MTS Metropolitan Transit System
09-22-06 11:33 IN
1255 Imperial Avenue, Suite 1000
San Dieqo, CA 92101-7490

Agenda

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

September 28, 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 - September 14, 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.	
4.	SDTI: Presentation of Distinguished Service Awards	Receive

CONSENT ITEMS

6. MTS: Lease with the San Diego Padres for 300 Parking Spaces in the James R. Mills Building Parking Structure — Approve
Action would: (1) authorize the CEO to execute a lease (in substantially the same format as attached) with the San Diego Padres for 300 parking spaces in the James R. Mills Building Parking Structure and any related documents that may be requested by the Padre's mortgagor(s) in the future; and (2) if it applies, find that the proposed lease is categorically exempt from an environmental assessment as it involves the continuation of an existing use in accordance with Article 19, Section 15301 of the California Environmental Quality Act Guidelines.

7. MTS: Transportation Development Act Claim Amendment — Approve
Action would adopt Resolution No. 06-13 amending the FY 2007 Transportation Development Act (TDA) Article 4.0 Claim No. 253 for the City of El Cajon.

8. MTS: Janitorial Services and Light Rail Vehicle Cleaning - Contract Award — Approve
Action would authorize the CEO to execute contracts with: (1) Aztec Janitorial Services, Inc. for Groups I (Janitorial Services at MTS Bus Operations), II (Janitorial Services at MTS Rail Operations), and III (Transit Center Maintenance) for a three-year base term with two 1-year options exercisable at MTS's discretion; and (2) NMS Management, Inc. for Group IV (Light Rail Vehicle [LRV] Cleaning) for a three-year base term and two 1-year options exercisable at MTS's discretion.

9. MTS: Policy No. 53: Ethics Training — Approve
Action would approve enacting Policy No. 53 (Ethics Training).

CLOSED SESSION

24. a. MTS: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to California Government Code section 54956.9(a): MTS, MTDB, SDTC v. Louis Pellegrin, Rosemary Pellegrin Superior Court Case Number GIC857180

b. MTS: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to California Government Code section 54956.9(a) Harrison v. SDTC Workers' Compensation Appeals Board Case Nos. SD0251700; SD0251701; SD0251702

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

30. MTS: Federal Railroad Administration Horn Rule – Quiet Zones — Possible Action

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 the 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 the City of San Diego or its contractor; and (e) require the City of San Diego to authorize spare-parts inventory for special equipment necessary for the Quiet Zone.

31. MTS: Proposed Plan for Use of State Infrastructure Bond Initiative Funding — Possible Action

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.

32. MTS: California Public Utilities Commission State Route 52 Application for New Grade Crossing at Cuyamaca Street — Approve

Action would support the California Department of Transportation's (Caltrans') California Public Utilities Commission (CPUC) application for one new at-grade crossing and two new grade-separated crossings across San Diego Trolley, Inc.'s (SDTI's) track at the proposed State Route 52 (SR 52)/Cuyamaca Street interchange in the City of Santee.

33. SDTC: Sole-Source Contract Award to The ARC of San Diego for Interior Deep Cleaning of SDTC Buses — Approve

Action would authorize the CEO to execute a sole-source contract for two years with The ARC of San Diego to deep clean the interiors of San Diego Transit Corporation's (SDTC's) buses.

REPORT ITEMS

45.	SDTI: SD-100/S70 Vehicle Compatibility Status Report Action would receive a report for information.	Receive
46.	MTS: Semiannual MTS Security Report (January through June 2006) Action would receive a report for information.	Receive
47.	SDTC: FY 06 Accomplishments Action would receive a report for information.	Receive
60.	Chairman's Report	Possible Action
61.	Chief Executive Officer's Report	Information
62.	Board Member Communications	
63.	Additional Public Comments Not on the Agenda 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.	Next Meeting Date: October 19, 2006 (Scheduled around the APTA Annual Meeting)	
65.	Adjournment	

AGENDAS EC 9-21-06 BD 9-28-06

Submitted by: D. Bridge

Remove On: 9/28/06

Return to Submitter: G. Williams

OR (Pick One)

Retain in Posting File: ________

METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL

MEETING OF (DATE): 9/28/06 CALL TO ORDER (TIME): 9:07 a.m.

RECESS: RECONVENE:

CLOSED SESSION: 9:35 a.m. RECONVENE: 9:45 a.m.

ORDINANCES ADOPTED: ADJOURN: 11:56 a.m.

BOARD MEMBER		(Alternate)		PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	☐	(Vacant)	☐		☑
CLABBY	☑	(Selby)	☐		
EMERY	☑	(Cafagna)	☐		
EWIN	☐	(Allan)	☑		11:27 a.m. during AI 47
FAULCONER	☑	(Vacant)	☐		10:20 a.m. during AI 32
HANSON-COX	☐	(Lewis)	☑		
MAIENSCHEIN	☑	(Vacant)	☐		
MATHIS	☑	(Vacant)	☐		
MCLEAN	☑	(Janney) (Rose)	☐ ☐		
MONROE	☑	(Tierney)	☐		
RINDONE	☑	(McCann)	☐		
ROBERTS	☐	(Cox)	☐		☑
RYAN	☐	(B. Jones)	☑	9:08 a.m. during AI 2	
YOUNG	☑	(Vacant)	☐	9:18 a.m. during AI 2	
ZARATE	☑	(Parra)	☐		

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

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL [signature]

Gail.Williams/Roll Call Sheets

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

September 14, 2006

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Harry 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

Ms. Atkins moved to approve the minutes of the August 10, 2006, Board of Directors meeting. Mr. Rindone seconded the motion, and the vote was 10 to 0 in favor.

3. Public Comment

Chuck Lungerhausen: Mr. Lungerhausen reported that Route No. 955 is running empty and late for its 3:30 p.m. stop at Euclid Station yet is passing up passengers at that location. He explained the delays that he has experienced as a result of this problem. He also stated that he did not care for the look of the mixed consists of trolley cars (SD-100 paired with an S70) and felt that it degraded the system. Chairman Mathis explained that using mixed consists allows MTS to provide low-floor service to more areas of San Diego and, therefore, more customers are able to take advantage of this type of service.

Donna Erickson: Ms. Erickson distributed a handout detailing her concerns about the Comprehensive Operational Analysis (COA), which dismembered and affected ridership on Route No. 25. She also objected to MTS's provision of a performance incentive program, which she felt was a nonessential expenditure. She then detailed her concerns regarding the COA and its alleged violation of the Brown Act, California Environmental Quality Act, and the spirit of the Americans with Disabilities Act (ADA). She also felt there was resentment on the part of MTS staff toward the president of the Linda Vista Planning Group, and that MTS ignored petitions submitted by the public in response to the COA.

Mr. Monroe stated that he strongly supports MTS's performance incentive program and stated that it is a good idea to reward employees who are doing a good job. He added that MTS's bonus percentage is significantly lower than the percentage typically given in the private sector. He also stated that it detracts from Ms. Erickson's message when she introduces the subject of the performance incentive program when she is discussing these other issues.

Don Stillwell: Mr. Stillwell stated that terminals do not always have to be at the northern-most end of a route and requested that MTS stop parking buses on Crawford Street. He also reported that Route Nos. 13 and 14 do not make efficient connections with each other.

Richard Finn: Mr. Finn stated that many of the people who use buses outside of peak hours are seniors who are going to the grocery store or doctor appointments. He stated that only Route No. 3 provides service on University Avenue through Hillcrest and into downtown, and this route is now overcrowded. He stated that better service is needed for senior citizens. He also asked if more bus stops could be established north and south at Cedar. He stated that there are two apartment buildings with over 400 people who would benefit from additional stops.

CONSENT ITEMS

6. MTS: State Transit Assistance Claims Amendment (FIN 340.2, PC 50601)

Recommend that the Board of Directors adopt Resolution No. 06-12 (Attachment A of the agenda item) amending the Fiscal Year 2006 State Transit Assistance claims.

7. MTS: Election to Fill Vacant Positions of San Diego and Arizona Eastern (SD&AE) Railway Company Board Members (SDAE 710.1, PC 50771)

Recommend that the Board of Directors (1) receive the San Diego and Imperial Valley (SD&IV) Railroad, Pacific Southwest Railway Museum Association (Museum), and Carrizo Gorge Railway, Inc. (Carrizo) quarterly reports (Attachment A of the agenda item); (2) ratify actions taken by the San Diego and Arizona Eastern (SD&AE) Railway Company Board of Directors at its meeting on July 25, 2006 (Attachment B of the agenda item); and (3) ratify and appoint Ray Stephens as Chairman and Secretary replacing Thomas Schlosser, Bob Jones as Mr. Stevens' alternate, and Alejandro De La Torre as Treasurer to replace James Bertram, as recommended by the SD&AE Board of Directors.

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

Recommend that the Board of Directors authorize the Chief Executive Officer (CEO) to enter into contracts and amendments with Roger Bingham of the law firm Butz, Dunn, DeSantis, Bingham, APC (MTS Doc. No. G0723.17-02, Attachment A of the agenda item), James B. James of the law firm Gray & Prouty, APC (MTS Doc. No. G0736.8-02, Attachment B of the agenda item), and David Skyer of the Law Offices of David C. Skyer, APC (G1022.0-07, Attachment C of the agenda item) for legal services, in substantially the same form as attached, and ratify prior amendments entered into under the CEO's and/or previous General Manager's authority(ies).

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

Recommend that the Board of Directors authorize the Chief Executive Officer (CEO) to (1) transfer $250,000 into the Construction Management (CM) line item (WBS #10426-0700) from the SDSU Mitigation line item (10426-1099225D) to fund Contract Amendment No. 42 with Washington Group International (WGI) to extend CM services on the Mission Valley East (MVE) Light Rail Transit (LRT) Project (see Attachment A of the agenda item, Budget Transfer History); and (2) execute Contract Amendment No. 42 (MTS Doc. No. L6343.40-01) with WGI, in substantially the same form as shown in Attachment B of the agenda item, in an amount not to exceed $219,444 for CM services on the MVE LRT Project, including extension of CM services through December 31, 2006.

10. MTS: Capital Improvement Program Budget Transfers
(CIP 11074, 11114, 11116, 11117, 11118, 11147, 11166)

Recommend that the Board of Directors forward a recommendation to the SANDAG Transportation Committee to approve transferring funds in various SANDAG Capital Improvement Programs to MTS capital Improvement Programs (as shown in Attachment A of the agenda item – Budget Transfer Summary.

11. MTS: Onboard Surveillance Systems – Contract Award (CIP 11184, 11185, 20289)

Recommend that the Board of Directors authorize the CEO to execute a contract (in substantially the same form as Attachment A of the agenda item) with Integrian, Inc. to install onboard video surveillance systems on buses and trolleys. The contract would be completed in three phases and would also include three option years for additional onboard video surveillance system requirements dependent upon available funding.

12. MTS: Service Trucks Contract Award (CIP 11121, 11180, 11197, 11121)

Recommend that the Board of Directors authorize the MTS CEO to execute a contract with Villa Ford, Inc. for four service trucks at a cost of $271,195.88 and a contract with Raceway Ford for two sign trucks for a cost of $61,807.82. The total cost of this procurement, including California sales tax, would not exceed $333,003.70.

13. MTS: Mincom, Inc. Annual Support Maintenance – Contract Amendment (ADM 130, PC 53910)

Recommend that the Board of Directors authorize the MTS CEO to enter into a contract amendment with Mincom, Inc. (MTS Doc. No. G0740.6-02, Attachment A of the agenda item) for annual software support maintenance for the Ellipse financial system package.

Recommended Consent Items

Staff clarified for Ms. Atkins that the State Transit Assistance (STA) Claims Amendment (Agenda Item No. 6) relates to funding already included in the FY 2007 budget.

Mr. Emery moved to approve Consent Agenda Items No. 6, 7, 8, 9, 10, 11, 12, and 13. Mr. Ewin seconded the motion, and the vote was 12 to 0 in favor.

CLOSED SESSION:

24. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:25 a.m.

a. SDTI: Conference with Labor Negotiators. Pursuant to California Government Code section 54957.6. Agency-Designated Representative – Jeff Stumbo. Employee Organization – International Brotherhood of Electrical Workers, Local 465

b. MTS: Conference with Real Property Negotiators Pursuant to Government Code Section 54945.8

Property: 522 West 8th Street, National City, California
Agency Negotiators: Tiffany Lorenzen, Paul Jablonski, Sharon Cooney, and Tim Allison
Negotiating Parties: City of National City
Under Negotiation: Price and Terms of Payment

c. MTS: Conference with Legal Counsel – Anticipated Litigation. Significant Exposure to Litigation California Government Code section 54956.9(b) (One Potential Case)

d. MTS: Conference with Legal Counsel – Existing Litigation. Pursuant to California Government Code Section 54956.9(a): MTS, MTDB, SDTC v. Louis Pellegrin, Rosemary Pellegrin Superior Court Case Number GIC857180

e. MTS: Conference with Legal Counsel – Existing Litigation. Pursuant to California Government Code Section 54956.9(a) Stella Reed v. MTS et al., Claim No. Unassigned

f. MTS: Conference with Legal Counsel – Existing Litigation. Pursuant to California Government Code section 54956.9(a) California Regional Water Quality Control Board v. MTS Complaint No. R9-2005-0062

g. MTS: Conference with Real Property Negotiators. Pursuant to California Government Code Section 54956.8
Property: Right-of-Way adjacent to Grossmont Center Station Parking Lot at the Intersection of Grossmont Center Drive and Fletcher Parkway
Agency Negotiators: R. Martin Bohl, Paul Jablonski, Tim Allison, and Tiffany Lorenzen
Negotiating Parties: City of La Mesa
Under Negotiation: Instruction to Negotiators Will Include Price and Terms of Payment

The Board reconvened to Open Session at 11:05 a.m.

Oral Report of Final Actions Taken in Closed Session

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

a. The Board received a report from the Director of Human Resources & Labor Relations.

b. The representative from National City was not present for the discussion of this item because the City is a negotiating party. The Board received a report and gave direction to the Chief Executive Officer (CEO).

c. The representative from National City was not present for the discussion of this item. The Board received a report and gave direction to the Chief Executive Officer (CEO).

d. The Board received a report and gave direction to outside counsel.

e. Representatives from San Diego County and the City of San Diego were not present for the discussion of this item. The Board received a report and gave direction to staff and General Counsel.

f. The Board received a report and gave direction to the CEO.

g. The representative from La Mesa was not present for the discussion of this item because the City of La Mesa is a negotiating party. The Board received a report and gave direction to outside counsel and General Counsel.

NOTICED PUBLIC HEARINGS

25. There were no Noticed Public Hearings

DISCUSSION ITEMS

30. <u>MTS: Federal Railroad Administration Horn Rule – Quiet Zones</u> (AG 210.3, PC 50111)

Chairman Mathis read a letter dated September 14, 2006, from Councilmember Kevin Faulconer into the record as follows: "Dear Chairman Mathis: I am writing this letter to convey my continued support for the Downtown Quiet Zone. While I am unable to attend today's meeting due to a special meeting of the San Diego City Council, I would like the Board to know how important this project is to thousands of San Diego residents. The continued ability of MTS to work alongside other organizations such as NCTD, BNSF and CCDC is vital in order to see the Quiet Zone come to fruition. I greatly appreciate the responsiveness of MTS staff who have been working closely with me these past several months, and I urge the Board to move forward today. I apologize again for not being able to attend today's meeting, and I thank you for taking the time to read this letter into the record."

No presentation was made by staff on this item since a full presentation had already been made at the August 10, 2006, meeting. Mr. Roberts stated that he was disappointment that City of San Diego representatives were not present to discuss this item. He felt that it was important to extend Quiet Zones all the way to Old Town and pointed out that the City of San Diego just approved a new condominium project at Washington Station that would benefit from this extension. Ms. Lorenzen pointed out that item 1 of this agenda item states "to support the Quiet Zone concept at public grade crossings between Old Town Transit center and Fifth Avenue..." She reported that she recommended to the Centre City Development Corporation (CCDC) and the City of San Diego that two "tracks" be created for this project, with the second track, which includes Old Town, running concurrently. She stated that she has not yet received a response to this recommendation. Mr. Roberts stressed that at least as much effort should go into including Washington Station in this project and requested that this item be carried over to the Board's September 28, 2006, agenda so City representatives can be involved in the discussion. Mr. James Lawson, aide to Mr. Faulconer, approached the podium and advised the Board that Mr. Faulconer encourages the Board to take action today so there is no delay in the implementation of this project. It was pointed out that the delay would only be for two weeks, and negotiations related to the Memorandum of Understanding (MOU) are still underway.

<u>Public Comment</u>

Chuck Lungerhausen: Mr. Lungerhausen completed a speaker's slip but did not make any comments.

Action Taken

Mr. Emery moved to delay discussion of this item to the Board's September 28, 2006, meeting and direct staff to proceed with negotiations for the MOU with the objective of having two "tracks" with the second track, which includes Old Town, running concurrently. Mr. Clabby seconded the motion, and the vote was 9 to 0 in favor.

31. MTS: Proposed Plan for Use of State Infrastructure Bond Initiative Funding (FIN 340.2, PC 50111)

This item was carried over to the Board agenda for September 28, 2006.

Action Taken

No action was taken.

32. MTS: Comprehensive Annual Financial Report (CAFR) for FY 2005 (FIN 310, PC 50601)

Mr. Tom Lynch, Controller, reviewed the status for the FY 2005 and FY 2006 audits. In response to a question from Mr. Ewin, Mr. Telfer explained that the farebox recovery rate is going down because MTS expenses are increasing, primarily because of fuel costs, and no fare increases have been implemented to offset that increase. Mr. Jablonski pointed out that ridership numbers are up, but many passengers are making more trips using monthly passes, so there isn't a corresponding increase in the number of fares paid. Mr. Jablonski stated that the overall objective of the COA is to improvement farebox recovery by increasing ridership, generating more revenue, and improving efficiency of the system. Mr. Ewin stated that MTS should make improvements in farebox recovery rate but that MTS services should be priced to balance performance issues with the need to provide adequate service to people who have no other options for transportation.

Action Taken

Mr. Ewin moved to receive the MTS FY 2005 Comprehensive Annual Financial Report. Mr. Rindone seconded the motion, and the vote was 9 to 0 in favor.

33. MTS: FY 2005 Final Budget Comparison (FIN 310, PC 50601)

Mr. Lynch provided an overview of the final reconciliation of the FY 2005 budget. He provided a comparison of combined operations to amended budget for operating subsidies, revenues, expenses, and contingency reserves.

Action Taken

Mr. Ewin moved to approve applying the FY 2005 positive variance to budget of $4,337,435 to the MTS Contingency Reserve. Mr. Emery seconded the motion, and the vote was 9 to 0 in favor.

34. MTS: Operations Budget Preliminary June 2006 Report (FIN 310, PC 50601)

Mr. Tom Lynch provided a comparison to budget for FY 2006 to date. He reviewed operating subsidies, revenues, and expenses. Mr. Lynch clarified for Mr. Monroe that $8.1 million in reserves were used to balance the FY 2005 budget. He added that, at the end of fiscal year 2005, $4.3 was transferred back to reserves due to a favorable variance in the budget. He reminded the Board that no reserves are being used to balance the FY 2006 budget.

Action Taken

Mr. Roberts moved to receive a report for information. Mr. Monroe seconded the motion, and the vote was 9 to 0 in favor.

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

Ms. Lorenzen provided the board with a status report on the Grossmont Trolley Station Joint Development Project. She reported the following: The Disposition and Development Agreement (DDA) has been signed, the Ground Lease has been finalized, the CCRT Properties License Amendment has been completed and will be forwarded to the recorder's office today, and all license and easement amendments for AAA and adjacent property owners have been completed. She reported that escrow is scheduled to close on October 5. Mr. Wesley Espinoza, Fairfield Residential stated that they hoped to break ground in the second week of October. Ms. Lorenzen added that the City of La Mesa will be approving the final parcel map on September 26, and a ground-breaking ceremony will be scheduled at the end of October.

Action Taken

Mr. Jones moved to receive an update from General Counsel regarding the status of the Grossmont Trolley Station Joint Development Project. Mr. Roberts seconded the motion, and the vote was 9 to 0 in favor.

REPORT ITEMS

45. SDTI: SD-100/S70 Vehicle Compatibility Status Report (OPS 970.6)

This item was carried over to the Board agenda for September 28, 2006.

Action Taken

No action was taken.

46. MTS: 2007 Regional Transportation Plan – Revised Transit Services Evaluation Criteria and Regional Transit Capital Replacement and Rehabilitation Criteria (ADM 121.10, PC 20484)

Ms. Rachel Kennedy, SANDAG, provided an overview of the Draft Transportation Project Evaluation Criteria as developed by the Transportation Project Evaluation Criteria Working Group. She thanked Mr. Conan Cheung, MTS Director of Planning and Performance Monitoring, for representing MTS in this effort. She reported that the criteria that were developed will be utilized to rank transportation projects within the Regional Transportation Plan (RTP). She reviewed the different modal categories, composition of the criteria working group, goals to be accomplished by using the criteria, and how the criteria would be weighted. Ms. Susan Brown, SANDAG, provided details on how the process will be used. She reported that this process will be used to determine how new regional discretionary transit funds are used, e.g. infrastructure bond funding, and that the projects evaluated will be those that are not funded under the Capital Improvement Program. She reviewed each individual criteria.

Both Mr. Monroe and Mr. Clabby expressed concern that funding for the maintenance and replacement of aging infrastructure was not included as one of the ranking criteria. Mr. Monroe maintained that the criteria for items beyond their useful life was not adequate to address the system's reliability issues that result from aging infrastructure, and that these issues should be given top priority. Mr. Clabby stated that he was also concerned about the reliability of the system. Ms. Brown reported that infrastructure reliability could also be considered under the safety criteria. Mr. Mathis requested that any other Board member comments on this item be directed to Mr. Jablonski outside of the meeting.

Action Taken

Mr. Emery moved to receive an update from SANDAG staff regarding the revised transit services evaluation criteria and regional transit capital replacement and rehabilitation criteria used to prioritize projects for the Regional Transportation Plan. Mr. Jones seconded the motion, and the vote was 8 to 0 in favor.

47. MTS: Comprehensive Operational Analysis: Implementation Update (SRTP 805.1, PC 20484)

Mr. Cheung provided the Board with a three-month evaluation of the June 2006 service changes, initial statistics related to the September 2006 service changes, and a six-month evaluation of rural fare and service changes. He reviewed the service changes in terms of productivity, quality of service, connectivity, and efficiency. He also reported that two grants were submitted and approved under the Caltrans Intercity Bus Program.

Public Comment

Donna Erickson: Ms. Erickson declined to speak.

Clive Richard: Mr. Richard did not speak.

Jonathan Johnson: Mr. Johnson commended MTS's efforts to improve the system and stated that MTS has many good operators. He added that many drivers are not familiar with the service changes recently implemented and are therefore unable to assist riders with questions.

Ms. Claire Spielberg, Chief Operating Officer – Transit Services, reported that many sessions were held to inform operators of the service changes, and operators were supplied with cards detailing the changes that could be passed out to passengers. She stated that a phone number was listed on the card that customers could call to get route-related information. Mr. Mathis added that operators may drive a number of different routes and asked Mr. Johnson to be patient. He added that these service changes were a major undertaking.

Mr. Monroe agreed that MTS has many good operators and thanked Mr. Johnson for appearing before the Board. Mr. Monroe stated that he was still dissatisfied with some of the subsidy amounts for rural bus service. He stated that public transit is meant to be an urban, not rural, service. He stated that he was willing to wait another three months before looking at rural bus subsidies but felt that MTS was exceeding the dollar amount that it should be subsidizing. He suggested that MTS establish a dollar threshold and not provide service that requires subsidizing above that threshold.

Action Taken

Mr. Rindone moved to receive this report on the early results of the Comprehensive Operational Analysis implementation for June and September as well as the six-month review of rural bus service changes. Mr. Monroe seconded the motion, and the vote was 8 to 0 in favor.

60. Chairman's Report

Chairman Mathis had nothing to report.

61. Chief Executive Officer's Report

Sandra Bushue, Federal Transit Administration (FTA) Deputy Administrator: Mr. Jablonski reported that Ms. Bushue visited MTS for about five hours on August 23, 2006, and was provided with a briefing and then a tour of the Green Line. He stated that this event was very productive. He stated that Ms. Bushue was very impressed with both bus and rail operations, the yard, and the Green Line, especially the SDSU Station. He stated that SDSU President Stephen Weber participated in the tour of SDSU Station and made very enthusiastic comments regarding the impact of the station on SDSU. Mr. Jablonski advised the Committee that Ms. Bushue said she found the session very informative and added that she also made complimentary statements about MTS operations and staff. He added that she felt she now has a better understanding of how much MTS does for transit in San Diego. Mr. Jablonski recognized Mr. Rindone, who talked to Ms. Bushue at a recent APTA conference and encouraged her to visit MTS. Chairman Mathis stated that it was clear that she enjoyed her visit and was very enthusiastic in her support of MTS operations.

62. Board Member Communications

Ethics Training: In response to a question from Mr. Clabby, Ms. Lorenzen explained that MTS does not need documentation from Board members who have received the required ethics training through their respective cities. She stated that this is a self-reporting requirement. MTS only needs to maintain documentation for those Board members who are provided ethics training by MTS.

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, September 28, 2006, at 9:00 a.m. in the same location.

65. Adjournment

Chairman Mathis adjourned the meeting at 12:11 p.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

8:34

MTS Metropolitan Transit System

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 September 28, 2006

Name (PLEASE PRINT) Virginia Conway

Address 1455 2nd Ave

S. Diego, CA 92101

Telephone

Organization Represented (if any)

Subject of your remarks: Bus ~~[illegible]~~ & Trolley Problems

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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3. DISCUSSION OF AGENDA ITEMS

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8:47

MTS Metropolitan Transit System

AGENDA ITEM 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****

1. INSTRUCTIONS

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Date 9-28-06

Name (PLEASE PRINT) Donna Erickson

Address 1814 Coolidge St
San Diego, CA 92111

Telephone 858-277-2169

Organization Represented (if any)

Subject of your remarks: #25 Shuttle Stop

Agenda Item Number on which you request to speak

Your comments are presenting a position of: SUPPORT ☐ OPPOSITION ☐

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DONNA ERICKSON
1814 Coolidge Street + San Diego CA 92111 + 858-277-2169

September ~~14,~~ 28 2006 MTS Board Meeting
Regarding Route 25 Shuttle ~~Per Agenda Item 47~~

Good Morning,
Mr. Mathis, Board Members, Mr. Jablonski!

Like many other times in my life, the ordinary turned into the extraordinary on September 7th as I sat at the Route 25 bus stop waiting to ride the shuttle for the very first time.

I didn't know what to expect, didn't even know what time it would come. The 25 Schedule was hard to find. Then Gabriele, one of the librarians at the Linda Vista branch, greeted me. She had collected many signatures for our two petitions. We chatted for a few minutes and she mentioned that she had ordered bus schedules for the library but hadn't received them yet. And on cue an MTS Dart van type of vehicle arrived. We both did a double take - "Is This The Shuttle???" On a regular sheet of white paper, taped to plexiglass near the door was a sign that read Route 25 and above it was taped a 25 Schedule.

"Look, there's a schedule" we said in unison. As I boarded the shuttle I noticed the fare box on the floor, a narrow aisle, little windows, a small, darkened space, wheel chair access in the rear, and seven passengers. Gabriele asked the driver if he had any schedules. They were behind him neatly arranged and he invited her to come aboard and get some. "No, no, I can't do that", she said. I wondered what the problem was, grabbed several and gave them to her. Later, I would come to a realization.

As we headed toward Fashion Valley I noticed a young black woman sitting across the aisle from me. She had her arms crossed and was huddled against the inner shell of the vehicle. I asked her what she thought of the shuttle. She looked at me as if she hadn't heard my question, so I repeated it. Her answer was a complete surprise and so forthcoming, "It is depressing - I feel like a second-class citizen." I was stunned by her honesty and I think I nodded my head. Although I felt more claustrophobic, I could relate to what she was saying.

Then she sat up straight and uncrossed her arms. Her demeanor had changed dramatically. She was very beautiful and dressed nicely. She looked straight at me and with sadness in her eyes said, "Now I know how my grandmother felt when she rode the bus." [circa 1950's and 1960's in the segregated South] I looked at her and I knew there was sadness in my eyes. Softly she asked, "DO YOU UNDERSTAND?" I whispered my "Yes" as I nodded my head. As we departed the shuttle I touched her hand and said, "Thank You."

So, today for her and for all who signed our petition saying that a shuttle is unacceptable, I ask you that same question-

"DO YOU UNDERSTAND?"

Another passenger who wanted to go to Sharp said, "Bring Back The Big Bus!"

9:03

MTS Metropolitan Transit System

AGENDA ITEM NO. 3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED 3

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Date 9-28-2006

Name (PLEASE PRINT) DON STILLWELL

Address 6308 RANCHO MSN RD #173
S.D. CA 92108

Telephone (619) 282-7760

Organization Represented (if any) NONE

Subject of your remarks: BUS CHANGES

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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9:04

MTS Metropolitan Transit System

AGENDA ITEM NO. 3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED 4

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Date 9-28-06

Name (PLEASE PRINT) Kit Gardner

Address 2463 MacKenzie Creek Road

Telephone 619-216-7873

Organization Represented (if any)

Subject of your remarks: Bus routes on MacKenzie Creek Road - 707+709A

Agenda Item Number on which you request to speak N/A - Public Comments

Your comments are presenting a position of: SUPPORT ☐ OPPOSITION ☐

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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9:05

MTS Metropolitan Transit System

AGENDA ITEM NO. 3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED 5

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Date 2006-09-28

Name (PLEASE PRINT) Clive Richard

Address 5153 La Dorna St

San Diego, CA 92115

Telephone 619.582.4036

Organization Represented (if any)

Subject of your remarks:

Agenda Item Number on which you request to speak

Your comments are presenting a position of: SUPPORT ☐ OPPOSITION ☐

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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Metropolitan Transit System

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

Agenda

Item No. 6

AG 240.1

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

September 28, 2006

SUBJECT:

MTS: LEASE WITH THE SAN DIEGO PADRES FOR 300 PARKING SPACES IN THE JAMES R. MILLS BUILDING PARKING STRUCTURE

RECOMMENDATION:

That the Board of Directors: (1) authorize the Chief Executive Officer (CEO) to execute a lease (in substantially the same form as Attachment A) with the San Diego Padres for 300 parking spaces in the James R. Mills Building Parking Structure and any related documents that may be requested by the Padre's mortgagor(s) in the future; and (2) if it applies, find that the proposed lease is categorically exempt from an environmental assessment as it involves the continuation of an existing use in accordance with Article 19, Section 15301 of the California Environmental Quality Act Guidelines.

Budget Impact

$84,880 minimum annual income to MTS in the first year of the lease (2007). Income would increase every two years based on parking rates charged at comparable parking facilities in the vicinity of PETCO Park.

DISCUSSION:

Background

The Mills Building is owned by the San Diego Regional Authority (SDRBA). The SDRBA is comprised of 75% County of San Diego (County) membership and 25% MTS membership. Supervisors Greg Cox and Ron Roberts represent the County, and Chairman Harry Mathis represents MTS on the SDRBA Board. Administration and ownership of the building are in the hands of the San Diego Regional Building Authority (Building Authority), a joint exercise of powers agency created by the County and MTS on August 25, 1987. The County and MTS jointly occupy the ten-story 180,000-square-foot Mills Building. The building also has an adjacent 1,000-space parking garage. County departments located in the Mills Building are the Health and Human Services Agency and the Department of Environmental Health. MTS occupies the first, ninth, and tenth floors of the building with the first floor being sublet to retail tenants, and the County occupies the remaining floors. Both the building and the garage are located within three blocks of PETCO Park. The County and MTS share in Building Authority revenues and expenses in a proportion of 75.05% County and 24.95% MTS.

JMI Realty, representing the San Diego Padres baseball team, approached the Building Authority to lease 300 parking spaces in the Mills Building parking structure. Currently, during games and special events, County and MTS vehicles in the Mills Building structure are typically parked in predetermined areas. Most employees have left for the day by 6 p.m., and employees remaining after that time display authorized placards. Since the 2004 baseball season, the parking structure has been successfully marketed on first-come, first-serve basis to patrons attending PETCO Park functions. The existing game-time parking practices would continue with the new lease. The lease agreement proposed would guarantee the sale of the first 300 spaces for every game and other baseball-related functions held at PETCO Park.

The proposed lease has the following provisions:

- Lessors: San Diego Regional Building Authority, County, and MTS. (Upon the advice of MTS General Counsel, all three entities would be lessors for this lease since the term of the lease extends beyond the expiration date [2019] of 30-year certificates of participation for indebtedness encumbering the Mills Building and parking structure.)

- Lessee: Padres L.P.

- Term: January 1, 2007, to December 31, 2025.

- Options to Renew: Three 5-year options. Lessors may elect nonrenewal upon 18 months' advance notice.

- Spaces: 300 parking spaces to be used by season ticket holders guaranteed for the first five years of the term. The Padres may elect to reduce the number of spaces below 300 after the fifth year of the lease and every two years thereafter. The first reduction is limited to 133 spaces with no limits on reductions in subsequent election years. Once an election to reduce spaces has been made, the number of spaces may not be subsequently increased.

- Rent: $14 per space for each event with the parking rate tied to the 2006 Major League Baseball Season parking rates for two parking facilities in the vicinity (Tailgate Park and P-1 garage at 10th and K Streets). The rate would escalate in 2007 and every two years thereafter based on the average per-space parking rate in effect at the two comparison parking facilities.

- Days of Use: 81 days each year for major league baseball games with a right by the Padres to designate 20 additional days each year for major league baseball-related events.

Paul C. Jablonski
Chief Executive Officer

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

SEPT28-06.6.PADRESPARKINGLEASE.TLOREN

Attachment: A. Draft Lease Agreement

MTS Doc. #G1030.0-07
SDRBA 2006

LEASE AGREEMENT FOR PARKING SPACES
JAMES R. MILLS BUILDING PARKING GARAGE

APN:	**538-010-33**
LESSORS:	**SAN DIEGO REGIONAL BUILDING AUTHORITY, a joint exercise of powers authority, AND COUNTY OF SAN DIEGO, a political subdivision of the State of California, AND METROPOLITAN TRANSIT SYSTEM, a ___________ ________________________________**
LESSEE:	**PADRES L.P.**

CONTRACT NO:____________________

Lease Agreement
Parking Spaces for James R. Mills Building Parking Garage

TABLE OF CONTENTS

TABLE OF CONTENTS

LEASE AGREEMENT FOR PARKING SPACES
JAMES R. MILLS BUILDING PARKING GARAGE

THIS LEASE AGREEMENT ("Lease") is made and entered into effective as of ________________________, 20____ ("Effective Date"), by and between the SAN DIEGO REGIONAL BUILDING AUTHORITY, a joint exercise of powers authority, and the COUNTY OF SAN DIEGO, a political subdivision of the State of California, and the METROPOLITAN TRANSIT SYSTEM, a ____ ____ ("Lessors"), and PADRES L.P. ("Lessee").

IN CONSIDERATION OF THE RENTS AND COVENANTS hereinafter set forth, the Lessors hereby leases to Lessee, and Lessee hereby leases from Lessors, the premises described below upon the following terms and conditions:

ARTICLE 1
LEASE OF PREMISES

Lessors hereby leases to Lessee and Lessee hereby leases from Lessors, for the rent and upon the covenants and conditions hereinafter set forth (including, without limitation, the restrictions set forth in Article V, Possession and Use), the following parking spaces located in the James R. Mills Building Parking Garage, located at 1255 Imperial Avenue, San Diego, as depicted on Attachment A, attached hereto (the "Garage"):

a. 300 parking standard spaces ("Spaces"), which Spaces shall be undesignated, but Lessor guarantees the availability of such Spaces for all Regular Game Day Events (defined below) and Special Events (defined below).

b. *Reduction in Spaces*: The Lessee may elect to reduce the number of Spaces on the fifth anniversary of the Effective Date and each succeeding second anniversary of the Effective Date (each such anniversary, an "Adjustment Date"). However, the maximum reduction on the first Adjustment Date shall be limited to 133 Spaces. There shall be no limit on the reduction on any subsequent Adjustment Date; however, if the Lessee elects to lease less than 25 Spaces, then Lessors may terminate this Lease by delivering to Lessee written notice thereof within 30 days after Lessee delivers to Lessors written notice of its intention to reduce the number of spaces below 25. After the Lessee has reduced the number of Spaces, it may not subsequently elect to increase the number of Spaces.

c. *Exercise of Election*: Each election may be made by Lessee delivering written notice to the Lessors by the applicable Adjustment Date. If no adjustment notice is delivered on an Adjustment Date, then the number of Spaces for the two-year period beginning with that Adjustment Date shall equal the number of Spaces during the prior period.

In connection with its use of the Spaces, Lessee shall have access to all portions of the Garage to the extent necessary for ingress and egress to the Spaces from publicly-dedicated streets.

ARTICLE 2
TERM

a. *Initial Term*: January 1, 2007 (the "Commencement Date") to December 31, 2025.

b. *Renewal Term*: Three options to renew the term for five years each. Each option may be exercised by the Lessee delivering to the Lessors written notice thereof at least six months before the end of the initial term or effective renewal term, as the case may be. The Base Rent for each renewal term shall be the same Base Rent that was in effect immediately before the renewal term, but shall continue to be subject to the annual two-year adjustments. The Lessors may elect not to permit the initial renewal by delivering to the Lessee written notice thereof at least 18 months before the expiration of the initial term. Additionally, the Lessors may terminate this Lease during any renewal term by delivering to the Lessee written notice thereof at least 18 months before the termination date.

ARTICLE 3
RENT

3.1 Base Rent. Subject to adjustment, Lessee shall pay as rent for the use and occupancy of the Spaces the amounts as set forth below (the "Base Rent").

a. *Regular Game Day Event Initial Base Rent*: $14 per space for Regular Game Day Events (defined below) adjusted by the percentage increase or decrease in the Event Parking Rate (defined below) for Regular Game Day Events of the Comparison Set (defined below) from the 2006 Major League Baseball Season and the 2007 Major League Baseball Season. For example, if the average increases in the Event Parking Rates for Regular Game Day Events for the Comparison Set between the 2006 Major League Baseball Season and the 2007 Major League Baseball Season were 10%, then the initial Base Rent for Regular Game Day Events on the Commencement Date would be $15.40 per Space.

b. *Rent Adjustment for Regular Game Day Events*: The per space Base Rent for Regular Game Day Events shall be adjusted on each second anniversary of Commencement Date to equal the rent charged for the prior year adjusted by the average percentage increase or decrease of the Event Parking Rate for Regular Game Day Events at the parking lot commonly known as Tailgate Park and located at the corner of 14th Avenue and Imperial in downtown San Diego, CA, whose location is shown as P5 on Exhibit D ("Tailgate Park") and the parking garage commonly known as P-1 Garage and located at the corner of 10th Avenue and K Street in downtown San Diego, CA, whose location is shown as P4 on Exhibit D ("P-1 Garage" and, together with Tailgate Park, the "Comparison Set") over the prior two-year period. For example, if the Event Parking Rate for Regular Game Day Events at Tailgate Park increased by 10% and the Event Parking Rate for Regular Game Day Events at P-1 Garage increased by 20% over the initial two years of the initial term, then the first adjustment in the per space Base Rent shall be an increase of 15%. "Event Parking Rate" shall be the rate charged for use of a parking space in the Tailgate Park or P-1 Garage for patrons attending an event at the ballpark located in San Diego, commonly known as Petco Park (the "Ballpark").

c. *Rent for Special Events*: The per space Base Rent for Special Events (defined below) shall equal the per space rate for Regular Game Day Events adjusted by the positive or negative percentage change in the average Event Parking Rate charged for spaces at the Comparison Set for Regular Game Day Events and the Event Parking Rate charged for spaces in the Comparison Set for the Special Event in question.

d. *Time of Payment of Rent:* Rent for Regular Game Day Events shall be paid annually, in advance, on March 1st of each year. Rent for Special Events shall be paid three business days after the Special Event occurs.

e. *Lessee Notice of Comparison Set Rates.* On or before the Commencement Date and each Adjustment Date, Lessee shall notify Lessors' Lease Administrator of the per space rates that it will charge at Tailgate Park and P-1 Garage for Regular Game Day Events for the Major League Baseball Season occurring during the year beginning with the Commencement Date or applicable Adjustment Date in question.

f. *Inability to Use Spaces.* If Lessee is unable to use the Spaces because of casualty, condemnation or otherwise (other than because of acts or omissions of Lessee), then Lessee shall be entitled to an abatement of Base Rent and, to the extent Lessee has paid any Base Rent for the use of the Spaces, Lessor shall reimburse Lessee for the Base Rent for Spaces that it was unable to use (but limited to the Base Rent paid for the days of non-use). If Lessee is unable to use the Spaces (other than because of acts or omissions of Lessee) for more than 90 days, then Lessee may terminate this Lease. If Lessee elects to terminate this Lease under this clause (f), then Lessor shall reimburse Lessee for the Base Rent that has been paid for the portion of the Term that has been terminated.

3.2 Delivery of Rent Payments. All rent due under this Lease shall be made payable to the Lessors, and shall be considered paid when delivered to:

James R. Mills Building
c/o Pinnacle Realty Management Company
1255 Imperial Avenue
San Diego, CA 92101

Lessors may, at any time, by written notice to Lessee, designate a different address to which Lessee shall deliver the rent payments. Lessors may, but are not obligated to, send rent invoices to Lessee.

3.3 Failure to Pay Base Monthly Rent or Additional Rent; Late Charge.

a. If Lessee fails to pay rent due hereunder at the time it is due and payable, such unpaid amounts shall bear interest at the rate of ten percent (10%) per year from the date due to the date of payment, computed on the basis of monthly compounding with actual days elapsed compared to a 360-day year. In addition to such interest, the late payment by Lessee of any rental due hereunder will cause Lessors to incur certain costs and expenses not contemplated under this Lease, the exact amount of which costs being extremely difficult or impracticable to fix. Such costs and expenses will include, without limitation, administrative and collection costs, and processing and accounting expenses. Therefor, if any such rental is not received by Lessors within 30 calendar days following the due date, Lessee shall immediately pay to Lessors a late charge equal to five percent (5%) of such overdue amount. This late charge represents a reasonable estimate of such costs and expenses and is fair compensation to Lessors for their loss caused by Lessee's nonpayment. Should Lessee pay said late charge but fail to pay contemporaneously therewith all unpaid amounts of rent due hereunder, Lessors' acceptance of this late charge shall not constitute a waiver of Lessee's default with respect to such nonpayment by Lessee nor prevent Lessors from exercising all other rights and remedies available to Lessors under this Lease or under law.

b. In the event of a dispute between the parties as to the correct amount of Base Rent owed by Lessee, Lessors may accept any sum tendered by Lessee in payment thereof, without prejudice to Lessors' claim as to the proper amount of rent owing. If it is later determined that Lessee has not paid the full amount of rent owing, the late charge specified herein shall apply only to that portion of the rent still due and payable from Lessee. Notwithstanding any provision of this Section to the contrary, however, Lessors' Lease Administrator may waive any delinquency payment or late charge upon written application of Lessee.

3.4 No Profit from Sale of Spaces. Lessee shall not sell or sublease the use of any Space for an amount in excess of the Base Rent thereof. Lessee shall conform to the provisions of Article 13 for any sublease of any Space.

ARTICLE 4
(Intentionally Deleted)

ARTICLE 5
POSSESSION AND USE

5.1 Permitted Uses. The Spaces may be used solely for parking of vehicles of patrons who are attending events held at the Ballpark during the following times:

a. *Regular Game Days*: 81 days each year for Major League Baseball Games held at the Ballpark ("Regular Game Day Events"), which days shall be specified by Lessee on January 1st of each year, beginning on the Commencement Date.

b. *Special Events:* The Padres shall have the right to designate for each year 20 additional days each year for parking for MLB-related events (such as, without limitation, exhibition games, All-Star Games, and playoff games) and other events held at the Ballpark ("Special Events") by delivering written notice at least thirty (30) days before the event in question.

c. *Access*: Lessee shall issue patrons permitted to use the Spaces special placards with identification numbers. Such placards shall contain the disclaimer language required under Article 6. The parking patrons shall be granted access to the Spaces at least 1.5 hours before the Regular Game Day Event or Special Event, as applicable.

No one other than Lessee, its agents, employees, patrons of events being held at the Ballpark with the appropriate parking credentials is permitted to use the Spaces for the purposes described herein. Lessee shall be fully responsible for the activities of persons using the Spaces pursuant to this Lease.

5.2 Duties and Prohibited Conduct. Where Lessee is reasonably in doubt as to the propriety of any particular use, Lessee may request the written determination of Lessors' Lease Administrator that such use is or is not permitted, and Lessee will not be in breach or default under this Lease if Lessee abides by such determination. Notwithstanding the foregoing, however, Lessee shall not use nor permit the use of the Spaces in any manner that will tend to create waste or a nuisance. Lessee shall, at Lessee's expense, comply promptly with all applicable statutes, laws, ordinances, rules, regulations, orders, covenants and restrictions of record, and requirements in effect during the term, regulating the use by Lessee of the Spaces. Lessee shall not use, or permit any person or persons to use, the Spaces for the sale or display of any goods and/or services, which, in the sole discretion of Lessors, is inconsistent with the permitted uses of the Spaces pursuant to this Lease

ARTICLE 6

6.1 Parking Pass Disclaimer Language. Lessee agrees to include Lessor's license and disclaimer language in the form set forth in Exhibit "C" on all placards, parking access passes, entry tickets or any similar printed parking related access materials given to anyone using parking facilities under this Lease. Lessors reserve the right to revise or amend this language, upon written notice to Lessee.

ARTICLE 7
(Intentionally Deleted)

ARTICLE 8
SECURITY

Lessors shall be responsible for and shall provide for the security of the Garage.

ARTICLE 9
TAXES, ASSESSMENTS AND FEES

9.1 Responsibility for Payment of Taxes and Assessments. Lessors shall not be obligated to pay any taxes or assessments accruing against Lessee in respect of the leasehold interest created hereby or any interest of Lessee therein before, during or after the Term, or any extension thereof; all such payments shall be the sole responsibility of Lessee.

9.2 Definition of "Taxes". As used herein, the term "taxes" means all taxes, special assessments, Mello-Roos assessments, charges, rent income or transfer taxes, license and transaction fees, including, but not limited to, (i) any state, local, federal, personal or corporate income tax, or any real or personal property tax, (ii) any estate inheritance taxes, (iii) any franchise, succession or transfer taxes, (iv) interest on taxes or penalties resulting from Lessee's failure to pay taxes, or (v) any increases in taxes attributable to the sale of Lessee's leasehold interest created hereby.

9.3 Creation of Possessory Interest. Pursuant to the provisions of Revenue and Taxation Code section 107.6, Lessee is hereby advised that the terms of this Lease may result in the creation of a possessory interest. If such a possessory interest is vested in Lessee, Lessee may be subjected to the payment of real property taxes levied on such interest. Lessee shall be solely responsible for the payment of any such real property taxes. Lessee shall pay all such taxes when due, and shall not allow any such taxes, assessments or fees to become a lien against the Garage or any improvement thereon; provided, however, that nothing herein shall be deemed to prevent or prohibit Lessee from contesting the validity of any such tax, assessment or fee in a manner authorized by law.

ARTICLE 10
(Intentionally Deleted)

ARTICLE 11
INDEMNITY AND INSURANCE

11.1 Lessee's Indemnity. Lessors shall not be liable for, and Lessee shall defend and indemnify Lessors and the employees and agents of Lessors (collectively "Lessors Parties"), against any and all claims, demands, liability, judgments, awards, fines, mechanics' liens or other liens, labor disputes, losses, damages, expenses, charges or costs of any kind or character, including attorneys' fees and court costs (hereinafter collectively referred to as "Claims"), related to this Lease and arising either directly or indirectly from any act, error, omission or negligence of Lessee or its contractors, licensees, agents, servants, invitees, or employees, including, without limitation, Claims caused by the concurrent negligent act, error or omission, whether active or passive, of Lessors Parties. Lessee shall have no obligation, however, to defend or indemnify Lessors Parties from a Claim if it is determined by a court of competent jurisdiction that such Claim was caused by the sole negligence or willful misconduct of Lessors Parties.

11.2 Lessors' Indemnity. Lessors shall defend and indemnify Lessee and hold it harmless from and against any Claims related to this Lease that arise solely from any act, omission or negligence of Lessors Parties.

11.3 Covered Claims. The obligations of Lessee and Lessors hereunder to indemnify, defend and hold each other harmless shall not apply to the extent that insurance carried by Lessee or Lessors covers any Claim.

11.4 Lessee's Insurance Obligations. Without limiting Lessee's indemnification obligations to Lessors under this Lease, Lessee shall provide and maintain, during the Term and for such other period as may be required herein, at its sole expense, insurance in the amounts and form specified in Exhibit "B," attached hereto

11.5 Lessors' Insurance Obligations. Lessors maintain a policy of All-Risk Insurance covering the Garage, including any fixtures or equipment in the Garage owned by Lessors. The Lessors utilizes a program of self-funding with regard to any liability it may incur for personal injury or property damage arising out of its use or occupancy of the Garage.

ARTICLE 12
HAZARDOUS MATERIALS

12.1 Hazardous Materials Laws-Definition. As used in this section, the term "Hazardous Materials' Laws" means any and all federal, state or local laws or ordinances, rules, decrees, orders, regulations or court decisions (including the so-called "common law"), including without limitation the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C.,. 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C.,. 1801 et seq.), the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C.,. 6901 et seq.), and the California Environmental Quality Act of 1970, relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Garage, soil and ground water conditions or other similar substances or conditions.

12.2 Hazardous Materials - Definition. As used in this section the term "Hazardous Materials" means any chemical, compound, material, substance or other matter that:

a. is a flammable, explosive, asbestos, radioactive nuclear medicine, vaccine, bacteria, virus, hazardous waste, toxic, overtly injurious or potentially injurious material, whether injurious or potentially injurious by itself or in combination with other materials;

b. is controlled, referred to, designated in or governed by any Hazardous Materials Laws;

c. gives rise to any reporting, notice or publication requirements under any Hazardous Materials Laws, or

d. is any other material or substance giving rise to any liability, responsibility or duty upon the Lessors or Lessee with respect to any third person under any Hazardous Materials Law.

12.3 Lessee's Representations and Warranties. Lessee shall comply at all times with all Hazardous Materials Laws that are applicable to Lessee's use of the Spaces and shall not cause or permit any Hazardous Materials to be brought, kept or used in or about the Garage by Lessee, its agents, employees, sublessees, assigns, contractors or invitees, except as required by Lessee's permitted use of the Garage, as described in Section 5.1, "Permitted Uses." Any handling, transportation, storage, treatment or usage by Lessee of Hazardous Materials that is to occur on the Garage following the Commencement Date shall be in compliance with all applicable Hazardous Materials Laws.

12.4 Indemnification by Lessee. Lessee agrees to protect, indemnify, defend (with counsel selected by Lessors) reimburse and hold Lessors and its officers, employees and agents harmless from any claims, judgments, damages, penalties, fines, costs or expenses (known or unknown, contingent or otherwise), liabilities (including sums paid in settlement of claims), personal injury (including wrongful death), property damage (real or personal) or loss, including attorneys' fees, consultants' fees, and experts' fees (consultants and experts to be selected by Lessors) which arise during or after the Term from or in connection with Lessee's violation of the provisions of Section 12.3. Without limiting the generality of the foregoing, the indemnification provided by this section shall specifically cover costs incurred in connection with investigation of site conditions or any cleanup, remedial, removal or restoration work required by any Hazardous Materials Laws because of Lessee's default of the provisions of Section 12.3.

12.5 Remedies Cumulative; Survival. The provisions of this Article shall be in addition to any and all obligations and liabilities Lessee may have to Lessors at common law, and any remedies and the environmental indemnities provided for herein shall survive the expiration or termination of this Lease and/or any transfer of all or any portion of the Garage, or of any interest in this Lease, and shall be governed by the laws of the State of California.

12.6 Inspection. Lessors and Lessors' agents, servants, and employees including, without limitation, legal counsel and environmental consultants and engineers retained by Lessors, may (but without the obligation or duty so to do), at any time and from time to time, inspect the Garage to determine whether Lessee is complying with Lessee's obligations set forth in this Article, and to perform environmental inspections and samplings.

ARTICLE 13
ASSIGNMENT AND SUBLETTING

Except as provided below, Lessee shall not voluntarily or involuntarily assign, sublease, mortgage, encumber, or otherwise transfer (collectively, a "Transfer") all or any portion of the Spaces or its interest in this Lease without Lessors' prior written consent. Lessors may reasonably withhold its consent to any Transfer. Any attempted Transfer without Lessors' consent shall be void and shall constitute a material breach of this Lease. As used herein, the term "Transfer" shall include an arrangement (including without limitation management agreements, concessions, and licenses) that allows the use and occupancy of all or part of the Spaces by anyone other than Lessee. Lessee may, without Lessor's consent, (a) collaterally assign this Lease to any lender(s) (or trustees or agents therefor) of loan(s) secured by rights in and to the Ballpark or that certain Joint Use and Management Agreement dated February 1, 2000, between The City of San Diego and Padres L.P., as amended from time to time, (a "Ballpark Mortgagee") and any such collateral assignee or successful bidder at a foreclosure of the liens and security interests created against this Lease (or transferee in a deed-in-lieu thereof transaction) shall be a permitted assignee, (b) assign this Lease or sublet its rights under this Lease to any person or entity which controls, is controlled by, or is under common control with Lessee, (c) assign this Lease or sublet its rights under this Lease to any person or entity which acquires the right to use the Ballpark for Regular Game Day Events or Special Events and (d) grant to persons attending Regular Game Day Events and Special Events rights to use the Spaces. Lessee shall deliver to Lessors written notice of any of the events described in clauses (a)-(c) above. In connection with the collateral assignment of this Lease to any Ballpark Mortgagee, Lessor shall execute such documents as the Ballpark Mortgagee may reasonably request, which shall include mortgagee-protective provisions customarily required by institutional lenders which are reasonably acceptable to Lessor ("Mortgagee Documents").

ARTICLE 14
LESSORS' RIGHT OF ACCESS

14.1. Lessors, its agents, employees, and contractors may enter the Garage at any time (a) inspect the Garage, (b) exhibit the Garage to prospective purchasers or Lessees, (c) determine whether Lessee is complying with its obligations in this Lease (including its obligations with respect to compliance with Hazardous Materials Laws), (d) supply cleaning service and any other service that this Lease requires Lessors to provide, (e) post notices of non-responsibility or similar notices, or (f) make repairs that this Lease requires Lessors to make, or make repairs to any adjoining space or utility services, or make repairs, alterations, or improvements to any other portion of the Garage; provided, however, that all work will be done as promptly as reasonably possible and so as to cause as little interference to Lessee as reasonably possible.

14.2. Except as provided in Section 3.1(f), Lessee waives any claim of injury or inconvenience to Lessee's business, interference with Lessee's business, loss of occupancy or quiet enjoyment of the Spaces, or any other loss occasioned by such entry.

ARTICLE 15
DEFAULT AND QUIET ENJOYMENT

15.1 If Lessee defaults in its obligations hereunder and such failure continues beyond the applicable Cure Period, then Lessors shall have all rights and remedies therefor provided at law and in equity, including, without limitation, the right to terminate this Lease and terminate Lessee's right to possess the Spaces. The applicable "Cure Period" shall be a period of (a) fifteen (15) business days after Lessors have delivered to Lessee written notice thereof in the case of a monetary default or (b) 30 days after Lessors have delivered to Lessee written notice thereof in the case of a non-monetary default; however, if a non-monetary default cannot reasonably be cured during such 30-day period, then Lessors may not exercise its rights and remedies therefor provided that Lessee begins to cure such default during such 30-day period and thereafter diligently pursues the cure thereof to completion. Additionally, Lessors may not terminate this Lease or terminate Lessee's right to possess the Spaces unless Lessors have complied with the notice provisions and other requirements of the Mortgagee Documents. If Lessee is not in breach under the covenants made in this Lease, Lessors covenants that Lessee shall have peaceful and quiet enjoyment of the Spaces without hindrance on the part of Lessors. Lessors will defend Lessee in the peaceful and quiet enjoyment of the Spaces against claims of all persons claiming through or under the Lessors.

ARTICLE 16
NOTICES

16.1 Notices. Whenever in this Lease it shall be required or permitted that notice or demand be given or served by either party to this Lease to or on the other, such notice or demand shall be in writing, mailed or delivered to the other parties at the following addresses:

To: San Diego Regional Building Authority
c/o Executive Officer
5555 Overland Avenue
Bldg. 2, Suite 2500
San Diego, CA 92123

To: Metropolitan Transit System
c/o General Counsel
1255 Imperial Avenue
Suite 1000
San Diego, CA 92101

To: County of San Diego
c/o Director, Department of General Services
5555 Overland Avenue
Bldg. 2, Suite 2500
San Diego, CA 92123

To: Padres L.P.
100 Park Avenue
San Diego, CA 92101
Attn: General Counsel

Mailed notices shall be sent by United States Postal Service, certified or registered mail, postage prepaid and shall be deemed to have been given, delivered and received three (3) business days after the date such notice or other communication is posted by the United States Postal Service. All other such notices or other communications shall be deemed given, delivered and received upon actual receipt. Either party may, by written notice delivered pursuant to this provision, at any time designate a different address to which notices shall be sent. Lessors shall send all notices of default to a Ballpark Mortgagee.

ARTICLE 17
(Intentionally Deleted)

ARTICLE 18
(Intentionally Deleted)

ARTICLE 19
GENERAL PROVISIONS

19.1 Authority. Lessee represents and warrants that it has full power and authority to execute and fully perform its obligations under this Lease pursuant to its governing instruments, without the need for any further action, and that the person(s) executing this Lease on behalf of Lessee are the duly designated agents of Lessee and are authorized to do so.

19.2 Brokers. Lessee warrants that it has had no dealings with any real estate broker or agent in connection with the negotiation and/or execution of this Lease. In the event any broker claiming through Lessee makes claim for monies owed, Lessee shall indemnify, defend and hold Lessors harmless therefrom.

19.3 Captions. The captions, headings and index appearing in this Lease are inserted for convenience only and in no way define, limit, construe, or describe the scope or intent of the provisions of this Lease.

19.4 Lessors' Approval. Except where stated herein to the contrary, the phrases "Lessors' approval," and "Lessors' written approval" or such similar phrases shall mean approval of the Executive Officer of the San Diego Regional Building Authority or said Executive Officer's representative as authorized in writing.

19.5 Cumulative Remedies. In the event of a default under this Lease, each party's remedies shall be limited to those remedies set forth in this Lease; any such remedies are cumulative and not exclusive of any other remedies under this Lease to which the non-defaulting party may be entitled.

19.6 Entire Agreement. This Lease, together with all addenda, exhibits and riders attached hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof, and all prior or contemporaneous agreements, understandings and representations, oral or written, are superseded.

19.7 Estoppel Certificate. Lessee shall at any time during the term of this Lease, within ten (10) business days of written notice from Lessors, execute and deliver to Lessors a statement in writing certifying that this Lease is unmodified and in full force and effect or, if modified, stating the nature of such modification. Lessee's statement shall include other details requested by Lessors, such as the date to which rent and other charges are paid, the current ownership and name of Lessee, Lessee's knowledge concerning any outstanding defaults with respect to Lessors' obligations under this Lease and the nature of such defaults if they are claims. Any such statement may be relied upon conclusively by any prospective purchaser or encumbrancer of the Garage. Lessee's failure to deliver such statements within such time shall be conclusive upon Lessee that this Lease is in full force and effect, except to the extent any modification has been represented by Lessors, and that there are no uncured defaults in the Lessors' performance. Lessors shall at any time during the term of this Lease, within ten (10) business days of written notice from Lessee, execute and deliver to Lessee a statement in writing certifying that this Lease is unmodified and in full force and effect or, if modified, stating the nature of such modification and whether any defaults exist under the Lease on the part of either party. Any such statement may be relied upon conclusively by any prospective assignee of the Lease or subtenant of Lessee' rights hereunder.

19.8 Exhibits. All exhibits referred to herein are attached hereto and incorporated by reference.

19.9 Force Majeure. In the event either party is prevented or delayed from performing any act or discharging any obligation hereunder, except for the payment of rent by Lessee, because of any and all causes beyond either party's reasonable control, including unusual delays in deliveries, abnormal adverse weather conditions, unavoidable casualties, strikes, labor disputes, inability to obtain labor, materials or equipment, acts of God, governmental restrictions, regulations or controls, any hostile government actions, civil commotion and fire or other casualty, legal actions attacking the validity of this Lease or the Lessors' occupancy of the Spaces, or any other casualties beyond the reasonable control of either party ("Force Majeure"), performance of such act shall be excused for the period of such delay, and the period for performance of such act shall be extended for a period equivalent to the period of such delay. Force Majeure shall not include any bankruptcy, insolvency, or other financial inability on the part of either party hereto.

19.10 Governing Law. This Lease shall be governed, construed and enforced in accordance with the laws of the State of California.

19.11 Interpretation. The parties have each agreed to the use of the particular language of the provisions of this Lease, and any question of doubtful interpretation shall not be resolved by any rule of interpretation providing for interpretation against the parties who cause an uncertainty to exist or against the draftsperson.

19.12 Joint and Several Liability. If more than one person or entity executes this Lease as Lessee, each of them is jointly and severally liable for all of the obligations of Lessee hereunder.

19.13 Lease Administration. This Lease shall be administered on behalf of Lessors by the Executive Officer, San Diego Regional Building Authority, or by such person's duly-authorized designee (referred to collectively herein as "County's Lease Administrator"), and on behalf of Lessee by, Katie Pothier, Esq., General Counsel or by such other person as may be designated in writing by Lessee (referred to collectively herein as "Lessee's Lease Administrator").

19.14 Lessee's Lease Administration. Lessee confirms that Lessee's Lease Administrator has been given full operational responsibility for compliance with the terms of this Lease.

19.15 Liquidated Damages. Any payments by Lessee to Lessors under this Lease described as liquidated damages represent the parties' reasonable estimate of Lessors' actual damages under the described circumstances, such actual damages being uncertain and difficult to ascertain in light of the impossibility of foreseeing the state of the leasing market at the time of the various deadlines set forth herein. Lessors may, at its election, take any of the liquidated damages assessed in any portion of this Lease as direct monetary payments from Lessee and/or as an increase of rent due from Lessee under this Lease.

19.16 Modification. The provisions of this Lease may not be modified, except by a written instrument signed by both parties.

19.17 Partial Invalidity. If any provision of this Lease is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not be affected thereby. Each provision shall be valid and enforceable to the fullest extent permitted by law.

19.18 Payments. Except as may otherwise be expressly stated, each payment required to be made by Lessee shall be in addition to and not in substitution for other payments to be made by Lessee.

19.19 Successors & Assigns. This Lease shall be binding on and inure to the benefit of the parties and their successors and assigns, except as may otherwise be provided herein.

19.20 Time of Essence. Time is of the essence of each and every provision of this Lease.

19.21 Waiver. No provision of this Lease or the breach thereof shall be deemed waived, except by written consent of the party against whom the waiver is claimed. The waiver by Lessors of any breach of any term, covenant or condition contained in this Lease shall not be deemed to be a waiver of such term, covenant or condition of any subsequent breach thereof, or of any other term, covenant or condition contained in this Lease. Lessors' subsequent acceptance of partial rent or performance by Lessee shall not be deemed to be an accord and satisfaction or a waiver of any preceding breach by Lessee of any term, covenant or condition of this Lease or of any right of Lessors to a forfeiture of the Lease by reason of such breach, regardless of Lessors' knowledge of such preceding breach at the time of Lessors' acceptance. The failure on the part of Lessors to require exact or full and complete compliance with any of the covenants, conditions of agreements of this Lease shall not be construed as in any manner changing or waiving the terms of this Lease or as estopping Lessors from enforcing in full the provisions hereof. No custom or practice which may arise or grow up between the parties hereto in the course of administering this Lease shall be construed to waive, estop or in any way lessen the right of

Lessors to insist upon the full performance of, or compliance with, any term, covenant or condition hereof by Lessee, or construed to inhibit or prevent the rights of Lessors to exercise its rights with respect to any default, dereliction or breach of this Lease by Lessee.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Lessors and Lessee have duly executed this Lease as of the day and year first above written.

LESSEE:

PADRES L.P.

By:____________________________

By:____________________________

LESSORS:

THE COUNTY OF SAN DIEGO, a political subdivision of the State of California

By:____________________________
JOHN J. McTIGHE, Director
Department of General Services

SAN DIEGO REGIONAL BUILDING AUTHORITY,
a joint exercise of powers agency

By:____________________________
Executive Officer

METROPOLITAN TRANSIT SYSTEM,

____

By:____________________________
Paul C. Jablonski
Chief Executive Officer

APPROVED AS TO FORM

By: ____________________________
MTS Office of General Counsel

EXHIBIT "A"
DESCRIPTION AND PLAT OF THE GARAGE

300 in-common parking spaces at James R. Mills Building Parking Garage at 1255 Imperial Avenue, San Diego.

EXHIBIT "B"
INSURANCE REQUIREMENTS

INSURANCE REQUIREMENTS

Without limiting Lessee's indemnification obligations to Lessors under this Lease, Lessee shall provide and maintain for the duration of this Lease insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Lessee's operation and use of the leased premises. The cost of such insurance shall be borne by the Lessee.

1. Minimum Scope of Insurance

   Coverage shall be at least as broad as:

   A. Commercial General Liability, Occurrence form, Insurance Services Office Form CG0001.

   B. Automobile Liability covering all owned, non-owned and hired auto, Insurance Services Office form CA0001.

   C. Workers Compensation, as required by State of California and Employer's Liability Insurance.

2. Minimum Limits of Insurance

   Lessee shall maintain limits no less than:

   A. Commercial General Liability including Premises, Operations, Products and Completed Operations, Contractual Liability and Independent Contractors: $1,000,000 per occurrence for bodily injury, personal injury and property damage. The General Aggregate limit shall be $2,000,000 and shall be a Per Location Aggregate. Fire Damage Limit (Any One Fire) $300,000.

   B. Automobile Liability: $1,000,000 each accident for bodily injury and property damage. Coverage will include contractual liability.

   C. Employers Liability: $1,000,000 each accident for bodily injury or disease. Coverage shall include a waiver of subrogation endorsement in favor of Lessors.

3. Deductibles and Self-Insured Retentions

   Any liability deductible or self-insured retention must be declared to and approved by Lessor's Risk Manager, which approval shall not be unreasonably withheld. Lessor's Risk Manager has approved a deductible amount of $1,000,000.

4. Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain the following provisions:

A. Additional Insured Endorsement

Any general liability policy provided by Lessee shall contain an additional insured endorsement applying coverage to the County of San Diego, the members of the Board of Supervisors of the County, the Metropolitan Transit System, the members of the Board of the Metropolitan Transit System, the San Diego Regional Building Authority, the members of the Board of the San Diego Regional Building Authority, their officers, agents, employees and volunteers, individually and collectively.

B. Primary Insurance Endorsement

For any claims related to this Lease, the Lessee's insurance coverage shall be primary insurance with respect to any insurance held by the Lessors, the members of the Board of Supervisors of the County, the Metropolitan Transit System, the members of the Board of the Metropolitan Transit System, the San Diego Regional Building Authority, the members of the Board of the San Diego Regional Building Authority, their officers, agents, employees and volunteers, individually and collectively. Any insurance or self-insurance maintained by the Lessors, the members of the Board of Supervisors of the County, the Metropolitan Transit System, the members of the Board of the Metropolitan Transit System, the San Diego Regional Building Authority, the members of the Board of the San Diego Regional Building Authority, their officers, officials, employees, or volunteers shall be excess of the Lessee's insurance and shall not contribute with it.

C. Notice of Cancellation

Each required insurance policy shall be endorsed to state that coverage shall not be canceled by either party, except after sixty (60) days' prior written notice by certified mail, return receipt requested, has been given to the Lessee. Lessee shall deliver to Lessors copies of any cancellation notice at the address shown in section of Lease entitled "Notices" promptly after Lessee's receipt thereof and in any event at least 30 days before the cancellation date thereof. Ten (10) day notice for nonpayment of premium.

General Provisions

5. Qualifying Insurers

All required policies of insurance shall be issued by companies which have been approved to do business in the State of California by the State Department of Insurance, and which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII according to the current Best's Key Rating guide, or a company of equal financial stability that is approved in writing by Lessors Risk Manager.

6. Proof of Insurance

Lessee shall furnish the County and MTS with certificates of insurance and amendatory endorsements no later that Commencement date of agreement. Thereafter, copies of renewal certificates and amendatory endorsements shall be furnished to County and MTS within thirty days of the expiration of the term of any required policy. Lessee shall permit County and MTS at all reasonable times to inspect required insurance policies.

7. Failure to Obtain or Maintain Insurance; Lessors' Remedies

Lessee's failure to provide the insurance specified or failure to furnish certificates of insurance and amendatory endorsements, or failure to make premium payments required by such insurance, shall constitute a default under the Lease, and Lessors may, at their option, terminate the Lease for any such default by Lessee that is not cured during the applicable Cure Period.

8. No Limitations of Obligations

The foregoing insurance requirements as to the types and limits of insurance coverage to be maintained by Lessee, and any approval of said insurance by the Lessors are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by Lessee pursuant to the Lease, including, but not limited to, the provisions concerning indemnification.

9. Review of Coverage

Lessors retain the right at any time to review the coverage, form and amount of insurance required herein and may require Lessee to obtain insurance reasonably sufficient in coverage, form and amount to provide adequate protection against the kind and extent of risk which exists at the time a change in insurance is required.

10. Self-Insurance

Lessee may, with the prior written consent of Lessors' Risk Manager, fulfill some or all of the insurance requirements contained in this Lease under a plan of self-insurance. Lessee shall only be permitted to utilize such self-insurance if in the opinion of Lessors' Risk Manager, Lessee's (i) net worth, and (ii) reserves for payment of claims of liability against Lessee, are sufficient to adequately compensate for the lack of other insurance coverage required by this Lease. Lessor's approval shall not be unreasonably withheld. Lessee's utilization of self-insurance shall not in any way limit liabilities assumed by Lessee under this Lease.

11. Waiver of Subrogation

Lessee and Lessors waive all rights to recover against each other or against any other tenant or occupant of the building, or against the officers, directors, shareholders, partners, employees, agents or invitees of each other or of any other occupant or tenant of the building, from any Claims (as defined in the Article entitled "Indemnity") against either of them and from any damages to the fixtures, personal property, Lessee's improvements, and alterations of either Lessors or Lessee in or on the Premises and the Property, to the extent that the proceeds received from any insurance carried by either Lessors or Lessee, other than proceeds from any program of self-insurance, covers any such Claim or damage. Included in any policy or policies of insurance provided by Lessee shall be a standard waiver of rights of subrogation against Lessors by the insurance company issuing said policy or policies.

EXHIBIT C

Please keep this ticket with you and pay at Pay Station located at 1st floor garage elevators before returning to your car.

THIS CONTRACT LIMITS OUR LIABILITY—READ IT

This is a license to park only, no bailment is created. In accepting this contract, Holder agrees to use
Operator's garage or lot at Holder's own risk. The owners and operators of this parking facility here-
by specifically disclaim any responsibility, express or implied, to protect against the loss of or dam-
age to your vehicle or its contents. No employee or agent may alter or enlarge our liability hereunder
orally or otherwise. Parking in this facility shall constitute an acknowledgment and acceptance of
this condition on your right to use our parking facility. Operator's attendant is on duty for collection
of fee only. Note hours of operation and rates are posted. Please lock your car and take your keys.

LOST TICKET PAYS FULL CHARGE

ATTENDANT NOT ALWAYS ON DUTY NO IN AND OUT PRIVILEGES

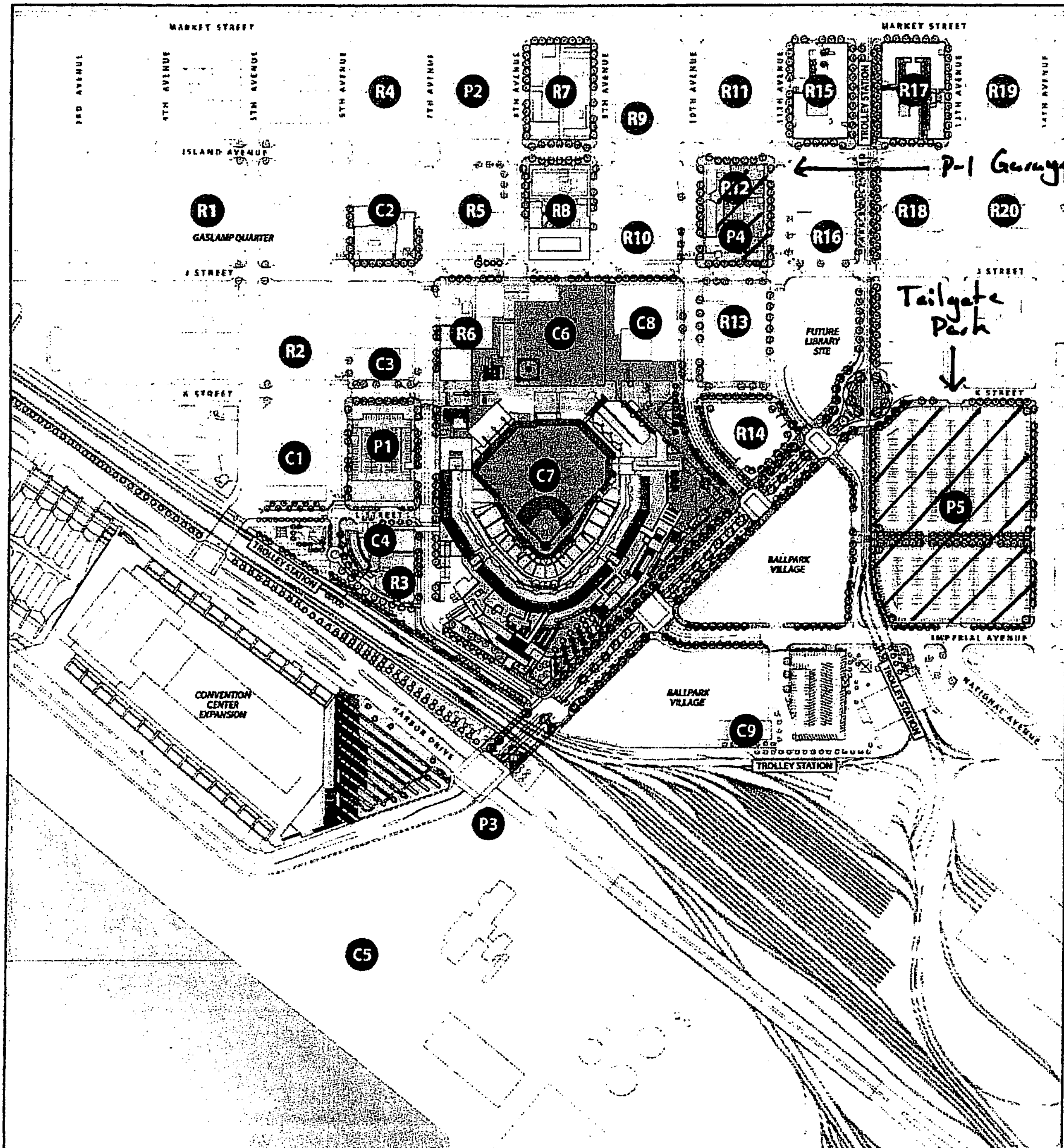
MARKET STREET
3RD AVENUE
4TH AVENUE
5TH AVENUE
6TH AVENUE
7TH AVENUE
8TH AVENUE
9TH AVENUE
10TH AVENUE
11TH AVENUE
12TH AVENUE
13TH AVENUE
14TH AVENUE
ISLAND AVENUE
GASLAMP QUARTER
J STREET
K STREET
IMPERIAL AVENUE
NATIONAL AVENUE
HARBOR DRIVE
TROLLEY STATION
FUTURE LIBRARY SITE
BALLPARK VILLAGE
CONVENTION CENTER EXPANSION
R1
R2
R3
R4
R5
R6
R7
R8
R9
R10
R11
R12
R13
R14
R15
R16
R17
R18
R19
R20
C1
C2
C3
C4
C5
C6
C7
C8
C9
P1
P2
P3
P4
P5
P-1 Garage
Tailgate Park

EXHIBIT D

Metropolitan Transit System

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.

FIN 340.3 (PC 50601)

September 28, 2006

SUBJECT:

MTS: TRANSPORTATION DEVELOPMENT ACT CLAIM AMENDMENT

RECOMMENDATION:

That the MTS Board of Directors adopt Resolution No. 06-13 (Attachment A) amending the FY 2007 Transportation Development Act (TDA) Article 4.0 Claim No. 253 for the City of El Cajon.

Budget Impact

The TDA claim amendment would result in the receipt of $391,561 in TDA Article 4.0 funds for the City of El Cajon for bus stop improvements and other operating expenses to repair and replace existing facilities.

DISCUSSION:

Senate Bill 521 (effective January 2003) consolidated all transit funding in the MTS service area. As a result, MTS submits one TDA claim on behalf of all operators in its service area. An agreement reached between MTS and the cities that used to receive TDA funds stipulates that any unused TDA balances held by the jurisdictions would be available for eligible TDA projects. The City of El Cajon has requested $391,561 from its unallocated TDA reserve to provide improved bus stops, shelters, and street lighting at or near bus stops and relocation of existing downtown bus stops as approved by the Traffic Commission and City of El Cajon City Council.

The City of El Cajon seeks to utilize the funds as detailed below:

•	Bus stop improvements	$300,000
•	Other operating expenses to repair and replace existing facilities	$ 91,561

Staff has reviewed the request and determined that these projects are eligible for TDA funding.

Paul C. Jablonski
Chief Executive Officer

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

SEPT28-06.7.TDA ELCAJON.AGOTTWIG

Attachments: A. Resolution No. 06-13
B. Letter from the City of El Cajon

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 06-13

Resolution Amending Fiscal Year 2007 Transportation Development Act

WHEREAS, effective August 10, 2000, the MTS-area consolidated Transportation Development Act (TDA) claim process provides that MTS will be responsible for submitting a single claim for each article of TDA funds for all MTS operators; and

WHEREAS, consistent with the intent of consolidating all transit funding for MTS-area operators, the San Diego Association of Governments (SANDAG) approved MTS's FY 2003 TDA claim, including unallocated balances of TDA funds and all capital reserves on behalf of area operators and jurisdictions; and

WHEREAS, balances from this claim remain unspent as of the date of this resolution; and

WHEREAS, said claimed balances either reserved funds for specific capital projects or were identified as unallocated capital reserves; and

WHEREAS, MTS and SANDAG Boards must approve any alternate use of said balances differing from that for which they were originally claimed; and

WHEREAS, the City of El Cajon has requested to use $391,561 to provide improved bus stops, shelters, and street lighting at or near bus stops as well as relocating existing downtown bus stops as approved by the Traffic Commission and City Council; and

WHEREAS, MTS and SANDAG staffs have analyzed this amendment and found it to be warranted pursuant to Section 6659 of Title 21 of the California Code of Regulations (CCR); NOW, THEREFORE, BE IT RESOLVED, that the MTS Board of Directors does hereby approve an amendment revising the Claim No. 253 by allocating $391,561 from the City of El Cajon's unallocated TDA capital funds for said transit improvements.

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

AYES:

NAYS:

ABSENT:

ABSTAINING:

____
Chairman
San Diego Metropolitan Transit System

Filed by:

Clerk of the Board
San Diego Metropolitan Transit System

Approved as to form:

Office of the General Counsel
San Diego Metropolitan Transit System

SEPT28-06.7.AttA.TDAELCAJON.AGOTTWIG

CITY OF EL CAJON

PUBLIC WORKS

August 2, 2006

Mr. David Chapin, Finance Manager
Metropolitan Transit Development Board
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490

Dear Mr. Chapin:

The following information is submitted for review in consideration of the City of El Cajon utilizing a portion of our transit fund reserves in the amount of $391,561 for the following:

Description	Budget Estimate
Bus Stop Improvements	$300,000
Other Operating Expenses to Repair & Replace Existing Facilities	$ 91,561

Attached is the budget document approved by the El Cajon City Council on June 27, 2006. The total FY 06-07 Transit Budget is $487,101, of which we have already received $90,883 on July 26, 2006 for costs associated with personnel and the bus stop maintenance contract. The additional request is necessary to continue support of the transit operations in the City of El Cajon in cooperation with Metropolitan Transit System.

Should you require any additional information as you prepare the agenda report for the board's approval, please contact me directly at (619) 441-5591.

Your assistance in processing our request is appreciated, and I look forward to hearing from you soon.

Sincerely,

Jeff Swiney

Jeff Swiney
Senior Management Analyst

Attachment: Transit Budget for FY 2006-2007

200 E. MAIN STREET • EL CAJON, CA 92020-3996 • TEL: (619) 441-1653 • FAX: (619) 579-5254

CITY OF EL CAJON
2005 - 2006 ANNUAL BUDGET

The Public Works Department is a maintenance and engineering organization, and an integral part of the municipal government of the City of El Cajon. Dedicated to public service, we operate, maintain, repair and preserve the public assets, public buildings and parks and open lands owned by the citizens of El Cajon. We do this to enhance the quality of life in El Cajon, facilitate commerce, and protect the safety of our citizens and visitors.

ACTIVITY: PUBLIC WORKS TRANSIT **ACTIVITY NO: 213000**

EXPENDITURE SUMMARY	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 AMENDED BUDGET	2005-2006 EST. ACTUAL	2006-2007 PROPOSED
SALARIES & BENEFITS	51,860	62,260	108,456	107,947	110,475
MAT'L, SVC & SUPPLIES	43,045	75,215	64,379	51,291	76,626
CAPITAL OUTLAY	68,602				
OTHER FINANCING USES			70,000	88,254	300,000
TOTAL	163,507	137,475	242,835	247,492	487,101

DESCRIPTION

Provide direction and support for the Transit operations in the City of El Cajon in cooperation with Metropolitan Transit System (MTS).

F.Y. 2005-2006 HIGHLIGHTS

Awarded contract for the installation of bus shelters at various locations as prioritized by the Commission on Aging and Disabilities.

Assisted the Commission on Aging and Disabilities with identifying additional locations for bus shelters based on ridership and other criteria, as noted in the City wide Transit study completed last year.

Replaced older, heavy, concrete trash receptacles with lightweight, aesthetically pleasing receptacles.

Installed additional benches and trash receptacles at various locations.

Administered the contract with St. Madeleine Sophie's for the maintenance of bus shelters and bus stops.

Attended monthly Transit Services and Facilities Advisory Committee (TSFAC) meetings at MTS.

GOALS

Award contract for the installation of bus shelters at twenty additional locations as prioritized by the Commission on Aging and Disabilities, and the Bus Stop Review prepared by Korve Engineering.

Continue to develop the Downtown Transit Center.

Continue bus stop improvements by replacing and or installing bus benches and trash receptacles or other improvements as needed.

Evaluate ridership data and review bus routes to assist MTS with transit priorities for the citizens of El Cajon.

2006-2007 ANNUAL BUDGET
DEPARTMENT EXPENDITURE WORKSHEET

Date: 5/25/06

Acct #	Account Title	FY03-04 Actual	FY04-05 Actual	FY05-06 Budget	FY05-06 Estimated	FY06-07 Proposed
213000						**TRANSIT**
7110	SALARIES	41,004	43,062	71,155	70,934	73,325
7120	OVERTIME	237	356	515	438	-
7130	VACATION/SICK CONVERSIONS	981	1,242	1,430	3,494	3,634
7310	PERS (EMPLOYER)	3,236	9,910	21,287	20,089	19,900
7315	MEDICARE TAX	218	283	1,032	751	1,063
7325	CAFETERIA	3,908	3,841	7,298	7,082	7,598
7335	WORKERS COMPENSATION	1,989	3,277	4,397	4,717	4,259
7340	LIFE INSURANCE	287	134	1,056	197	214
7345	LTD INSURANCE	-	115	214	163	340
7350	STD INSURANCE	-	38	72	54	114
7360	UNIFORM ALLOWANCE	-	-	-	28	28
TOTAL	**SALARY & BENEFITS**	**51,860**	**62,260**	**108,456**	**107,947**	**110,475**
8160	OPERATING SUPPLIES	15,585	1,110	18,425	16,349	23,032
8335	ENGINEERING SERVICES	-	39,330	-	-	-
8510	OVERHEAD REIMBURSEMENT	3,200	9,179	11,454	11,454	10,469
8576	REPAIRS AND MAINTENANCE	24,260	25,596	34,500	23,488	43,125
TOTAL	**MAT'L, SVC & SUPPLIES**	**43,045**	**75,215**	**64,379**	**51,291**	**76,626**
9060	BUILDINGS & IMPROVEMENTS	68,602	-	-	-	-
9065	INFRASTRUCTURE	-	-	70,000	88,254	300,000
TOTAL	**CAPITAL OUTLAY**	**68,602**	**-**	**70,000**	**88,254**	**300,000**
9910	TRANSFER OUT	-	-	-	-	-
9995	PROJECTS	-	-	-	-	-
TOTAL	**OTHER**	**-**	**-**	**-**	**-**	**-**
ACTIVITY TOTAL		**163,507**	**137,475**	**242,835**	**247,492**	**487,101**

Department: PUBLIC WORKS   Division: TRANSIT   Division #: 213000

ACCOUNT NUMBER	JUSTIFICATION FOR SUPPLIES AND SERVICES BRIEF STATEMENTS & ESTIMATED AMOUNTS USED IN CALCULATING TOTALS FOR EACH LINE ITEM	SUB TOTALS	ACCOUNT TOTAL
8160	OPERATING SUPPLIES (Increase of $4,607 due to construction of bus transfer station)		23,032
	Bus benches -- new locations and replacement	12,500	
	Trash Receptacles -- new locations and replacement	9,375	
	Trash Can Liners, installation hardware and other miscellaneous operating supplies	1,157	
8510	OVERHEAD REIMBURSEMENT (Decrease of $985)		10,469
8576	REPAIR AND MAINTENANCE (Increase of $8,625 due to construction of bus transfer station)		43,125
	Bus stop Maintenance Contract with St. Madeleine Sophie's Center		
	TOTAL SERVICES AND SUPPLIES (Increase of $12,247)		76,626

CAPITAL IMPROVEMENT PROJECT
FISCAL YEAR 2006 - 2007

PROJECT NAME: Bus Stop Improvements	**ACTIVITY: 213000**
Description: Provide improved bus stops, shelters, and street lighting at or near bus stops. Existing downtown bus stops will also be relocated as approved by the Traffic Commission and City Council.	
Justification: The City of El Cajon provides an extensive network of public transportation to the community via buses. Currently only a few of the bus stops within the City provide shelter. Downtown transit center improvements are proposed during FY 2006/07. Includes $70,000 rebudgeted from FY 2005-06.	
Scheduling: FY 2006/07	
Relationship to General & Community Plans: Project does not impact the General Plan, however, it is consistent with overall community plan by improving facilities available to the public for the use of public transit.	
Operating Budget Impact: The project will be using surplus Transportation Development Act funds. No direct cost to the City.	

	Appropriation(s) to Date	Prior Year(s) Expend Actual	Current Year Expend Estimate	Appropriation Request FY06-07
Architectural Services (8315)				
Consulting Services (8325)				
Engineering Services (8335)				
Engineering Svcs-Internal (8336)	-	-	-	40,000
Other Prof/Tech Services (8395)				
Land Acquisition (9050)				
Construction-Buildings (9060)				
Infrastructure (9065)	160,000	-	88,254	260,000
Relocation Costs (9080)				
Other:				
PROJECT COST TOTAL:	**160,000**	**-**	**88,254**	**300,000**
Source(s) of Funds:				
TDA - (Article 4 funds)	160,000	-	88,254	300,000
FUNDING TOTAL:	**160,000**	**-**	**88,254**	**300,000**

FINANCIAL COMMENTS

Revenue requested and received from the City's unallocated reserve with MTS during FY 05/06 for bus stop maintenance expenses was $116,250. This was in addition to the on-going allocation of $90,883 received toward staff costs associated with Transit related activities.

The on-going allocation of $90,83 is anticipated again in FY 06/07, in addition to a request for approximately $400,000 from the City's unallocated reserve maintained by the County of San Diego on behalf of MTS. This will be used to fund "other projects" and to develop a comprehensive plan to increase ridership and provide for additional improvements. Other costs include replacement of benches, trash receptacles and related operating expenses.

All Transit expenditures are eligible for reimbursement with TDA funds.

Other Projects:
Bus Stop Improvements - $300,000

DETAIL OF PERSONNEL SERVICES

JOB CLASSIFICATION	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 APPROVED	2006-2007 REQUESTED
Redevelopment Manager	0.10	0.10	0.00	0.00
Traffic Engineer	0.05	0.05	0.10	0.10
Associate Engineer	0.05	0.05	0.05	0.05
Assistant Engineer	0.00	0.00	0.00	0.05
Technical Engineering Supervisor	0.00	0.00	0.05	0.00
Senior Engineering Technician	0.00	0.00	0.10	0.05
Engineering Technician	0.05	0.05	0.20	0.05
Senior Management Analyst	0.05	0.05	0.05	0.05
Management Analyst	0.00	0.00	0.15	0.15
Administrative Secretary	0.05	0.05	0.05	0.05
Public Works Supervisor	0.05	0.05	0.05	0.05
Public Works Crew Leader	0.10	0.10	0.10	0.10
Public Works Equipment Operator	0.10	0.10	0.10	0.10
Public Works Maintenance Worker II/Trainee	0.05	0.05	0.10	0.10
TOTAL	0.65	0.65	1.10	0.90

Metropolitan Transit System
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.

CIP 53114, 53640

September 28, 2006

SUBJECT:

MTS: JANITORIAL SERVICES AND LRV CLEANING - CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the MTS Chief Executive Officer (CEO) to execute contracts with:

1. Aztec Janitorial Services, Inc. for Groups I (Janitorial Services at MTS Bus Operations), II (Janitorial Services at MTS Rail Operations), and III (Transit Center Maintenance) for a three-year base term with two 1-year options exercisable at MTS's discretion. The total cost of the three-year base contract, including California sales tax, shall not exceed $1,129,786.44. The total cost of two 1-year options, including California sales tax, shall not exceed $781,558.02; and

2. NMS Management, Inc. for Group IV (Light Rail Vehicle [LRV] Cleaning) for a three-year base term with two 1-year options exercisable at MTS's discretion. The total cost of the three-year base contract, including California sales tax, shall not exceed $2,692,725.96. The total cost of the two 1-year options, including California sales tax, shall not exceed $1,822,077.90.

<u>Budget Impact</u>

The funding for these contract services is approved by the MTS Board on an annual basis within the MTS operating budget. MTS bus and rail operations currently maintain a combined annual budget of $1,291,240.00 for janitorial services and LRV cleaning. The total contract cost for the first year of these services would not exceed $1,158,886.60. MTS Multimodal Operations currently maintains an annual budget of

$180,000.00 for transit center maintenance. The total contract cost for the first year of these services would not exceed $109,736.00.

DISCUSSION:

With the centralization of procurement functions of the three MTS operations, it was recognized early on that combining some of the janitorial and cleaning services utilized by MTS bus, rail, and Multimodal Operations would eliminate procurement duplicity and realize an economy of scale. Representatives from each operation were selected to assemble a scope of work that that could be solicited using MTS's newly approved negotiated procurement process.

MTS issued a Request for Proposals (RFP) for Janitorial Services, Transit Center Maintenance, and LRV Cleaning for a three-year period with two 1-year options. The Scope of Work was separated into four distinct groups to maximize competition. Participants were allowed to propose on all groups, a combination of groups, or a single group, and MTS was allowed to evaluate and award in the same manner. The grouping was established as follows:

- <u>Group I - Janitorial Services for MTS Bus</u>

  This group included all janitorial services at both of the MTS bus-operating facilities.

- <u>Group II - Janitorial Services for MTS Rail</u>

  This group included all janitorial services for MTS rail Buildings A, B, C, the yard observation tower, and the El Cajon Transit Center.

- <u>Group III -Transit Center Maintenance</u>

  This group encompassed cleaning and pressure washing various MTS transit centers.

- <u>Group IV – LRV Cleaning</u>

  This group encompassed daily, nightly, and periodical cleaning of all LRVs.

On July 18, 2006, eight proposals were received of which two were found nonresponsive to the minimum requirements of the RFP. The remaining six proposals were evaluated by an evaluation committee using the following criteria and assigned weights as set forth in the RFP:

- The firm's qualifications and prior experience providing similar services to other businesses (weight 25%).

- The firm's understanding of the service requirements and work plan (weight 25%).

- Cost proposal (weight 50%).

The evaluation committee has determined that the proposals from Aztec Janitorial Services, Inc. for Groups I, II, and III and NMS Management, Inc. for Group IV best meet the requirements set forth in the RFP and, that based upon a consideration of both technical and price factors, has found their offers to be the most advantageous and of the greatest value to the agency. The evaluation committee is recommending award of a firm fixed-price contract for a base period of three years with two 1-year options (exercisable at MTS's sole discretion) to Aztec Janitorial Services, Inc. for Groups I, II, and III for a total contract amount, including options, not to exceed $1,911,344.46 and to NMS Management, Inc. for Group IV for a total contact amount, including options, not to exceed $4,514,803.86 (see Attachments C and D - Evaluation and Price Summary).

The scope of work for this solicitation was reviewed for disadvantaged business enterprise (DBE) recommendations and outreach by our DBE consultant, Gonzalez-White Consulting Services. It was recommended that a 3% DBE availability advisory percentage be set for Groups I and II for this contract due to the availability of qualified disadvantaged businesses.

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Mike Ceragioli, (619) 238-0100, Ext. 6493, mike.ceragioli@sdmts.com

SEPT28-60.8.JANITORIAL&LRVCLEANING.MCERAGIOLI

Attachments: A. Draft Agreement for Aztec Janitorial Services, Inc.
B. Draft Agreement for NMS Management, Inc.
C. Evaluation and Scoring Summary
D. Price Summary

Metropolitan Transit System

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

STANDARD SERVICES AGREEMENT

DRAFT

______________ CONTRACT NUMBER

______________ 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: Aztec Janitorial Services, Inc.

Address: 7980 Lemon Grove Way
Lemon Grove, CA 91945

Form of Business: Corporation
(Corporation, partnership, sole proprietor, etc.)

Telephone: 619-464-3303

Authorized person to sign contracts: Genaro Garcia (Name) — President (Title)

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

Provide janitorial services at MTS bus and rail operations and El Cajon Transit Center and provide transit center maintenance services. Services to be provided as stipulated in Groups I, II, and III of MTS's Request for Proposals (RFP) for Janitorial Services and Transit Center Maintenance, which includes:

- Addendums A, B, and C, MTS's Responses to Questions/Clarifications, and in accordance with the Standard Services Agreement, including the Standard Conditions Services, Federal Requirements; and

- Aztec Janitorial Services, Inc.'s proposal dated July 18, 2006; Aztec's Labor and Cost Breakdown Work Plans, Original Price Proposal (Group II) dated July 18, 2006, and Revised Price Proposal (Groups I and III) dated August 31, 2006, in response to MTS's RFP for Transit Center Maintenance, and LRV cleaning.

If there are inconsistencies between the RFP, Addendum, Responses to Approved Equals/Clarifications, Standard Services Agreement, and/or the Standard Conditions Services and Federal Requirements, the following order of precedence will govern the interpretation of this contract:

1. MTS's RFP for Janitorial Services, Transit Center Maintenance, and LRV Cleaning; Addendums A, B, and C; MTS's Responses to Questions/Clarifications; Aztec Janitorial Services, Inc.'s proposal dated July 18, 2006; Aztec's Labor and Cost Breakdown; Aztec's Work Plans; Aztec's Original Price Proposal (Group II) dated July 18, 2006; and Aztec's Revised Price Proposal

(Groups I and III) dated August 31, 2006, in response to MTS's RFP for Janitorial Services, TCM, and LRV Cleaning.

2. Standard Services Agreement, Standard Conditions Services, and Federal Requirements.

This is a firm fixed-price contract and shall remain in effect for three years with two 1-year options exercisable at MTS's sole discretion.

The total cost of the three-year base contract, including California sales tax, shall not exceed $1,129,786.44. The total cost of the two 1-year options, including California sales tax, shall not exceed $781,558.46. The total contract value, including the base contract plus the two 1-year options, shall not exceed $1,912,344.90.

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

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
$109,736.00	MTS 30120-53114	07
$106,228.38	SDTI 53640 CUSTODIAL SERVICES	07
$155,082.90	SDTC 53640 CUSTODIAL SERVICES	07

By: ____

Chief Financial Officer Date

(___ total pages, each bearing contract number) SEPT28-06.8.AttA.AZTECCONTRACT.MCERAGIOLI

Metropolitan Transit System

San Diego Trolley, Inc.
1255 Imperial Avenue, Suite 900
San Diego, CA 92101-7492
(619) 595-4949 • FAX (619) 238-4182

Att. B, AI 8, 9/28/06
CIP 53114, 53640

STANDARD SERVICES AGREEMENT

____
CONTRACT NUMBER

DRAFT

____
FILE NUMBER(S)

THIS AGREEMENT is entered into this ______ day of ______________ 2006, in the state of California by and between San Diego Trolley, Inc. ("SDTI") and the following contractor, hereinafter referred to as "Contractor":

Name: NMS Management, Inc.

Address: 155 West 35th Street, Suite D
National City, CA 91950

Form of Business: Corporation
(Corporation, partnership, sole proprietor, etc.)

Telephone: 619-425-0440

Authorized person to sign contracts: David S. Guaderrama (Name) President (Title)

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

Provide light rail vehicle (LRV) cleaning services at the MTS Rail Operations Maintenance Facility, San Ysidro LRV terminal, and the 12th and Imperial Avenue LRV terminal as stipulated in Group IV of MTS's Request for Proposals (RFP) for Janitorial Services, Transit Center Maintenance (TCM), LRV Cleaning, which includes:

- Addendums A, B, and C;
- MTS's Responses to Questions/Clarifications, and
- in accordance with the Standard Service Agreement, including the Standard Conditions Service, Federal Requirements, NMS Management, Inc.'s Proposal dated July 18, 2006, NMS's Work Plan and Time and Cost Breakdown, and NMS's Price Proposal (Group IV) dated July 18, 2006.

If there are inconsistencies between the RFP, Addendums, Responses to Approved Equals/Clarifications, Standard Services Agreement, and/or the Standard Conditions Services, and Federal Requirements, the following order of precedence will govern the interpretation of this contract:

1. MTS's RFP for Janitorial Services, TCM, and LRV Cleaning, Addendums A, B, and C, MTS's Responses to Questions/Clarifications, NMS Management, Inc.'s Proposal dated July 18, 2006, NMS's Work Plan and Time and Cost Breakdown, and NMS's Price Proposal (Group IV) dated July 18, 2006, in response to MTS's RFP for Janitorial Services, TCM, and LRV Cleaning.

2. Standard Services Agreement, Standard Conditions Services, and Federal Requirements.

This shall be a firm fixed-price contract and will remain in effect for three years with two 1-year options exercisable at MTS's sole discretion.

The total cost of the three years base contract, including California sales tax, shall not exceed $2,692,725.96. The total cost of two 1-year options, including California sales tax, shall not exceed $1,822,077.90. The total contract value, including the base contract plus the two 1-year options, shall not exceed $4,514,803.86.

SAN DIEGO TROLLEY, INC.	CONTRACTOR AUTHORIZATION
By: ______________________ General Manager	Firm: ______________________
Approved as to form: By: ______________________ Office of General Counsel	By: ______________________ Signature Title: ______________________

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
$897,575.32	SDTI 53615 REVENUE VEHICLE CLEANING	07

By: ____
Chief Financial Officer Date

(___ total pages, each bearing contract number) SEPT28-06.8.AttB.NMSCONTRACT.MCERAGIOLI

Evaluation and Scoring Summary
Janitorial and LRV Cleaning Sevices RFP

Group I - Janitorial Services for MTS Bus

Proposers within the Technically Competitive Range	Total Score
Aztec Janitorial Services	**92.4**
Calderon Building Maintenance, Inc.	74.99
The Business Cleaning Company	72.12
NMS Management, Inc.	36.64

Total Points Possible: 100

Group II - Janitorial Services for MTS Rail

Proposers within the Technically Competitive Range	Total Score
Aztec Janitorial Services	**92.4**
The Business Cleaning Company	62.67
NMS Management, Inc.	60.38
Calderon Building Maintenance, Inc.	46.55

Total Points Possible: 100

Group III - MTS Transit Center Maintenance

Proposers within the Technically Competitive Range	Total Score
Aztec Janitorial Services	**92.4**
Calderon Building Maintenance, Inc.	48.85
The Business Cleaning Company	44.74

Total Points Possible: 100

Group IV - LRV Cleaning

Proposers within the Technically Competitive Range	Total Score
NMS Management, Inc.	**80.4**
Aztec Janitorial Services	42.4
Calderon Building Maintenance, Inc.	38.8
The Business Cleaning Company	31.4

Total Points Possible: 100

Highest Scoring Proposal in Group

AZTEC JANITORIAL SERVICES, INC.

PRICING FOR GROUP I - JANITORIAL SERVICES FOR MTS BUS		
CONTRACT YEAR 1:	$	155,082.90
CONTRACT YEAR 2:	$	157,406.36
CONTRACT YEAR 3:	$	159,767.01
TOTAL BASE CONTRACT YEARS 1-3:	**$**	**472,256.27**
OPTION 1 - YEAR 4:	$	162,161.92
OPTION 2 - YEAR 5:	$	164,593.10
TOTAL OPTION YEARS 4 & 5:	**$**	**326,755.02**
GRAND TOTAL FOR GROUP I:	***$***	***799,011.29***

PRICING FOR GROUP II - JANITORIAL SERVICES FOR MTS RAIL		
CONTRACT YEAR 1:	$	106,228.38
CONTRACT YEAR 2:	$	107,821.25
CONTRACT YEAR 3:	$	109,437.40
TOTAL BASE CONTRACT YEARS 1-3:	**$**	**323,487.03**
OPTION 1 - YEAR 4:	$	111,080.00
OPTION 2 - YEAR 5:	$	112,745.26
TOTAL OPTION YEARS 4 & 5:	**$**	**223,825.26**
GRAND TOTAL FOR GROUP II:	***$***	***547,312.29***

PRICING FOR GROUP III - MTS TRANSIT CENTER MAINTENANCE		
CONTRACT YEAR 1:	$	109,736.00
CONTRACT YEAR 2:	$	111,332.10
CONTRACT YEAR 3:	$	112,975.04
TOTAL BASE CONTRACT YEARS 1-3:	**$**	**334,043.14**
OPTION 1 - YEAR 4:	$	114,642.54
OPTION 2 - YEAR 5:	$	116,335.20
TOTAL OPTION YEARS 4 & 5:	**$**	**230,977.74**
GRAND TOTAL FOR GROUP III:	***$***	***565,020.88***

GRAND TOTALS FOR GROUPS I, II, & III		
GRAND TOTAL BASE CONTRACT:	***$***	***1,129,786.44***
GRAND TOTAL OPTIONS:	***$***	***781,558.02***
TOTAL CONTRACT VALUE BASE + OPTIONS:	***$***	***1,911,344.46***

NMS MANAGEMENT, INC.

PRICING FOR GROUP IV - LRV FLEET CLEANING		
CONTRACT YEARS 1:	$	897,575.32
CONTRACT YEARS 2:	$	897,575.32
CONTRACT YEARS 3:	$	897,575.32
TOTAL YEARS 1-3:	**$**	**2,692,725.96**
OPTION 1 - YEAR 4:	$	897,575.32
OPTION 2 - YEAR 5:	$	924,502.58
TOTAL OPTION YEARS 4 & 5:	**$**	**1,822,077.90**

GRANT TOTAL GROUP IV		
TOTAL CONTRACT VALUE BASE + OPTIONS	***$***	***4,514,803.86***

MTS Metropolitan Transit System

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

Agenda

Item No. 9

ADM 110.2 (PC 50101)

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

September 28, 2006

SUBJECT:

MTS: POLICY NO. 53 - ETHICS TRAINING

RECOMMENDATION:

That the Board of Directors approve enacting Policy No. 53 (Ethics Training).

Budget Impact

Approximately $1,500.00 every two years.

DISCUSSION:

Recently enacted California Government Code section 53235 makes it mandatory for specific MTS officials and employees to receive at least two hours of training in general ethics principles and ethics laws relevant to his or her MTS service every two years. Additionally, MTS is required to provide information on training available to meet the requirements of this statute and maintain records confirming the dates that the training was taken and the entity that provided the training. Enactment of Policy No. 53 would ensure MTS compliance with statutory requirements.

Paul C. Jablonski
Chief Executive Officer

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

SEPT28-06.9.POLICY53ETHICSTRAINING.MBARNETTE

Attachment: A. MTS Policy No. 53

Metropolitan Transit System

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

Policies and Procedures

No. 53

SUBJECT:

Board Approval: 9/28/06

ETHICS TRAINING

PURPOSE:

To establish a procedure for providing MTS officials with necessary information on required ethics training.

BACKGROUND:

California Government Code section 53235 makes it mandatory for specific MTS officials to receive at least two hours of training in general ethics principles and ethics laws relevant to his or her MTS service every two years. [1]MTS is only required to provide information on training available to meet the requirements of this policy and maintain records confirming the dates the training was taken and the entity that provided the training.

POLICY:

53.1 Officials Required to Receive Training

53.1.1 MTS Board Members and Alternatives. Any member of a local agency legislative body or any elected local agency official who receives any type of compensation, salary, stipend, or reimbursement of actual and necessary expenses incurred in the performance of official duties.

53.1.2 Any employee designated by the MTS Board to receive the training specified under this policy. For purposes of this policy, those employees whose positions are designated in the MTS Conflict of Interest Code and any other employee designated by the CEO shall receive the training specified in this policy.

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[1] California Government Code section 53235 applies to "local agencies" and for purpose of that section, "local agency" means "a city, county, city and county, charter city, charter county, charter city and county, or special district." Cal. Gov. Code § 53234. "Special district" is not defined for purposes of section 53235; however, it has been defined for the purpose of other code sections to mean "an agency of the state, formed pursuant to general law or a special act, for the performance of governmental or proprietary functions, with limited geographic boundaries, including, but not limited to, a school district and a community college district." Cal. Gov. Code § 53412. It is uncertain whether MTS is a "local agency" for the purposes of section 53235; however, MTS Board members are required to receive ethics training as a result of other public agency positions they hold.

53.1.3 Any[2] member of a commission, committee, board, or other body of MTS, whether permanent or temporary, decision making or advisory, created by charter, ordinance, resolution, or formal action of the MTS Board. However, advisory committees, composed solely of the members of the legislative body that are less than a quorum of the governing body of the local agency are not legislative bodies, except standing committees of the governing body of a local agency, irrespective of their composition, which have a continuing subject matter jurisdiction, or a meeting schedule fixed by charter, ordinance, resolution, or formal action of the governing body of the local agency for purposes of this policy.

53.2 Training Timetable and Frequency

53.2.1 Each official required to receive ethics training under this policy in service as of January 1, 2006, except for officials whose term of office ends before January 1, 2007, shall receive the training required under this policy before January 1, 2007. Thereafter, each official shall receive the training required by this policy at least once every two years.

53.2.2 Each official required to receive ethics training under this policy in service on or after January 1, 2006, shall receive the training required under this policy no later than one year from the first day of service. Thereafter, each official shall receive the training required by this policy at least once every two years.

53.2.3 Officials who serve more than one local agency shall obtain the ethics training required by this policy once every two years without regard to the number of local agencies with which he or she serves.

53.3 Procedural Requirements

53.3.1 Each Board Member and Alternate shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her service every two years.

53.3.2 MTS shall maintain records indicating both of the following:

a. The dates that each person satisfied the requirements of this policy; and

b. The entity that provided the training.

53.3.3 MTS shall maintain these records for at least five years after the date of the training. These records are public records subject to disclosure under the California Public Records Act.

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[2] All "local agency officials" are required to receive ethics training. California Government Code section 53234(c) defines "local agency official" as "any member of a local agency legislative body or any elected local agency official who receives any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties." Therefore, members not eligible for compensation or reimbursement do not need to receive ethics training.

53.3.4 MTS shall provide information on trainings available to meet the requirements of this policy to its local officials at least once annually.

53.3.5 MTS or an association of local agencies may offer one or more training courses or sets of self-study materials with tests to meet the requirements of this policy. These courses may be taken at home, in person, or on-line.

53.3.6 All providers of training courses to meet the requirements of this article shall provide participants with proof of participation to meet the requirements of this policy.

53.4 <u>Substantive Requirements</u>

53.4.1 Each Board Member or Board Member Alternate shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her service.

53.4.2 "Ethics laws" include, but are not limited to, the following:

a. Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict of interest laws;

b. Laws relating to claiming prerequisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies;

c. Government transparency laws including, but not limited to, financial interest disclosure requirements and open government laws; and

d. Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.

JGarde/
H:\REPORTS\POLICY 53.ETHICS TRAINING.doc

Original Policy approved on 9/28/06.

MTS Metropolitan Transit System

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Agenda

Item No. 30

AG 210.3 (PC 50111)

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

September 28, 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 the 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 the City of San Diego or its contractor; and

e. require the City of San Diego to authorize spare-parts inventory for special equipment necessary for the Quiet Zone.

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

SEPT28.06.30.QUIETZONES.PTERESCHUCK

Attachment: A. FRA Horn Rule Summary

Metropolitan Transit System

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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. <u>Analysis Criteria (Both Diagnostic and Prediction Formulas)</u>

- 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.

SEPT28-06.30.AttA.QUIETZONES.PTERESCHUCK

8:36

MTS Metropolitan Transit System

ITEM CONTINUED

AGENDA ITEM NO. 30

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED 1

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

1. INSTRUCTIONS

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

Date SEP 28, 2006

Name (PLEASE PRINT) PATRICK T McARRON

Address 550 FRONT ST #804
SD CA 92101

Telephone 619-865-4702

Organization Represented (if any) WWW.QUIETZONESD.INFO

Subject of your remarks: MOVING THE QUIET ZONE PROJECT FORWARD

Agenda Item Number on which you request to speak 30

Your comments are presenting a position of: SUPPORT [X] 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.

MTS Metropolitan Transit System

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Agenda

Item No. 31

FIN 340.2 (PC 50111)

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

September 28, 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 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

SEPT28-06.31.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

	# of	Price	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					
Low Floor (S-70) Purchases	35	3.20	112.0	112.0	*
Rehabilitation of U2s	60	1.40	84.0	84.0	*
UTDC LRVs and parts - Lease/Purchase *	-	0.20	-	-	
Total Vehicles			**196.0**	**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	
Vehicles			80.0	80.0	
Fare Collection			7.0	7.0	
Radios (not including AVL)			1.5	1.5	

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

	Construction (in million $)	Project Cost	
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

Agenda Item No. 31
9/28/06

Plan for Use of State Infrastructure Bond Initiative Funding

Board of Directors
September 28, 2006

MTS

Potential Transit Funding in the *Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006*

- $3.6 billion in flexible transit capital funds allocated by formula
- $1 billion in transit safety, security, and disaster-preparedness funds
- $400 million in intercity rail funds
- $2 billion in State Transportation Improvement Program (STIP) funds
- $1 billion in state-local partnership funds
- $250 million in railroad and highway grade-separation funds
- $2 billion in city/county local streets and roads funds

MTS

Potential funding for MTS

- MTS share of the $3.6 billion in flexible transit funds: $164 million (4.56% of state total)
- MTS share of the $1 billion for transit security and disaster-preparedness funds (conservative estimate): $30 million
- Competitive for grade separation funding
- Could work with SANDAG for portion of additional STIP
- Could partner on transit projects with cities/County for a portion of the $2 billion designated for cities/counties

MTS

Reasons for Exercise

- CTC has established working groups to define bond-funded programs
  - seeking input on likely projects for funding
  - recommendations for program characteristics
- SANDAG is creating a regional list of projects, and requested MTS input
- Legislative offices considering bill language
- Transit security program must be defined

MTS

MTS Competitiveness in Transit Security Grant Program

- Previous success in competitive grant programs
  - FY 2005 Federal Transit Security Grant (TSG) Program Award: $1.89 million
  - $120,000 annual agreement for Canine Bomb Detection Program (TSA)
  - $150,000 Emergency Preparedness Training Grant (FTA)
  - $400,000 OHS/DHS Grant for San Ysidro
  - FY 2006 TSG Program Award: $1.25 million
- Track record of timely use of funding
- Comparatively higher risk than transit agencies in other California cities
- Completed *Threat and Vulnerability Assessment*

MTS

Assumptions in MTS Proposed Plan

- Bond measure passes
- Existing sources of funding continue at or above current levels
- SANDAG Early Action Program amended to provide $134 million for Blue Line, $34 million for Orange Line
- One low-floor LRV per consist, system-wide
- Rehab of U2 LRV's eligible for TransNet II
- Region/State share commitment to fund these projects

MTS

Types of Projects

- Blue and Orange Line Rehabilitation
- Removal of transfer from Blue to Green Line at Old Town
- Low Floor capability system-wide
- Command and Control Infrastructure
- Bus Replacements
- Bus Maintenance Facilities

Next Steps

- Receive Board comment
- Provide list to SANDAG
- Assist legislature and CTC in crafting programs
- If measures are approved, advocate for rapid funding of transit programs
- Aggressively seek other funding opportunities
  - Measures may fail
  - TransNet II funding may not become available
  - An $83.9 million unmet capital need remains

Infrastructure Bond Initiative

MTS Metropolitan Transit System

AGENDA ITEM NO. ~~30~~ 31

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED 1

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

1. INSTRUCTIONS

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

Date 2006-08-10

Name (PLEASE PRINT) Clive Richard

Address 5153 La Dorna St, San Diego, CA 92115-1530

Telephone 619.582.4034

Organization Represented (if any)

Subject of your remarks:

Agenda Item Number on which you request to speak

Your comments are presenting a position of: SUPPORT [X] 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.

Metropolitan Transit System

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

Agenda Item No. 32

AG 220.5

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

September 28, 2006

SUBJECT:

MTS: CALIFORNIA PUBLIC UTILITIES COMMISSION STATE ROUTE 52 APPLICATION FOR NEW GRADE CROSSING AT CUYAMACA STREET

RECOMMENDATION:

That the Board of Directors support the California Department of Transportation's (Caltrans') California Public Utilities Commission (CPUC) application for one new at-grade crossing and two new grade-separated crossings across San Diego Trolley, Inc.'s (SDTI's) track at the proposed State Route 52 (SR 52)/Cuyamaca Street Interchange in the City of Santee.

Budget Impact

None anticipated.

DISCUSSION:

Caltrans has been extending SR 52 in order to improve east-west mobility for the rapidly developing east San Diego County areas. SR 52 is to be extended east from SR 125 (where it currently terminates) to State Route 67 (SR 67) in accordance with the Final Environmental Impact Statement approved by the Federal Highway Administration on July 28, 1989. This last phase of work has been identified as a TransNet Tier 1 Early Action Project by the San Diego region.

SR 52 is proposed as a four-lane freeway (two lanes in each direction) to be constructed in the City of Santee with freeway interchanges at SR 67 and SR 125 and local interchanges at Fanita Drive, Cuyamaca Street, and Magnolia Avenue (see

Attachment A). The new SR 52/Cuyamaca Street interchange will cross SDTI's existing Green Line in the median along Cuyamaca Street.

Development of SR 52/Cuyamaca Street Interchange alternatives with MTS, the City of Santee, the San Diego Association of Governments (SANDAG), and Caltrans began in 2004. Alternative evaluation criteria included the following:

- Safety
- Freeway, trolley, and local street operations
- Socio-economic impacts
- Regional consensus
- Constructability/traffic during construction

A total of seven alternatives were studied using the alternative evaluation criteria listed above. Alternatives considered grade separations, at-grade crossings, and interchange configurations. These alternatives are summarized in Caltrans' State Route 52/ Cuyamaca Street Interchange Alternative Report. Regional consensus was reached at the agency staff level for a preferred alternative.

The preferred alternative (Alternative 1B as defined in the Interchange Alternative Report) proposed for the SR 52/Cuyamaca Street Interchange includes a diamond type configuration with an additional loop ramp (see Attachment B). This alternative proposes one new at-grade crossing and two new grade-separated crossings across SDTI's track. The new at-grade crossing will include a signalized intersection to control movement of traffic through the at-grade crossing. The traffic signalization will be coordinated with the adjacent City of Santee signals located at Prospect Avenue and Buena Vista Avenue. The City of Santee and Caltrans will implement enhanced transit priority operation of signals along the Cuyamaca Street corridor as part of this alternative.

On August 8, 2006, Caltrans submitted an application with the CPUC for one new at-grade crossing and two new grade-separated crossings across SDTI's track at the proposed State Route 52/Cuyamaca Street interchange in Santee (in accordance with the alternative studied and as recommended by MTS staff).

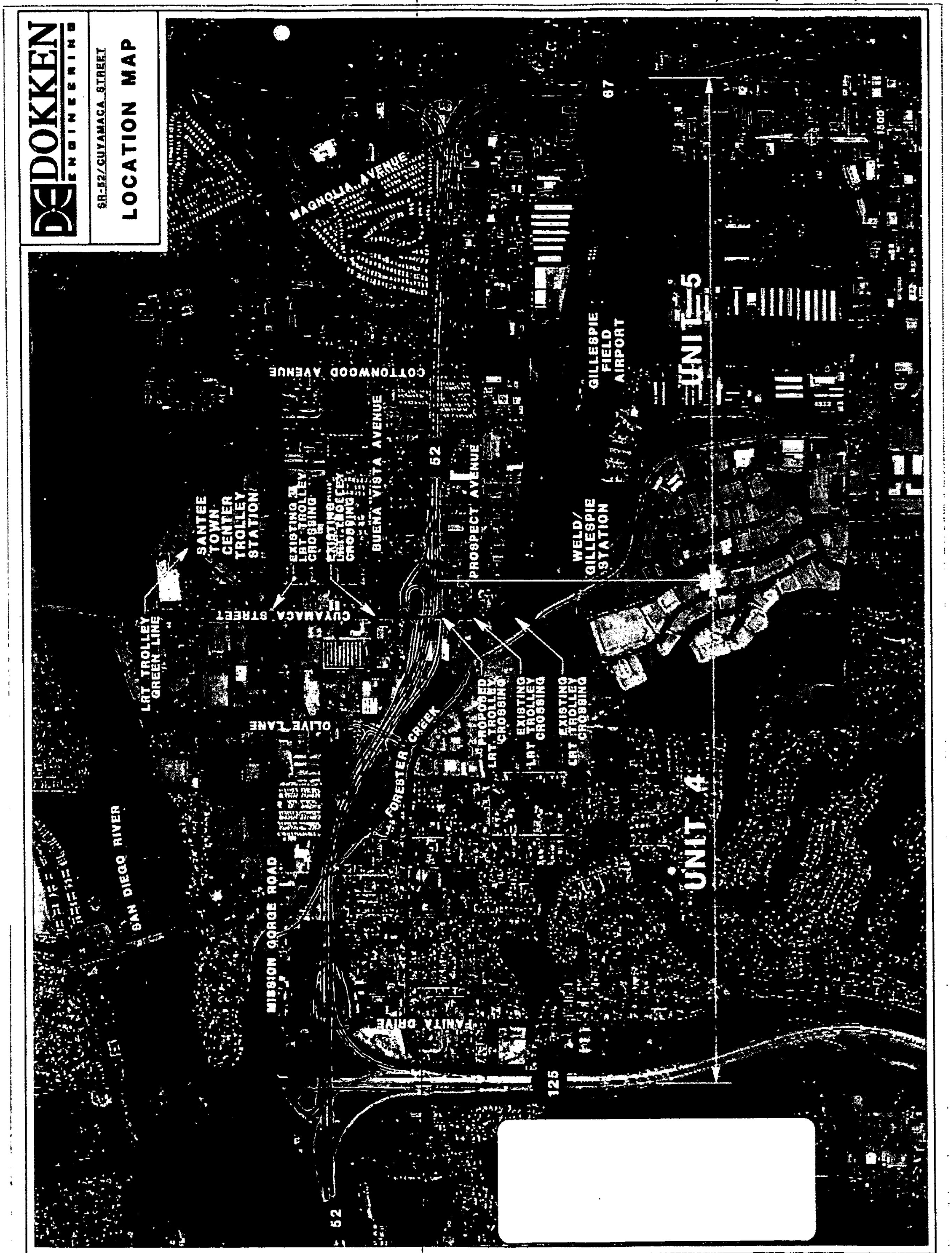
Staff recommends that the Board support the CPUC application (A06-08-012) submitted by Caltrans for one new at-grade crossing and two new grade-separated crossings across SDTI's track at the proposed SR 52/ Cuyamaca Street interchange in Santee.

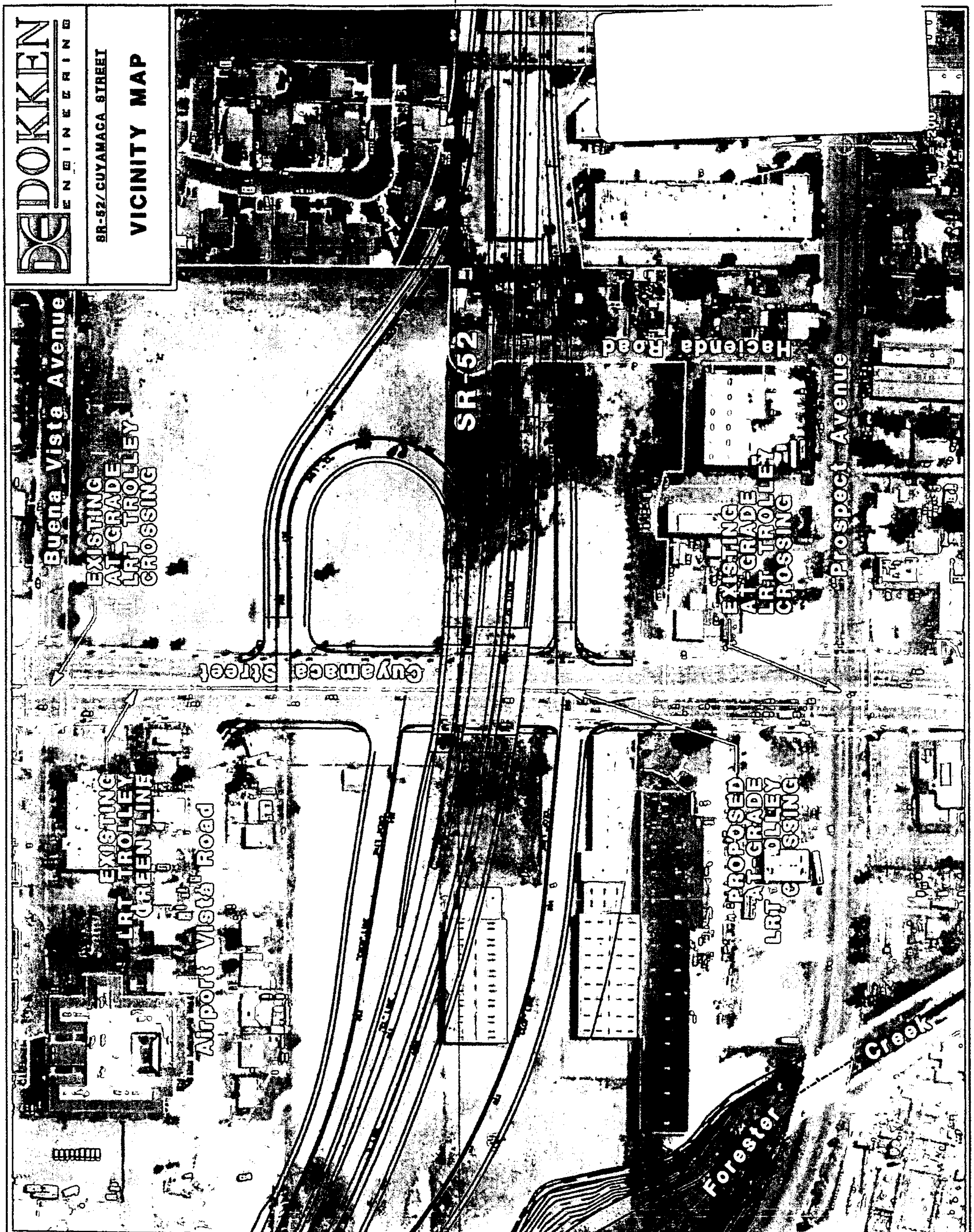
Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Dan Martin, 619.699.6987, dma@sandag.org

SEPT28-06.32.CPUC GRADE CROSSING.DMARTIN

Attachments: A. Location Map
B. Vicinity Map


DOKKEN ENGINEERING
SR-52/CUYAMACA STREET
LOCATION MAP
MAGNOLIA AVENUE
67
COTTONWOOD AVENUE
GILLESPIE FIELD AIRPORT
UNIT 5
BUENA VISTA AVENUE
52
PROSPECT AVENUE
WELD/ GILLESPIE STATION
SANTEE TOWN CENTER TROLLEY STATION
EXISTING LRT TROLLEY CROSSING
EXISTING LRT TROLLEY CROSSING
CUYAMACA STREET
LRT TROLLEY GREEN LINE
OLIVE LANE
PROPOSED LRT TROLLEY CROSSING
EXISTING LRT TROLLEY CROSSING
EXISTING LRT TROLLEY CROSSING
FORESTER CREEK
UNIT 4
SAN DIEGO RIVER
MISSION GORGE ROAD
FANITA DRIVE
125
52


DOKKEN
ENGINEERING
SR-52/ CUYAMACA STREET
VICINITY MAP
Buena Vista Avenue
EXISTING AT GRADE LRT TROLLEY CROSSING
SR-52
Hacienda Road
Prospect Avenue
EXISTING AT GRADE LRT TROLLEY CROSSING
Cuyamaca Street
EXISTING LRT TROLLEY GREEN LINE
Airport Vista Road
PROPOSED AT-GRADE LRT TROLLEY CROSSING
Forester
Creek

STATE ROUTE 52 CORRIDOR
New Freeway Segment
SR 125 to SR 67

Support CPUC Application (A06-08-012) for New Grade Crossing

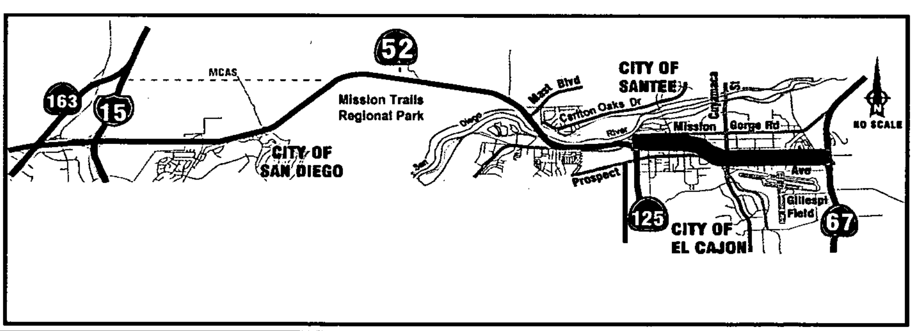
Agenda Item 32

Dan Martin

MTS September 28, 2006

STATE ROUTE 52 CORRIDOR

New Freeway Segment



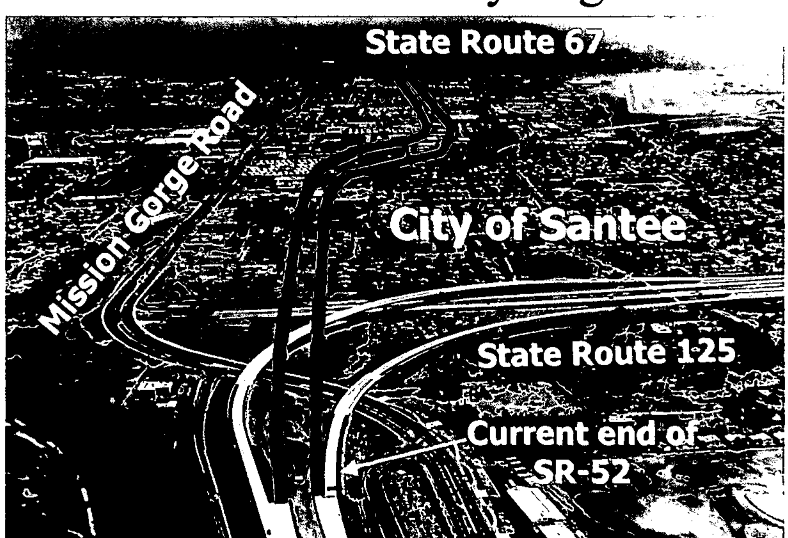
MTS

STATE ROUTE 52 OVERVIEW

- Project Concept from 1989 FEIS
- Last two of the original five phases remain:
  - SR 52 Unit 4 (SR 125 to Cuyamaca Street)
  - SR 52 Unit 5 (Cuyamaca Street to SR 67)
- TransNet Tier 1 Early Action Project.
- Interchanges at Fanita Drive, Cuyamaca Street, and Magnolia Avenue
- Accommodate Trolley at Cuyamaca Street

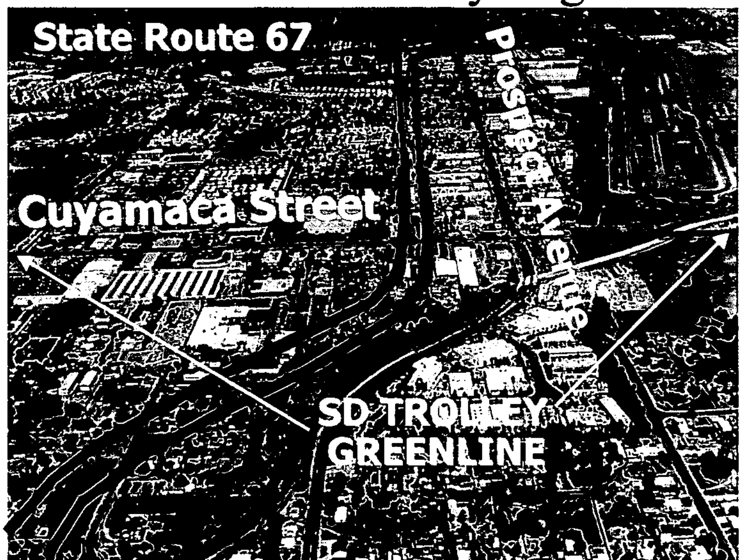
MTS

SR 52 New Freeway Segment



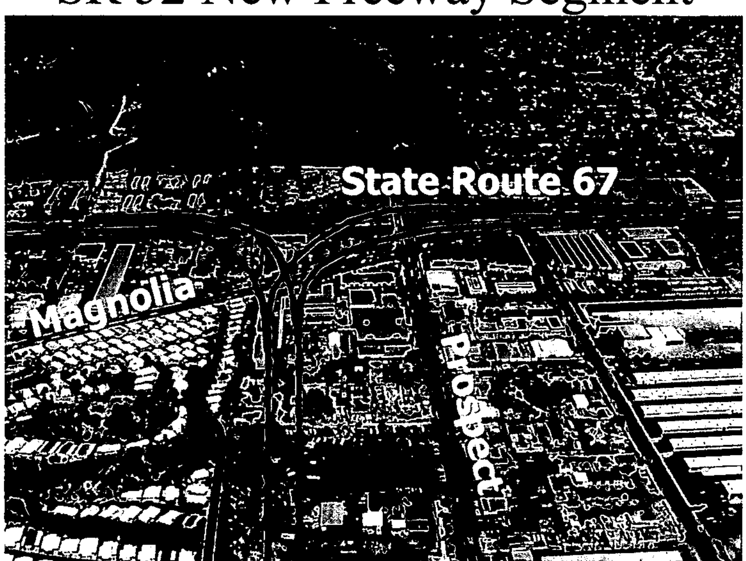
MTS

SR 52 New Freeway Segment



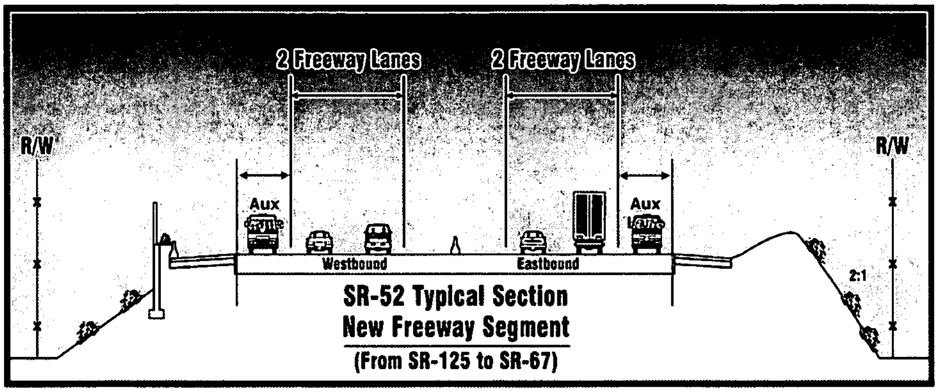
MTS

SR 52 New Freeway Segment



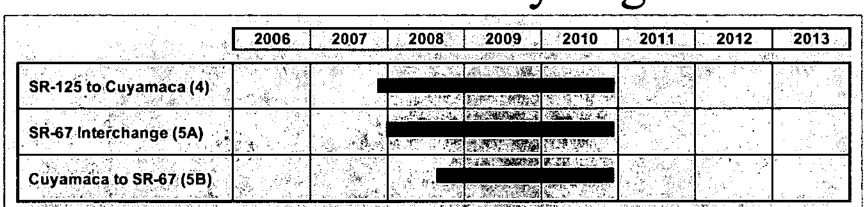
MTS

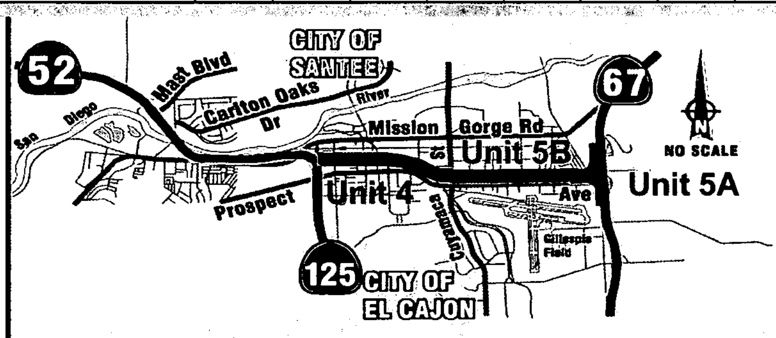
SR 52 New Freeway Segment



MTS

SR 52 New Freeway Segment





MTS

SR 52/Cuyamaca Street Interchange

Alternative Evaluation Criteria

- Safety
- Freeway, Trolley and Local Street operations
- Socio-economic impacts
- Regional consensus
- Constructability/Traffic handling during construction

MTS

Alternative Consensus Development

Fall 2004

Development of Cuyamaca Street Interchange with MTS, SANDAG, City of Santee and Caltrans

- Caltrans presented seven interchange alternatives
- Stakeholders reached consensus at the staff level to further develop a single at-grade crossing alternative (Alternative 1B).
- Interagency work continued to develop alternative specific design details.

MTS

Alternative Consensus Development

Spring 2005

Meeting with CPUC Staff

- An overview of the seven alternatives was presented including the evaluation criteria used.
- Regional consensus at the agency staff level for Alternative 1B was reported.
- CPUC staff recommended the following:

✓Caltrans update their Traffic Study

✓Caltrans develop a single report that documents the evaluation process.

MTS

SR 52/Cuyamaca Interchange (Alternative 1B)

MTS

Supporting Documents for CPUC Application Under Review by MTS

- Interchange Alternatives Report which documents the alternatives studied and the evaluation criteria used to select the preferred alternative.
- Proposed plans (at 95% completion) to construct the preferred alternative (Alternative 1B).
- Draft versions of the proposed Joint Use Agreement and Construction and Maintenance Agreement.

CPUC Application (A06-08-012) filed August 8, 2006

MTS

Recommendation

MTS Board approve support of the CPUC Application (A06-08-012) submitted by the State of California Department of Transportation for one new at-grade crossing and two new grade separated crossings across the San Diego Trolley Incorporated Light Rail Transit (LRT) vehicle track at the proposed State Route 52/Cuyamaca Street Interchange in the City of Santee.

MTS

STATE ROUTE 52 CORRIDOR
New Freeway Segment
SR 125 to SR 67

Support CPUC Application (A06-08-012) for New Grade Crossing

Agenda Item 32

MTS September 28, 2006

Metropolitan Transit System

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

Agenda

Item No. 33

OPS 960.6

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

September 28, 2006

SUBJECT:

SDTC: SOLE-SOURCE CONTRACT AWARD TO THE ARC OF SAN DIEGO FOR INTERIOR DEEP CLEANING OF SDTC BUSES

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute a sole-source contract for two years (in substantially the same form as Attachment A) with The ARC of San Diego (ARC) to deep clean the interiors of San Diego Transit Corporation's (SDTC's) buses for an amount not to exceed $400,000.

Budget Impact

$400,000 in local monies.

DISCUSSION:

Background

The MTS Board of Directors previously awarded a one-year contract to ARC to deep clean buses on a trial basis. At that time, staff worked in conjunction with the IBEW 465 Union to allow ARC members to perform this work, and it resulted in a partnership agreement that made ARC honorary union members. The trial period was deemed successful by staff as ARC demonstrated that its personnel could provide the level of performance required.

MTS Policy No. 52 governing procurement of services requires a competitive bid process for procurements exceeding $100,000. In the event that the circumstances dictate other than the competitive bid process, a written statement by staff setting forth the reasons for not pursuing all or part of any of the processes is required.

Staff is recommending approval of this sole-source contract with ARC to deep clean bus interiors because of ARC's reasonable pricing and ability to clean six buses per day.

Economic Benefit

SDTC previously had Calderon Building Maintenance (Calderon) cleaning the interior of its buses. Calderon cleaned two buses per night at one facility at a cost of $200 per bus. The service was provided six days per week and typically resulted in the cleaning of 52 buses per month. This productivity rate allowed each bus to be deep cleaned once every three months.

ARC's proposal includes two teams of three people (two teams at each division) cleaning buses at a rate of six buses per day (three per division). ARC's proposed rate results in a cost of approximately $135 per bus. The service would be provided five days per week and should result in the cleaning of 130 buses per month. This productivity rate allows each bus to be deep cleaned about once every other month.

ARC's proposal allows the cleaning of the buses at a very reasonable cost usually below what other commercial entities can offer due to its unique labor force and funding sources. ARC is a nonprofit corporation.

The chart below reflects a comparison of cost and productivity information from ARC, Calderon, and SDTC in-house staff. The SDTC in-house staff cost is less per bus than ARC's, but the productivity is 66% lower at only two buses per day. In order for SDTC's in-house staff to match ARC's productivity, SDTC would have to increase its personnel.

The chart shows that the ARC proposal is priced competitively, is more productive than those in comparison, and supports a staff determination that the cost from ARC is fair and reasonable.

	ARC 3080 Market Street San Diego, CA 92102	Calderon 3822 Sherman Street San Diego, CA 92110	SDTC In-house Staff
Productivity	6 buses per day	2 buses per day	2 buses per day
Cost Per Bus (Rounded to nearest dollar)	$135	$200	$75 (plus foreman time for supervision)

ARC is a private, nonprofit corporation and is one of the region's largest health and human services agencies. It was founded in 1951 by a determined group of people who felt they had to "do something" for children with mental retardation. ARC blends a long history of services with a national reputation for success. All ARC programs promote social, economic, and personal independence.

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Claire Spielberg, 619.238.0100, Ext. 6400, claire.spielberg@sdmts.com

SEPT28-06.33.ARC CONTRACT.KTSUBAKIHARA

Attachment: A. Draft Contract

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

DRAFT

Att. A, AI 33, 9/28/06, OPS 960.6

STANDARD SERVICES AGREEMENT

____
CONTRACT NUMBER

31252509
FILE/PO NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _______________ 2006, in the state of California by and between the San Diego Transit Corporation (SDTC), and the following contractor, hereinafter referred to as "Contractor":

Name: The ARC of San Diego

Address: 9575 Aero Drive
San Diego, CA 92123

Form of Business: Nonprofit Corporation
(Corporation, partnership, sole proprietor, etc.)

Telephone: 858-715-3780 ext. 114

Authorized person to sign contracts: Anthony De Salis (Name) — C.O.O. and General Counsel (Title)

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

This contract between The ARC of San Diego (ARC) and the San Diego Transit Corporation (SDTC) is for the interior cleaning of the SDTC buses as described below. This contract shall commence October 1, 2006, and continue for two years. At the end of the contract term, if a new agreement is not in place, both parties agree to a month-to-month extension at the existing contract rates until a new contract can be executed. In no event shall this extension exceed six months.

SDTC shall pay ARC a lump sum per month and, in turn, ARC shall compensate each consumer at an hourly rate per hour (prevailing wage subject to adjustment). Job coaches will not be compensated by SDTC except for the incentive program of which SDTC will pay an additional $2.34 (fully loaded amount) per hour to supplement the wages already paid by ARC. This will add $329.55 monthly per job coach or $659.10 monthly per division. Consumers' wages will be paid based upon six hours per day, five days per week. Job coaches' supplemental compensation shall be based upon 6½ hours per day, five days per week. The hourly compensation that SDTC pays ARC for consumers and the job coach supplemental wage includes all benefits, payroll taxes and services, workers' compensation, liability insurance, and all overhead costs.

From October 1, 2006, to September 30, 2007, SDTC shall pay ARC $15,684.45 per month for both divisions. This amount does not include nonmonetary incentives. The subsequent yearly amounts shall be subject to change based upon the Consumer Price Index for all urban consumers for the San Diego area. SDTC shall compensate ARC for the observed holidays of New Years Day, Presidents Day, Martin Luther King Jr. Day, or Cesar Chavez Day (one or the other), Independence Day, Labor Day, Memorial Day, Thanksgiving, and Christmas so as to be consistent with MTS maintenance employees working on the property.

The amount of the first base year of this contract (not including nonmonetary incentives) shall not exceed $188,213.46. The total value of the two-year agreement shall not exceed $400,000 with the prior written approval of SDTC.

Payment Terms

Payment terms shall be net 30 days from invoice approval.

SDTC's Standard Operating Procedures for Contractor's Safety and Health Requirements (SAF016-03) is a part of this agreement and must be executed prior to commencement of work.

SAN DIEGO TRANSIT CORPORATION (SDTC)	CONTRACTOR AUTHORIZATION
By: ______________________	Firm: ______________________
Approved as to form:	By: ______________________ Anthony De Salis
By: ______________________ Office of the General Counsel	Title: ______________________

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
$400,000		FY 07 - FY 08

By: ____
Cliff Telfer, Chief Financial Officer — Date

(Continued on ___ sheets, each bearing contract number) SEPT28-06.33.AttA.ARC CONTRACT.KTSUBAKIHARA

Metropolitan Transit System

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

Agenda

Item No. 45

OPS 970.6

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

September 28, 2006

SUBJECT:

SDTI: SD-100/S70 VEHICLE COMPATIBILITY STATUS REPORT

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None with the indicated recommendation.

Executive Committee Recommendation

At its meeting on September 7, 2006, the Executive Committee recommended forwarding this item to the Board for approval.

DISCUSSION:

The initial concept of introducing low-floor technology anticipated a fully compatible light rail vehicle. An increased minimum platform height requirement and car size (length) created obstacles to readily adapt system-wide implementation. Additional obstacles related to compatibility with the existing fleet had to be overcome due to changes in technological applications of car design and performance.

At the June 23, 2005, MTS Board meeting, due to unresolved issues, staff was directed not to operate mixed consists (SD-100/S70) during the initial opening phase of Mission Valley East. Staff was further directed to continue efforts to identify and, where possible, resolve incompatibility issues between the new S70 and the existing SD-100 light rail vehicles. While technical specifications for vehicle compatibility were contained in the contract, it also lacked specifics in certain electrical and control elements. This has required a higher level of testing, hardware and/or software modifications to correct discrepancies, and validation of acceptable performance.

Staff has continued to identify issues and work with Siemens to find acceptable resolutions. Testing has been conducted on nonrevenue test trains involving a variety of combinations of SD-100 and S70 light rail vehicles. These test trains have included two-, three-, and four-car train sets with differing models of vehicles placed in a wide variation of consist configurations.

At this time, general operating requirements associated with train-line features for accelerations, braking, door activation, lighting, public address systems, and fault monitoring have been successfully demonstrated. However, there is a single train line feature that is generating a "nuisance fault" during the initial key up in an S-70 when coupled to an SD100 vehicle. This matter requires further evaluation and a possible software modification, but will not prevent mixed-consist operations.

While staff believes there are residual matters that need further evaluation by Siemens, there are no remaining items of a serious nature that would prevent the operation of mixed two-car SD-100/70 train sets.

Staff will continue to address issues related to three- and four-car mixed train sets and explore options that may result in more operating flexibility. Our plan going forward is to operate a mixed SD-100/70 consist on each of the seven train sets circulating and to position the SD100 vehicle on the west end of each train set.

One final issue that warranted evaluation involved wheelchair boarding on a mixed consist with the lead car being an SD100 vehicle. On Thursday, July 27, 2006, a special meeting of the MTS Accessible Services Advisory Committee (ASAC) was held to address this matter. ASAC was asked if it was necessary to deploy the wheelchair lift platform on an SD100 vehicle while the trailing S70 vehicle is fully accessible. The consensus of ASAC was that in all cases, the lead vehicle must be accessible whether it is an S-70 or an SD100. ASAC felt that consistency in application is of the utmost importance as it relates to providing lead-vehicle access to the disabled community. While this will tend to negate some of the efficiencies realized from the use of low-floor cars, the operation can be accommodated.

Paul C. Jablonski
Chief Executive Officer

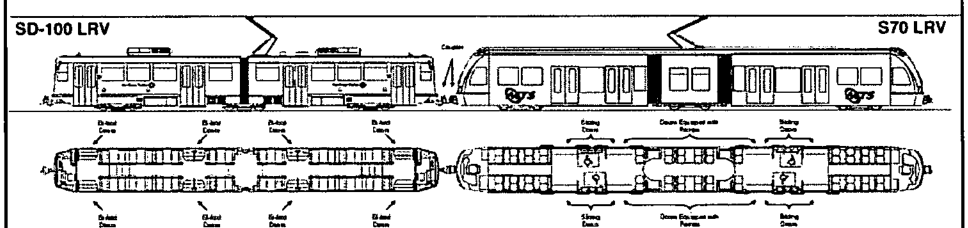
Key Staff Contact: Peter Tereschuck, 619.595.4902, peter.tereschuck@sdmts.com

SEPT28-06.45.LRVCOMPATIBILITY.WTERRY

San Diego Trolley, Inc.
Mixed Use Consists

Board of Directors
September 28, 2006

MTS



- Resolved Compatibility Issues – Mixed 2-Car Consist
- Pursue Issues Involving primarily 4-Car Configurations
- Accessible Service Advisory Committee (ASAC)
- Mixed Consist Accessibility Accommodation
- Train Consist Configuration Consistency
  (SD100 – S70 West to East)

MTS

- Direction was received from the Executive Committee to develop a brochure for the disabled community describing the benefits of being positioned to board the S70 LRV

- Staff is working with the marketing department to develop appropriate wording for the brochure and will involve the Accessible Service Advisory Committee in the review process

9:39

MTS Metropolitan Transit System

AGENDA ITEM NO. 45

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

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Date 2006-09-28

Name (PLEASE PRINT) Clive Richard

Address 5153 La Dorna St

San Diego, CA 92115

Telephone 619 582 4036

Organization Represented (if any)

Subject of your remarks:

Agenda Item Number on which you request to speak

Your comments are presenting a position of: SUPPORT ☐ OPPOSITION ☐

2. TESTIMONY AT NOTICED PUBLIC HEARINGS

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

3. DISCUSSION OF AGENDA ITEMS

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

4. GENERAL PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

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

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Metropolitan Transit System

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

Agenda

Item No. 46

OPS 970.11

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

September 28, 2006

SUBJECT:

SDTI: SEMIANNUAL MTS SECURITY REPORT (JANUARY THROUGH JUNE 2006)

RECOMMENDATION:

That the Board of Directors receive this report for information.

Budget Impact

None.

DISCUSSION:

ENFORCEMENT ACTIVITIES

C Street Problem-Oriented Policing (POP) Project

The C Street POP Project addresses chronic offenders and quality-of-life issues along the C Street corridor. San Diego Police and MTS Transit Enforcement patrol this area in a joint effort to resolve these issues. Complaints involving specific crimes and suspects were forwarded to the Office of the City Attorney, and stay-away orders were issued to those violators. Results include the removal of some chronic offenders from the area. Because of the success of this program, MTS has requested that the City Attorney extend the POP Project from C Street to the Park & Market Trolley Station. This expanded coverage would utilize progress already made in the downtown corridor.

Downtown Partnership

Downtown Partnership meetings are convened to address problems related to criminal activity in the downtown area. These meetings are attended by law enforcement, businesses, and community leaders as well as other interested parties, including Transit Enforcement personnel. These partners discuss problems, resolutions, and progress related to criminal activity in the downtown area.

La Mesa Police Department

Plainclothes La Mesa Police Department personnel participated in Transit Enforcement's zero tolerance fare sweeps at the Grossmont and the Spring Street Transit Center Trolley Stations.

El Cajon Police Department

A school resource officer from the El Cajon Police Department worked with MTS during a truancy sweep at the Arnele Avenue Trolley Station. Many of the juveniles were immediately recognized by the El Cajon Police Officer, which was of value for follow-ups with probation officers.

El Cajon Police also assisted Transit Enforcement in removing large transient camps under the freeway overpass just east of the El Cajon Transit Center.

San Diego Police and Probation Departments

A number of joint operations were held with the San Diego Police Department. Two demonstrations were patrolled. One included 40,000 demonstrators who marched across MTS trolley tracks in several areas.

Special details were conducted at South Bay stations and Park & Market targeting gang, narcotics, and alcohol-related activities.

COMMUNITY OUTREACH

Transit Enforcement representatives attended a community meeting held at Mendoza Elementary School. The meeting was sponsored by San Diego City Councilmember Ben Hueso. A number of community leaders were present as well as representatives from the San Diego Police Department. There were also representatives from South Bay local governments. The primary purpose of the meeting was to address a citizen complaint regarding vehicle tampering. At the conclusion of the meeting, the complainant was satisfied with the resolution provided.

Three safety awareness classes were given by Transit Enforcement personnel at Cortez High School. Public transportation, safety on trains, and how to properly report incidents were discussed.

Border Transportation Council

Staff met with the Border Transportation Council. Those in attendance included representatives from Border Patrol, the San Diego Police Department, local governments, and bus companies. Objectives of the Border Transportation Council are to reduce unauthorized transportation companies from conducting business at the San Ysidro International Border, eliminate unlicensed operations, and improve regional safety. Transit Enforcement staff will continue to attend meetings as needed to support these objectives.

Special Enforcement Unit

One hundred percent of passengers at select trolley stations and on trains passing through these stations were inspected for fare compliance. As trains arrive in the station, up to 20 uniformed Code Compliance inspectors and security officers board each car of the train and inspect every passenger for fare compliance. Inspectors and officers remain at the station for up to a six-hour shift issuing citations or warnings to patrons who are not in possession of a valid fare.

During the first six months of calendar year 2006, inspectors and officers contacted 61,854 passengers during scheduled Special Enforcement Unit sweeps system wide. Of these, 1,188 passengers did not comply with the published fare structure. Of the 1,188 who were not in fare compliance, 872 were issued citations, and 316 were allowed to upgrade or purchase a fare in order to meet fare compliance requirements. During these revenue sweeps, $568.50 was collected from patrons purchasing or upgrading fares. Semiannual statistics from these special fare evasion inspections indicate a fare evasion rate of 1.92 percent.

In addition to fare compliance, officers also made arrests for quality-of-life violations, such as possession of marijuana, truancy, and warrants.

Swarm Detail

In March 2006, a special detail entitled "Swarm" was developed to concentrate on or "swarm" specific locations based on information received regarding a broad number of issues. Each shift was assigned swarm detail during a portion of their shift. Each day's deployment was flexible and adjusted based on real-time information received from various sources. By deploying this team to address issues within minutes or hours after discovered, SDTI has been able to eliminate potential problems before they have had the time to escalate into unmanageable scenarios.

Details included gang activity, vandalism, trespassing, and crowd control.

During the months of March through June 2006, 887,037 patrons were contacted. Although not the focus, 1,436 patrons (.36% of those contacted) were discovered to be in violation of the MTS fare ordinance.

Officers received both negative and positive comments about officer presence and constant fare inspection. Most of the positive comments came from patrons utilizing the system for special events. The negative comments came from regular daily riders being checked for fares consecutively by different officers.

Crime Suppression Unit

The Crime Suppression Unit was briefly resurrected during May and June to address inordinate amounts of vandalism and quality-of-life issues both onboard and at select stations. The problems were quickly eliminated, and the team has been disbanded until another occasion for these services arise.

Bike Unit

Two-person bike teams have been in use in the downtown area to help support the POP Project as well as to provide added coverage and visibility. Teams with flexible schedules are assigned to the metro area and for special events as needed.

GRANT FUNDING

FY 06 Department Of Homeland Security Grant Funds

MTS applied for a $1,700,000 matching funds (25%) grant under the 2006 Transit Security Grant Program (TSGP) to further enhance protection of patrons and infrastructure from terrorism.

If awarded, these funds have been earmarked for rail and bus projects to include hardening the facilities, closed-circuit television (CCTV) (behavioral identification software, onboard cameras for buses and trains, additional CCTV at select stations), and blast-resistant trash receptacles.

FY 05 Department of Homeland Security Grant Funds

$1,891,000 was awarded to MTS in the spring of 2006 by the Department of Homeland Security under the 2005 Transit Security Grant Program. The award considers regional collaboration with North County Transit District (NCTD). Funds will be spent on projects that support regional rail and bus goals of protection against terrorism. Thirteen regional projects, including hardening the facility, improved CCTV, and protection of critical infrastructures, have been identified for these grant funds.

FY 04 Department of Homeland Security Grant Funds - San Ysidro Project

A $400,000 Special "Reallocation" Grant from the Department of Homeland Security was awarded to MTS for installing CCTVs at the San Ysidro Intermodal Border Transportation Center.

For the first time in history, the Department of Homeland Security disencumbered funds from other grant recipients who have not used their awards. This reallocation grant is the first of its kind; to date, MTS is the only recipient of this type of special grant.

The CCTV Project underway for San Ysidro includes multidisciplined technology, including behavior/facial recognition and intelligent real-time video monitoring software and high-resolution imaging with internet/wireless transmission capability for intelligence sharing amongst other regional agencies. This CCTV system will be integrated into MTS's existing CCTV monitoring program at its Operations Control Center in late 2006.

<u>FY 02 Emergency Preparedness/Connecting Communities Grant Funds</u>

This fall, MTS will conduct its final drill with the remaining funds from the Connecting Communities Program Grant awarded in 2002. The drill will be conducted at the SDTI Maintenance Facility utilizing onboard CCTV cameras (both rail and bus) and bomb-sniffing K-9 units to practice emergency response by first responders.

All four of MTS's previous drills have been full-scale multiagency exercises. It is important now to conduct a drill for MTS employees only. This will enable focus on internal protocols and truly evaluate the reaction of MTS employees to an emergency.

TRANSPORTATION SECURITY ADMINISTRATION (TSA) K-9 COOPERATIVE AGREEMENT

Three K-9 teams have been deployed at MTS. Currently, the teams are providing visibility exposure to the public and familiarization of the dogs to the various aspects of the MTS system. Numerous compliments have been received from the public, press, and law enforcement agencies. In May, MTS held a media day. The K-9 teams conducted demonstrations with luggage and also onboard trains. Numerous television news agencies attended, and very positive coverage was shown on several of the local evening news channels. The teams will complete their final TSA certification in late September and will then be fully authorized to respond to bomb threats and suspicious packages.

TRANSIT WATCH - PART I AND PART II STATISTICS - SDTI

SDTI staff compiles security statistics from a variety of sources, including Code Compliance inspectors employed by SDTI, security officers contracted by SDTI from Transit Systems Security, local law enforcement agencies, citizens, and patrons of the transit system.

Data is compiled and entered into the Transit Watch computerized database by SDTI's Security/Crime Analyst staff. Compiled data is summarized for review on the Federal Transit Administration (FTA) Form 405 (Attachments A and B). Form 405 is a federal reporting requirement for all public transportation agencies that reports incidents in two major categories.

Part I Incidents consist of eight specific categories of serious offenses committed against persons, including patrons, employees, and others on transit system vehicles and properties as well as property crimes.

Part II Arrests detail incidents in which violators are arrested for committing offenses on transit property and vehicles. These offenses include quality-of-life violations, property offenses, and minor offenses committed against patrons, employees, and others.

Statistics compiled for the first six months of calendar year 2006 indicate that Part I Incidents increased slightly.

One gang-related shooting took place at the 32nd & Commercial Trolley Station in which one homicide and one attempted homicide (injury only) was realized.

One incident of attempted train derailment occurred when a large tree stump was intentionally placed on the tracks near the Massachusetts Avenue Station. The train operator was unable to stop the train before it struck the tree stump. Repairs to two LRVs have been made, and repairs to the third LRV are still in progress. The estimated repair cost for all three vehicles is $350,000.

Part I Incidents	January – June 2005	January – June 2006
Homicide	00	01
Robbery	20	14
Theft	33	47
Aggravated Assault	07	06
Motor Vehicle Theft	14	14
Burglary	00	02
Forcible Rape	01	00
Arson	01	00
Total	76	84

Arrests for nonfare-related Part II offenses decreased significantly.

Part II Arrests	January – June 2005	January – June 2006
Other Assaults	31	30
Vandalism	18	39
Sex Offenses	01	03
Drug Abuse Violations	193	217
D.U.I.	00	05
Drunkenness	61	107
Disorderly Conduct	428	334
Trespassing	119	97
Curfew and Loitering	70	21
Total	921	853

Excluding fare evasion, there were 853 Part II Arrests made during the first six months of calendar year 2006 compared to 921 Part II Arrests made during the first six months of calendar year 2005, which is a decrease of 7 percent. Fare evasion citations decreased significantly to 8,481 for the first six months of calendar year 2006 compared to 11,522 in the first six months of calendar year 2005.

TROLLEY PASSENGER INSPECTIONS

The inspection rate was over 38 percent during this reporting period.

Onboard Trains	Fare-Paid Zones	Total Passengers Inspected
2,998,631	3,125,133	6,123,764

Total Part I Incidents per 100,000 passengers compare as follows:

	Passengers Carried	Part I Incidents/100,000
January – June 2005	14,286,343	.53
January – June 2006	15,983,645	.53

Total Part II Arrests per 100,000 passengers is reflected below:

	Passengers Carried	Part II Arrests/100,000
January – June 2005	14,286,343	6.45
January – June 2006	15,983,645	5.34

In addition to the categories that appear on the FTA Form 405, over 700 additional arrests were made for other violations occurring system wide (SDTI, SDTC, and Contract Services), the majority of which involved alcoholic beverages.

CLOSED-CIRCUIT TELEVISION (CCTV)

CCTV systems are installed at nine trolley stations. The systems contain a combination of pan-tilt-zoom (PTZ) and fixed cameras. All cameras record to a digital video recorder (DVR) and have the capability of retaining 15 days of recorded history.

The system at San Diego State University is hard-wired to the on-site security office where a bank of viewing monitors is located. During this reporting period, this system was also connected to the new Operations Central Control via a T-1 line where viewing and recording may also take place.

Four stations are currently in the process of receiving CCTV equipment. It is expected that those stations will be on-line in October of 2006. The Spring Street Station will be using Spectrum's unmanned operation system with wide panoramic images and ultra high resolution.

The Bayfront/E Street, Palomar, and H Street Stations will be installed with the first wireless system allowing the Chula Vista Police Department to monitor footage from its headquarters via wireless access. Some of the Chula Vista stations will be brought on-line in September, and others will follow as work progresses.

Department of Homeland Security grant monies have been identified for future expansion of CCTV at locations deemed high risk for terrorist activity.

TRAINING

During this reporting period, eight Code Compliance inspectors completed the California Penal Code 832 course at Miramar College. This training is required every three years and covers a variety of subjects, including laws of arrest, defensive tactics, California law, and other related subjects.

Other in-house training sessions were conducted regarding correct procedures for searching and restraining arrestees, two scenario-based sessions replicating field situations requiring problem solving and teamwork and, lastly, bike patrol training with the Chula Vista Police Department.

On a continuing basis, pertinent information received from law enforcement and Homeland Security agencies is circulated to all enforcement personnel to keep them informed of current or developing situations that may affect operations.

SAN DIEGO TRANSIT CORPORATION

San Diego Transit Corporation (SDTC) experienced 51 Part II arrests and 2 reports of Part I incidents (homicide and robbery) for this reporting period. In 2005, there were 63 Part II arrests and 2 reports of Part I incidents (aggravated assault).

SDTC spends approximately $15,000 per month to repair vandalism damage.

CONTRACT SERVICES

MTS Contract Services experienced 22 Part II Incidents with 19 arrests for this reporting period. There were no reports of Part I Crimes. This compares to last year's experience of 15 Part II Incidents with 4 arrests during the same reporting period. There was one report of aggravated assault--a Part I Crime in 2005.

Paul C. Jablonski
Chief Executive Officer

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

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Attachments:
A. Board FTA 405 Reports (January - June 2005 SDTI)
B. Board FTA 405 Reports (January - June 2006 SDTI)
C. Board FTA 405 Reports (January - June 2005 SDTC)
D. Board FTA 405 Reports (January - June 2006 SDTC)

Board Only

☐ Form not applicable
NTD ID ☐☐☐☐
☐ Form 005 Included

BOARD 405 REPORT

Required from transit agencies serving UZAs of 200,000 or more population.

Mode ☐☐

Type of Service ☐☐

Based on the Uniform Crime Reporting Handbook

Security Items				In Vehicle	In Station	Other Transit Prop.
Location SDTI						
Part I Offenses (Reports)						
Violent Crime	Inc Inv	Arrests				
Homicide	0	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	0	0
Forcible rape	1	0				
			Patrons	0	0	1
			Employees	0	0	0
			Others	0	0	0
Robbery	20	8				
			Patrons	6	18	2
			Employees	0	0	0
			Others	0	0	0
Aggravated assault	7	2				
			Patrons	3	3	0
			Employees	0	0	0
			Others	2	1	0
Property Crime	Inc Inv	Arrests				
Burglary	0	0		0	0	0
Larceny/theft	33	4				
			Patrons	0	1	12
			Employees	0	0	0
			Others	0	10	10
Motor vehicle theft	14	0				
			Patrons	0	0	13
			Employees	0	0	0
			Others	0	0	1
Arson	1	0		0	1	0
Part II Offenses (Arrests)	Inc Inv	Arrests				
Other assaults	41	31		9	22	0
Vandalism	91	18		4	11	3
Sex offenses	1	1		1	0	0
Drug abuse violations	192	193		20	171	2
Driving under the influence	0	0		0	0	0
Drunkenness	62	61		11	47	3
Disorderly conduct	442	428		96	317	15
Trespassing	125	119		0	1	118
Fare evasion	12,027	11,522		8,374	3,148	0
Curfew & loitering laws	72	70		0	68	2
Total Transit Property Damage					$ 11,063.10	

Internal Use Only

Report Run Date	Report Run Time	Reporting Period
09/15/2006	**10:27:35AM**	**01/01/2005** To **06/30/2005**

☐ Form not applicable
NTD ID ☐☐☐☐
☐ Form 005 Included

BOARD 405 REPORT

Required from transit agencies serving UZAs of 200,000 or more population.

Mode ☐☐

Type of Service ☐☐

Based on the Uniform Crime Reporting Handbook

Security Items	Inc Inv	Arrests		In Vehicle	In Station	Other Transit Prop.
Location SDTI						
Part I Offenses (Reports)						
Violent Crime	Inc Inv	Arrests				
Homicide	1	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	2	0
Forcible rape	0	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	0	0
Robbery	14	4				
			Patrons	11	5	0
			Employees	0	0	0
			Others	0	0	0
Aggravated assault	6	0				
			Patrons	1	1	0
			Employees	0	0	0
			Others	1	0	4
Property Crime	Inc Inv	Arrests				
Burglary	2	0		0	2	0
Larceny/theft	47	6				
			Patrons	4	2	35
			Employees	0	0	0
			Others	0	0	6
Motor vehicle theft	14	0				
			Patrons	0	0	14
			Employees	0	0	0
			Others	0	0	0
Arson	0	0		0	0	0
Part II Offenses (Arrests)	Inc Inv	Arrests				
Other assaults	48	30		7	19	4
Vandalism	297	39		9	29	1
Sex offenses	5	3		1	1	1
Drug abuse violations	209	217		16	186	15
Driving under the influence	5	5		0	0	5
Drunkenness	108	107		27	78	2
Disorderly conduct	356	334		112	212	10
Trespassing	106	97		0	1	96
Fare evasion	8,870	8,481		6,831	1,650	0
Curfew & loitering laws	21	21		0	20	1
Total Transit Property Damage					$ 373,375.61	

Internal Use Only

Report Run Date	Report Run Time	Reporting Period
09/15/2006	**12:36:26PM**	**01/01/2006** To **06/30/2006**

☐ Form not applicable
NTD ID ☐☐☐☐
☐ Form 005 Included

BOARD 405 REPORT

Required from transit agencies serving UZAs of 200,000 or more population.

Mode ☐☐

Type of Service ☐☐

Based on the Uniform Crime Reporting Handbook

Security Items	Inc Inv	Arrests		In Vehicle	In Station	Other Transit Prop.
Location SDTC						
Part I Offenses (Reports)						
Violent Crime	Inc Inv	Arrests				
Homicide	0	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	0	0
Forcible rape	0	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	0	0
Robbery	0	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	0	0
Aggravated assault	2	3				
			Patrons	1	1	0
			Employees	0	0	0
			Others	0	0	0
Property Crime	Inc Inv	Arrests				
Burglary	0	0		0	0	0
Larceny/theft	0	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	0	0
Motor vehicle theft	0	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	0	0
Arson	0	0		0	0	0
Part II Offenses (Arrests)	Inc Inv	Arrests				
Other assaults	5	4		3	1	0
Vandalism	20	4		2	2	0
Sex offenses	1	0		0	0	0
Drug abuse violations	16	18		4	14	0
Driving under the influence	0	0		0	0	0
Drunkenness	1	1		0	0	1
Disorderly conduct	32	19		8	11	0
Trespassing	6	6		0	0	6
Fare evasion	5	1		1	0	0
Curfew & loitering laws	10	10		0	10	0
Total Transit Property Damage					$ 279.50	

Internal Use Only

Report Run Date	Report Run Time	Reporting Period
09/15/2006	**10:27:35AM**	**01/01/2005** To **06/30/2005**

☐ Form not applicable
NTD ID ☐☐☐☐
☐ Form 005 Included

BOARD 405 REPORT

Required from transit agencies serving UZAs of 200,000 or more population.

Mode ☐☐

Type of Service ☐☐

Based on the Uniform Crime Reporting Handbook

Security Items	Inc Inv	Arrests		In Vehicle	In Station	Other Transit Prop.
Location SDTC						
Part I Offenses (Reports)						
Violent Crime	Inc Inv	Arrests				
Homicide	1	1				
			Patrons	0	1	0
			Employees	0	0	0
			Others	0	0	0
Forcible rape	0	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	0	0
Robbery	1	0				
			Patrons	0	1	0
			Employees	0	0	0
			Others	0	0	0
Aggravated assault	0	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	0	0
Property Crime	Inc Inv	Arrests				
Burglary	0	0		0	0	0
Larceny/theft	0	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	0	0
Motor vehicle theft	0	0				
			Patrons	0	0	0
			Employees	0	0	0
			Others	0	0	0
Arson	0	0		0	0	0
Part II Offenses (Arrests)	Inc Inv	Arrests				
Other assaults	8	1		0	1	0
Vandalism	7	3		0	3	0
Sex offenses	1	1		1	0	0
Drug abuse violations	19	21		0	13	8
Driving under the influence	0	0		0	0	0
Drunkenness	7	7		0	2	5
Disorderly conduct	20	9		3	5	1
Trespassing	3	0		0	0	0
Fare evasion	3	3		2	1	0
Curfew & loitering laws	8	6		0	1	5
Total Transit Property Damage					$ 150.00	

Internal Use Only

Report Run Date	Report Run Time	Reporting Period
09/15/2006	**12:36:26PM**	**01/01/2006** To **06/30/2006**

Agenda Item No. 46
9/28/06

MTS

Semi-Annual Security Report
January – June 2006

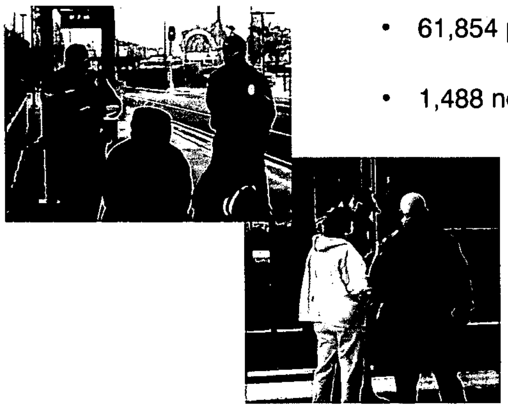
MTS

Passenger Inspections
January – June 2006

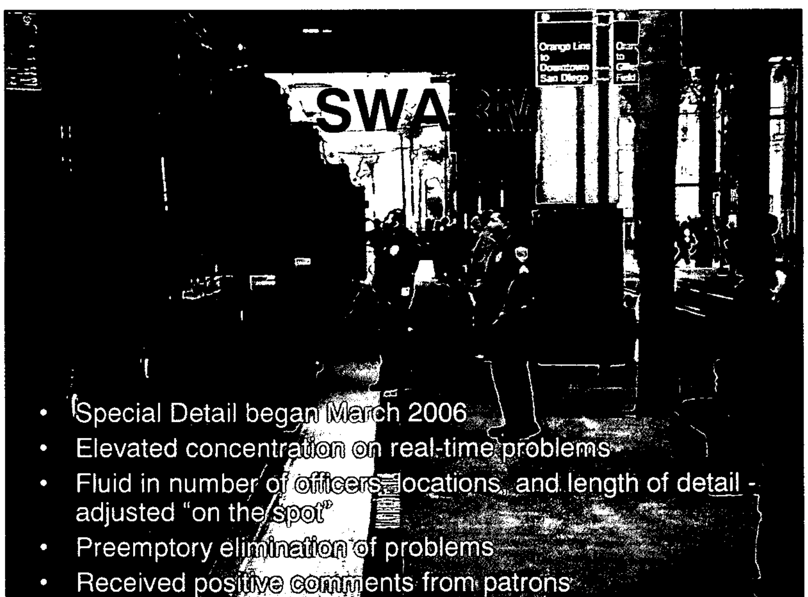
- 15,983,645 passengers carried
- 38% of total passengers inspected
- 98.08% in compliance

MTS

Special Enforcement Unit



- 61,854 patrons inspected
- 1,488 not in compliance
- 316 allowed to upgrade
- 1.92% fare evasion

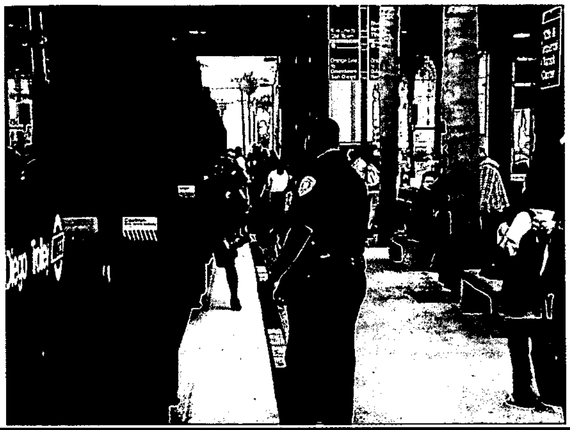


- Special Detail began March 2006
- Elevated concentration on real-time problems
- Fluid in number of officers, locations, and length of detail - adjusted "on the spot"
- Preemptory elimination of problems
- Received positive comments from patrons

SWARM Statistics
March – June 2006

887,037 patrons contacted

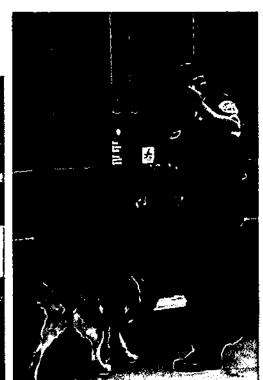
1,436 not in fare compliance



MTS

U.S. Department of Homeland Security
National Explosives Detection Canine Team Program

- Three teams in the process of TSA Certification
- Final certification will enable teams to respond to threats such as unattended packages or suspicious devices or persons



MTS

Grants/Cooperative Agreement

- $150,000 Emergency Preparedness - FTA
- $120,500/year Cooperative Agreement - TSA Canine Program
- $1,950,000 2005 DHS TSGP (Regional – SDMTS/NCTD)
- $400,000 Special DHS Grant - San Ysidro CCTV Project
- $1,700,000 - 2006 DHS TSGP 25% Matching Funds applied for, not yet awarded (Regional – SDMTS/NCTD)

Total of $4,802,500 in funding for security related programs

MTS

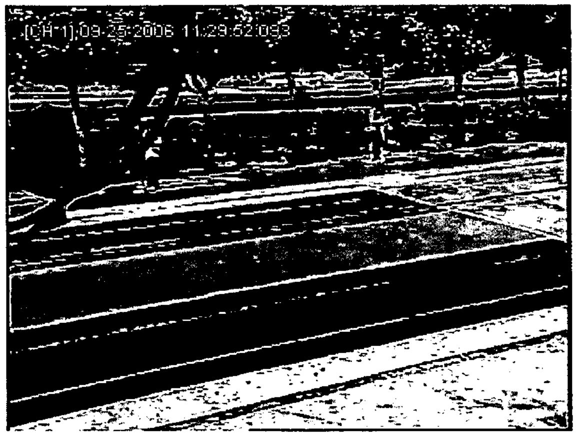
Department of Homeland Security Grants

Hardening facilities to include:

- Fencing
- Lighting
- Cameras
- Employee and Contractor ID Card System

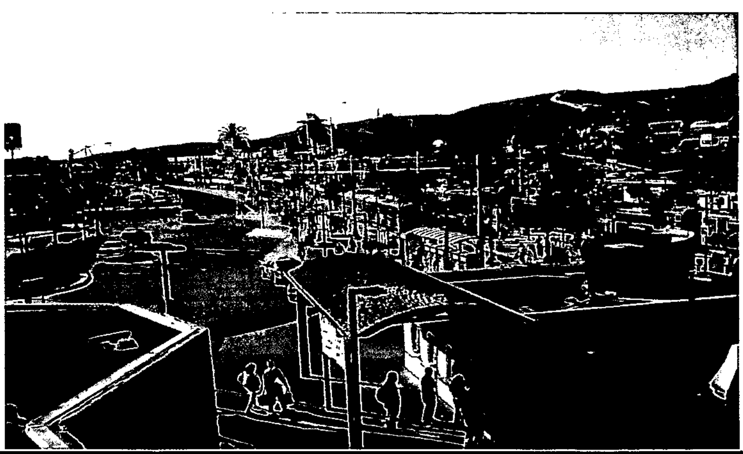
MTS

H Street CCTV



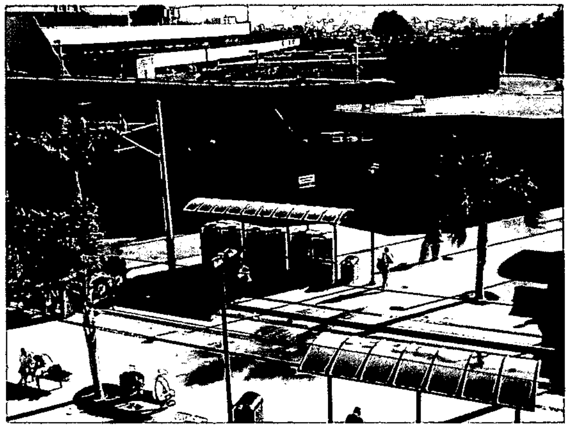
MTS

San Ysidro Intermodal Border Station

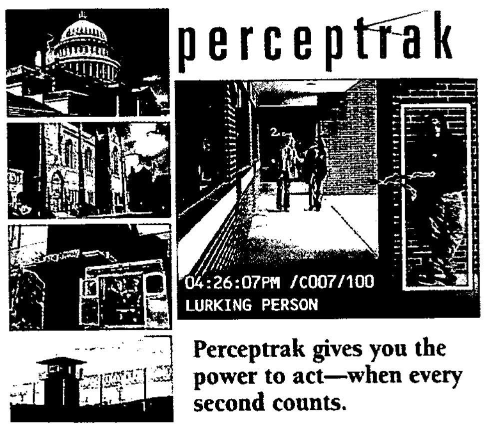


MTS

U. S. Customs Building



Cernium's Perceptrak



- Intelligent Video Management System
- Behavior Recognition software
- Detects and alerts to "real time" suspicious events

Spring Street and San Ysidro

Spectrum's Sentry*Scope*

Sentry*Scope*™—
Always pointed in the right direction;
Always zoomed to the correct level;
No operator required.

- Wide Panoramic Images
- Ultra High Resolution
- Unmanned Operation
- Will be installed at Spring Street and San Ysidro Stations

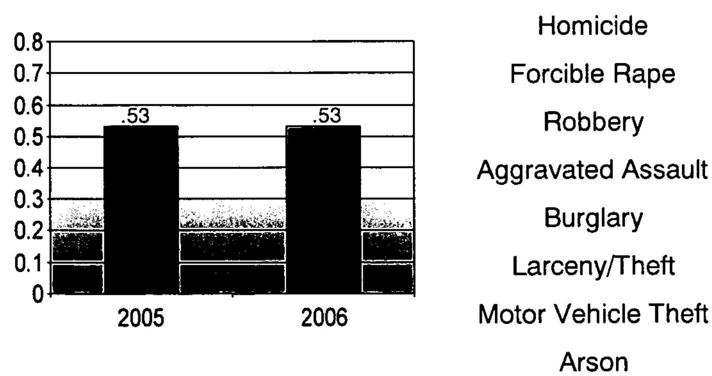
San Diego Regional 3CS Interoperability Project

- Improve interoperability throughout the region
- Link and add capacity to existing microwave networks
- Provide secure digital network for information sharing between dispatch and emergency centers

MTS

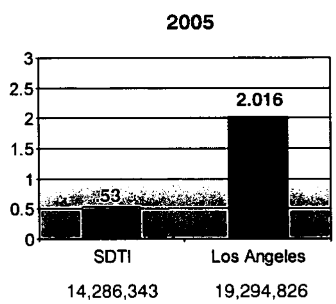
Part I Incidents Per 100,000 Passengers

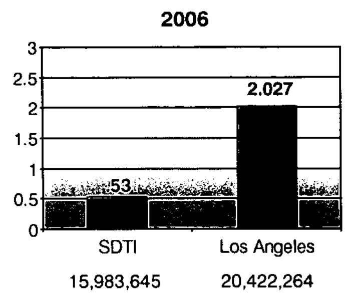
2005 vs. 2006



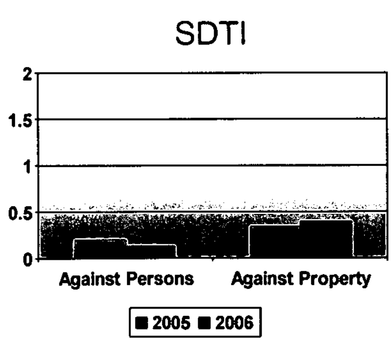
MTS

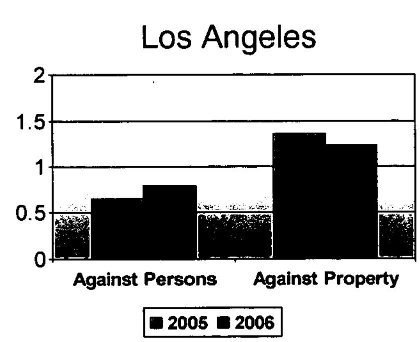
Part I Incidents
Per 100,000 Passengers
2005 vs. 2006





Part I Incidents
Against Persons vs. Property per 100,000 Riders
2005 vs. 2006





Safe Watch Hotline
619-398-9508

- To report security incidents and concerns
- Answered by Security Dispatcher in the MTS Operations Control Center
- Calls directed appropriately
- Calls recorded

Metropolitan Transit System

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

Agenda

Item No. 47

OPS 960.2

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

September 28, 2006

SUBJECT:

SDTC: FY 06 ACCOMPLISHMENTS

RECOMMENDATION:

That the Board of Directors receive this report for information.

Budget Impact

None.

DISCUSSION:

This report provides information about the status San Diego Transit Corporation (SDTC) bus operations for FY 06. An overview of all departments is presented followed by a brief discussion of their accomplishments during the recently concluded fiscal year.

Ridership

SDTC experienced a 3.3% increase in ridership in FY 06 as compared to FY 05. The Operations, Maintenance, Training, and Human Resources Departments worked closely to ensure that a sufficient number of revenue-ready vehicles and trained drivers were available to ensure full pullouts on a daily basis. The total reported ridership was 24,912,850 passengers, which is an increase of 801,536 passengers from FY 05.

The best measurements of the success and effectiveness of our operations are the quantified results for passengers per revenue hour and the farebox recovery ratio. Both performance metrics improved in FY 06.

Passengers per revenue hour increased 1.2% as SDTC achieved 29.6 passengers per revenue hour for all of FY 06 as compared to 29.2 passengers per revenue hour in FY 05. It is anticipated that this trend will continue to improve as SDTC implements the additional phases of the Comprehensive Operations Analysis (COA) service adjustments.

Farebox recovery ratio is calculated by dividing the total fares received by the total cost of operations. The farebox recovery ratio increased by 2.0% to 29.13% of total costs compared to 28.54% in FY 05. The increase reflects tight management controls on expenditures and increased ridership (see Attachment A, Chart 1 – MTS Bus Service Statistics).

<u>Service Quality</u>

SDTC has engaged in an active campaign to modify bus operator behavior and provide customers with a more service-oriented driver representative. Bus operators are SDTC's primary ambassadors, and they need to focus on selling SDTC's service on a daily basis to regular riders and the ever-elusive discretionary rider.

Since embarking on this campaign, driver-related complaints have reduced by 50% in two years. All complaints are tracked by category and the driver-related complaint chart is used for quality control and retraining purposes. SDTC is pleased to report that complaints per 100,000 passengers have decreased throughout this two-year campaign from 18 per 100,000 passengers to 9 per 100,000 passengers. In the past 12 months, SDTC has seen complaints reduced from 13 per 100,000 passengers to 9 per 100,000 passengers.

To achieve these results, SDTC has provided retraining for nearly 50% of its workforce in FY 05 and another 50% in FY 06. This remedial training supplemented the Verification of Transit Training (VTT) requirement for the Department of Motor Vehicles, and SDTC focused its efforts on customer service, anger management, Americans with Disabilities Act (ADA) awareness, and defensive driving. SDTC is making further investments in its incumbent staff to increase proficiency and the comfort level in serving a diverse population.

SDTC will continue to concentrate on this critical key indicator of performance as it raises the bar in customer service in FY 07 and work to maintain and enhance MTS's image within the community on a daily basis (see Attachment B, Chart 2 – Complaints per 100K Passengers).

<u>Risk and Workers' Compensation</u>

The Risk Department's commitment to excellence in defense of the organization has led to a dramatic decrease in liability claims and lawsuits.

The total average cost per workers' compensation claim has been reduced by 81% in the past five years.

Fiscal Year	Cost per Claim
FY 02	$26,165
FY 03	$22,192
FY 04	$ 8,086
FY 05	$ 7,337
FY 06	$ 4,898

The reductions in the per-claim amount have resulted in significant savings for SDTC.

Fiscal Year	Total Workers' Compensation Expenditures
FY 02	$4,543,456
FY 03	$2,794,814
FY 04	$ 665,722
FY 05	$ 520,824
FY 06	$ 188,192

Equally important, in coordination with the District Attorney's office, SDTC successfully prosecuted a former bus operator for workers' compensation fraud. This former employee pled guilty to felony insurance fraud and will serve a minimum of six months in custody. He was also ordered to pay $12,592 in restitution to SDTC. (See Attachments C and D, Chart 3 – Cost per Workers' Compensation Claim and Chart 4 – Total Workers' Compensation Expenses.)

<u>Automatic Vehicle Location and Global Positioning Satellite Technologies</u>

During FY 06, SDTC successfully installed a dispatch and communications center with state-of-the-art vehicle tracking features. Dispatchers can now review the timeliness of service and take immediate action to alleviate any situation where bus "bunching" occurs. During FY 07, SDTC will install HASTUS ATP software to critique current route running times between time points and generate schedules that more accurately reflect today's patterns for traffic and passenger utilization. SDTC has gone from limited data to an avalanche of information, which presents a challenge regarding how to best process information and maximize the new system. SDTC is currently engaged in a process to adjust times between time points to better reflect actual running times.

SDTC will work closely with schedulers and planners on a route-by-route basis to enhance the current on-time performance measurement. The current on-time performance is 74%, which reflects SDTC's timeliness at every time point (13,640 on a daily basis) on all 25 fixed-routes. SDTC will monitor the route changes that occur with the September 2006 schedule changes and determine if streamlining the existing routes would result in better on-time performance.

<u>Superlative Maintenance Performance</u>

The improvements in the bus maintenance program have yielded great results in FY 2006. The program, which was initiated in January 2004, has continued to evolve to encompass all maintenance activities into the one inspection and repair program. Initially the Preventative Maintenance (PM) Program was a stand-alone component of a more varied series of maintenance procedures that were designed to service all bus systems at varying intervals all based on mileage. This process required that more buses be held out of service for repairs on more days than practical. To thoroughly streamline work processes, the PM Program has been embedded in the maintenance management system, and all bus repair and inspection processes have been transferred to the PM Program. Buses are now scheduled for inspection and repair at one time on a 6,000-mile interval, and all work is completed at that time.

Once again, the results of this program have been dramatic with demonstrable improvement in the quality and reliability of services. The mean distance between failures (MDBF) has improved significantly from close to 20,000 miles to 38,000 miles. From a passenger's perspective, the mean distance between service interruptions

(MDBSI), which measures the ability to avoid needless service interruptions, has improved from 33,000 to well over 60,000 miles.

SDTC's contract with ARC of San Diego to provide employment opportunities for San Diego residents with developmental disabilities has been very successful. ARC of San Diego has been integrated into SDTC's workforce and provides a valued function that has increased the level of cleanliness on all of our vehicles. (See Attachments E – G, Chart 5 – FY 06 Vehicle Road Calls; Chart 6 – Maintenance MDBF; and Chart 7 – Maintenance MDBSI.)

<u>Safety</u>

SDTC's commitment to safety is evident from the substantial retraining provided to bus operators in the Smith System of Defensive Driving Program. FY 06 was a challenging year since with the retirement of many experienced bus operators and replacing this veteran workforce with a younger and less experienced workforce. There was a slight increase in total accidents and preventable accidents in FY 06 over FY 05. Accidents per 100,000 miles went from 3.82 to 3.99 per 100,000 miles, and preventable accidents increased from 1.57 to 1.79 per 100,000 miles.

Going forward, SDTC is addressing the safety issues in many departments. Human Resources instituted better screening mechanisms to ensure that bus operator trainees are better suited for a career in transit. The Training Department is strengthening its training curriculum and certification exams to ensure that graduating bus operators are ready for revenue service. Within 90 days of certifying for revenue service, driver trainers test ride with the operator in revenue service to ensure that they are in full compliance with all company policies and procedures. The Training Department trained 129 bus operators in FY 06 and allowed 86 to enter revenue service (70% success rate). (See Attachment H, Chart 8 – FY 06 Preventable Accidents per 100K Miles.)

<u>Quantitative Measurements</u>

SDTC continues to measure all key performance data to make necessary adjustments to enhance transit for San Diego County residents. As the furnished graphs will indicate, SDTC is capturing the appropriate data and then charting it to view long-term trends. At the present time, all critical trends indicate a move in the correct direction and appear representative of a positive result for the many changes that have been put into place by SDTC's management team.

<u>Operations Staff and Management Capabilities</u>

SDTC managers and supervisors are capable of responding at a moment's notice to many situational events. One example is SDTC's bus bridge service, which is provided to San Diego Trolley, Inc. (SDTI) and the Coaster during construction, renovation, or system failures.

SDTC's biggest challenge in FY 06 was serving as the primary transit provider for runners and guests for the Rock N' Roll Marathon. SDTC provided shuttle service for runners from the parking lots to the starting line, a shuttle for runners and guests from the finish line, and a shuttle from the parking lots to the starting line. This year, SDTC's team of transit professionals moved in excess of 31,000 passengers with a fleet of 44 buses.

Innovation at SDTC

Cognizant of its image as a clean-energy fleet, SDTC is very excited to introduce a hybrid-technology bus utilizing compressed natural gas (CNG) and electric power. Given its working knowledge and maintenance familiarity with CNG, this approach seems to present SDTC's best opportunity to break new ground and introduce fuel-efficient hybrid bus operations to San Diego. It is expected that this new application will further reduce pollution and reduce fuel consumption.

SDTC anticipates very positive customer feedback when introducing its first hybrid-technology bus. SDTC is working in partnership with ISE of San Diego, SCAQD, and the Air Pollution Control District, and would like to thank County Supervisor Ron Roberts and others for their support in converting a New Flyer bus shell for this exciting prototype. This vehicle should be in revenue service by February 2007 and will be uniquely branded and marketed to promote mass transit and clean energy.

The Future for SDTC

As MTS evolves as an organization, SDTC must refine its services to offer the best "product" to retain current passengers with the ultimate goal of attracting discretionary riders through a greater menu of transit options, enhanced services, and customer amenities. SDTC believes that it is affecting appropriate change and that it is positioned to achieve these goals.

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Claire Spielberg, 619.238.0100, ext 400, Claire.Spielberg@sdmts.com

SEPT28-06.47.BUSACCOMPLISHMTS06.CSPIELBERG

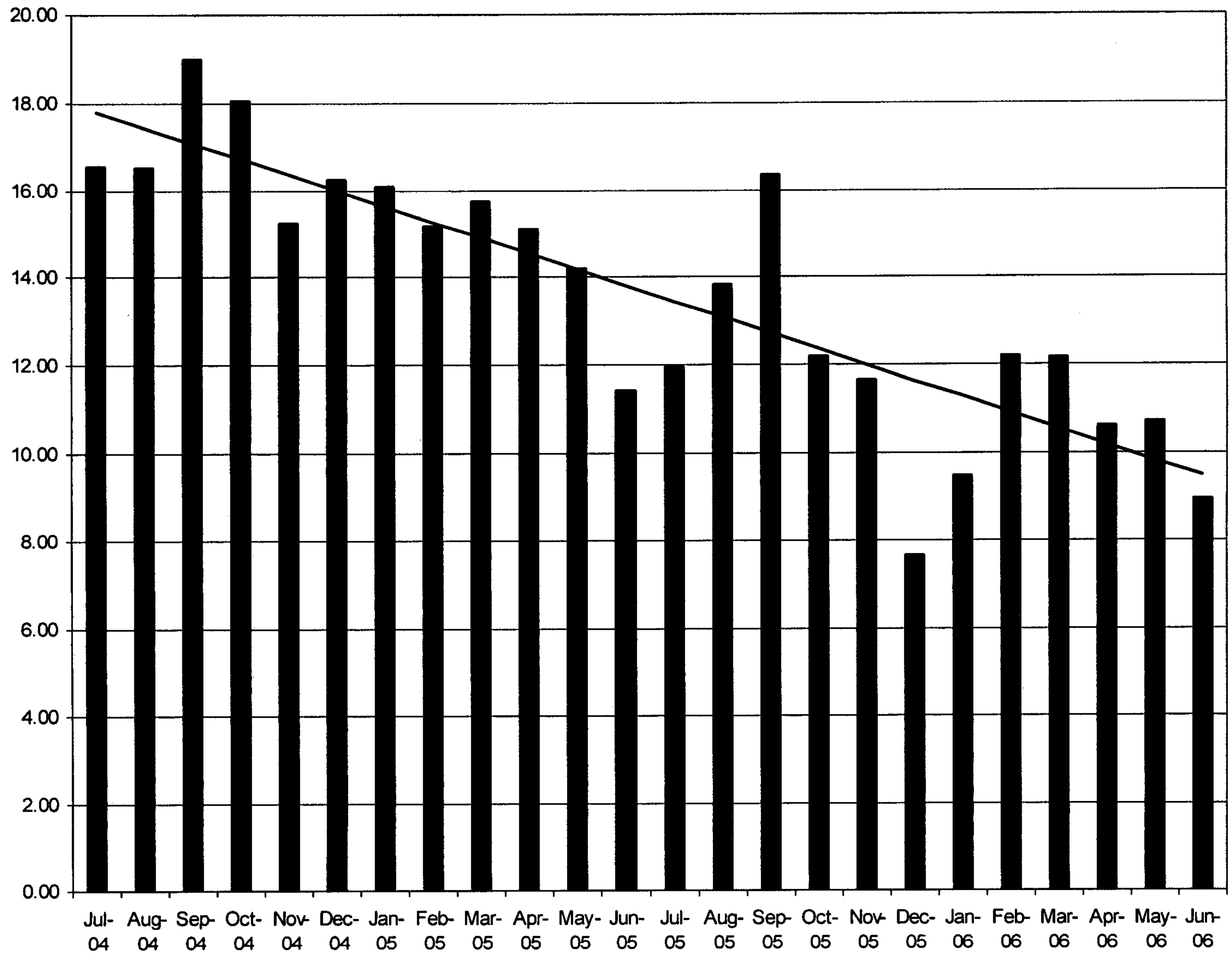
Attachments:
A. Chart 1 – MTS Bus Service Statistics
B. Chart 2 – Complaints per 100K Passengers
C. Chart 3 – Workers' Compensation, Cost per Workers' Compensation Claim
D. Chart 4 – Workers' Compensation, Total Workers' Compensation Expenses
E. Chart 5 – FY 06 Vehicle Road Calls
F. Chart 6 – Maintenance MDBF
G. Chart 7 – Maintenance MDBSI
H. Chart 8 – FY 06 Preventable Accidents per 100K Miles

MTS Bus Service Statistics

	FY 06	FY 05
Ridership	24,912,850	24,111,314
Annual Revenue Miles	9,573,187	10,086,162
Annual Revenue Hours	842,282	825,102
Annual Operating Cost	$76,422,993	$74,830,000
Annual Fare Revenue	$22,263,740	$21,399,000
Annual Operating Subsidy	$54,159,253	$53,431,000
Farebox Recovery Ratio	29.13%	28.54%
Passengers per Revenue Hour	29.58	29.22

Att. A, AI 47, 9/28/06, OPS 960.2

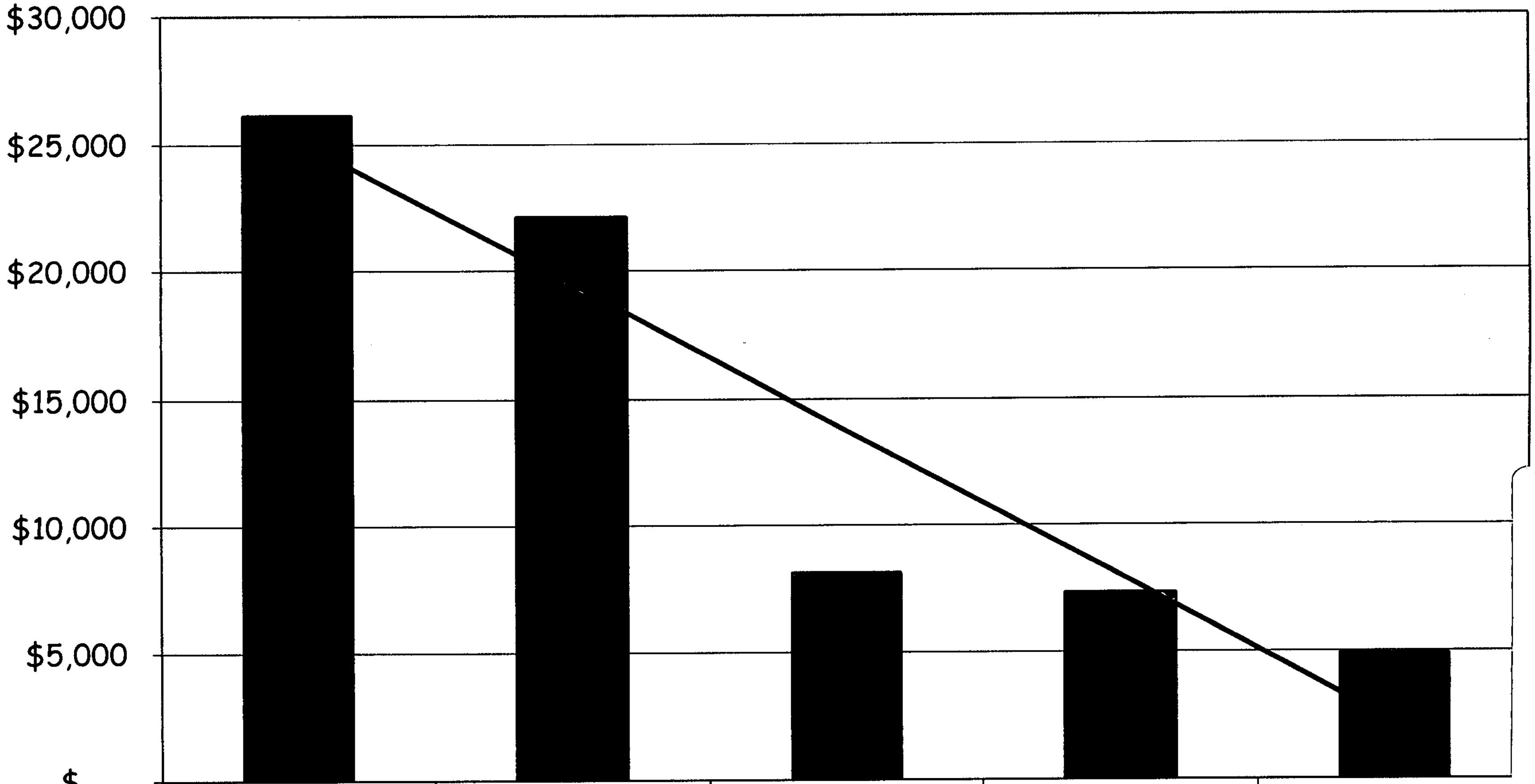
Complaints per 100K Passengers



Att. B, AI 47, 9/28/06, OPS 960.2

Workers Compensation

Cost per Workers Comp Claim

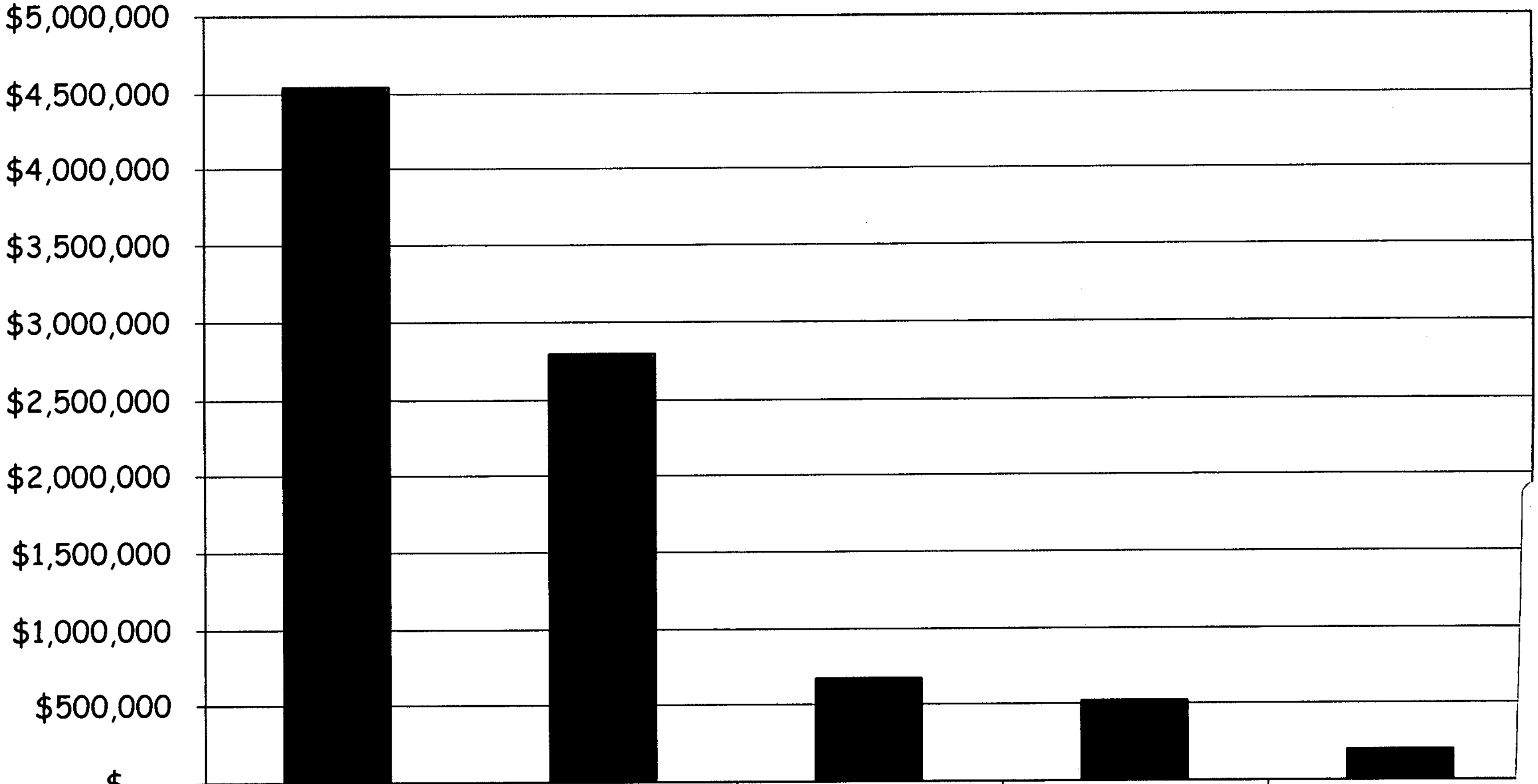


	FY 02	FY 03	FY 04	FY 05	FY 06
$ Cost per Claim	$26,165	$22,192	$8,086	$7,337	$4,898

Att. C, AI 47, 9/28/06, OPS 960.2

Workers Compensation

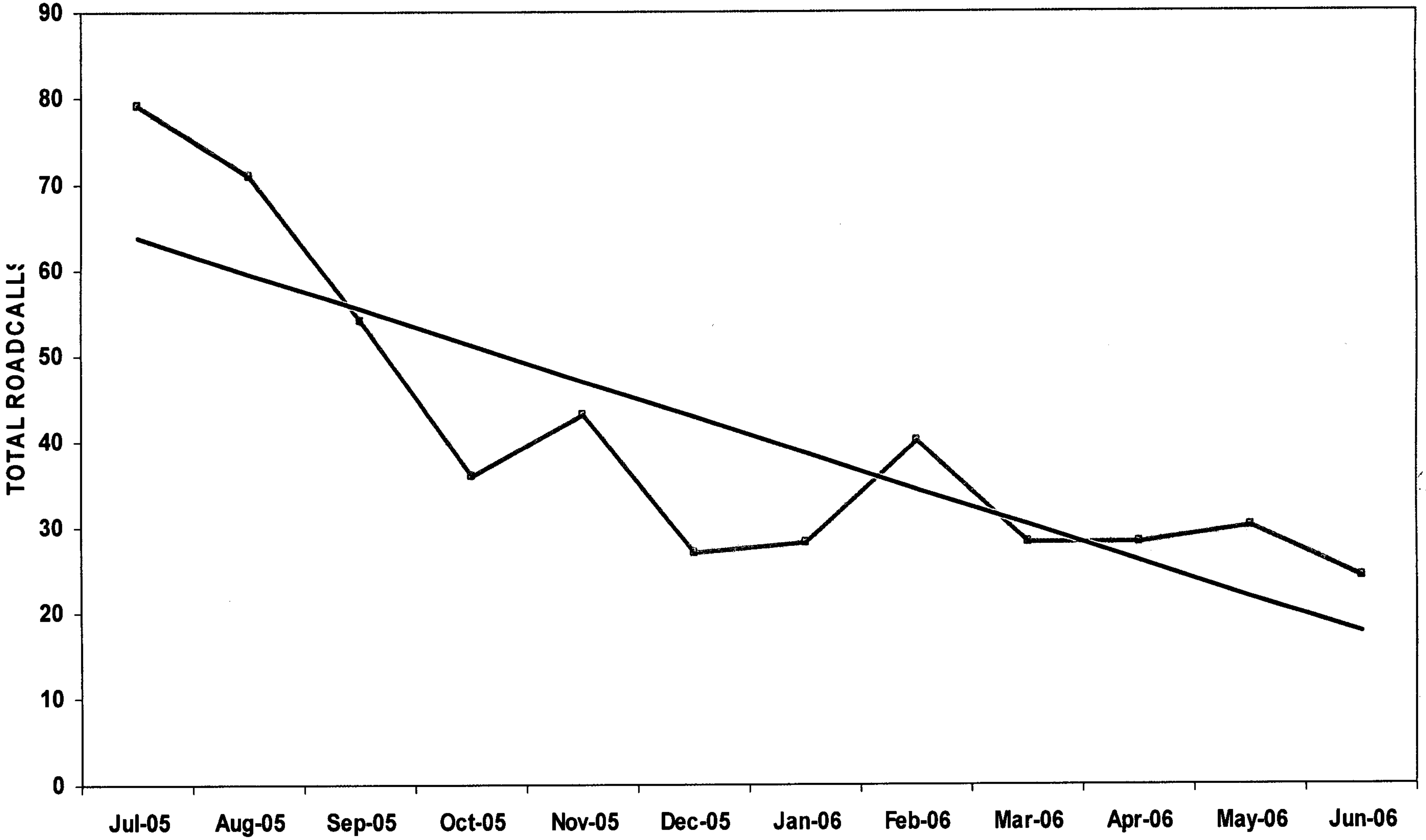
Total Workers Comp Expenses



	FY 02	FY 03	FY 04	FY 05	FY 06
■ Total WC Expense	$4,543,456	$2,794,814	$665,722	$520,824	$188,192

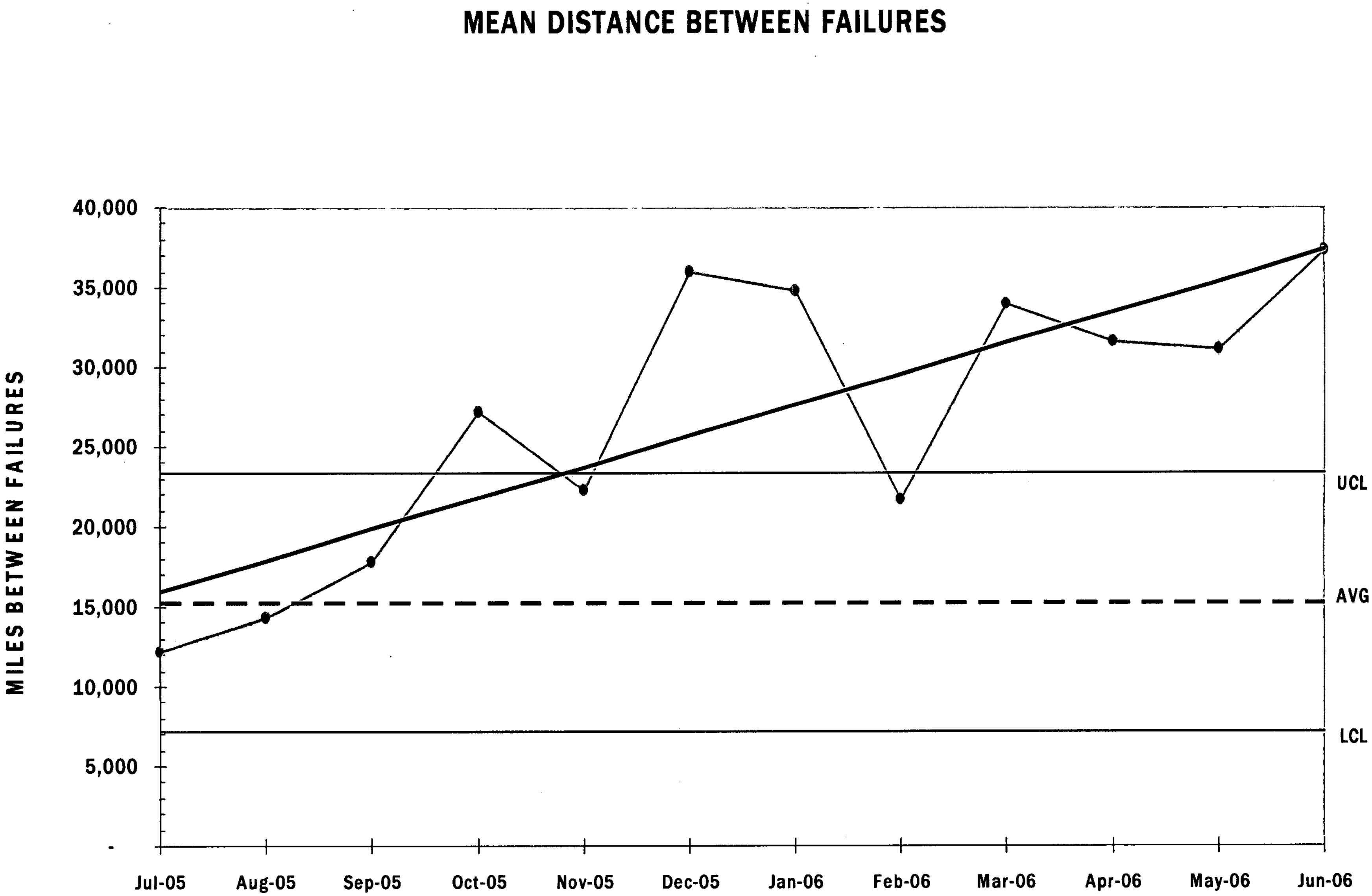
Att. D, AI 47, 9/28/06, OPS 960.2

FY 06 Vehicle Roadcalls



Att. E, AI 47, 9/28/06, OPS 960.2

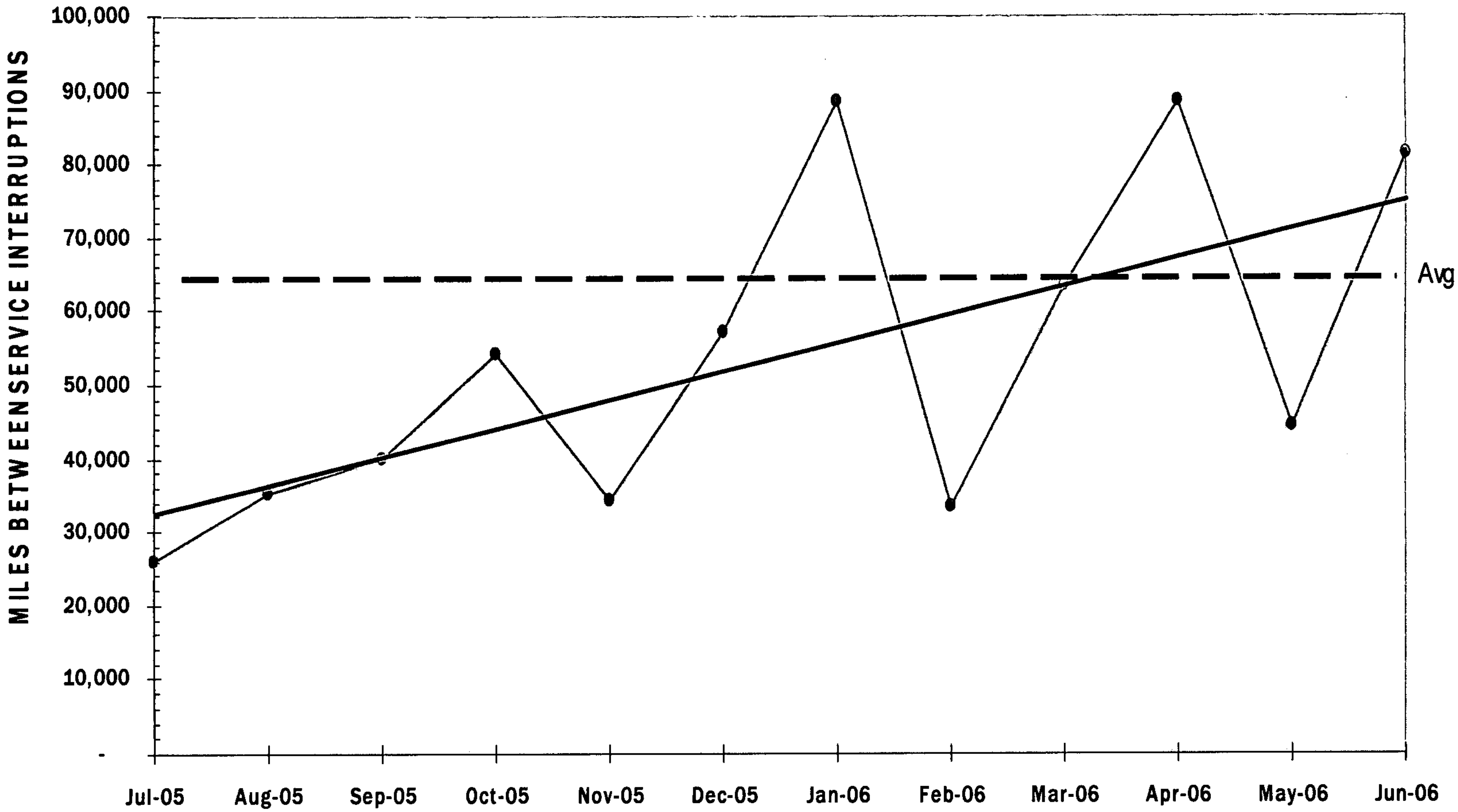
Maintenance MDBF



Att. F, AI 47, 9/28/06, OPS 960.2

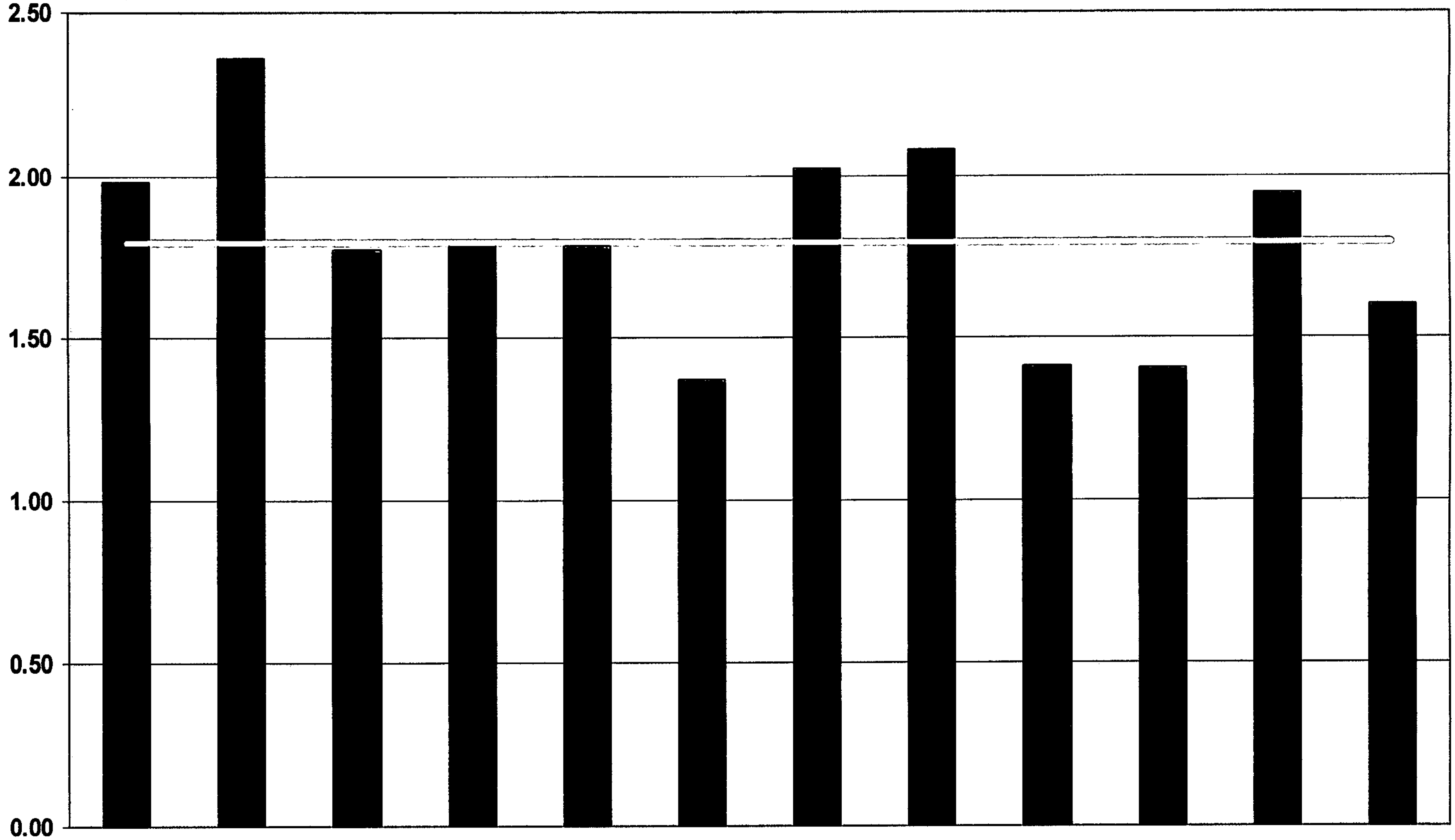
Maintenance MDBSI

MEAN DISTANCE BETWEEN SERVICE INTERRUPTIONS



Att. G, AI 47, 9/28/06, OPS 960.2

FY 06 Preventable Accidents per 100K Miles



	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06
■ AFR	1.98	2.36	1.77	1.80	1.78	1.37	2.02	2.08	1.41	1.41	1.95	1.60

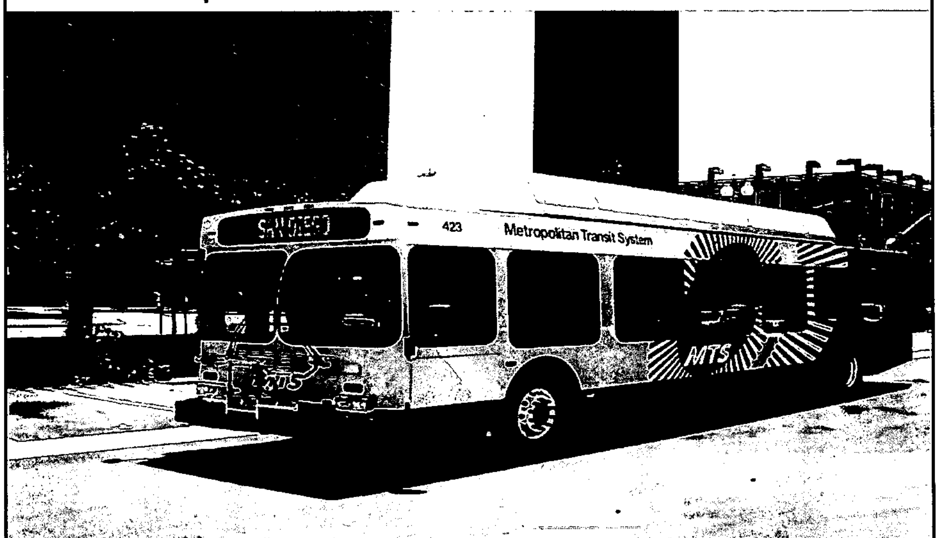
Att. H, AI 47, 9/28/06, OPS 960.2

MTS Bus

FY 06 Year End Report
September 28, 2006

MTS

Improvements Continue at MTS Bus



MTS

FY 06 Accomplishments

1. MTS Bus transported nearly 25 million passengers in FY 06. Our ridership increased by 3.2% (781,000 passengers) over FY 05.

2. Passenger complaints have decreased by 50% during the past two years. In FY 06, we achieved a 20% reduction from 11 to 9 complaints per 100,000 passengers.

3. Active management of our Workers Compensation and Return to Work Programs has dramatically reduced our expenses.

4. Enhanced maintenance practices have produced greater bus reliability and increased customer confidence in our service.

MTS

3

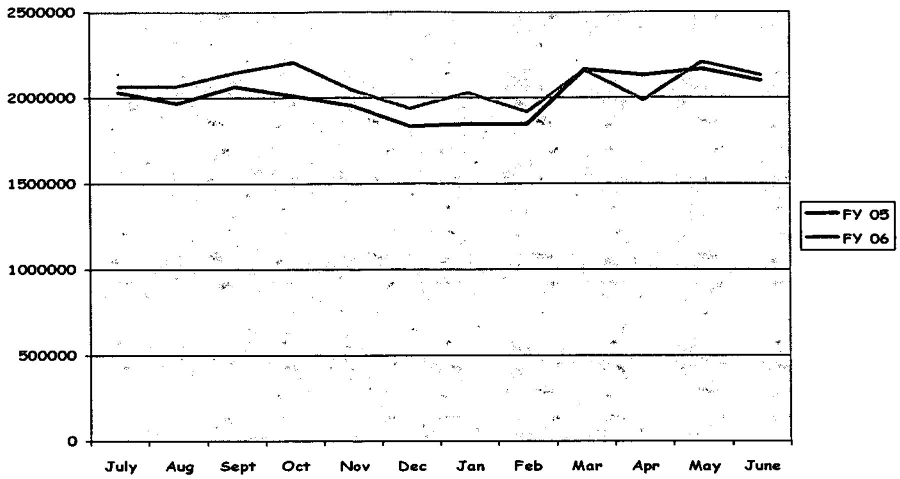
MTS Bus Service Statistics

	FY 06	FY 05
Ridership	**24,912,850**	24,111,314
Annual Revenue Miles	9,573,187	10,086,162
Annual Revenue Hours	842,282	825,102
Fuel Cost per Rev Mile	.78	.63
Fuel Cost per Rev Hour	$ 8.93	$ 7.73
Annual Operating Cost	$76,423,000	$ 74,830,000
Annual Fare Revenue	$ 22,264,000	$ 21,399,000
Annual Operating Subsidy	**$ 52,024,000**	$ 53,431,000
Farebox Recovery Ratio	**29.13 %**	28.54 %

MTS

4

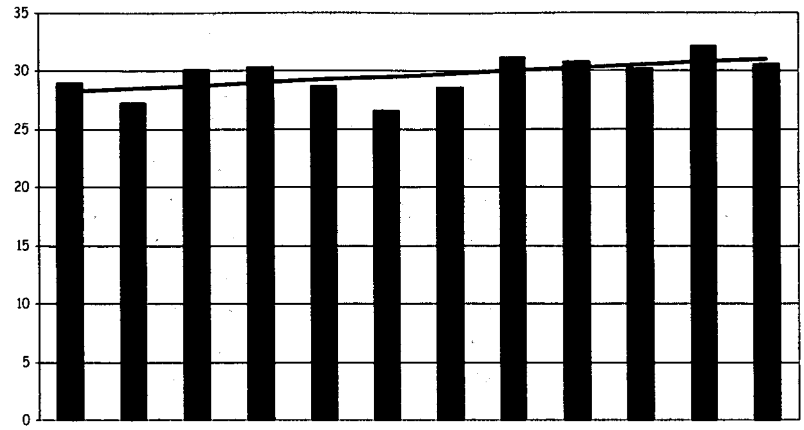
Ridership Increasing



Additional Performance Metrics

	FY 06	FY 05
Average Rev MPH	11.36	12.22
Annual Revenue Miles	9,573,187	10,086,162
Annual Operating Cost	$76,423,000	$74,830,000
Annual Revenue Hours	842,282	825,102
Cost per Revenue Mile	$7.98	$7.41
Cost per Revenue Hour	**$90.73**	$90.69
Passengers per Revenue Hour	**29.58**	29.22

Ridership per Revenue Hour



	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06
■ Pax per Rev Hr	28.99	27.29	30.13	30.3	28.68	26.65	28.62	31.14	30.77	30.23	32.14	30.57

MTS

7

On-Time Performance & Planning

- During an average month, we experience 20,000 ramp or lift deployments for passengers unable to navigate the bus stairwells. These boardings take a few additional minutes and need to be calculated into each route's "running time".
- In early 2007, we will have installed state of the art software which will allow us to study the actual running time between timepoints based on the GPS readings from every bus on an assigned route.
- We will work with the MTS Planning staff to adjust running times on routes with high demand for kneeler or lift deployment based on actual experience.
- We will continue to adjust running times and timepoints to enhance our on-time performance and the reliability of the published schedules.

MTS

8

Commitment to Safety

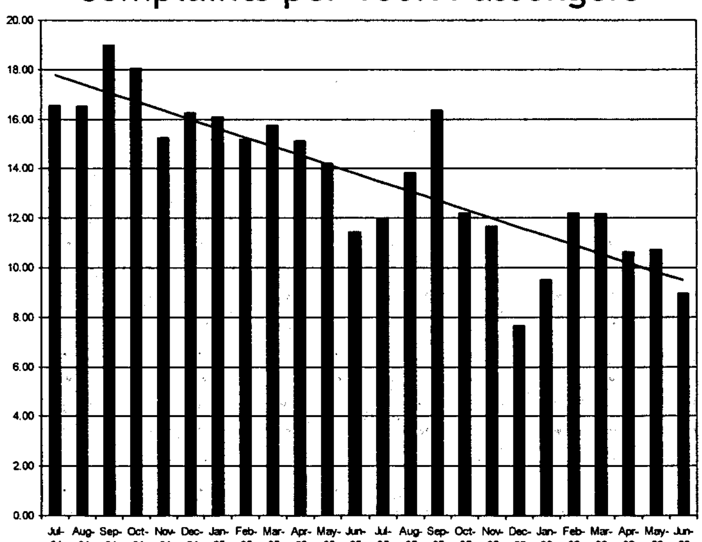
We re-invested in remedial training for 250 bus operators in FY 05 and 234 bus operators in FY 06.

- If problematic driving was reported, we responded with onboard safety checks and aggressive retraining.
- Retraining occurred in defensive driving, customer service, anger management and conflict resolution skills.

MTS

9

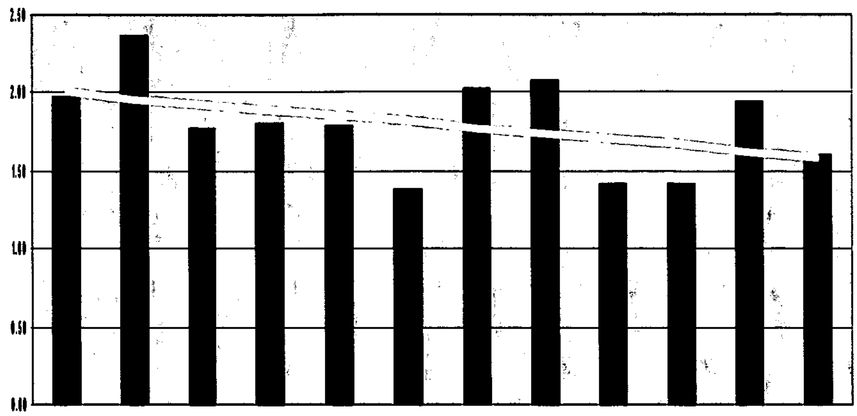
Complaints per 100K Passengers



MTS

10

FY 06 Preventable Accidents per 100K Miles



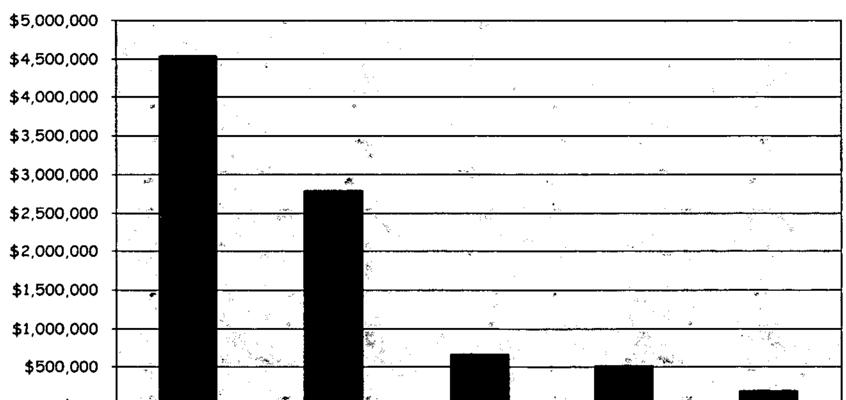
	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06
■ AFR	1.98	2.36	1.77	1.80	1.78	1.37	2.02	2.08	1.41	1.41	1.95	1.60

MTS

11

Workers Compensation

Total Workers Comp Expenses



	FY 02	FY 03	FY 04	FY 05	FY 06
■ Total WC Expense	$4,543,456	$2,794,814	$665,722	$520,824	$188,192

MTS

12

Major Infrastructure Improvements

During FY 06, we initiated or completed many long awaited improvements

- Construction of multiple CNG fuel dispensers at KMD (Work in Progress)
- Installation of Undercarriage Steam Rack at IAD
- Installation of Fluid Distribution system at KMD

MTS

13

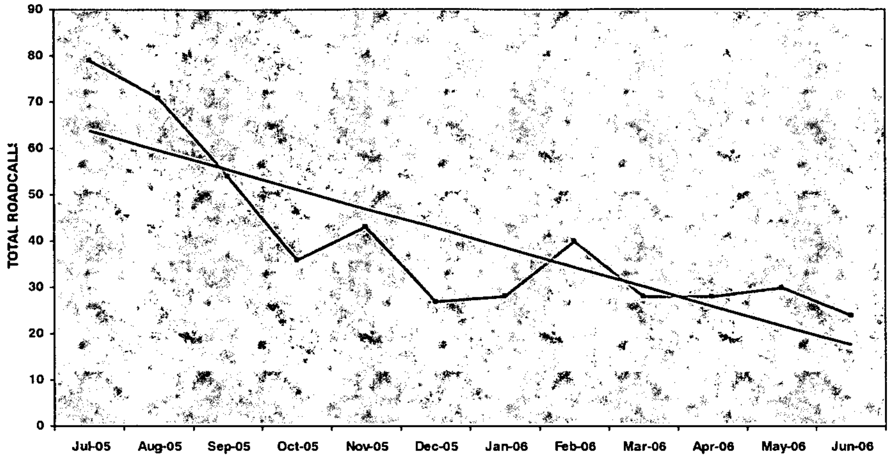
Fleet Maintenance

- Three important indicators of performance for maintenance functions are the number of Roadcalls, the Mean Distance Between Service Interruptions (MDBSI) and the Mean Distance between Failures (MDBF). We are pleased to report that all indicators have improved significantly during FY 06.
- Currently, we are dedicated to enhancing the passenger comfort and the public image of our operation through better interior and exterior cleaning and continued fleet maintenance.
- Today, we operate nearly 80% of our 11.5 million miles (annual) on clean burning Compressed Natural Gas (CNG) vehicles.

MTS

14

FY 06 Vehicle Roadcalls

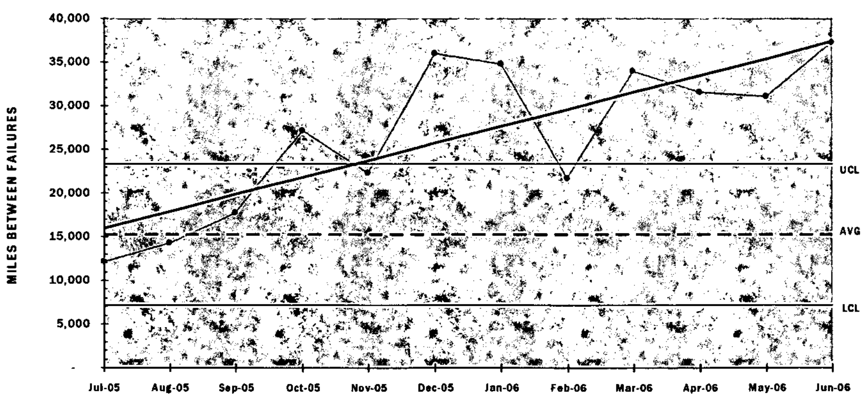


MTS

15

Maintenance MDBF

MEAN DISTANCE BETWEEN FAILURES

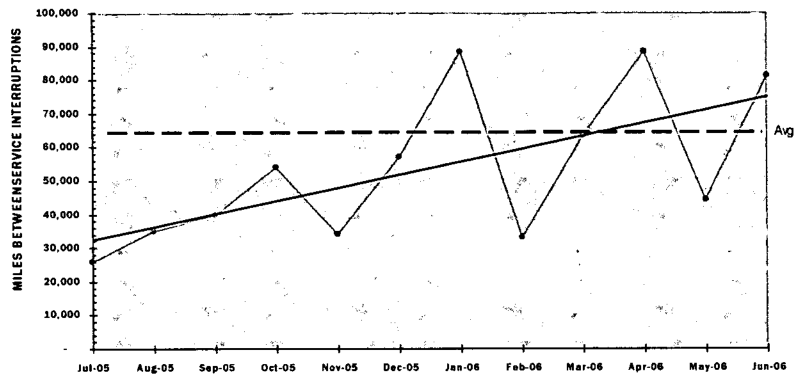


MTS

16

Maintenance MDBSI

MEAN DISTANCE BETWEEN SERVICE INTERRUPTIONS



MTS

17

Community Outreach in Maintenance

- In 2005, MTS Bus partnered with the ARC organization which provides support and employment for people with mental and developmental disabilities.
- MTS Bus, in cooperation with the IBEW Local 465, agreed to an innovative plan to allow ARC employees to deep clean our buses.
- We have just renewed our commitment to the ARC to continue this winning relationship.

MTS

18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19


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20

Challenges Ahead

- Our biggest challenge is the recruitment and retention of bus operators in a tight labor market with a high cost of living. FY 06 was a special situation since many senior drivers retired after Jan 2006 when their pension percentage increased.

- During FY 06, we provided training for 114 trainees and allowed 78 to enter revenue service. 28 of the 78 left our organization within the year through discharge or resignation. We have 50 of the original 114 in service today.

MTS

21

Critical Need to Modernize Fleet

MTS BUS (transit buses only)	476
Average Age Calculation	7.8
CNG Powered Buses	59%
Diesel Powered Buses	41%
Articulated Buses	7.0%
In Service Beyond Useful Life - 12 years for heavy transit - 10 years for medium transit	17.0%

MTS

22

Innovative Technology at MTS Bus

ISE CORPORATION

ThunderVolt

After months of dialogue with multiple agencies, we have everything in place to bring a CNG Hybrid Bus to San Diego. This vehicle will use CNG to generate electricity and the propulsion units for the bus will be entirely electric motive power. We have partnered with ISE, New Flyer, SCAQD and APCD and others to introduce the newest of technologies in mid-winter 2007.

MTS

23

MTS Bus – Future for our Next Year

- We intend to achieve a renewed Collective Bargaining Agreement with the Amalgamated Transit Union representing our bus operators
- We will continue to recruit aggressively to maintain a full complement of bus operators
- We will continue to improve the Customer Service and Safety components of our business.

MTS

24

SAN DIEGO
423
Metropolitan Transit System
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25

MTS Bus

FY 06 Year End Report
September 28, 2006

Improvements Continue at MTS Bus

FY 06 Accomplishments

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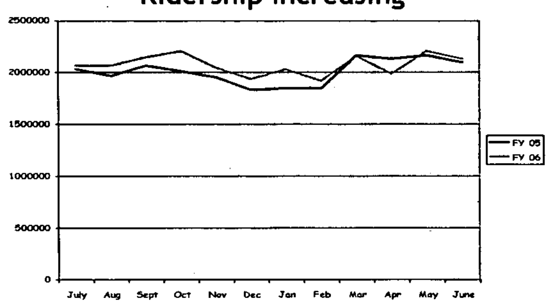
Ridership Increasing



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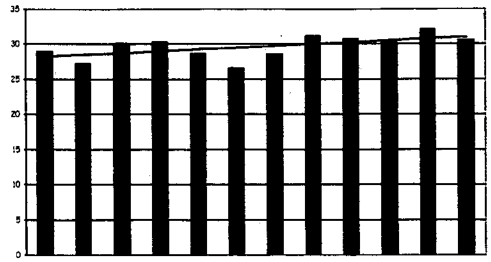
Ridership per Revenue Hour



	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06
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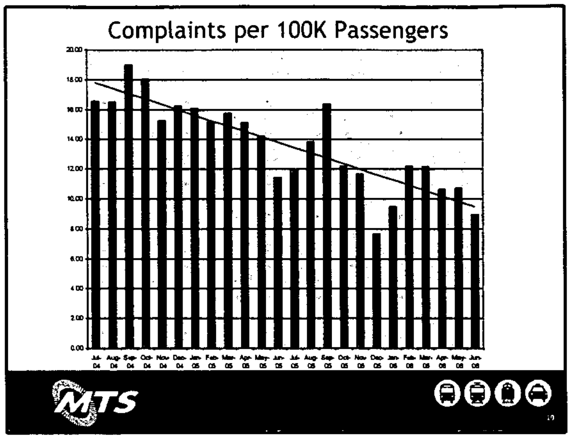
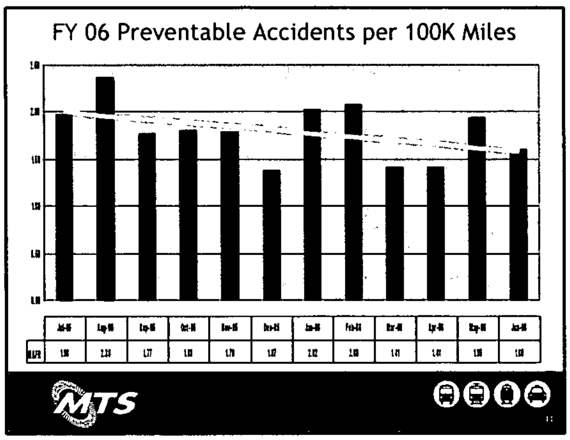
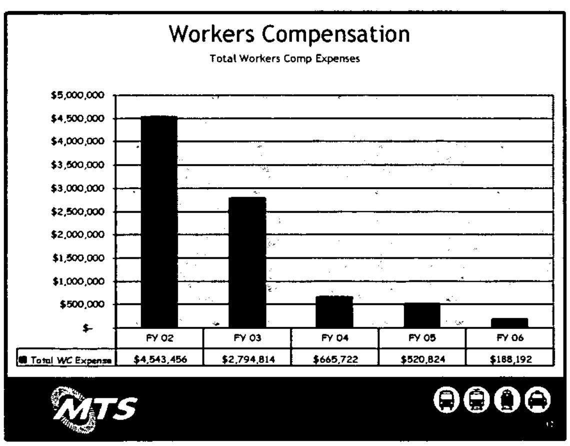

Complaints per 100K Passengers
MTS


FY 06 Preventable Accidents per 100K Miles
MTS


Workers Compensation
Total Workers Comp Expenses
$5,000,000
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$-
FY 02
FY 03
FY 04
FY 05
FY 06
Total WC Expense
$4,543,456
$2,794,814
$665,722
$520,824
$188,192
MTS

Major Infrastructure Improvements

During FY 06, we initiated or completed many long awaited improvements

- Construction of multiple CNG fuel dispensers at KMD (Work in Progress)
- Installation of Undercarriage Steam Rack at IAD
- Installation of Fluid Distribution system at KMD

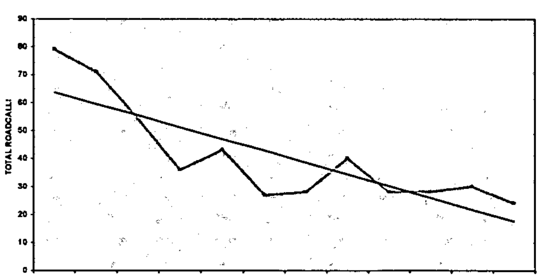
MTS

Fleet Maintenance

- Three important indicators of performance for maintenance functions are the number of Roadcalls, the Mean Distance Between Service Interruptions (MDBSI) and the Mean Distance between Failures (MDBF). We are pleased to report that all indicators have improved significantly during FY 06.
- Currently, we are dedicated to enhancing the passenger comfort and the public image of our operation through better interior and exterior cleaning and continued fleet maintenance.
- Today, we operate nearly 80% of our 11.5 million miles (annual) on clean burning Compressed Natural Gas (CNG) vehicles.

MTS

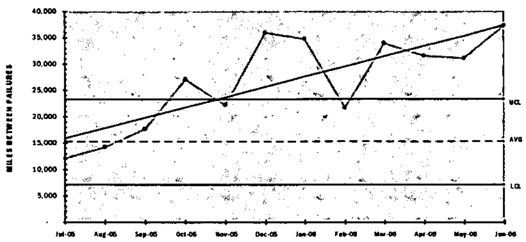
FY 06 Vehicle Roadcalls



MTS

Maintenance MDBF

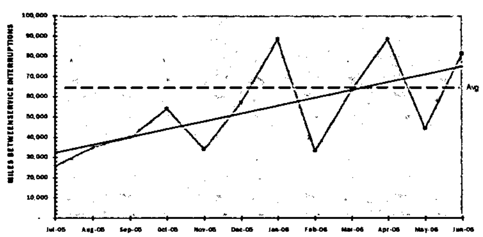
MEAN DISTANCE BETWEEN FAILURES



MTS

Maintenance MDBSI

MEAN DISTANCE BETWEEN SERVICE INTERRUPTIONS



MTS

Community Outreach in Maintenance

- In 2005, MTS Bus partnered with the ARC organization which provides support and employment for people with mental and developmental disabilities.
- MTS Bus, in cooperation with the IBEW Local 465, agreed to an innovative plan to allow ARC employees to deep clean our buses.
- We have just renewed our commitment to the ARC to continue this winning relationship.

MTS

Challenges Ahead

- Our biggest challenge is the recruitment and retention of bus operators in a tight labor market with a high cost of living. FY 06 was a special situation since many senior drivers retired after Jan 2006 when their pension percentage increased.

- During FY 06, we provided training for 114 trainees and allowed 78 to enter revenue service. 28 of the 78 left our organization within the year through discharge or resignation. We have 50 of the original 114 in service today.

MTS

Critical Need to Modernize Fleet

MTS BUS (transit buses only)	476
Average Age Calculation	7.8
CNG Powered Buses	59%
Diesel Powered Buses	41%
Articulated Buses	7.0%
In Service Beyond Useful Life - 12 years for heavy transit - 10 years for medium transit	17.0%

MTS

Innovative Technology at MTS Bus

ISE CORPORATION

ThunderVolt

After months of dialogue with multiple agencies, we have everything in place to bring a CNG Hybrid Bus to San Diego. This vehicle will use CNG to generate electricity and the propulsion units for the bus will be entirely electric motive power. We have partnered with ISE, New Flyer, SCAQD and APCD and others to introduce the newest of technologies in mid-winter 2007.

MTS

MTS Bus - Future for our Next Year

- We intend to achieve a renewed Collective Bargaining Agreement with the Amalgamated Transit Union representing our bus operators
- We will continue to recruit aggressively to maintain a full complement of bus operators
- We will continue to improve the Customer Service and Safety components of our business.

MTS


MTS

Metropolitan Transit System

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)

September 28, 2006

Minor Contract Actions

- Bearcom Wireless for radio installations on new Americans with Disabilities Act (ADA) vehicles.
- Gonzalez White Consulting Services for prevailing wage and Equal Employment Opportunity (EEO) monitoring services for Chula Vista, San Ysidro, and Spring Street closed-circuit television projects.
- San Diego Symphony Association for a one-year partnership with two option years consisting of real and in-kind exchange of marketing.
- Pacific Life Holiday Bowl for the exchange of marketing, advertising, and fare media.

Contract Matters

There were no contract matters to report.

gail.williams/agenda item 61

9:50

MTS Metropolitan Transit System

AGENDA ITEM NO. 65

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 9-25-06
Name (PLEASE PRINT) Donna Erickson
Address 1814 Coolidge St.
San Diego CA 92111
Telephone 858-297-2169
Organization Represented (if any)

Subject of your remarks: Erased Tapes

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.

DONNA ERICKSON
858-277-2169

September 28, 2006

Are you aware that the audio tapes for the March 2, 2006 MTS Public Hearing have been compromised?

Tape 1, side B, "has been erased."

[When was the last intact tape duplicated? Did the request go through General Counsel? Any other complaints about side B?]

Gail Williams spoke these words to me at the September 14, 2006 MTS Board Meeting. That morning I had returned to her my two Tape 1 audio cassettes of the March 2nd session because side B was blank. Gail was going to tape side B for me when she discovered that it had been erased. She was upset and mentioned that she wished they had waited for her to return from vacation. I just told her it happened while I was on vacation

I had ordered these tapes the previous week through Tiffany Lorenzen and picked them up on September 11th. I left a message with General Counsel Lorenzen about the condition of side B; she in turn left a message for me stating that Gail had made the tapes and had taped both sides A and B for me. She asked me to recall that on March 2nd MTS was having "significant trouble with our audio equipment and we had difficulty in recording a lot of what was happening at the public hearing." Ms. Lorenzen went on to say

"There was no Tape 2 to that public hearing because it got erased over."

[Under what circumstances did this occur?]

Both Gail and I agreed that the taping difficulty was experienced at the March 9, 2006 hearing. I remember this because I wasn't charged for the second March 9th tape as the quality on part of it was poor.

In mid-March I ordered tapes one and two of the March 2, 2006 hearing. On tape one I have a side B that is crystal clear and intact as is tape 2. So, how long ago was tape 2 "erased over"? It sounds like tape 1, side B was erased more recently.

It is interesting to note that side B contained the Route 25 testimony of Linda Vista and Serra Mesa residents as well as Mr. Cheung's response. What is even more interesting is that Conan Cheung's response illustrated several points that I mentioned in my August 10, 2006 speech to this Board - mis-representations, personality clashes, and more. So, is all of this

An Accident? One tape, maybe
A Coincidence? I don't believe in them
Or Something Else? Two tapes [3 sides]
begs the question

We don't need a scapegoat; we need some questions answered. Are erased tapes another seed for a potential scandal like the bonus program or the various misrepresentations???

10:05

SPEAKER LEFT

MTS Metropolitan Transit System

AGENDA ITEM NO. 65

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED 2

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Date 9/28/06

Name (PLEASE PRINT) Theresa Wood

Address 255 "G" STReet, San Diego, CA 92101

Telephone (203) 246-8426

Organization Represented (if any) Senior Citizens

Subject of your remarks: Lack of Sufficient Public Bus Service in Downtown Traffic Corridors - Service CutBacks

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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