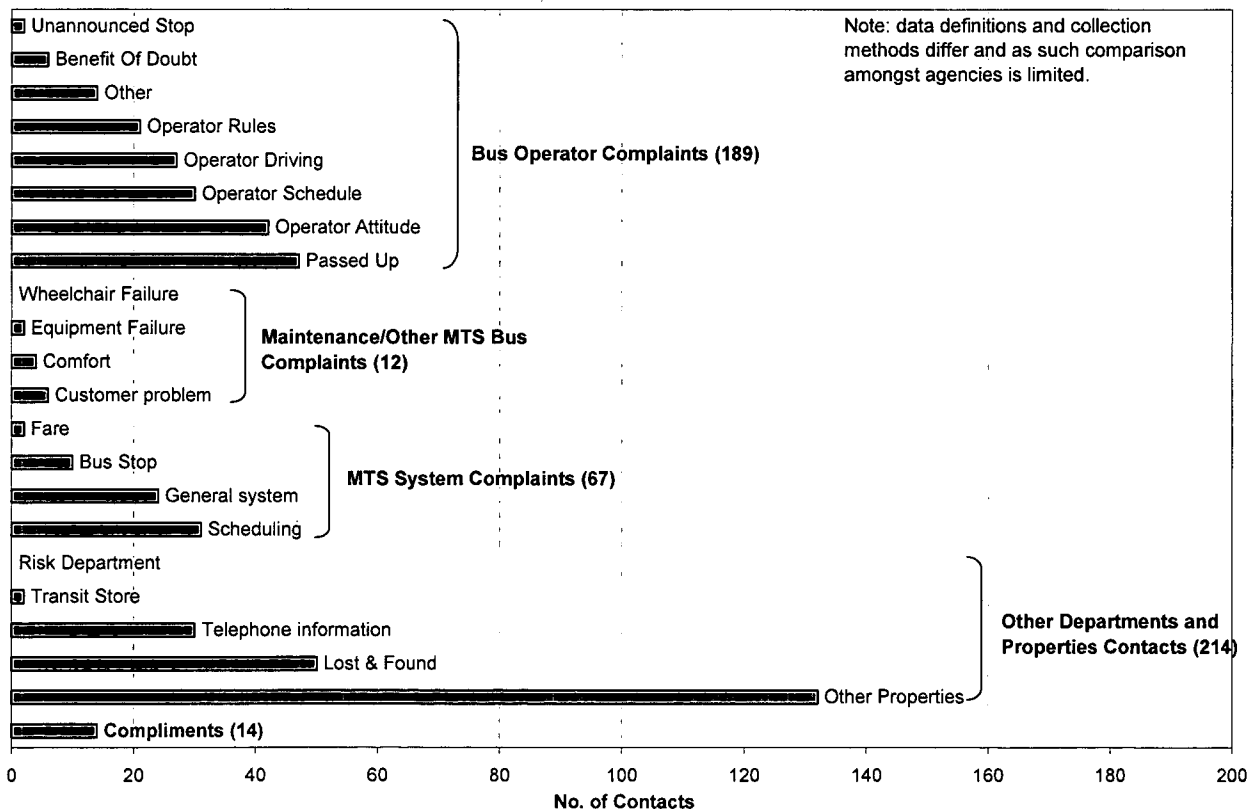


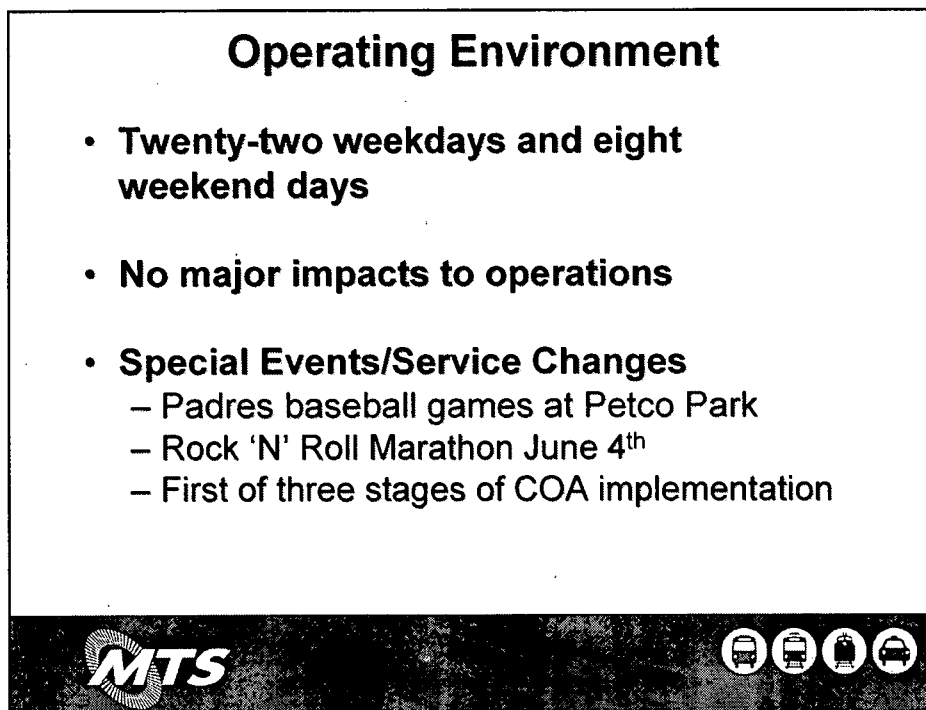
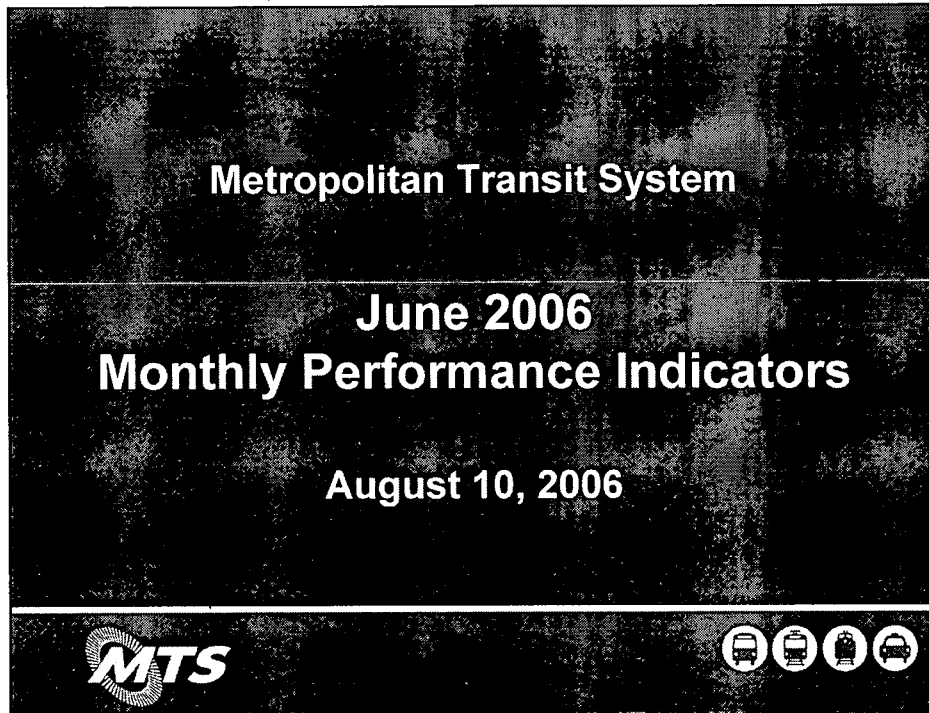
CUSTOMER FEEDBACK

MTS Bus Customer Complaints (per 100,000 passengers) - FY04 - FY06YTD

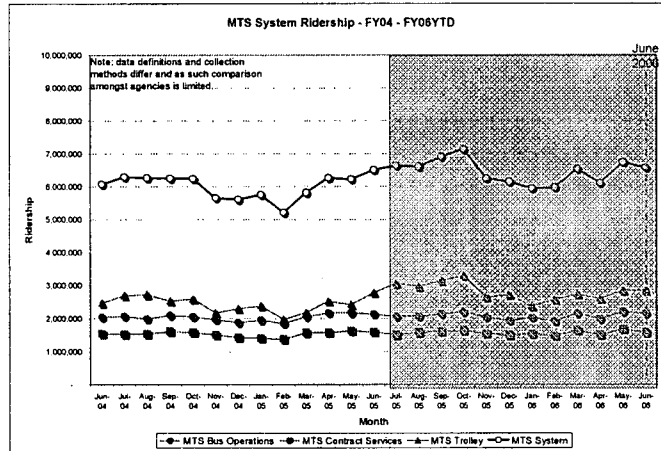


MTS Bus Customer Contacts - June 2006





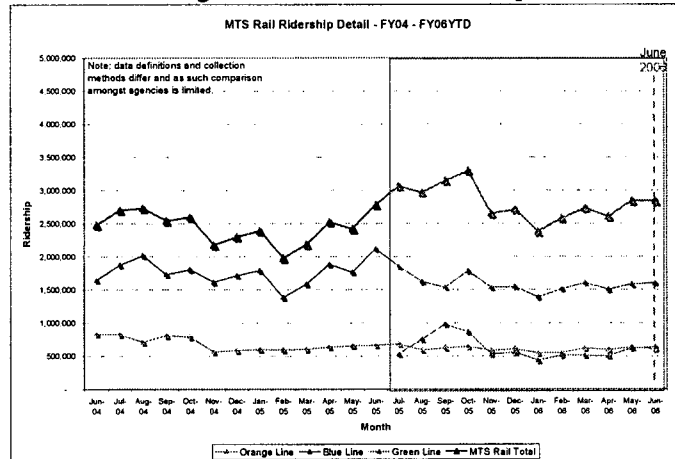
System Ridership



MTS Bus Ops	MTS CS	MTS Rail	MTS System
2,151,240	1,578,037	2,840,293	6,569,570



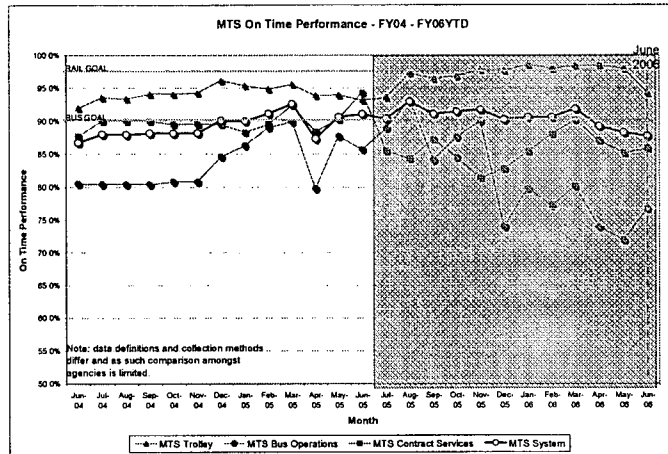
System Ridership



Blue Line	Orange Line	Green Line	MTS Rail
1,604,033	602,373	633,887	2,840,293



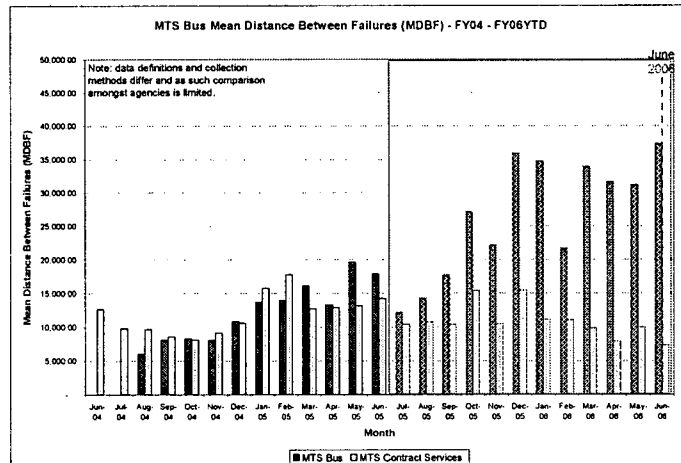
On Time Performance



MTS Bus Ops	MTS CS	MTS Rail	MTS System
76.7%	85.8%	94.2%	87.7%



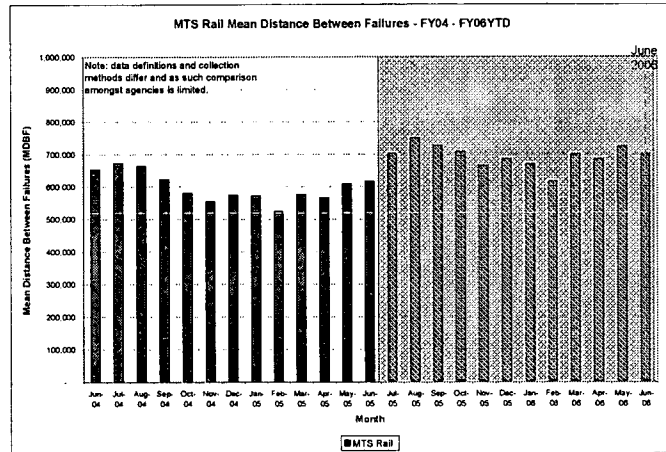
Mean Distance Between Failures - Bus



MTS Bus Ops	MTS CS
37,305	7,342



Mean Distance Between Failures - Rail

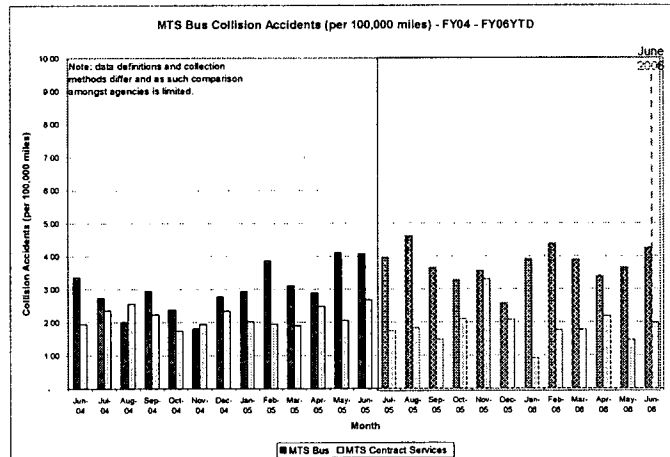


MTS Rail (car mi)

699,507



Collision Accidents - Bus



MTS Bus Ops

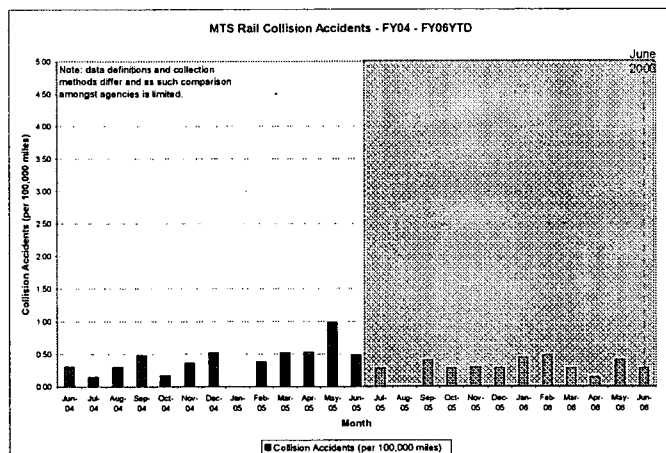
4.24

MTS CS

1.98



Collision Accidents - Rail

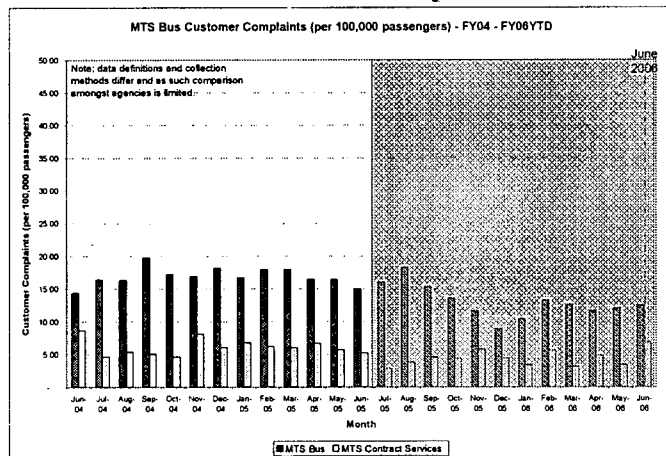


MTS Rail

0.29



Customer Complaints



MTS Bus Ops

12.46

MTS CS (Non-ADA)

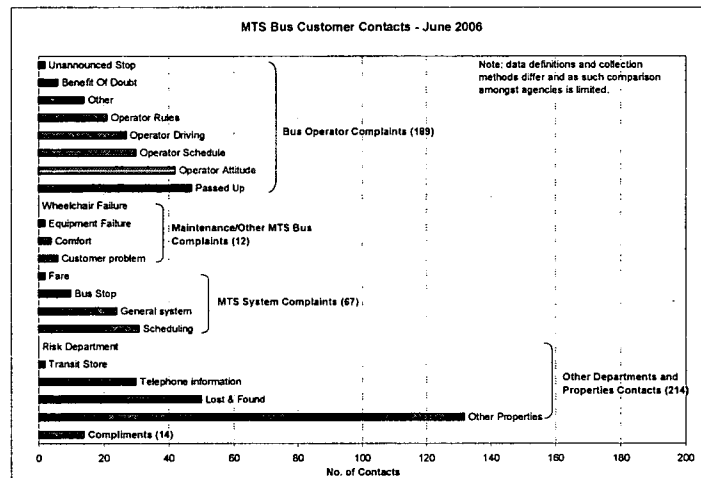
6.79

MTS CS (ADA)

0.04%



Detail of Customer Contacts for MTS Bus June 2006



Conclusion of Report June 2006



SPRINTER



NORTH
COUNTY
TRANSIT
DISTRICT

WE MOVE PEOPLE

Save the date: Tuesday, August 29, 2006, 9 a.m.

You are invited to attend
North County Transit District's
SPRINTER Vehicle Unveiling

SPRINTER Vehicle Maintenance Facility
1021 W. Washington Avenue
Escondido, California 92025

Join NCTD's Board of Directors in celebrating the
official unveiling of the first SPRINTER Diesel
Multiple Unit rail vehicle, marking another
important milestone on the project.

July 1, 2006

Board of Directors
MTS
1255 Imperial Ave.
San Diego, CA 92101

Dear MTS Board of Directors,

I want to thank MTS and Coco Cola for sponsoring the Scholarship Program and for selecting me as one of your scholarship winners. The Gateway computer is an excellent college tool and it will get much use in my four years in college. I also wanted to thank you because laptops these days are essential for college, but they cost a lot of money. By giving me this laptop, I now have some extra money that can go towards college tuition or for books.

I felt really honored at the event at Petco Park. The event was really fun and exciting. I enjoyed the ceremony in the auditorium and I also enjoyed the baseball game. Thank you again for the laptop because I really appreciate it.

Sincerely,

Daniel Schultheis

Daniel Schultheis

RECEIVED
JUL 19 2006
MTS



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

Aug 10, 2006

Name (PLEASE PRINT)

JONATHAN B JOHNSON

Address

P.O. Box 131475 San Diego CA 92170

Telephone

619-297-8796

Organization Represented (if any)

Subject of your remarks:

Route Changes on Rt 11. Trolley Cops Rude

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.****



9:08



AGENDA ITEM NO.

63

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

2

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

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 8-10-2006

Name (PLEASE PRINT) DON STILLWELL

Address 6308 Rancho Mission Rd #173

SAN DIEGO, CA 92108

Telephone (619) 282-7760

Organization Represented (if any) _____

Subject of your remarks: BUS SERVICE

Agenda Item Number on which you request to speak 63

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

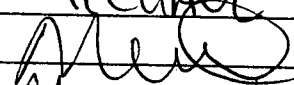
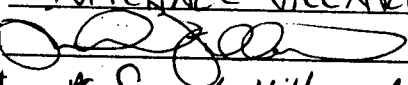
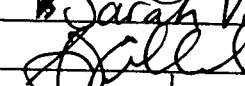
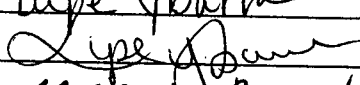
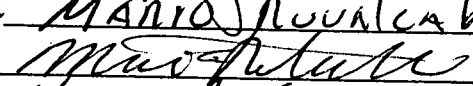
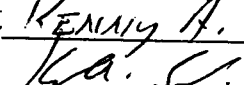
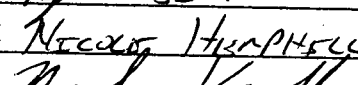
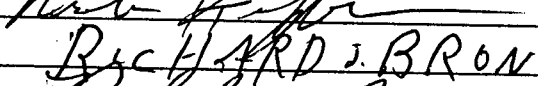
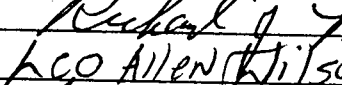
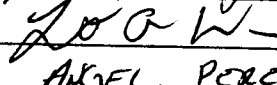
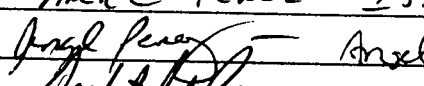
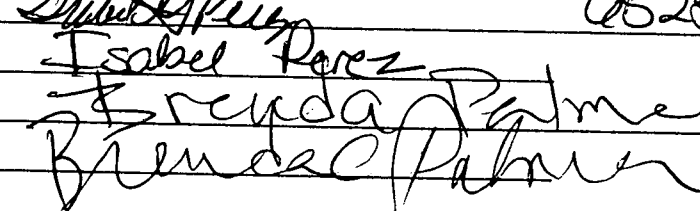
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Metropolitan Transit System
1255 Imperial Avenue
Suite 1000
San Diego, CA 92101-7490

The undersigned request that the #14 bus stop currently in operation at Grantville Trolley Station be added to the approved #14 bus route map and that the approved #13 bus terminal at Crawford Street be changed back to a bus stop and the terminal be located at Grantville Trolley Station for the safety and convenience of passengers.

	NAME	ADDRESS
Print	Michael A. Adams	4711 Zion Ave.
Sign		
Print	MICHAEL VILLARROEL	6581 CRAWFORD STREET
Sign		
Print	Sarah Villarreal	6581 Crawford Street
Sign		
Print	Lupe Ybarra	6573 Crawford Street
Sign		
Print	MARIA ROUNCABA	6573 CRAWFORD STREET
Sign		
Print	KENNY H. SELER	6557 CRAWFORD ST
Sign		
Print	NICOLE HUMPHREY	6557 CRAWFORD ST
Sign		
Print	RICHARD J. BRONK	6537 CRAWFORD ST
Sign		
Print	LCO ALLEN HILSON	6509 CRAWFORD ST
Sign		
Print	ANGEL PEREZ - ISABEL PEREZ	6525 CRAWFORD ST.
Sign		
Print	Isabel Perez	6525 Crawford St
Sign		
Print	Brenda Palmer	6517 CRAWFORD
Sign		

Copies to San Diego City Council and SANDAG

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	NAME	ADDRESS
Print	Vicki Buckingham	6654 Crawford St
Sign	<i>Vicki Buckingham</i>	
Print	Brian Buckingham	6654 Crawford St
Sign	<i>Brian Buckingham</i>	
Print	HERBERT FERGUSON	6626 CRAWFORD ST.
Sign	<i>Herbert Ferguson</i>	
Print	GERT FERGUSON	6626 CRAWFORD ST.
Sign	<i>Gert Ferguson</i>	
Print	Maureen Healy	6549 Crawford St
Sign	<i>Maureen Healy</i>	
Print	Matt Kinney	6433 Crawford St
Sign	<i>Matt Kinney</i>	
Print	Sam Patterson	6417 Crawford St
Sign	<i>Sam Patterson</i>	
Print	Melissa Bacall	6417 Crawford St
Sign	<i>Melissa Bacall</i>	S.D. CA 92120
Print	CLIFFORD D. RICE	6355 CRAWFORD ST.
Sign	<i>Clifford D. Rice</i>	S.D. CA 92120
Print	Robert K Baker	6337 Crawford St
Sign	<i>Robert K Baker</i>	6337 Crawford St
Print	ROSA C. BAKER	S.D. CA 92120
Sign	<i>Rosa C. Baker</i>	6346 CRAWFORD ST.
Print	CLAUDIA PEDLEY	S.D. CA 92120
Sign	<i>Claudia Pedley</i>	

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	NAME	ADDRESS
Print	E. P. KUCHEM MEISTER	6447 CRAWFORD
Sign	<i>E. P. Kuchemmeister</i>	
Print	CHRISTINE A WILLIAMS	6405 CRAWFORD
Sign	<i>Christine A. Williams</i>	
Print	ASHLEIGH ACKERMAN	6557 CRAWFORD
Sign	<i>Ashleigh Ackerman</i>	
Print		6
Sign	<i>Brittany Affin</i>	
Print	BUTTANY AFFIN	6603 CRAWFORD ST
Sign		
Print	KIM QUASCHNICK	6611 CRAWFORD ST.
Sign	<i>Kim Quaschnick</i>	
Print	GERALD QUASCHNICK	6611 CRAWFORD ST.
Sign	<i>Gerald Quaschnick</i>	
Print	FRED SUTOS	6619 CRAWFORD ST.
Sign	<i>Fred Sutos</i>	
Print	RUTHIA GRAND	6627 Crawford St.
Sign	<i>Ruthia Grand</i>	
Print	KAREN EUGENE	6627 Crawford St
Sign	<i>Karen Eugene</i>	
Print	SARA FOX-STARKEY	6635 Crawford St.
Sign	<i>Sara Fox-Starkey</i>	
Print	JUSTIN VOGT	6686 Crawford St.
Sign	<i>Justin Vogt</i>	

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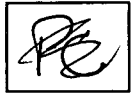
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	NAME	ADDRESS
Print	ROB PEDLEY	6346 CRAWFORD ST.
Sign	Rob Pedley	S.D. CA. 92120
Print	JEFF WILLIAMSON	6301 CRAWFORD ST
Sign	Jeff Williamson	" "
Print	Stacy Williamson	" "
Sign	Stacy Williamson	" "
Print	Julienne Couture	6319 Crawford St. 92120
Sign	Julienne Couture	
Print	JEFFREY ULVI	6517 CRAWFORD ST 92120
Sign		
Print	VIRGINIA POPPOFF - ULVI	6517 CRAWFORD ST. 92120
Sign	Virginia Poppoff - Ulvi	
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Copies to San Diego City Council and SANDAG

AGENDA ITEM NO. 63**REQUEST TO SPEAK FORM**ORDER REQUEST RECEIVED 3

****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 Refer Warner

Name (PLEASE PRINT) _____

Address P.O. Box 489Hanford, CA 93232

Telephone _____

Organization Represented (if any) _____

Subject of your remarks: Various Service Charges

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.

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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)

August 10, 2006

Minor Contract Actions

- Vehicle Technical Consultants for in-plant inspection and postdelivery audit inspection services for Americans with Disabilities Act (ADA) small vehicles.
- J. Perez Associates, Inc. for additional transit shelter maintenance services.
- Transit Market Group for an upgrade of existing fire-suppression equipment on 24 100-series San Diego Transit buses.
- Baker & Miller, PLLC for legal services related to railroad freight operations.
- Berryman and Henigar for bid phase assistance for the Mission Valley East Landscape Maintenance Contract Project.
- Berryman and Henigar for general engineering services for the technical review and permit compliance coordination of the San Diego & Arizona Eastern Railway Company right-of- entry permits and related right-of-way issues.
- John Burnham and Company for insurance broker/consultation services for the Mission Valley East Light Rail Transit extension project.

Contract Matters

There are no contract matters to report.

gail.williams@mts.org 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,