



10-13-06 10:40 IN

Metropolitan Transit System

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Agenda

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

October 19, 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 28, 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. Successful First Year of the Green Line - Senator Christine Kehoe Receive



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

5. MTS: Appointment of Ad Hoc Nominating Committee for Recommending Appointments to the MTS Committees for 2007 Approve
Action would appoint less than a quorum of members to an Ad Hoc Nominating Committee (pursuant to MTS Board Policy No. 22) to make recommendations to the Board with respect to the appointment of members of the Board to serve on MTS and non-MTS committees for 2007.

CONSENT ITEMS

6. MTS: Adoption of the 2007 MTS Executive Committee and Board of Directors Meeting Schedule Approve
Action would adopt the 2007 Executive Committee and Board of Directors Meeting Schedule.
7. MTS: Liability Claims Analysis Report Receive
Action would receive the Liability Claims Analysis Report for MTS; San Diego Transit Corporation, and San Diego Trolley, Inc.
8. MTS: Investment Report Receive
Action would receive a report for information.
9. MTS: Increased Authorization for Legal Services Approve
Action would authorize the CEO to enter into a contract amendment (MTS Doc. No. G0960.3-05) with Robert Howard of the law firm Latham & Watkins, LLP, for legal services and ratify prior amendments entered into under the CEO's and/or previous General Manager's authority(ies).
10. MTS: SDTI Revenue Process Audit Report Receive
Action would receive a report for information.
11. MTS: FY 2007 Capital Improvement Program Amendment Approve
Action would approve a shift in the available projects that funded the FY 07 Capital Improvement Program (CIP).

CLOSED SESSION

24. a. MTS: CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Significant Exposure to Litigation Pursuant to Government Code Section 54956.9 (b) (One Potential Case)

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

- | | | |
|-----|---|-----------------|
| 30. | <u>MTS: Federal Railroad Administration Horn Rule – Quiet Zones</u>
Action would receive this report for information and direct the CEO to:
(1) continue to work with the City of San Diego, Centre City Development Corporation (CCDC), and other public agencies impacted to support the "Quiet Zone" concept at public grade crossings between Old Town Transit Center and Fifth Avenue, and other locations that may be considered; and (2) negotiate a Maintenance and Operations Agreement for Quiet Zones with CCDC, the City of San Diego, or North County Transit District (NCTD) as appropriate. This agreement shall include, as a minimum: (a) essential indemnification and/or standard insurance language to cover MTS operations, its Board, and appropriate other entities; (b) provide that MTS shall not incur any costs associated with studies or risk analysis documentation, construction, equipment procurement or contractor expenses; (c) provide that MTS light rail transit (LRT) operations not be adversely impacted by 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. | Possible Action |
|-----|---|-----------------|

REPORT ITEMS

- | | | |
|-----|---|-----------------|
| 45. | <u>SDTI: FY 06 Year-End Rail Operations Report</u>
Action would receive a report for information. | Receive |
| 46. | <u>MTS: Year-to-Date Operations Budget Status Report Through August</u>
Action would receive the MTS Year-to-Date Operations Budget Status Report through August 2006. | Receive |
| 60. | <u>Chairman's Report</u> | Possible Action |
| 61. | <u>Chief Executive Officer's Report</u> | Information |
| 62. | <u>Board Member Communications</u> | |

63. Additional Public Comments Not on the Agenda

Possible Action

If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this agenda, additional speakers will be taken at this time. If you have a report to present, please furnish a copy to the Clerk of the Board. Subjects of previous hearings or agenda items may not again be addressed under Public Comments.

64. Next Meeting Date: November 9, 2006

65. Adjournment

JGarde

AGENDAS EC (CANCELLED) 10-5-06 BD 10-19-06

10/12/2006

Retain in Posting File:	_____
OR (pick one)	
Return to submitter:	_____
Remove on:	_____
Submitted by:	_____

Submitted by: D. Bridge
Remove On: 10/19/06
Return to Submitter: G. Williams
OR (Pick One)
Retain in Posting File: _____

**METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL**

MEETING OF (DATE): 10/19/06

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

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:22 a.m.

RECONVENE: 9:31 a.m.

ORDINANCES ADOPTED: _____

ADJOURN: 10:18 a.m.

BOARD MEMBER (Alternate)				PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/>	(Vacant)	<input type="checkbox"/>	9:08 a.m. during AI 3	
CLABBY	<input checked="" type="checkbox"/>	(Selby)	<input type="checkbox"/>		
EMERY	<input checked="" type="checkbox"/>	(Cafagna)	<input type="checkbox"/>		
EWIN	<input checked="" type="checkbox"/>	(Allan)	<input type="checkbox"/>		
FAULCONER	<input checked="" type="checkbox"/>	(Vacant)	<input type="checkbox"/>		
HANSON-COX	<input type="checkbox"/>	(Lewis)	<input type="checkbox"/>		<input checked="" type="checkbox"/>
MAIENSCHIN	<input checked="" type="checkbox"/>	(Vacant)	<input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/>	(Vacant)	<input type="checkbox"/>		
MCLEAN	<input checked="" type="checkbox"/>	(Janney) (Rose)	<input type="checkbox"/> <input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/>	(Tierney)	<input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/>	(McCann)	<input type="checkbox"/>	9:10 a.m. during AI 3	
ROBERTS	<input type="checkbox"/>	(Cox)	<input checked="" type="checkbox"/>	9:30 a.m. during AI 24	
RYAN	<input type="checkbox"/>	(B. Jones)	<input checked="" type="checkbox"/>		
YOUNG	<input checked="" type="checkbox"/>	(Vacant)	<input type="checkbox"/>		
ZARATE	<input type="checkbox"/>	(Parra)	<input type="checkbox"/>		<input checked="" type="checkbox"/>

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

Gail Williams
Deputy General Counsel

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 28, 2006

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Harry Mathis called the meeting to order at 9:07 a.m. A roll call sheet listing Board member attendance is attached.

4. SDTI: Presentation of Distinguished Service Awards *(Taken Out of Order)*

Mr. Wayne Terry, SDTI Vice President of Operations, presented Distinguished Service Awards to SDTI employees Master Young and Jennifer Little. Mr. Young, while conducting fare inspections, observed a juvenile who was trying to avoid arrest. This individual crawled under a trolley car being operated by Ms. Little. They worked together to assist the police and to prevent the juvenile from being injured by the trolley while he was being apprehended.

2. Approval of Minutes

Mr. Rindone moved to approve the minutes of the September 14, 2006, Board of Directors meeting. Mr. Emery seconded the motion, and the vote was 11 to 0 in favor with Ms. Zarate abstaining.

3. Public Comment

Virginia Conway: Ms. Conway stated that Route No. 120 no longer stops on Beech and that she doesn't feel safe at the Cedar stop. She stated that the former routing served a church and a senior center. She stated that Route No. 20 no longer travels downtown to First from Fashion Valley, which is an inconvenience for her. She also stated that the bus shelter at Rio Vista needs to be painted. She reported that photographs were being taken on the 8:00 a.m. San Ysidro trolley going south on Thursday, which could have caused problems. She also reported that when someone boards the trolley in the traditional way, someone in a wheelchair must wait until the door closes before they can get the door to reopen to deploy the wheelchair lift. She said that, many times, the trolley pulls out of the station before the wheelchair boarding can be initiated. Ms. Conway suggested that someone contact the Parks Department to request that they erect signs identifying the parks along trolley and bus routes. Chairman Mathis asked Mr. Terry to discuss the boarding problem with Ms. Conway.

Donna Erickson: Ms. Erickson distributed and read a story about her first ride on the Route 25 Shuttle.

Don Stillwell: Mr. Stillwell discussed what he saw as inefficiencies in the Route No. 14 schedule. He also pointed out that trash cans are always full at Orcutt.

Kit Gardner: Mr. Gardner objected to changes made during the Comprehensive Operational Analysis (COA) to Route Nos. 707 and 709a. He stated that residents on MacKenzie Creek Road are upset that 40-foot buses are running on their street 38 times a day and are not picking up any passengers. He stated that there are 40 houses along this street with setbacks of only 20 feet. He stated that they were not given an opportunity to make public comment and alleged a violation of the Brown Act. He stated that the buses used to travel on Proctor Valley Road, where there are a number of bus cutouts that are now unused. He stated that these routes now serve Rolling Hills Garden residents who could walk the short distance to Proctor Valley Road. He added that these residents also have cars and their own shuttle bus. He stated that he is in the process of getting a petition signed, which he will e-mail to MTS, and that he is also looking into legal options. He requested that the Board add this issue to its agenda and that the Chula Vista City Council be involved in discussions of this matter. Chairman Mathis stated that MTS will look into this matter.

Clive Richard: Mr. Richard stated that the service changes made as a result of the COA have benefited him and detailed some of those circumstances. He stated that he is particularly excited about the new Route No. 15 limited-stop service. He stated that he has never been a fan of out-of-direction travel and stated that it wouldn't be efficient to have Route No. 14 use 70th Street. He stated that the COA is a good first step and he was looking forward to the service changes that will be made in January 2007. He stated that he was also looking forward to a report on how the COA has benefited MTS. He felt the COA was a significant change that positively affects people's ability to use San Diego's transit service.

CONSENT ITEMS

6. MTS: Lease with the San Diego Padres for 300 Parking Spaces in the James R. Mills Building Parking Structure (AG 240.1)

Recommend that the Board of Directors authorize the Chief Executive Officer (CEO) to execute a lease (in substantially the same form as Attachment A of the agenda item) 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 mortgagors(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 (FIN 340.3, PC 50601)

Recommend that the Board of Directors adopt Resolution No. 06-13 (Attachment A of the Agenda Item) amending the FY 2006 Transportation Development Act, Article 4.0, Claim No. 253, for the City of El Cajon.

8. MTS: Janitorial Services and Light Rail Vehicle Cleaning – Contract Award (CIP 53114, 53640)

Recommend that the Board of Directors authorize the CEO to execute contracts with: (1) Aztec Janitorial Services, Inc. for Groups 1 (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 Cleaning) for a three-year base term and 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 two 1-year options, including California sales tax, shall not exceed \$1,822,077.90.

9. MTS: Policy No. 53 – Ethics Training (ADM 110.2, PC 50101)

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

Recommended Consent Items

Mr. Emery requested a brief explanation of Agenda Item No. 6, Lease with the San Diego Padres for 300 Parking Spaces in the James R. Mills Building Parking Structure. Ms. Tiffany Lorenzen, MTS General Counsel, reported that, under this agreement, the sale of the first 300 spaces would be guaranteed to ticket season holders for every game and other baseball-related functions held at PETCO Park. She added that the San Diego Regional Building Authority, the County of San Diego, and MTS would all be lessors for this lease since the term of the lease extends beyond the expiration date (2019) of the 30-year certificates of participation for indebtedness encumbering the Mills Building and the parking structure. Mr. Emery asked if County and MTS employees would be inconvenienced on game days and stated that it will be important for parking practices to be monitored to ensure that control is maintained on those days. Mr. Cyril Flavin, County of San Diego, stated that Pinnacle Management contracts with Ace Parking for the actual operation of the parking structure. He stated that, if difficulties arise, Pinnacle can work with Ace Parking to resolve those issues. Mr. Emery also stated that Board members, when coming to MTS for meeting, have had trouble locating parking spaces when there have been day games. Mr. Jablonski stated that parking spaces could be set aside on those occasions. Chairman Mathis stated that a review will be conducted to ensure that employees and Board members are not inconvenienced by this agreement.

Mr. Emery moved to approve Consent Agenda Items No. 6, 7, 8 and 9. Mr. Monroe 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 9:35 a.m.

- 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

The Board reconvened to Open Session at 9:45 a.m.

Oral Report of Final Actions Taken in Closed Session

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

- a. This item was not heard.
- b. The Board received a report and gave direction to outside counsel.

NOTICED PUBLIC HEARINGS

25. There were no Noticed Public Hearings.

DISCUSSION ITEMS

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

Mr. Mathis stated that there are some technical issues that have just been identified related to this item and, therefore, this item will be carried over to the Board's October 17 agenda. Mr. Faulconer stated that he had no objection to this action. He also stated that this project is moving in the right direction and thanked everyone for their efforts on the project's behalf.

Action Taken

This item was deferred.

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

Ms. Sharon Cooney, MTS Director of Government Affairs and Community Relations, provided the Board with an overview of this item. She reviewed the particulars of the legislation including the items that relate specifically to transit. Ms. Cooney also provided specific details on the amount of funding that MTS may receive based on the assumption that the funds are allocated according to the Federal Transit Administration (FTA) formula currently being used. She explained that MTS created the list of projects at the request of the San Diego Association of Governments (SANDAG), where a regional list is being created, and because the California Transportation Commission is seeking input on likely projects for funding. Ms. Cooney reviewed the assumptions that were made during the development of the proposed plan and the types of projects that are included in the plan.

Ms. Cooney advised the Board that, if this bond measure is approved by the voters, then the legislature will have to write legislation to implement and allocate the funds generated by the bond. She stated that this process has already begun, and she has been passing information to and sharing MTS's experiences with the legislators to help provide information for them to use in this process. Mr. Young stated that it is important that San Diego be involved in the determination of the application process for these funds to ensure that it is objective.

Ms. Cooney also discussed MTS's recent success in competing for Transit Security Grant funds. She also pointed out that if MTS receives the funding at levels consistent with her estimations, there would still be \$83.9 million in unmet capital needs.

Mr. Rindone pointed out that providing as much low-floor trolley service as possible should be a high priority when decisions are made on the use of capital funding. He reminded the Board that its decision to purchase low-floor trolley cars was premised on making a commitment to provide system-wide low-floor service. He added that he approved of the proposed plan as presented by staff and added that it is critical that the proposed plan be conveyed to SANDAG in order to gain Transportation Committee support. Mr. Lewis pointed out that he didn't see anything in the proposed plan for the Green Line and El Cajon.

In response to a comment from Mr. Monroe, Ms. Cooney explained how the funding from the bond would integrate with the TransNet II Early Action Program making it possible for some Early Action funding to be used for other projects. Mr. Jablonski pointed out that TransNet II only provides one-half of the funding for the projects and that, if the bond is approved by the voters, the bond could provide the matching funds immediately. He stated that this makes it possible for the Early Action Program and allocation of capital funding to be more flexible. In response to a question from Mr. Young, Ms. Cooney reported that closed-circuit television surveillance systems can be paid for using these types of funds, and that staff has a priority list of stations for such systems.

Public Comment

Clive Richard: Mr. Richard pointed out that much of the transit system's rolling stock is getting older and needs rehabilitation or replacement. He expressed his support of the bond issue and suggested that the Board, either as a group or individually, also support this measure. He stated that San Diego could benefit from a local funding source specifically to cover the costs of maintaining MTS's capital investment.

Action Taken

Mr. Emery moved to provide comments and direction to the CEO regarding the proposed list of transit projects (Attachment A of the agenda item) that could be funded with proceeds from the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Mr. Rindone seconded the motion, and the vote was 12 to 0 in favor.

32. MTS: California Public Utilities Commission (CPUC) State Route 52 Application for New Grade Crossing at Cuyamaca Street (AG 220.5)

Mr. Dan Martin, SANDAG State Route 52 Project Manager for Caltrans, reviewed the particulars of the grade crossing recommendations for the State Route 52 grade crossings at Cuyamaca Street. He provided the Board with visuals of the new freeway segment, where the Green Line operates, and the location of State Route 67. He also presented the criteria that were used to make decisions about the interchange.

Action Taken

Mr. Jones moved to support the California Department of Transportation's California Public Utilities Commission application for one new at-grade crossing and two new grade-separated crossings across San Diego Trolley, Inc.'s track at the proposed State Route 52 Cuyamaca Street interchange in the City of Santee. Mr. Emery seconded the motion, and the vote was 11 to 0 in favor.

33. SDTC: Sole-Source Contract Award to the ARC of San Diego for Interior Deep Cleaning of SDTC Buses (OPS 960.6)

Ms. Claire Spielberg, Chief Operating Officer – Transit Services, provided an overview of the recommendation to approve this contract. She reported that the contract award being proposed increases the number of buses that will be cleaned each day. She reminded the Board that the IBEW, Local 465, agreed to allow ARC workers to be honorary union members. She added that the Union is not willing to make this same arrangement with a typical contractor. She added that ARC has done a very good job. Mr. Matt Mower, Director of Business Development for ARC, provided a brief explanation of the type of individuals who are helped by ARC. He stated that ARC looked forward to continuing this mutually beneficial arrangement. Mr. Monroe stated that he supported the approval of this contract and that ARC is a terrific organization. Mr. Lewis applauded the cooperative agreement that was reached between ARC and the IBEW.

Action Taken

Mr. Monroe moved to authorize the CEO to execute a sole-source contract for two years (in substantially the same form as Attachment A of the agenda item) with The ARC of San Diego to deep clean the interiors of SDTC's buses for an amount not to exceed \$400,000. Mr. Lewis seconded the motion, and the vote was 12 to 0 in favor.

REPORT ITEMS

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

Mr. Wayne Terry, Vice President of Operations for SDTI, provided the Board with an update on staff's efforts to improve the compatibility of SD-100 and S70 low-floor trolley vehicles. He reported that the two major operational issues, which involved acceleration and braking, have been resolved, and SDTI will start operating two-car consists comprised of one each of the two car types. Mr. Terry then reported that the Accessible Services Advisory Committee (ASAC) is maintaining that it is important for both cars in a mixed consist to be accessible so the lead car is always accessible because ADA passengers are accustomed to boarding the lead car in any consist. He added that in a two-car mixed consist, the S70 will be the lead car when the consist is traveling in one direction, and the SD-100 will be the lead car when the consist reverses direction; therefore, both cars will need to be accessible. Mr. Terry stated that taking this approach will result in some minor inefficiencies, but ASAC maintains that consistency is a high priority for them. Mr. Terry displayed a diagram of a two-car consist and advised the Committee that SDTI will ensure that both cars are accessible as requested by ASAC.

Mr. Terry reported that, at the direction of the Executive Committee, a brochure will be developed for the disabled community describing the benefits of being positioned to board the

S70 car, and the ASAC will be involved in the review process for that brochure. He stated that, after operating two-car consists for six months, staff will meet with the ASAC to discuss this issue again. Chairman Mathis stated that, as ADA passengers become more comfortable with the new configuration and the S70 low-floor car, the need for the requested consistency may decrease and the ASAC may reconsider its position.

In response to a question from Mr. Emery, Mr. Terry reported that the new two-car consists have been tested for many hours and all problems have been overcome. He added that, with sustained use, more problems may arise.

Public Comment

Clive Richard: Mr. Richard declined to speak.

Action Taken

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

46. SDTI: Semiannual MTS Security Report (January Through June 2006) (OPS 970.11)

Bill Burke, SDTI Transit Security Administrator, provided the Board with a Semiannual Security Report for January to June 2006. He reviewed passenger inspections and activities of the Special Enforcement Unit. He described the new SWARM Program that has been implemented and provided an update on the National Explosives Detection Canine Team Program. He also reviewed grant funds that have been received for specific security-related programs. He provided updates on the installation of security cameras in Chula Vista and the San Ysidro border station and explained what type of technology is being used. He also reviewed statistics regarding crimes against persons and against property per 100,000 riders. He then provided an overview of a Safe Watch Hotline Program, which is currently being developed.

In response to a comment by Mr. Rindone, Mr. Burke stated that vendors are not supposed to be selling items on the trolley and are removed by enforcement officers when observed doing so. He stated that he would instruct enforcement officers to exert more effort in this regard during peak hours. Mr. Rindone reported that he observed this happening between 3:00 p.m. and 4:30 p.m. on the Blue Line going south.

At Mr. Rindone's request, Mr. Burke reported on the status of the surveillance systems at Chula Vista transit stations. Mr. Rindone requested that he be notified when the installations are complete. He suggested getting media coverage and stated that it is critical that people be made aware of the existence of these systems. Mr. Monroe reported that there are three lights in a row that are burned out at the Morena Linda Vista Station. Mr. Burke stated that he would have personnel check this out.

In response to questions from Mr. Allan, Mr. Burke reported that 9 out of 47 stations are currently equipped with surveillance systems and the installation of another 4 will be completed soon. Mr. Jablonski stated that the installation of these systems is prioritized by location. Mr. Allan stated that public safety should be given the highest consideration when the priorities are being assigned. In response to another question from Mr. Allan, Mr. Burke stated that the cost

of a typical system is approximately \$150,000 to \$200,000. The Board briefly discussed the partnership that the City of Chula Vista and MTS entered into that made it possible to install the systems at Chula Vista stations and how other cities could pursue similar partnerships with MTS.

Mr. Rindone paid compliments to MTS staff who were instrumental in the effective and safe handling of the huge number of SDSU Aztec fans who used the trolley to leave the game after the KGB light show. Mr. Lewis suggested that the electronic signs at Gillespie Station face south and north rather than east and west. He said that the messages on the screens are not visible when the sun is shining on them.

Mr. Young stated that surveillance systems can be a great deterrent if the public is aware of their existence. He encouraged MTS to erect signage advising the public of the existence of the cameras. Mr. Young thanked Mr. Burke for the comparative information on crimes against persons and property but added that he would like to see additional comparative information that would make this information more meaningful. He stated that this information did not have to be presented to the entire Board. At Mr. Young's request, Mr. Burke explained that MTS enforcement officers interact and work together on a regular basis with the San Diego Police Department, and the relationship between the two agencies is good.

Mr. Young made the observation that there was little information in the report about bus security. Chairman Mathis stated that this is a different type of situation since the bus operator is in a position to monitor activity on the bus. Ms. Spielberg added that two buses are now equipped with surveillance cameras as part of a larger project that is being undertaken. She added that the operator can call Communication Supervisors via their on-board radios and have other covert methods for notifying base personnel that there is a problem. Mr. Burke stated that, as needed, plainclothes enforcement officers are used on the bus system.

In response to a question from Ms. Zarate, Mr. Burke stated that additional grants for security will be forthcoming but notification has not yet been received. Ms. Zarate stated that she would like to see the priority list for the installation of surveillance systems at transit stations. Mr. Burke added that he would provide Ms. Zarate with an estimate for surveillance systems for National City stations.

In response to questions from Mr. Clabby, Mr. Burke stated that the Safe Watch Hotline Program will be implemented at stations and on trolleys and buses. He stated that development of the program is still in the formative stages and more information will be available at a later date.

Action Taken

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

47. SDTC: FY 06 Accomplishments (OPS 960.2)

Ms. Spielberg and Mr. Jim Byrne, SDTC Director of Transportation, provided an overview of SDTC's accomplishments for FY 2006. They provided comparative information (2005 compared to 2006) for ridership; revenue miles and hours; fuel cost per revenue mile and hour;

annual operating cost, revenue and operating subsidy; and farebox recovery ratio. They also reviewed other statistics, including cost and passengers per revenue hour.

Ms. Spielberg reported that, in early 2007, SDTC will have installed state-of-the-art software that will allow SDTC to study the actual running time between timepoints based on GPS readings from each bus on an assigned route. She stated that SDTC will work with MTS Planning staff to adjust running times on routes as needed to accommodate the increased demand for lift deployments and to enhance on-time performance and the reliability of published schedules. She stated that SDTC's current on-time performance is based on an avalanche of information generated by a GPS system that measures every single time point, including when a bus arrives early at its destination. She stated that some analysis has already been completed on route segments with particular on-time performance issues, adjustments have been made to schedules, and improvements have already been seen as a result. Mr. Conan Cheung, Director of Planning and Performance Monitoring, advised the Board that the changes implemented through this process have reduced a 26 percent late record to 15 percent. Ms. Spielberg pointed out that SDTC is experiencing 20,000 wheelchair boardings per month.

Ms. Spielberg also reviewed SDTC's success at reducing the number of complaints per passenger and the improvement of safety statistics, which she stated are the result of concentrated operator retraining. She then reported on the significant improvements to SDTC's workers' compensation payouts from FY 2002 to FY 2006 and attributed the improvement to their newly implemented return-to-work program and closer scrutiny by SDTC's Risk Department. Ms. Spielberg then reported on the success of SDTC's maintenance program.

Ms. Spielberg also discussed challenges ahead for SDTC and the critical need for them to modernize their fleet of buses. She also reported that SDTC is working on bringing a CNG Hybrid Bus to San Diego. She stated that an existing CNG bus has been provided to ISE in Poway, where they will convert it to a vehicle that uses CNG to generate electricity. She added that the propulsion units for the bus will be entirely electric motive power.

Mr. Clabby, who is the Chairman of ASAC, reported that, in spite of the increase in the number of wheelchair boardings, there have been very few complaints during ASAC meetings about service. He applauded and thanked staff for their efforts. Mr. Monroe pointed out that the highest priority for passengers is reliability of service.

Action Taken

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

60. Chairman's Report

Chairman Mathis had nothing to report.

61. Chief Executive Officer's Report

Mr. Jablonski referred to Consent Agenda Item No., Janitorial Services and Light Rail Vehicle Cleaning, and stated that because the procurement process is now a joint process instead of

performed by each individual agency, MTS was able to save approximately \$400,000 on this contract award. He stated that staff budgeted a savings of \$200,000.

62. Board Member Communications

ID Card: Mr. Lewis thanked staff to getting his I.D. card renewed so quickly.

Green Line at SDSU: Mr. Rindone stated that he had an opportunity to observe Green Line operations at SDSU and stated that the system is working really well. He complimented Mr. Jablonski and staff.

63. Additional Public Comments on Items Not on the Agenda

Donna Erickson: Ms. Erickson advised the Board that she recently requested copies of tape recordings for the March 2, 2006, public hearing on the COA. She stated that there had been problems with the tape recordings being erased. She stated that, in particular, she was interested in Side B of the tape because it contained the Route 25 testimony on the Linda Vista and Serra Mesa service. Ms. Lorenzen explained that these tapes were copied by someone who was inexperienced with the equipment and were accidentally erased. Chairman Mathis clarified that Ms. Erickson had received one set of the tape recordings that was complete. He asked her to bring those tapes in so staff could make a replacement master copy for MTS and an extra copy for Ms. Erickson as well. She agreed.

Theresa Wood: Ms. Wood was no longer at the meeting when her name was called.

64. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, October 19, 2006, at 9:00 a.m. in the same location.

65. Adjournment

Chairman Mathis adjourned the meeting at 11:56 a.m.



Chairperson
San Diego Metropolitan Transit System
Filed by:



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

Approved as to form:



Office of the General Counsel
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

gail.williams/minutes

**METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL**

MEETING OF (DATE): 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	<input type="checkbox"/> (Vacant) <input type="checkbox"/>		<input checked="" type="checkbox"/>
CLABBY	<input checked="" type="checkbox"/> (Selby) <input type="checkbox"/>		
EMERY	<input checked="" type="checkbox"/> (Cafagna) <input type="checkbox"/>		
EWIN	<input type="checkbox"/> (Allan) <input checked="" type="checkbox"/>		11:27 a.m. during AI 47
FAULCONER	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		10:20 a.m. during AI 32
HANSON-COX	<input type="checkbox"/> (Lewis) <input checked="" type="checkbox"/>		
MAIENSCHIN	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCLEAN	<input checked="" type="checkbox"/> (Janney) <input type="checkbox"/> (Rose) <input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/> (Tierney) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (McCann) <input type="checkbox"/>		
ROBERTS	<input type="checkbox"/> (Cox) <input type="checkbox"/>		<input checked="" type="checkbox"/>
RYAN	<input type="checkbox"/> (B. Jones) <input checked="" type="checkbox"/>	9:08 a.m. during AI 2	
YOUNG	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>	9:18 a.m. during AI 2	
ZARATE	<input checked="" type="checkbox"/> (Parra) <input type="checkbox"/>		

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

Gail Williams
Jeffrey Harrison



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

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Date 10-19-2006Name (PLEASE PRINT) DON STILLWELLAddress 6308 RANCHO MISSION ROAD #173SAN DIEGO, CA 92108Telephone (619) 282-7760

Organization Represented (if any) _____

Subject of your remarks: POOR BUS TIMING - SUGGESTION TO IMPROVE SAME.Agenda Item Number on which you request to speak 3

Your comments are presenting a position of: SUPPORT

☐

OPPOSITION

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

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

3. DISCUSSION OF AGENDA ITEMS

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

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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AGENDA ITEM NO.

3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

2

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Date 10-19-06
 Name (PLEASE PRINT) Kit Gardner
 Address 2463 MacKenzie Creek Road
Chula Vista, CA 91914
 Telephone 619-216-7873 Kitgardner@yahoo.com
 Organization Represented (if any) Rolling Hills Neighborhood Coalition
 Subject of your remarks: Bus routes on MacKenzie Creek Road (707 + 709A)

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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POSITION PAPER REGARDING THE BUS ROUTES ON
MACKENZIE CREEK ROAD, 7019 AND THE 708A.

BACKGROUND

The residents living on and around MacKenzie Creek Road do not approve of the recent addition of the 707 and 709A bus routes to the street that began running on September 5, 2006, and do not approve of the fact that no opportunity for prior public comment was given.

Description of MacKenzie Creek Road

MacKenzie Creek Road is a small, two-lane residential road located within the Rolling Hills Ranch development of the 91914 zip code of Chula Vista. There are approximately 40 houses on the street with setbacks of only approximately 20 feet from the curb, and whose driveways open onto the street.

709A 707

5:20
6:05
6:50
7:00
7:20
7:35
8:04
8:50
8:57

9:44
10:18
10:44
11:18
11:44
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5:25
5:42
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6:18
6:40
6:55

There are many more houses located near MacKenzie Creek Road that are affected by the buses. Also, Thurgood Marshall Elementary School is located near the western portion of MacKenzie Creek Road, and many schoolchildren use MacKenzie Creek Road to walk to and from school each day. Thurgood Marshall Elementary School is served separately by its own school buses.

Description of the Problem

The sidebar at left shows the approximate combined running times of the 707 and the 709A on MacKenzie Creek Road. All told, the 709A and the 707 run up and down MacKenzie Creek Road 180 times each week. In some instances, the 707 and the 709A run on MacKenzie Creek Road within mere minutes of each other.

The 709A begins its route each morning on MacKenzie Creek Road at approximately 5:20 a.m. It does not appear to be picking up any passengers on the street at that hour and is a totally unnecessary intrusion.

The 709A does not appear to be designated in the Metropolitan Transit System's (MTS's) Comprehensive Operational Analysis (COA) that was voted on and approved by the MTS Board of Directors, nor does the 709A appear to have been separately listed and considered on any agenda of the MTS Board of Directors, thereby possibly violating the Brown Act. See Cal. Gov't Code § 54954.2 ("No action or discussion shall be undertaken on any item not appearing on the posted agenda"). This in itself appears to be grounds for immediately enjoining this route.

The 707 appears to primarily serve students attending Southwestern College, but it inexplicably excludes entire housing tracts and community centers in Eastlake from its reach. For example, the 707 begins its day at Southwestern College and travels east on H Street (which eventually turns into Proctor Valley Road). However, instead of

continuing on Proctor Valley Road to Hunte Parkway--where it could easily service Eastlake Middle School, Monteville Park, and the hundreds of homes in that area--it turns abruptly onto MacKenzie Creek Road.

Un-utilized Bus Cut-outs on Proctor Valley Road

As the attached map shows, Proctor Valley Road was specifically designed and engineered for use by City buses. For example, *bus cut-outs* were constructed for bus use by either the City of Chula Vista itself or the residential developer. By using MacKenzie Creek Road, the buses bypass and fail to use these bus cutouts despite the cost of construction to taxpayers and/or homeowners of the bus cut-outs.

In addition to excluding entire communities from bus service, the addition of the bus routes place undue strain and increased traffic on MacKenzie Creek Road. For example, the street was not engineered for heavy vehicles such as buses and tractor trailers. The depth of the asphalt on MacKenzie Creek Road is approximately four inches thick, which is adequate for car traffic but simply not substantial enough to handle buses weighing many tons, according to City engineers. On the other hand, the asphalt on Proctor Valley Road (a six-lane arterial road), and Hunte Parkway (a four-lane arterial road) is much thicker and engineered for bus traffic.

Lack of Prior Public Comment

Residents of MacKenzie Creek Road and surrounding streets were not properly notified of the establishment of the two bus routes running up and down the street 180 times per week. The first opportunity for public comment came *after* the MTS voted to approve the COA when, at a meeting held on September 5, 2006 (the day the buses began running on MacKenzie Creek Road), several representatives from the City of Chula Vista held a public forum to listen to resident's concerns. Paul Jablonsky, MTS's CEO was present as well as others from his staff. City Council Member and MTS Vice-Chairman Jerry Rindone also attended, as did Council Member Patty Chavez. Dana Smith, the Assistant City Manager, opened the meeting by acknowledging that the City had made a mistake.

At the conclusion of the meeting, a City-sanctioned "Bus Route Committee" was formed and volunteers were asked to be on the Committee. Andy Trujillo was appointed by Mr. Rindone to act as a liaison. To date, however, no meeting of the "Bus Route Committee" has been convened or taken place.

The prevailing consensus among the City and MTS representatives was that the routes would be re-evaluated in November of 2006, instead of awaiting the typical six-month evaluation for new routes. No immediate solution could be undertaken as the wheels were already in motion.

Residents of MacKenzie Creek Road, together with residents of other neighboring streets in Rolling Hills Ranch have since organized a steering committee of their own and begun a petition drive to address the matter and seek a non-litigious resolution. To date, over 60 petition signatures have been obtained, and the effort is ongoing. The

petitions will be presented at an appropriate public hearing on this matter. In addition, on September 25, 2006, Mayor Stephen Padilla of Chula Vista, personally appealed to the MTS Board of Directors to re-evaluate the bus routes on MacKenzie Creek Road on an expedited basis.

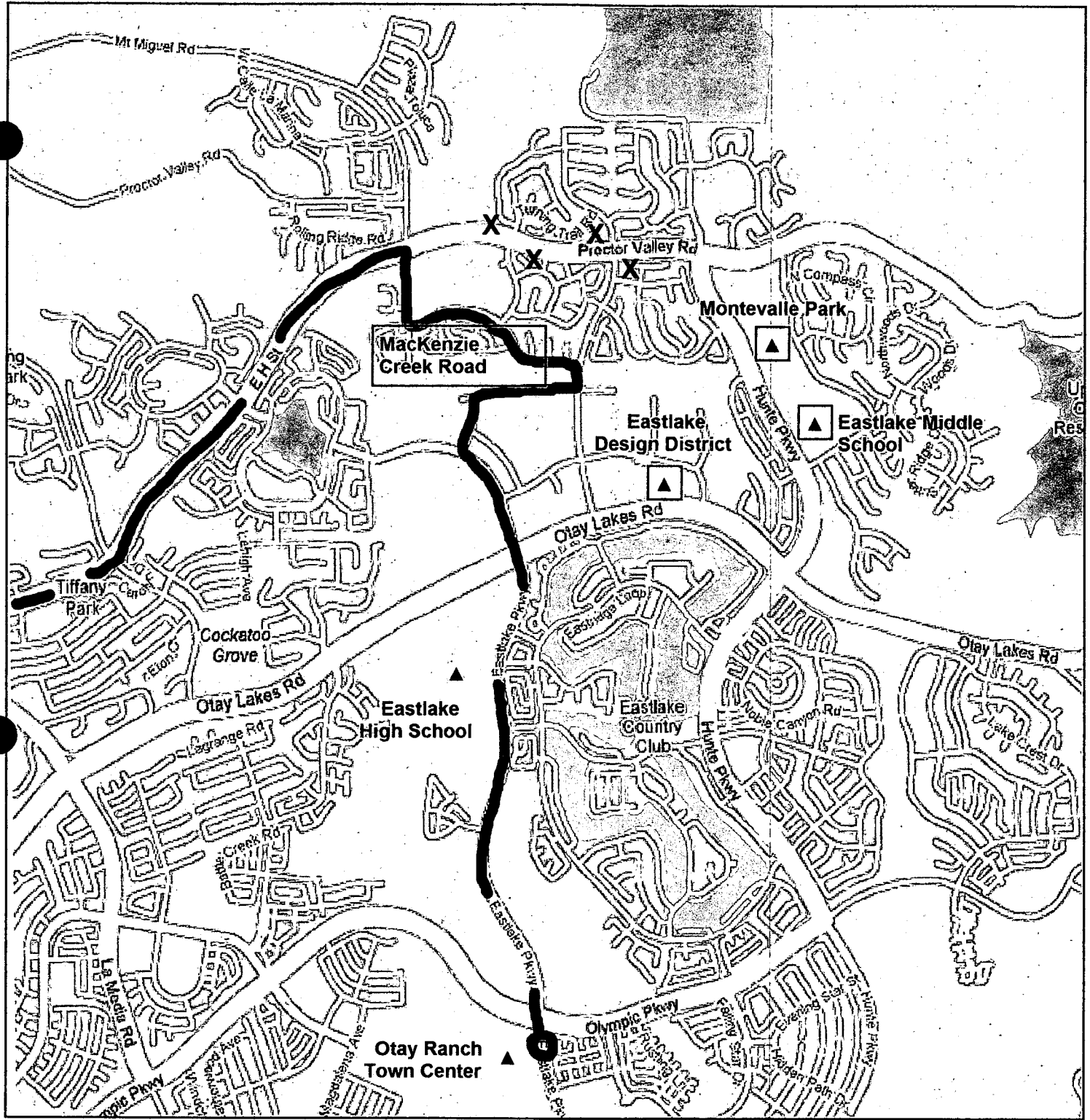
CONCLUSION

MacKenzie Creek Road is a small, two-lane residential road. The establishment of the 707 and 709A bus routes have exacerbated an already traffic-stressed street for the residents. Residents of MacKenzie Creek Road began working with the City of Chula Vista's Engineering Department in 2004 to address and implement traffic calming measures.

In fact, \$25,000 was earmarked for such traffic calming measures pursuant to a pilot project. To our surprise and consternation, instead of "calming" traffic, the City of Chula Vista and the MTS *added* traffic to the street with the addition of the two bus routes traveling up and down the road 180 times per week. This is at odds with the goals of the traffic calming measures and the funds which were made available under the pilot project.

The road that buses were naturally *planned* to travel on—Proctor Valley Road, a six-lane arterial road with bus cutouts—is being ignored and bypassed. Along with the decision to route the buses onto MacKenzie Creek Road instead of Proctor Valley Road also came the consequence of bypassing and ignoring entire communities located further within that corridor, including Eastlake Middle School, Monteville Park (a multi-million dollar project boasting a recreation center, tennis courts, basketball courts, baseball diamonds, soccer fields, and a skateboard park, among other things), and the Eastlake Design District. We believe that the MTS and City of Chula Vista can and should do a much better job serving the needs of Eastlake residents without unnecessarily aggravating other residents.

We therefore call for the immediate re-routing of the 707 and 709A bus routes on MacKenzie Creek Road. At a minimum, the routes should be immediately reevaluated, with an appropriate opportunity for public comment.



— = Present Bus Routes for 707 and 709A

X = Un-Utilized Bus Cut-outs on Proctor Valley Road

▲ = Un-Served Points of Interest

The 707 and 709A bypass bus cutouts on Proctor Valley Road—a major six-lane artery—and fail to serve entire communities within Rolling Hills Ranch, including Montevalle Park, Eastlake Middle School, the Eastlake Design District, and the hundreds of homes east of Lane Avenue.



OFFICE OF THE MAYOR

Stephen C. Padilla

September 25, 2006

Management, Board Members, and Executive Committee Members
Metropolitan Transit Services
1255 Imperial Avenue, Ste. 1000
San Diego, CA 92101

Dear Board Members and Directors:

First, I would like to extend my deepest thanks to you and your staff for the diligent work that has been undertaken these past 18 months in the creation and ultimate approval of the Comprehensive Operational Analysis. MTS has done an exceptional job in efforts to reverse declining ridership and increase service and satisfaction in areas that most utilize transit service.

Many transit riders in Chula Vista no longer have to wait longer than 15 minutes for their bus to arrive. This is tremendous in itself! However, many times policy changes on paper look very different when applied to the real-world setting. In the past month, I have become intimately aware of two specific communities that have most been negatively affected by these changes.

First, residents on MacKenzie Creek have strongly voiced their opposition to the new bus routes that run through their neighborhood. Bus Route 709A runs every 30 minutes (in both directions) during the most heavily traveled commute hours. Bus Route 707 runs hourly (in both directions) throughout the day.

This street is rather unique that on the south end resides a senior housing project, in the middle resides an elementary school and community park, and a great portion of the street is residential homes that face the street. MacKenzie Creek residents have a long history of working with the City to address traffic calming in their neighborhood. Although noticed properly, the addition of these two routes presented quite a surprise and resistance among the community members.

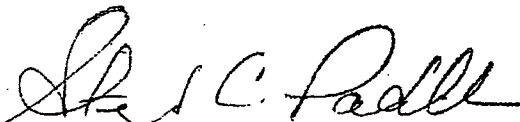
City staff, MTS staff, and most of the council members have each met with the residents to listen to their concerns. Consistently, throughout conversations with the residents, the demand and need for these routes has been questioned. In my discussions with community members, it would appear that the continued service of route 707 may be justified from the need presented by the senior housing project and possibly could be met by utilizing a smaller scaled bus. However, the need by community members for the 709A route appears to be highly disputed.

The second community that I have been made aware of is the area that was once served by Route 703, specifically around Telegraph Canyon and Halecrest. It is my understanding that city staff originally had concerns when these changes were being created. It is also my understanding that City and MTS staff discussed several options to keep service, but at the time nothing appeared to pencil out in terms of ridership potential. These individuals seem to be the ones most negatively affected by the route changes, as the closest stop now requires travel of a pretty steep hill and most are unable to navigate.

I am fully aware that Chula Vista does not have the only residents that are in these predicaments. However, Chula Vista has one community that desperately relies on a cancelled route and another community who highly disputes the need for one of the new routes. It is my understanding that MTS will be monitoring the productivity of all the new routes and any proposed changes that result could take as long as six months.

Respectfully, I would request that the two communities and routes above would take priority in Chula Vista's case. It is my belief that a second look at both areas could result in changes that could be most cost affective (i.e. remove one route in one area and reinstate a route in another area). As your partner in meeting the transit needs of Chula Vista residents, I look forward to assisting in any way I can to expedite the analysis of Routes 709A (through MacKenzie Creek) and Route 703. I would welcome the opportunity to meet with you to discuss further at a time that is convenient to you.

Sincerely,



Stephen C. Padilla
Mayor

Cc: Jim Thompson, Interim City Manager
Dave Byers, Director of Public Works
Chula Vista City Councilmembers

8:52



AGENDA ITEM NO.

3

REQUEST TO SPEAK FORM

ORDER REQUEST RECEIVED

3

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Date 10-18-06
Name (PLEASE PRINT) DONNA ERICKSON
Address 1814 Coolidge St.
San Diego CA 92111
Telephone 858-277-2169
Organization Represented (if any) Linda Vista Community
Planning Committee (Transportation Chair)
Subject of your remarks: The 25 Shuttle Connect With
The 120 To Sharp

Agenda Item Number on which you request to speak _____

Your comments are presenting a position of: SUPPORT

☐

OPPOSITION

☐

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ALTERNATIVE FORMATS ARE AVAILABLE UPON REQUEST. PLEASE CALL:
 FORMATO ALTERNATIVO DISPONIBLE AL PREGUNTAR. FAVOR DE LLAMAR:

(619) 231-1466

ROUTE 25

Monday through Friday lunes a viernes

Fahion Valley → Linda Vista → Fashion Valley

(A)	Fashion Valley Transit Center DEPART	(B)	Comstock Street & Linda Vista Road	(C)	Genesee Avenue & Linda Vista Road	(B)	Comstock Street & Linda Vista Road	(A)	Fashion Valley Transit Center ARRIVE
6:03a	Shuttle	6:10a		6:15a		6:21a		6:28a	
6:33	departs	6:40		6:45		6:51		6:58	
7:03	Fashion	7:10		7:15		7:21		7:28	
7:33	Valley	7:40		7:45		7:51		7:58	
8:03	every	8:10		8:15		8:21		8:28	a
8:33	30	8:40		8:45		8:51		8:58	good
9:03	minutes	9:10		9:15		9:21		9:28	connect
9:33	to	9:40		9:45		9:51		9:58	to
9:33	Linda	9:40		9:45		9:51		9:58	Sharp
10:03	Vista	10:11		10:16		10:23	a just miss?	10:31	10:31
10:38		10:46		10:51		10:58	by 05 minutes	11:06	11:01
11:13	every	11:21		11:26		11:33	by 10 minutes	11:41	11:31
11:48	35	11:56		12:01p		12:08p	by 15 minutes	12:16p	12:01
12:23p	minutes	12:31p		12:36		12:44	12:31/1:01	12:52	between
1:03	40 minutes	1:11		1:16		1:24	a just miss?	1:32	1:31
1:38		1:46		1:51		1:59	by 06 minutes	2:07	2:01
2:13	every	2:21		2:26		2:34	by 11 minutes	2:42	2:31
2:48	35	2:56		3:01		3:09	3:01/3:31	3:17	between
3:23	minutes	3:31		3:36		3:44		3:52	OK
4:03	40 minutes	4:11		4:16		4:24	a just miss?	4:32	4:31
4:38		4:46		4:51		4:59	by 06 minutes	5:07	5:01
5:13	every	5:21		5:26		5:34	5:31/6:01	5:42	between
5:48	35	5:56		6:01		6:09		6:17	
6:23	minutes	6:31		6:36		6:44		6:52	120
7:03	40 minutes	7:10		7:15		7:21		7:28	connect
7:33	every	7:40		7:45		7:51		7:58	OK
8:03	30	8:10		8:15		8:21		8:28	to
8:33	minutes	8:40		8:45		8:51		8:58	Sharp
9:10	37 minutes	9:17		9:22		9:28		—	

CAN SOMETHING BE DONE TO MAKE A BETTER CONNECTION
 BETWEEN THE #25 SHUTTLE AND THE 120 TO SHARP???

THIS ADDS INSULT TO INJURY
 SINCE WE USED TO HAVE DIRECT ACCESS TO SHARP
 BRING THE BIG BUS BACK!!!

the
route
120
time
frame
makes

a
good
connect
to
Sharp

a just miss?
by 05 minutes
by 10 minutes
by 15 minutes

a just miss?
by 06 minutes
by 11 minutes

a just miss?
by 06 minutes

5:31/6:01

10:31 10:31
11:06 11:01
11:41 11:31
12:16p 12:01

3:17 between
3:52 OK

4:32 4:31
5:07 5:01

5:42 between

6:52 120
7:28 connect
7:58 OK
8:28 to
8:58 Sharp

PM times are in bold



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

Agenda

Item No. 5

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

LEG 410 (PC 50101)

October 19, 2006

SUBJECT:

MTS: APPOINTMENT OF AD HOC NOMINATING COMMITTEE FOR
RECOMMENDING APPOINTMENTS TO MTS COMMITTEES FOR 2007

RECOMMENDATION:

That the Board of Directors appoint less than a quorum of members to an Ad Hoc Nominating Committee (pursuant to MTS Board Policy No. 22) to make recommendations to the Board with respect to the appointment of members of the Board to serve on MTS and non-MTS committees for 2007.

Budget Impact

None.

DISCUSSION:

Each year, the Board makes appointments to various committees, including the Chair of the Budget Committee, the Joint Committee on Regional Transit (JCRT), the State Route 67/125 Policy Advisory Committee of the San Diego Association of Governments (SANDAG), the Taxicab Committee, the High-Speed Rail Task Force of SANDAG, the Los Angeles-San Diego Rail Corridor Agency (LOSSAN), the Accessible Services Advisory Committee (ASAC), and the SANDAG Transportation Committee. Attachment A is a table of committee appointments for 2006.

MTS Board Policy No. 22 specifies that on or before the Board's first meeting in November, the Board shall appoint less than a quorum of members to an Ad Hoc Nominating Committee. The Ad Hoc Nominating Committee shall review the list of MTS



committees and make recommendations to the Board with respect to the appointment of members of the Board to serve on each committee. The Ad Hoc Nominating Committee is also tasked with reviewing the list of outside boards and/or committees and making recommendations to the Board with respect to the appointment of members of the Board to represent MTS on each outside board or committee, except for the Board representative appointed to the SANDAG Transportation Committee, which is appointed by the Executive Committee.

The Ad Hoc Nominating Committee forwards its recommendations for appointments of officers and committee members on or before the first Board meeting in January.

The election procedures to appoint an Ad Hoc Nominating Committee pursuant to Robert's Rules of Order are as follows:

1. The Chairman of the Board opens the agenda item.
2. The Chairman requests nominations from the floor. Nominations do not require a second.
3. The Chairman closes the nominations.
4. The Chairman invites the candidate(s) to address the Board for three minutes.
5. The Chairman asks for any Board discussion.
6. The Chairman calls for the vote on each motion for each candidate.
7. A vote is taken on the motion(s) for each candidate based upon the order in which they were nominated. The vote continues until a candidate is elected.



Paul C. Jablonski
Chief Executive Officer

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

OCT19-06.5.ADHOCNOMINATINGCOMM.TLOREN

Attachment: A. Table of MTS Committees for 2006

2006 SLATE OF MTS COMMITTEES AND OUTSIDE AGENCY APPOINTMENTS

<p>MTS Executive Committee</p>	<p>Harry Mathis – Chairman</p> <p>Toni Atkins – Committee Member</p> <p>Jillian Hanson-Cox – Committee Member</p> <p>Jerry Rindone – Committee Member</p> <p>Ron Roberts – Committee Member</p>	<p>May be voted upon by all members except Harry Mathis</p> <p>May be voted upon by all members except Toni Atkins</p> <p>May be voted upon by all members except Jillian Hanson-Cox</p> <p>May be voted upon by all members except Jerry Rindone</p> <p>May be voted upon by all members except Ron Roberts</p>
<p>MTS Budget Committee</p>	<p>Jerry Rindone – Chairman</p> <p>Harry Mathis – Vice Chairman</p> <p>Thomas Clabby – Committee Member</p> <p>Ron Roberts – Committee Member</p> <p>City of San Diego (TBD) – Committee Member</p>	<p>May be voted upon by all members except Jerry Rindone</p> <p>May be voted upon by all members except Harry Mathis</p> <p>May be voted upon by all members except Thomas Clabby</p> <p>May be voted upon by all members except Ron Roberts</p> <p>May be voted upon by all members except the nominated City of San Diego representative</p>
<p>Joint Committee on Regional Transit (JCRT)</p>	<p>Bob Emery – Committee Member</p> <p>Harry Mathis – Committee Member</p> <p>Ron Morrison – Committee Member</p> <p><u>Alternates</u></p> <p>Thomas Clabby – Committee Member</p> <p>Brian Maienschein – Committee Member</p>	<p>May be voted upon by all members except Bob Emery</p> <p>May be voted upon by all members Harry Mathis</p> <p>May be voted upon by all members Ron Morrison</p> <p>May be voted upon by all members except Thomas Clabby</p> <p>May be voted upon by all members except Brian Maienschein</p>

SR-67/125 Policy Advisory Committee (SANDAG)	Hal Ryan – Committee Member <u>Alternate</u> Brian Jones – Committee Member	May be voted upon by all members except Hal Ryan May be voted upon by all members except Brian Jones
Taxicab Committee	Brian Maienschein – Chairman	May be voted upon by all members except Brian Maienschein
High-Speed Rail Task Force (SANDAG)	Brian Maienschein – Committee Member <u>Alternate</u> Ron Morrison – Committee Member	May be voted upon by all members except Brian Maienschein May be voted upon by all members except Ron Morrison
Los Angeles-San Diego Rail Corridor Agency (LOSSAN)	Jerry Rindone – Committee Member <u>Alternate</u> Harry Mathis – Committee Member	May be voted upon by all members except Jerry Rindone May be voted upon by all members except Harry Mathis
Accessible Services Advisory Committee (ASAC)	Thomas Clabby – Chairman	May be voted upon by all members except Thomas Clabby

Ad Hoc Railroad Subcommittee	<p>Bob Emery – Chairman</p> <p>Harry Mathis – Vice Chair</p> <p>Thomas Clabby – Committee Member</p> <p>Jerry Rindone – Committee Member</p>	<p>May be voted upon by all members except Bob Emery</p> <p>May be voted upon by all members except Harry Mathis</p> <p>May be voted upon by all members except Thomas Clabby</p> <p>May be voted upon by all members except Jerry Rindone</p>
SANDAG Board	<p>Harry Mathis - Advisory Member</p> <p><u>Alternate</u> Jerry Rindone – Advisory Member</p> <p><u>Second Alternate</u> Bob Emery – Advisory member</p>	<p>May be voted upon by all members except Harry Mathis</p> <p>May be voted upon by all members except Jerry Rindone</p> <p>May be voted upon by all members except Bob Emery</p>
SANDAG Transportation Committee	<p>Elected by Executive Committee at the February 1, 2006, meeting</p>	
SANDAG Regional Planning Committee	<p>Harry Mathis – Committee Member</p> <p><u>Alternate</u> Bob Emery – Committee Member</p>	<p>May be voted upon by all members except Harry Mathis</p> <p>May be voted upon by all members except Bob Emery</p>



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

Agenda

Item No. 6

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

ADM 110.1, (PC 50101)

October 19, 2006

SUBJECT:

MTS: ADOPTION OF 2007 MTS EXECUTIVE COMMITTEE AND BOARD OF
DIRECTORS MEETING SCHEDULE

RECOMMENDATION:

That the Board of Directors adopt the 2007 Executive Committee and Board of Directors
Meeting Schedule (Attachment A).

Budget Impact

None.

DISCUSSION:

The MTS Board of Directors annually adopts its meeting schedule for the next year. Attached is the proposed 2007 Executive Committee and Board of Directors meeting schedule for MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC).

This year's schedule reflects one Executive Committee and one Board meeting in January and February. As is customary, one meeting each is also recommended for the months of July and August in anticipation of summer vacations and avoidance of conflicts with city councils' legislative recesses. In addition, one meeting is recommended for each of the months of November and December to avoid conflicts with the Thanksgiving and Christmas holidays.



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

The American Public Transportation Association (APTA) Annual Meeting is scheduled for the week of October 7. It is recommended that an Executive Committee meeting be scheduled for October 4, that there be no meeting the following week, and that the corresponding Board meeting be held October 18. There would be no meeting held on October 25.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Gail Williams, 619.557.4515, gail.williams@sdmts.com

OCT19-06.6.ECBOARD2007MTGS.GWILILAMS

Attachment: A. 2007 MTS Executive Committee and Board of Directors Meeting Schedule

**2007 JOINT BOARD AND
EXECUTIVE COMMITTEE MEETING SCHEDULE
JAMES R. MILLS BUILDING, 10TH FLOOR
1255 IMPERIAL AVENUE, SAN DIEGO**

<u>Executive Committee</u> <u>Thursday, 9:00 a.m.</u>			<u>MTS Board Meetings</u> <u>Thursday, 9:00 a.m.</u>	
January	11		January	18
February	8	8:00 a.m. Finance Workshop >>	February	15
March	1 15	8:00 a.m. Finance Workshop >>	March	8 22
April	5 19	8:00 a.m. Finance Workshop >>	April	12 26
May	3 17	8:00 a.m. Finance Workshop >>	May	10 24
June	7 21		June	14 28
July	12		July	19
August	9		August	16
September	6 20		September	13 27
October	4*		October	18*
November	1		November	8
December	6		December	13

* The 2007 APTA Annual Meeting is being held October 7-10, 2007 (the second week in October). Meetings in October have been structured accordingly.



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Agenda

Item No. 7

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

LEG 491 (PC 50633)

October 19, 2006

SUBJECT:

MTS: LIABILITY CLAIMS ANALYSIS REPORT

RECOMMENDATION:

That the Board of Directors receive the Liability Claims Analysis Report (Attachment A) for MTS, San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI).

Budget Impact

None. Future-incurred reserve claim costs should be noted for potential future budgetary impacts. A claim reserve is an estimate of the potential expense to the corporation based on currently available information. Upon final disposition of a claim, any necessary budget actions exceeding authority levels would require Board authorization.

DISCUSSION: /

This report is the seventh since the decision to utilize third-party administrators (TPAs) was put into effect in March 2002. The analysis report encompasses loss information data from MTS, SDTC, and SDTI. McDowell Adjusting Company (McDowell) has been contracted to act as the TPA involving third-party liability claims, and Hazelrigg Risk Management Services (Hazelrigg) is the TPA involving workers' compensation claims.



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

Summary

The Liability Claims Analysis Report (Attachment A) identifies pertinent information regarding claims management, such as the number of claims, claim payouts, and unfunded incurred liabilities for MTS, SDTC, and SDTI through June 2006.

The liability claims administrator has processed a total of 408 unique liability claims with loss dates prior to March 2002. Greater than 99% (406) of those claims have been closed. A total of 2,667 unique claims have been submitted to the TPA since March 2002 for processing. Of those claims, 93% (2,488) have been closed. During fiscal year 2006, a total of 534 unique liability claims occurred. Utilizing the same methodology to exclude nonliability claims from the tracked data, this frequency amount is essentially the same as the amount experienced in fiscal year 2005.

Incurred future reserve liability costs are established by the TPA. The reserve estimates for specific claims may be adjusted as claims are incurred and developed allowing for any unforeseen growth of claims' costs overtime.

Along with claims severity, claims frequency is the dominant factor that affects the overall cost of liability claims management. Special effort was again made to identify and categorize unique nonliability-related claims. SDTC and SDTI both continue to experience an overall modest decrease (10%) in the monthly claims frequency. While encouraging, this is not considered statically significant. The slow upward frequency trend experienced by SDTI since 2002 appears to be flattening out. For all agencies during the last 12 months, the average monthly total of unique claim incidents has decreased from 49 to 44. Examining all incidents and the resultant multiple claimants and claim types, the monthly average was 49, which is down from 57 in fiscal year 2005.

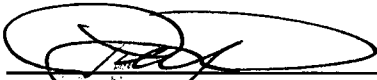
The review of unique open claims indicates that falls on vehicles and at transit centers account for thirty 33% of the open claims followed by vehicle collisions noted at 30%.

The liability claims TPA costs varied little between FY 05 and FY 06. Claims administration continues to be a significant claims expense cost. Fiscal year 2006 costs for all agencies totaled over \$387,862 (MTS - \$8,831; SDTC - \$210,894; SDTI - \$168,137). A goal for FY 07 is anticipated to include the research and development to establish an in-house Third-Party Liability Claims Department.

Along with McDowell as the claims administrator for third-party liability tort claims, Hazelrigg continues as the TPA for workers' compensation claims management. For workers' compensation, the frequency of medical-only claims as well as indemnity claims continues to track at the recent historical average. The overall claim count frequency appears stable. Noted is a decrease in the percentage of closed medical-only claims for FY 06. The issue of claims closure is being addressed with the TPA. The average cost per claim measured over the last four fiscal years is decreasing. This is a positive trend, which may reflect how claims are currently being managed.

The overall cost for litigation appears to have decreased as measured by the posting of attorney billings. This measurement is related to the cutoff date for billing accruals and may vary from year to year. Overall, a dollar-range decrease of between 8% and 17% was realized. This overall reduction amount range is calculated to be \$67,000 to \$145,000. The specific decrease in legal costs was seen on the liability tort claim side where a drop of 24% to 30% was experienced. The tort claim dollar amount decrease ranged from \$146,000 to \$188,000. The litigation expense for workers' compensation claims increased in the range of 18% to 32%. This smaller dollar amount range was calculated at an increase of \$43,000 to \$78,000.

Management and the Risk Department are continuously working to decrease claims costs. For fiscal year 2006, a new medical provider network was implemented exclusively for work-related injuries. The medical provider network is designed to permit maximum control over medical costs associated with claims while providing quality choices for our employees. Enhanced management of medical treatment is designed to result in a decrease of workers' compensation medical as well as litigation costs. The measurable results of this implementation should be reflected during fiscal year 2007.



Paul C. Jablonski
Chief Executive Officer

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

OCT19-06.7.LIABILITYCLAIMS.JDOW

Attachment: A. Liability Claims Analysis Report

MTS / SDTC / SDTI LIABILITY CLAIMS ANALYSIS

Unique Non-Subrogation/Collection - Compiled Data Captured: 07/24/06

(Attachment A)

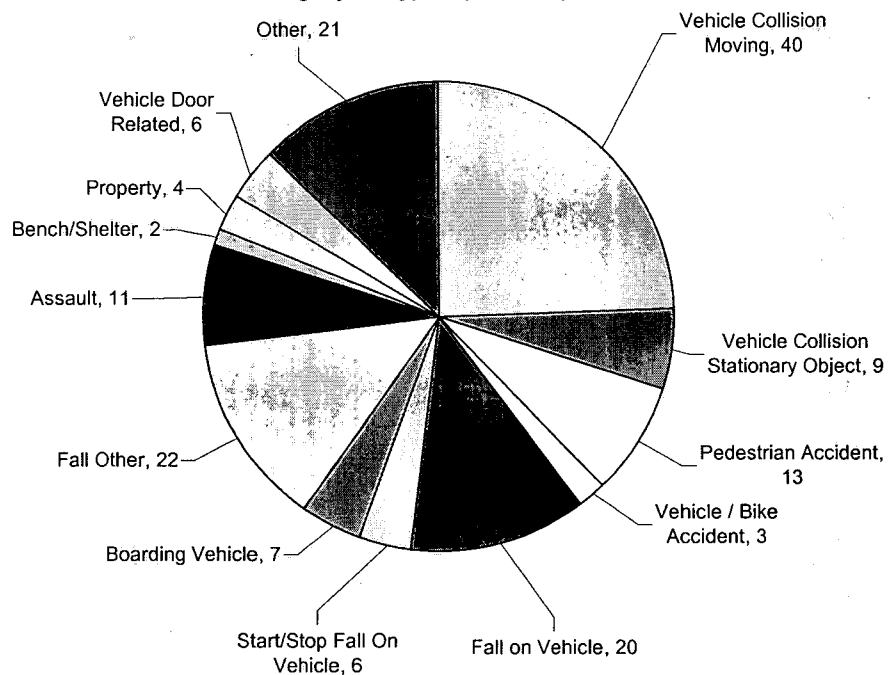
LIABILITY UNIQUE CLAIMS COUNT OPEN / CLOSED					
PERIOD	CATEGORY	MTS	SDTC	SDTI	TOTAL
Assumed Files Pre 03/01/02	Open Files	0	2	0	2
	Closed Files	9	326	71	406
	Sub-Total Files	9	328	71	408
Files Since 03/01/02	Open Files	8	112	59	179
	Closed Files	70	1407	1011	2,488
	Sub-Total Files	78	1519	1070	2,667
Complete Status 06/30/06	Open Files	8	114	59	181
	Closed Files	79	1733	1082	2,894
	Total Files	87	1847	1141	3,075

LIABILITY LOSS PAYOUTS					
PERIOD	EXPENSE AREA	MTS	SDTC	SDTI	TOTAL
Assumed Files Pre 03/01/02	Loss Payments	\$10,000	\$2,369,080	\$3,145,919	\$5,524,999
	Legal & Defense Expenses	\$47,158	\$1,695,917	\$879,255	\$2,622,331
	Claims Mgmt.	\$8,223	\$860,838	\$202,497	\$1,071,557
	Sub-Total Claim Costs	\$65,381	\$4,925,835	\$4,227,671	\$9,218,887
Files Since 03/01/02	Loss Payments	\$17,447	\$910,930	\$298,366	\$1,226,743
	Legal & Defense Expenses	\$28,138	\$398,082	\$377,704	\$803,924
	Claims Mgmt.	\$20,128	\$921,875	\$464,845	\$1,406,848
	Sub-Total Claim Costs	\$65,713	\$2,230,886	\$1,140,915	\$3,437,514
Complete Status 06/30/06	Loss Payments	\$27,447	\$3,280,010	\$3,444,285	\$6,751,742
	Legal & Defense Expenses	\$75,297	\$2,093,999	\$1,256,959	\$3,426,254
	Claims Mgmt.	\$28,351	\$1,782,713	\$667,342	\$2,478,405
	Total Claim Costs	\$131,094	\$7,156,721	\$5,368,586	\$12,656,401

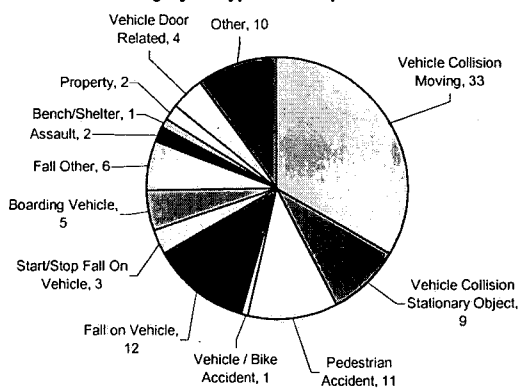
UNIQUE LIABILITY CLAIMS - OPEN / CLOSED PER MONTH								
Open / Closed Claims Per Month	DOL Month	SDTC Transit Open	SDTC Transit Closed	SDTI Trolley Open	SDTI Trolley Closed	MTS Open	MTS Closed	Month Totals
	Jul-03	2	40	0	21	0	1	64
	Aug-03	0	39	0	22	0	0	61
	Sep-03	1	33	0	33	0	2	69
	Oct-03	0	25	0	28	0	0	53
	Nov-03	0	26	1	21	1	2	51
	Dec-03	1	22	2	21	0	2	48
	Jan-04	0	19	0	21	0	1	41
	Feb-04	1	22	0	24	0	0	47
	Mar-04	0	14	1	19	0	0	34
	Apr-04	0	21	0	32	0	5	58
	May-04	2	17	0	23	0	3	45
	Jun-04	0	34	0	22	0	2	58
	Jul-04	3	26	3	22	1	2	57
	Aug-04	0	32	1	21	0	1	55
	Sep-04	2	24	1	29	0	0	56
	Oct-04	1	28	1	25	0	1	56
	Nov-04	1	18	1	28	0	0	48
	Dec-04	2	22	0	21	0	0	45
	Jan-05	2	18	1	13	2	0	36
	Feb-05	2	19	1	20	0	0	42
	Mar-05	1	27	0	19	0	2	49
	Apr-05	5	16	0	22	0	1	44
	May-05	1	24	0	29	0	0	54
	Jun-05	2	25	1	29	0	1	58
	Jul-05	2	25	4	31	0	0	62
	Aug-05	1	20	2	31	0	2	56
	Sep-05	3	11	1	24	1	1	41
	Oct-05	2	24	0	19	0	1	46
	Nov-05	3	29	3	19	1	1	56
	Dec-05	3	13	1	13	1	4	35
	Jan-06	8	15	2	16	0	5	46
	Feb-06	4	16	2	19	0	1	42
	Mar-06	7	16	3	11	0	1	38
	Apr-06	10	9	2	16	0	0	37
	May-06	16	3	7	7	1	0	34
	Jun-06	20	1	15	4	0	1	41
Total Claims		112	1473	59	1019	8	73	2744

FY06 CATEGORY OF TYPE OPEN UNIQUE CLAIMS				
TYPE CLAIM	MTS	SDTC	SDTI	AGENCY Total
Vehicle Collision Moving	2	33	5	40
Vehicle Collision Stationary Object		9	0	9
Pedestrian Accident		11	2	13
Vehicle / Bike Accident	1	1	1	3
Fall on Vehicle	1	12	7	20
Start/Stop Fall On Vehicle		3	3	6
Boarding Vehicle		5	2	7
Fall Other	1	6	15	22
Assault		2	9	11
Bench/Shelter		1	1	2
Property		2	2	4
Vehicle Door Related		4	2	6
Other	3	10	8	21
TOTAL	8	99	57	164

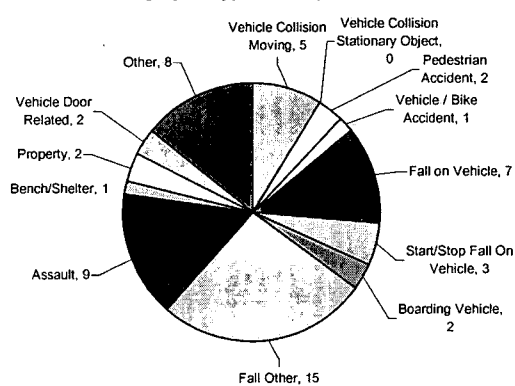
FY06 Category of Type Open Unique Claims

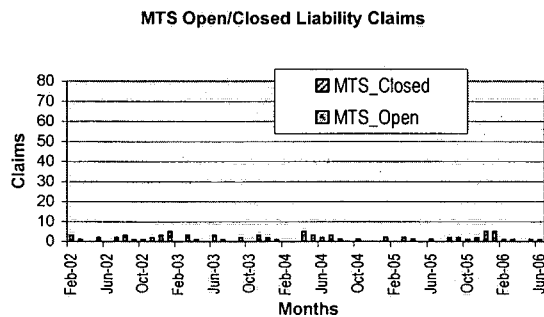
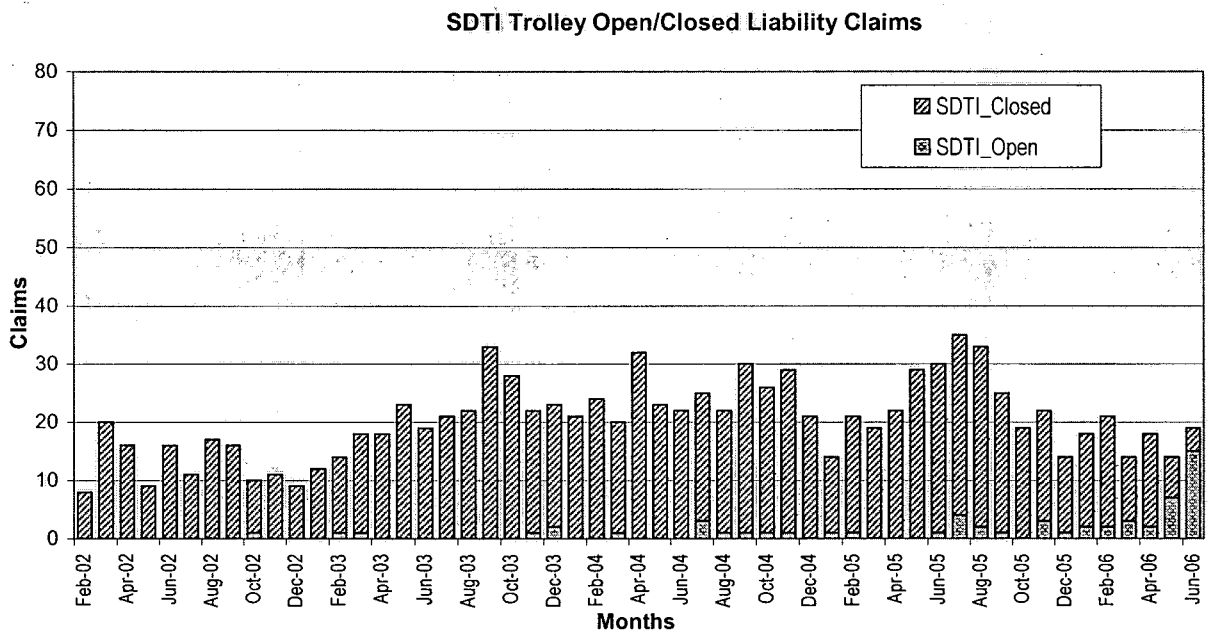
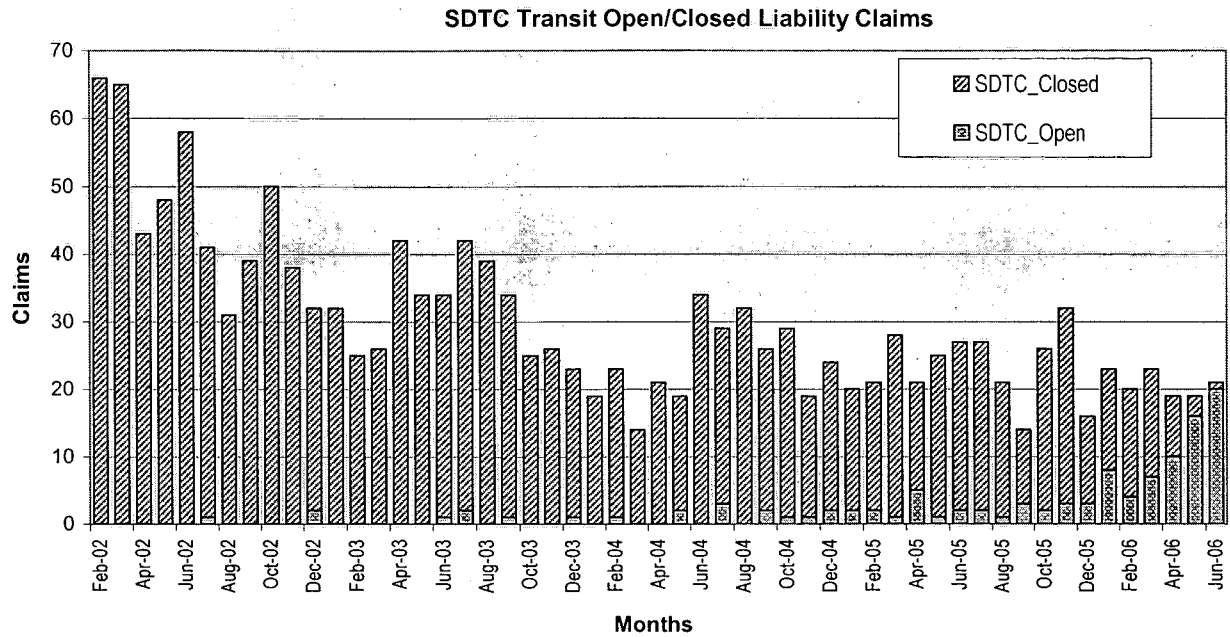


Category of Type SDTC Open Claims



Category of Type SDTI Open Claims





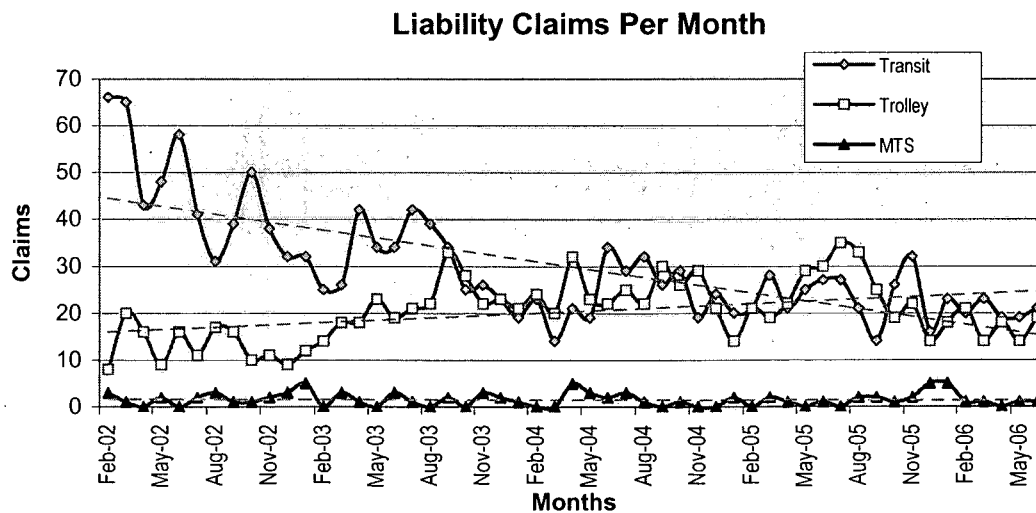
MTS / SDTC / SDTI LIABILITY CLAIMS ANALYSIS

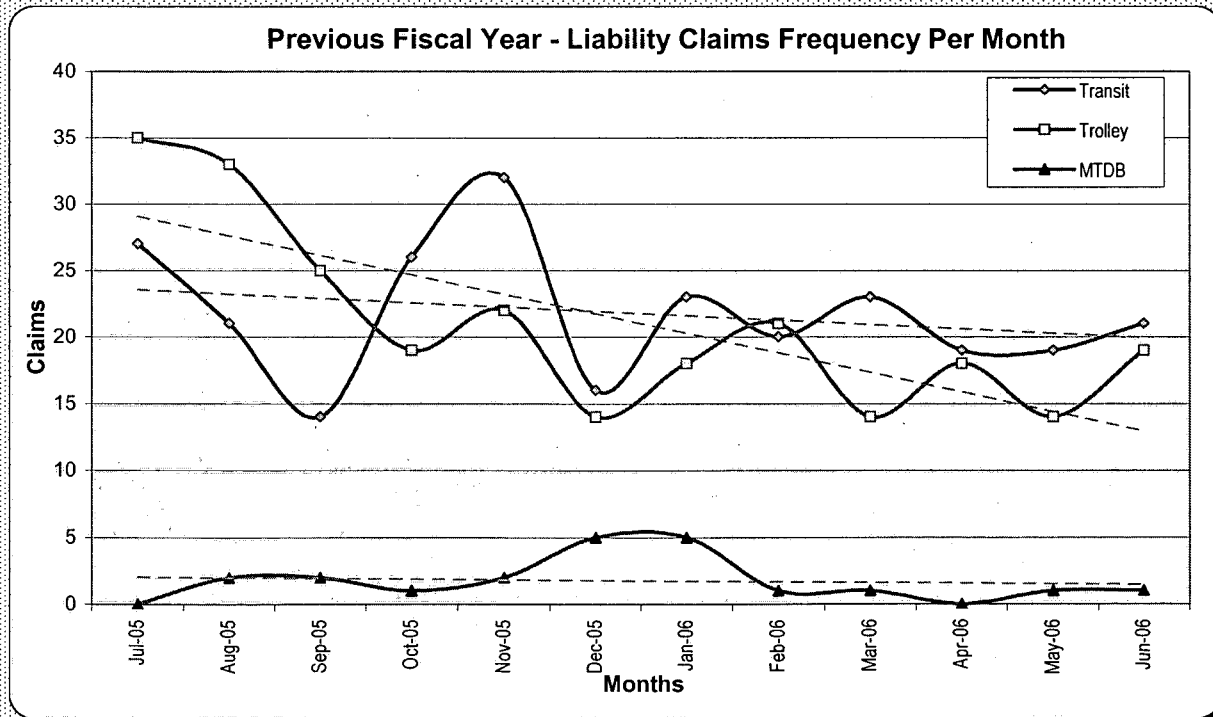
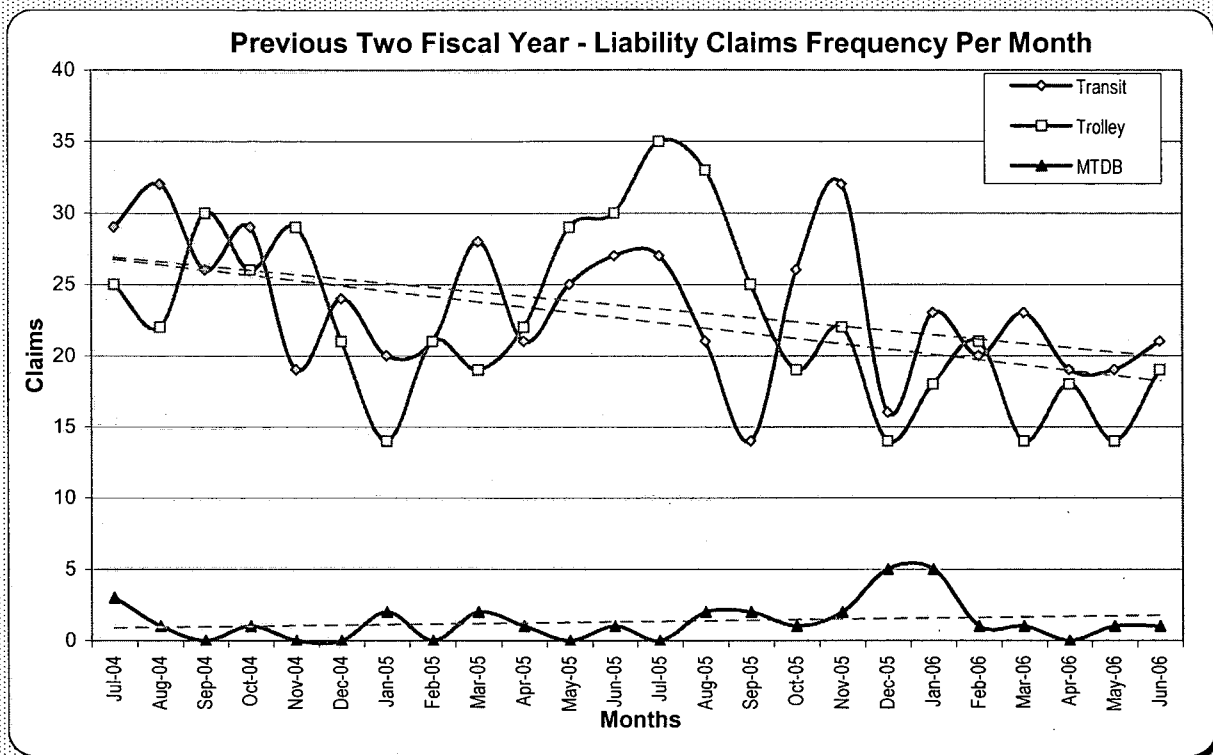
Unique Non-Subrogation/Collection - Compiled Data Captured: 07/24/06

(Attachment A)

* Control Limit ± 3 Standard Deviation

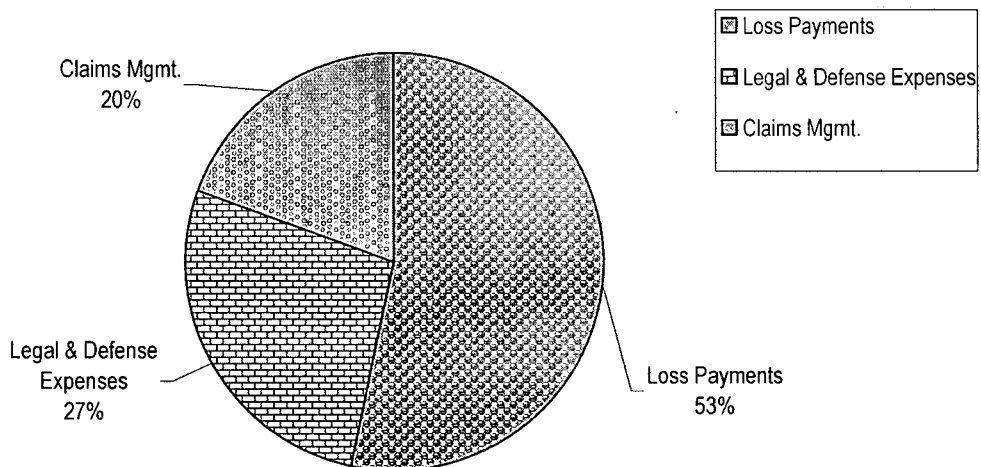
LIABILITY CLAIMS PER MONTH								
Claims Per Month	DOL Month	SDTC Transit	%	SDTI Trolley	%	MTS	%	Month Totals
	Jul-03	42		21		1		64
	Aug-03	39		22		0		61
	Sep-03	34		33		2		69
	Oct-03	25		28		0		53
	Nov-03	26		22		3		51
	Dec-03	23		23		2		48
	Jan-04	19		21		1		41
	Feb-04	23		24		0		47
	Mar-04	14		20		0		34
	Apr-04	21		32		5		58
	May-04	19		23		3		45
	Jun-04	34		22		2		58
	Jul-04	29		25		3		57
	Aug-04	32		22		1		55
	Sep-04	26		30		0		56
	Oct-04	29		26		1		56
	Nov-04	19		29		0		48
	Dec-04	24		21		0		45
	Jan-05	20		14		2		36
	Feb-05	21		21		0		42
	Mar-05	28		19		2		49
	Apr-05	21		22		1		44
	May-05	25		29		0		54
	Jun-05	27		30		1		58
	Jul-05	27		35		0		62
	Aug-05	21		33		2		56
	Sep-05	14		25		2		41
	Oct-05	26		19		1		46
	Nov-05	32		22		2		56
	Dec-05	16		14		5		35
	Jan-06	23		18		5		46
	Feb-06	20		21		1		42
	Mar-06	23		14		1		38
	Apr-06	19		18		0		37
	May-06	19		14		1		34
	Jun-06	21		19		1		41
Total Claims		1585	57.8%	1078	39.3%	81	3.0%	2744
Arithmetic Mean July 2003-June 2005		25.8		24.1		1.3		51.2
Total Claims		1,585		1,078		81		2,744
Average Monthly		29.9		20.3		1.5		51.8
Standard Deviation		11.8		6.6		1.4		10.9
* Upper Control Limit		65.3		40.1		5.8		84.4
* Lower Control Limit		-5.5		0.6		-2.8		19.1





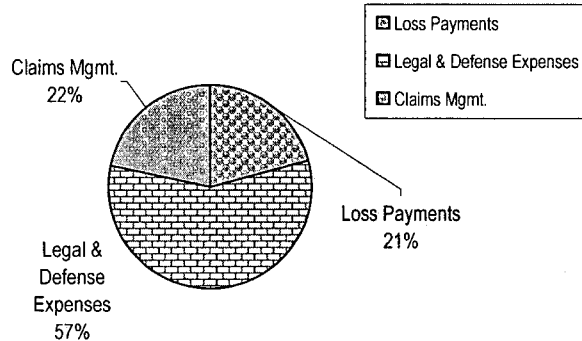
TOTAL
\$12,656,401

Liability Claims Payouts - Agencies Total

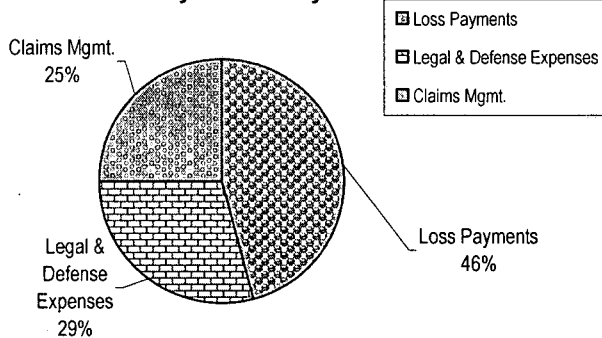


MTS \$131,094

Liability Claims Payouts - MTS



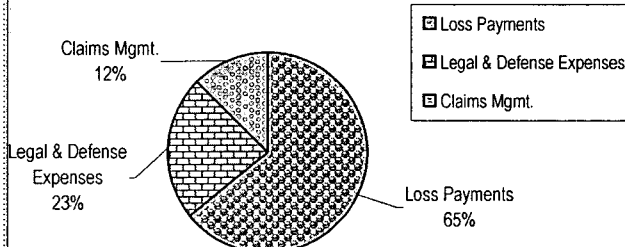
Liability Claims Payouts - SDTC



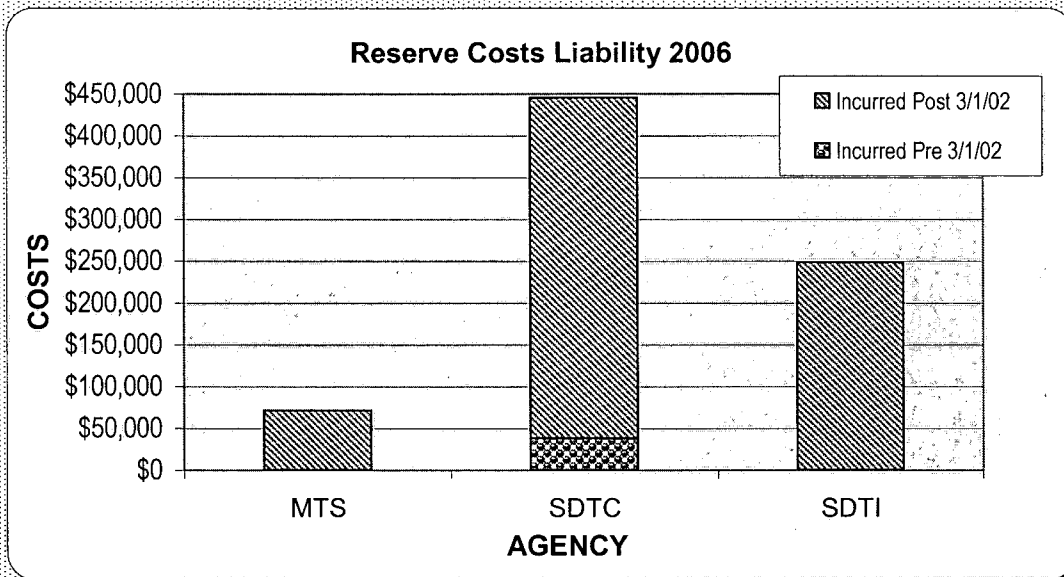
SDTC \$7,156,721

SDTI \$5,368,586

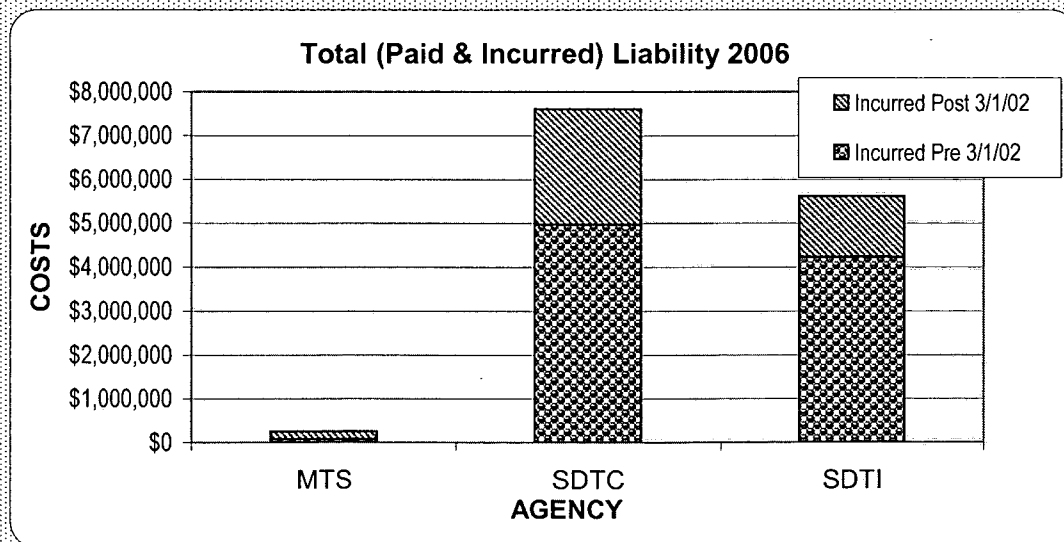
Liability Claims Payouts - SDTI



INCURRED RESERVE CLAIMS COSTS					
PERIOD	RESERVE COSTS	MTS	SDTC	SDTI	TOTAL
Pre 03/01/02	Sub-Total Reserve Costs	\$0	\$38,011	\$0	\$38,011
Since 03/01/02	Sub-Total Reserve Costs	\$71,212	\$407,397	\$248,589	\$727,198
Complete 06/30/06	Total Reserve Costs	\$71,212	\$445,409	\$248,589	\$765,209

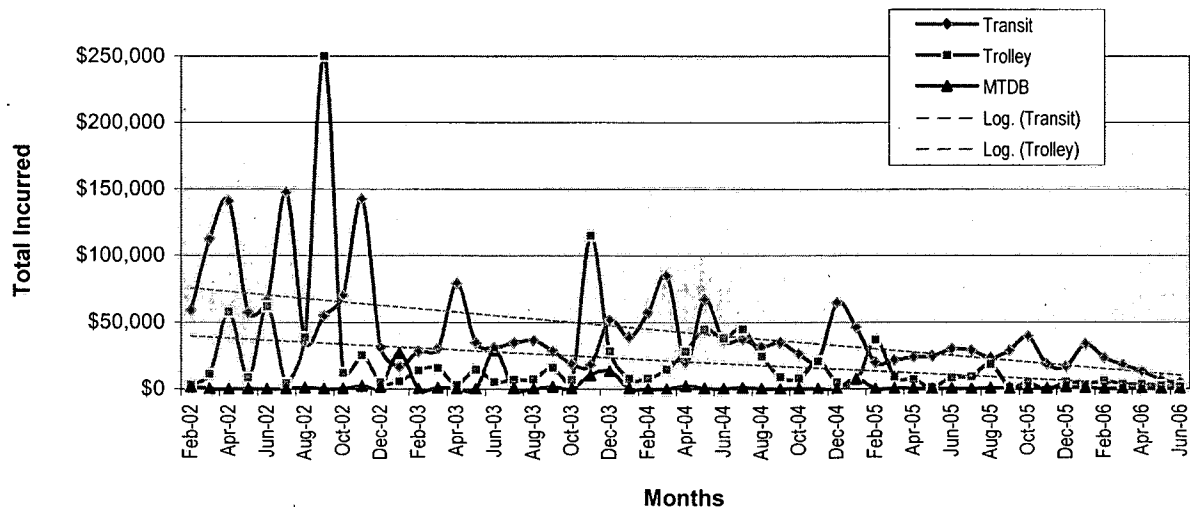


TOTAL (PAID & INCURRED) CLAIMS COSTS					
PERIOD	INCURRED COSTS	MTS	SDTC	SDTI	TOTAL
Pre 03/01/02	Sub-Total Incurred Costs	\$65,381	\$4,963,847	\$4,227,671	\$9,256,899
Since 03/01/02	Sub-Total Incurred Costs	\$179,729	\$2,638,283	\$1,389,504	\$4,207,516
Complete 06/30/05	Total Incurred Costs	\$245,110	\$7,602,130	\$5,617,175	\$13,464,415



LIABILITY CLAIMS INCURRED PAID COSTS PER DATE OF LOSS MONTH								
Incurred Per Month	DOL Month	Incurred SDTC Transit	%	Incurred SDTI Trolley	%	Incurred MTS	%	Month Totals
Jul-03		\$34,675		\$6,971		\$401		\$42,047
Aug-03		\$36,449		\$7,408		\$0		\$43,857
Sep-03		\$28,503		\$16,056		\$1,628		\$46,186
Oct-03		\$18,836		\$6,851		\$0		\$25,687
Nov-03		\$18,165		\$114,955		\$10,447		\$143,567
Dec-03		\$51,432		\$28,324		\$13,462		\$93,217
Jan-04		\$38,695		\$7,718		\$460		\$46,873
Feb-04		\$57,387		\$8,025		\$0		\$65,412
Mar-04		\$84,710		\$14,577		\$0		\$99,288
Apr-04		\$20,211		\$28,189		\$2,363		\$50,762
May-04		\$67,239		\$45,011		\$813		\$113,062
Jun-04		\$36,549		\$38,182		\$338		\$75,069
Jul-04		\$37,213		\$45,059		\$875		\$83,147
Aug-04		\$31,500		\$24,660		\$188		\$56,347
Sep-04		\$34,726		\$8,884		\$0		\$43,609
Oct-04		\$26,056		\$7,698		\$131		\$33,885
Nov-04		\$21,381		\$20,784		\$0		\$42,165
Dec-04		\$64,547		\$4,928		\$0		\$69,475
Jan-05		\$46,011		\$5,326		\$7,364		\$58,701
Feb-05		\$19,685		\$36,755		\$0		\$56,440
Mar-05		\$21,352		\$8,897		\$394		\$30,642
Apr-05		\$23,469		\$6,904		\$150		\$30,522
May-05		\$24,292		\$1,022		\$0		\$25,314
Jun-05		\$29,842		\$8,371		\$313		\$38,526
Jul-05		\$28,550		\$9,211		\$0		\$37,761
Aug-05		\$23,357		\$18,274		\$375		\$42,006
Sep-05		\$28,567		\$1,004		\$581		\$30,152
Oct-05		\$39,318		\$4,917		\$175		\$44,409
Nov-05		\$18,207		\$1,204		\$375		\$17,379
Dec-05		\$16,391		\$5,020		\$1,463		\$22,873
Jan-06		\$33,502		\$3,128		\$956		\$37,586
Feb-06		\$22,982		\$5,670		\$88		\$28,740
Mar-06		\$17,746		\$3,403		\$200		\$21,349
Apr-06		\$13,091		\$3,368		\$0		\$16,459
May-06		\$6,522		\$2,375		\$138		\$9,034
Jun-06		\$4,275		\$1,563		\$138		\$5,975
Total Incurred		\$2,260,961	65.2%	\$1,095,467	31.6%	\$110,122	3.2%	\$3,466,550
Arithmetic Mean February 2002-June 2006		\$42,660		\$20,669		\$2,078		\$65,407

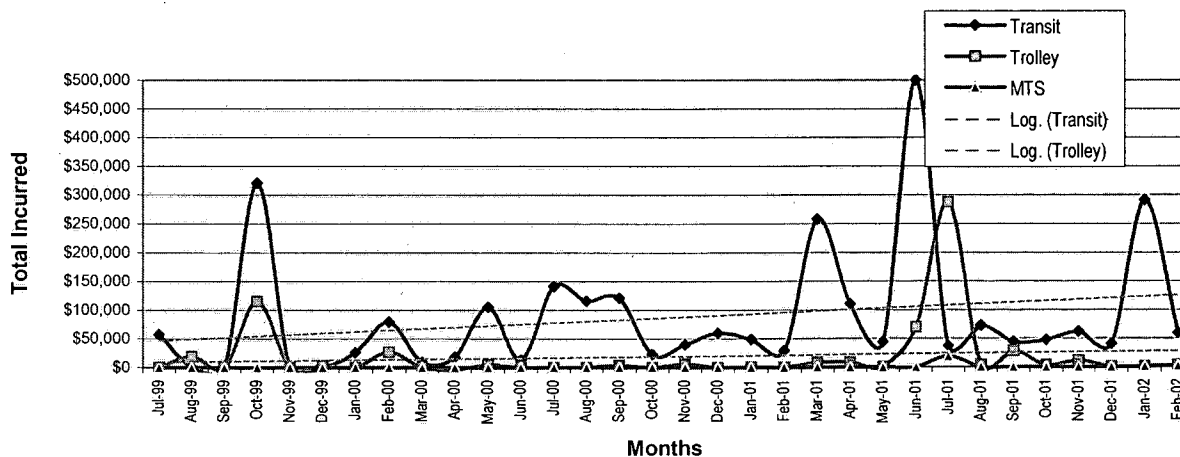
Liability Incurred Paid Costs Per Month February 2002 - June 2006 Logarithmic Trend



HISTORIC - LIABILITY CLAIMS INCURRED COSTS PER DOL MONTH								
Incurred Per Month	DOL Month	Incurred SDTC Transit	%	Incurred SDTI Trolley	%	Incurred MTS	%	Month Totals
	Jul-99	\$56,644		\$0		\$0		\$56,644
	Aug-99	\$1,240		\$18,762		\$0		\$20,002
	Sep-99	\$365		\$0		\$0		\$365
	Oct-99	\$320,108		\$114,971		\$0		\$435,079
	Nov-99	\$0		\$0		\$0		\$0
	Dec-99	\$0		\$3,370		\$0		\$3,370
	Jan-00	\$25,890		\$0		\$0		\$25,890
	Feb-00	\$78,742		\$26,857		\$0		\$105,600
	Mar-00	\$8,801		\$84		\$0		\$8,885
	Apr-00	\$17,931		-\$3,916		\$0		\$14,016
	May-00	\$104,654		\$5,020		\$0		\$109,674
	Jun-00	\$12,872		\$0		\$0		\$12,872
	Jul-00	\$140,578		\$245		\$0		\$140,823
	Aug-00	\$115,730		\$0		\$0		\$115,730
	Sep-00	\$120,606		\$4,121		\$0		\$124,727
	Oct-00	\$22,578		\$0		\$0		\$22,578
	Nov-00	\$39,069		\$5,527		\$0		\$44,597
	Dec-00	\$59,685		\$71		\$0		\$59,756
	Jan-01	\$48,515		\$691		\$0		\$49,206
	Feb-01	\$28,335		\$0		\$0		\$28,335
	Mar-01	\$257,233		\$8,242		\$0		\$265,474
	Apr-01	\$110,088		\$8,379		\$213		\$118,680
	May-01	\$43,618		\$586		\$0		\$44,204
	Jun-01	\$499,780		\$69,948		\$0		\$569,728
	Jul-01	\$36,116		\$287,627		\$18,279		\$342,022
	Aug-01	\$72,212		\$4,043		\$0		\$76,255
	Sep-01	\$43,888		\$27,870		\$0		\$71,758
	Oct-01	\$47,027		\$3,110		\$209		\$50,347
	Nov-01	\$61,459		\$10,986		\$0		\$72,446
	Dec-01	\$40,243		\$612		\$0		\$40,855
	Jan-02	\$290,729		\$1,202		\$1,237		\$293,167
	Feb-02	\$58,934		\$3,236		\$1,605		\$63,775
Total Incurred		\$2,763,671	82.1%	\$601,644	17.9%	\$21,543	0.6%	\$3,386,858
Total Incurred Costs		\$2,763,671		\$601,644		\$21,543		\$3,386,858
Arithmetic Mean February 2002-June 2004		\$86,365		\$18,801		\$673		\$105,839

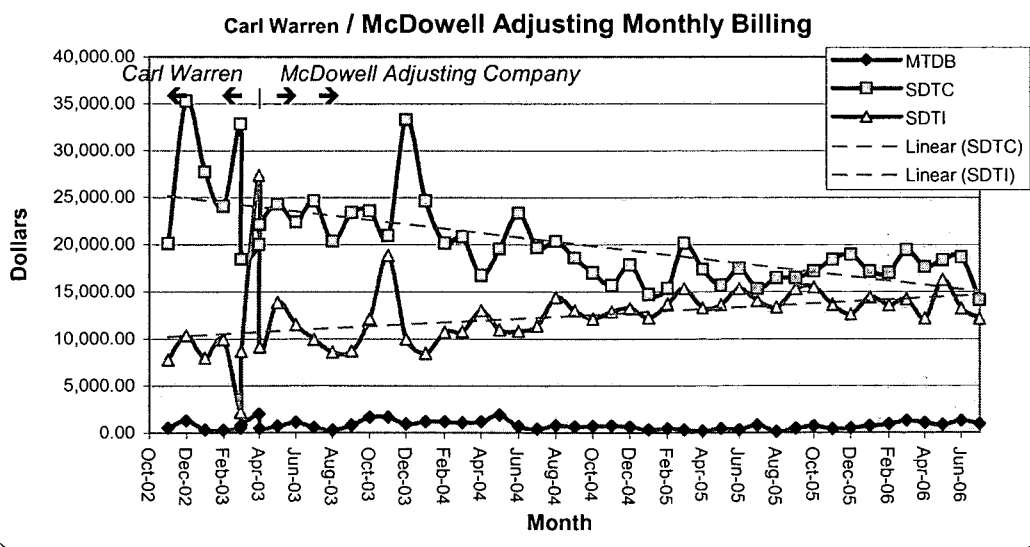
July 1999 – February 2002

Historic - Liability Incurred Paid Costs Per Month
July 1999 - Feb. 2002 Logarithmic Trend



**McDowell Adjusting Company & Carl Warren
Calculated Monthly Invoiced Billing**

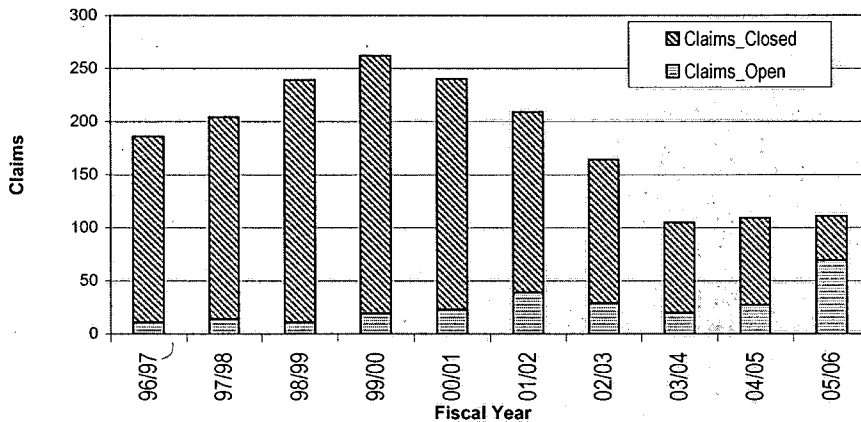
	MTDB	SDTC	SDTI	Monthly Total
Jul-03	547.50	24,633.75	9,925.00	35,106.25
Aug-03	228.75	20,334.50	8,539.00	29,102.25
Sep-03	768.75	23,383.75	8,695.75	32,848.25
Oct-03	1,640.00	23,567.50	12,095.00	37,302.50
Nov-03	1,635.00	20,926.45	18,835.75	41,397.20
Dec-03	933.75	33,297.50	9,939.50	44,170.75
Jan-04	1,165.00	24,617.00	8,404.25	34,186.25
Feb-04	1,165.00	20,144.20	10,711.75	32,020.95
Mar-04	1,047.50	20,775.00	10,772.50	32,595.00
Apr-04	1,148.75	16,695.75	12,969.75	30,814.25
May-04	1,885.00	19,535.00	10,920.15	32,340.15
Jun-04	631.25	23,329.25	10,815.50	34,776.00
Jul-04	381.25	19,671.25	11,337.50	31,390.00
Aug-04	752.50	20,353.75	14,387.50	35,493.75
Sep-04	610.00	18,558.75	12,988.75	32,157.50
Oct-04	685.00	16,998.00	12,111.25	29,794.25
Nov-04	736.25	15,655.50	12,876.40	29,268.15
Dec-04	612.50	17,821.25	13,207.50	31,641.25
Jan-05	311.25	14,676.25	12,201.25	27,188.75
Feb-05	456.25	\$15,329	\$13,696	29,481.00
Mar-05	300.00	\$20,101	\$15,331	35,732.25
Apr-05	183.75	17,326.25	13,250.25	30,760.25
May-05	431.25	15,666.25	13,591.00	29,688.50
Jun-05	318.75	17,442.50	15,308.00	33,069.25
Jul-05	781.25	15,293.75	13,996.25	30,071.25
Aug-05	100.00	16,410.00	13,318.75	29,828.75
Sep-05	431.25	16,450.00	15,300.50	32,181.75
Oct-05	675.00	17,166.25	15,471.00	33,312.25
Nov-05	387.50	18,410.00	13,578.00	32,375.50
Dec-05	487.50	18,942.50	12,622.50	32,052.50
Jan-06	718.75	17,151.25	14,408.75	32,278.75
Feb-06	893.75	16,996.25	13,562.50	31,452.50
Mar-06	1,250.00	19,418.75	14,206.25	34,875.00
Apr-06	1,006.25	17,627.50	12,172.00	30,805.75
May-06	831.25	18,345.25	16,264.25	35,440.75
Jun-06	1,268.75	18,682.50	13,236.50	33,187.75
Jul-06	936.25	14,115.00	12,117.00	27,168.25
Total	36,151.14	953,049.82	581,838.30	1,571,039.26
Monthly Average	769.17	20,277.66	12,379.54	33,426.37



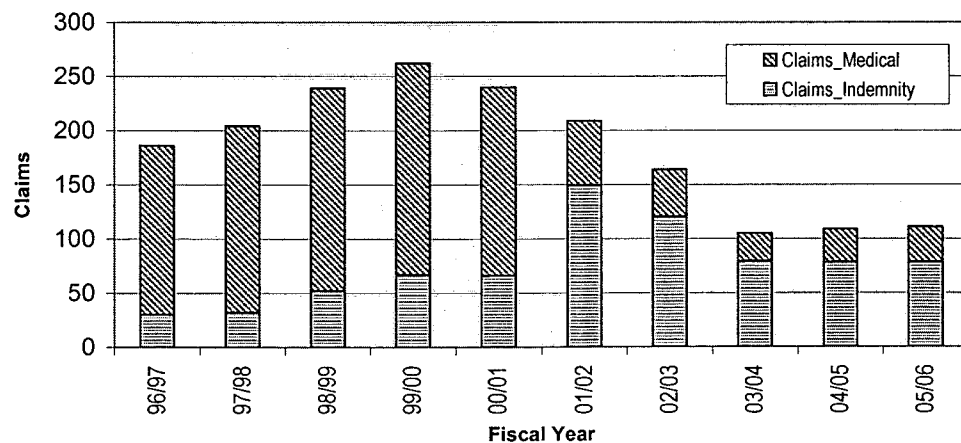
San Diego Transit Corporation's Workers' Compensation Claims Summary Report Cumulative Results by Fiscal Year as of Month End, June 2006

YEAR		96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	9YR Totals
Indemnity (Time Loss) Claims		30	32	52	67	66	149	120	79	78	78	751
	Open	11	14	11	19	23	39	29	20	26	58	250
	Closed	19	18	41	48	43	110	91	59	52	20	501
Medical Only Claims		156	172	187	195	174	60	44	26	31	33	1,078
	Open	0	0	0	0	0	0	0	0	1	11	12
	Closed	156	172	187	195	174	60	44	26	30	22	1,066
Total Claims	Open	11	14	11	19	23	39	29	20	27	69	193
	Closed	175	190	228	243	217	170	135	85	82	42	1,525
	Combined	186	204	239	262	240	209	164	105	109	111	1,718
Percentage Closed		94%	93%	95%	93%	90%	81%	82%	81%	75%	38%	89%

**SDTC Workers' Compensation Claims
[Open / Closed] 1996 - 2006**



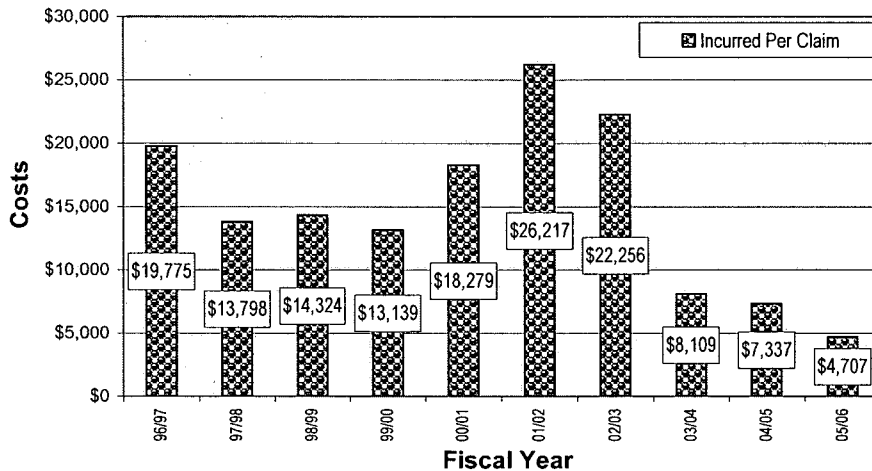
**SDTC Workers' Compensation Claims
[Time Loss Indemnity / Medical Only]
1996 - 2006**



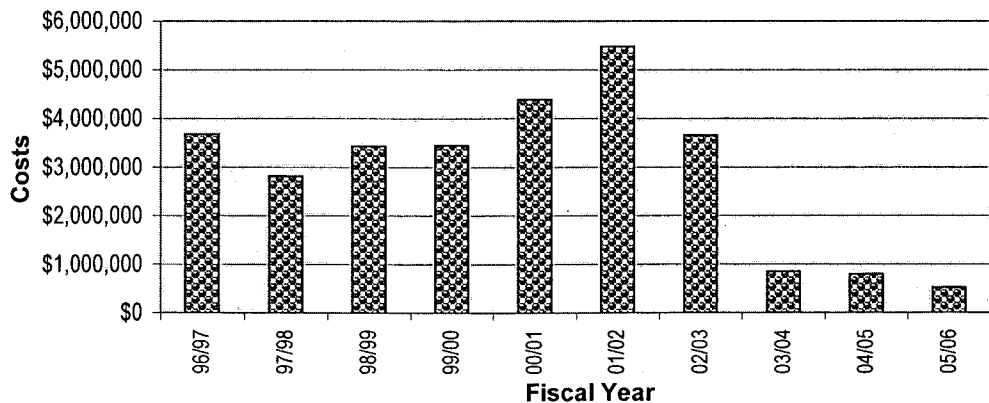
SDTC WORKERS' COMPENSATION COSTS

	YEAR	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	9YR Totals
Medical	Paid(\$)	\$1,245,221	\$1,039,225	\$1,200,260	\$1,376,422	\$1,710,459	\$1,923,181	\$1,260,527	\$279,582	\$249,689	\$93,889	\$10,378,455
	Outstanding (\$)	\$104,823	\$100,122	\$171,619	\$205,929	\$241,202	\$244,525	\$324,362	\$74,210	\$114,746	\$176,069	\$1,757,607
	Med Inc (\$)	\$1,350,044	\$1,139,347	\$1,371,879	\$1,582,351	\$1,951,661	\$2,167,706	\$1,584,889	\$353,792	\$364,435	\$269,958	\$12,136,062
Indemnity Time Loss	Paid(\$)	\$2,023,093	\$1,349,457	\$1,777,417	\$1,630,148	\$1,948,655	\$2,468,602	\$1,400,466	\$341,666	\$243,383	\$61,126	\$13,244,013
	Outstanding(\$)	\$118,267	\$217,288	\$164,129	\$114,958	\$355,987	\$636,050	\$530,809	\$91,108	\$137,936	\$118,869	\$2,485,401
	Ind Inc (\$)	\$2,141,360	\$1,566,745	\$1,941,546	\$1,745,106	\$2,304,642	\$3,104,652	\$1,931,275	\$432,774	\$381,319	\$179,995	\$15,729,414
Expenses	Paid(\$)	\$177,349	\$90,231	\$98,872	\$92,732	\$77,393	\$133,512	\$69,387	\$44,020	\$22,003	\$15,411	\$820,910
	Outstanding (\$)	\$9,390	\$18,462	\$11,134	\$22,340	\$53,264	\$73,526	\$64,405	\$20,840	\$31,943	\$57,149	\$362,453
	Total Exp (\$)	\$186,739	\$108,693	\$110,006	\$115,072	\$130,657	\$207,038	\$133,792	\$64,860	\$53,946	\$72,560	\$1,183,363
Total Paid(\$)		\$3,445,663	\$2,478,913	\$3,076,549	\$3,099,302	\$3,736,507	\$4,525,295	\$2,730,380	\$665,268	\$515,075	\$170,426	\$24,443,378
Total Outstanding (\$)		\$232,480	\$335,872	\$346,882	\$343,227	\$650,453	\$954,101	\$919,576	\$186,158	\$284,625	\$352,087	\$4,605,461
Total Incurred(\$)		\$3,678,143	\$2,814,785	\$3,423,431	\$3,442,529	\$4,386,960	\$5,479,396	\$3,649,956	\$851,426	\$799,700	\$522,513	\$29,048,839
Total Incurred Per File		\$19,775	\$13,798	\$14,324	\$13,139	\$18,279	\$26,217	\$22,256	\$8,109	\$7,337	\$4,707	\$16,909

**SDTC Workers' Compensation Incurred
Average Cost Per Claim 1996 - 2006**



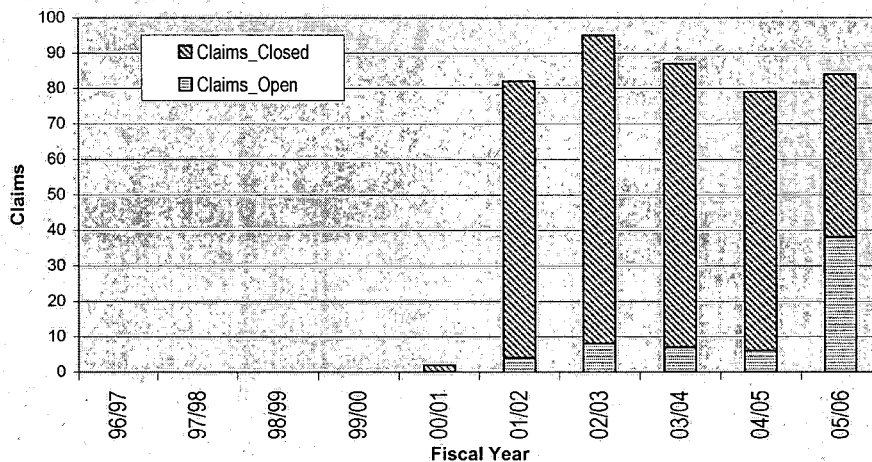
**SDTC Workers' Compensation Total Incurred Annual
Costs 1996 - 2006**



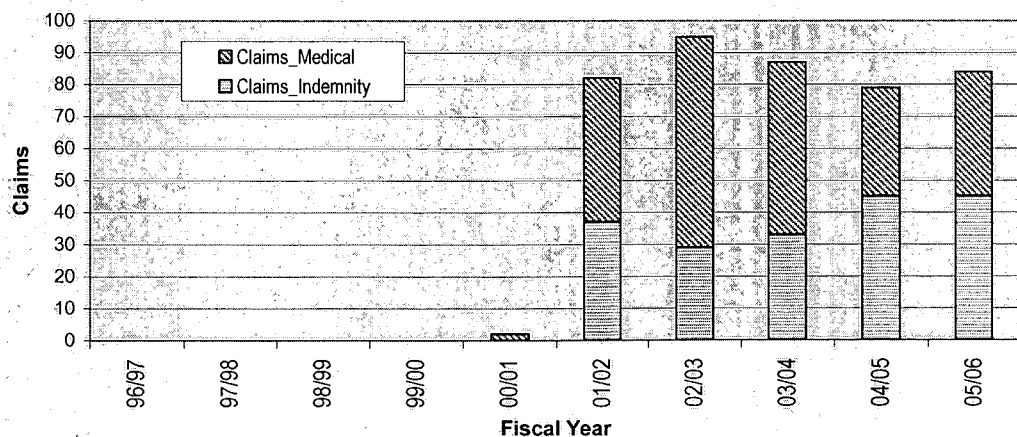
San Diego Trolley Incorporated Workers' Compensation Claims Summary Report
Cumulative Results by Fiscal Year as of Month End, June 2006

YEAR		96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	5YR Totals
Indemnity (Time Loss) Claims		0	0	0	0	0	37	29	33	45	45	189
	Open						4	8	7	6	19	44
	Closed						33	21	26	39	26	145
Medical Only Claims		0	0	0	0	2	45	66	54	34	39	240
	Open					0	0	0	0	0	19	19
	Closed					2	45	66	54	34	20	221
Total Claims	Open	0	0	0	0	0	4	8	7	6	38	63
	Closed	0	0	0	0	2	78	87	80	73	46	366
	Combined	0	0	0	0	2	82	95	87	79	84	429
Percentage Closed						100%	95%	92%	92%	92%	55%	85%

SDTI Workers' Compensation Claims
[Open / Closed] 2001 - 2006



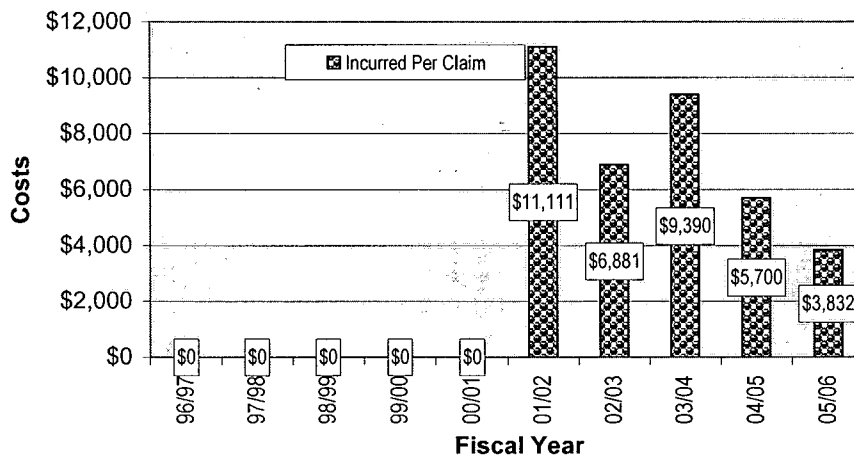
SDTI Workers' Compensation Claims
[Time Loss Indemnity / Medical Only] 2001 - 2006



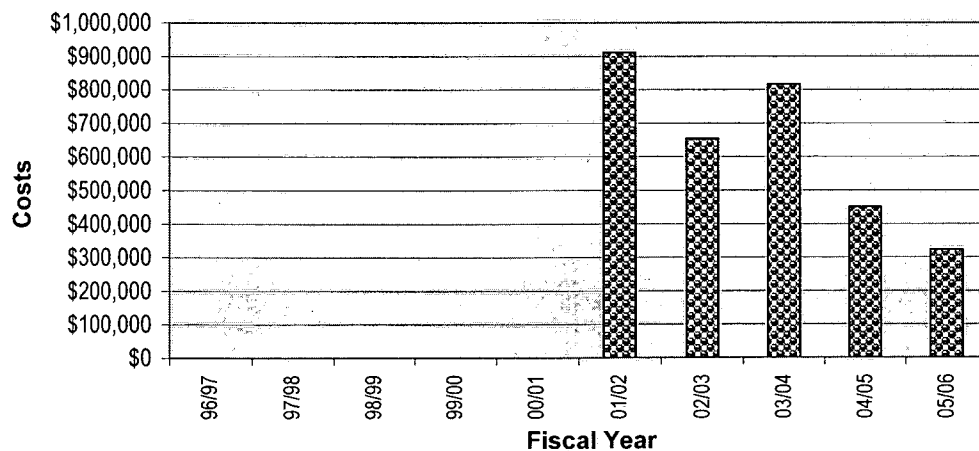
SDTI WORKERS' COMPENSATION COSTS

	YEAR	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	5YR Totals
Medical	Paid(\$)						\$349,346	\$234,286	\$260,770	\$113,002	\$62,399	\$1,019,803
	Outstanding (\$)						\$13,816	\$28,220	\$60,192	\$60,622	\$77,279	\$240,129
	Med Inc (\$)	\$0	\$0	\$0	\$0	\$0	\$363,162	\$262,506	\$320,962	\$173,624	\$139,678	\$1,259,932
Indemnity Time Loss	Paid(\$)						\$507,501	\$362,297	\$337,775	\$194,176	\$114,556	\$1,516,305
	Outstanding(\$)						\$20,803	\$15,190	\$117,325	\$62,106	\$46,433	\$261,857
	Ind Inc (\$)	\$0	\$0	\$0	\$0	\$0	\$528,304	\$377,487	\$455,100	\$256,282	\$160,989	\$1,778,162
Expenses	Paid(\$)						\$12,680	\$6,653	\$30,296	\$12,675	\$7,769	\$70,073
	Outstanding (\$)						\$6,954	\$7,066	\$10,558	\$7,701	\$13,466	\$45,745
	Total Exp.(\$)	\$0	\$0	\$0	\$0	\$0	\$19,634	\$13,719	\$40,854	\$20,376	\$21,235	\$115,818
Total Paid(\$)		\$0	\$0	\$0	\$0	\$0	\$869,527	\$603,236	\$628,841	\$319,853	\$184,724	\$2,606,181
Total Outstanding (\$)		\$0	\$0	\$0	\$0	\$0	\$41,573	\$50,476	\$188,075	\$130,429	\$137,178	\$547,731
Total Incurred(\$)		\$0	\$0	\$0	\$0	\$0	\$911,100	\$653,712	\$816,916	\$450,282	\$321,902	\$3,153,912
Total Incurred Per File						\$0	\$11,111	\$6,881	\$9,390	\$5,700	\$3,832	\$7,352

**SDTI Workers' Compensation Incurred
Average Cost Per Claim 2001 - 2006**

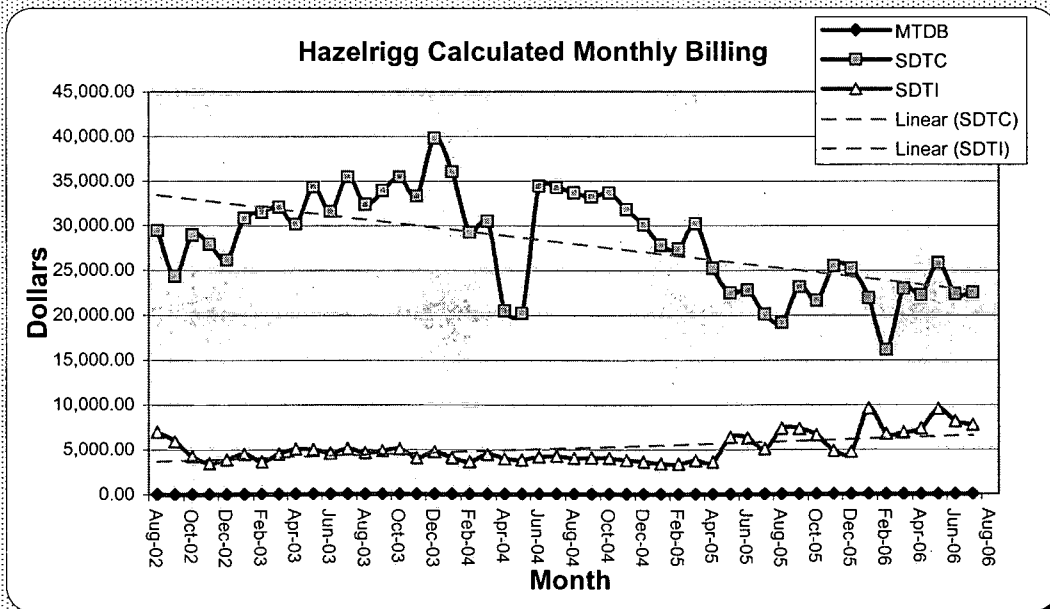


**SDTI Workers' Compensation Total Incurred Annual
Costs 2001 - 2006**



Hazelrigg Risk Management Services Calculated Monthly Billing

	MTDB	SDTC	SDTI	Monthly Total
Jul-03	0.00	\$35,455	\$5,078	\$40,533
Aug-03	0.00	\$32,372	\$4,637	\$37,009
Sep-03	0.00	\$33,913	\$4,857	\$38,771
Oct-03	0.00	\$35,455	\$5,078	\$40,533
Nov-03	0.00	\$33,314	\$4,070	\$37,383
Dec-03	0.00	\$39,781	\$4,763	\$44,544
Jan-04	0.00	\$36,007	\$4,067	\$40,074
Feb-04	0.00	\$29,261	\$3,666	\$32,927
Mar-04	0.00	\$30,489	\$4,473	\$34,962
Apr-04	0.00	\$20,461	\$3,988	\$24,449
May-04	0.00	\$20,166	\$3,816	\$23,981
Jun-04	0.00	\$34,401	\$4,192	\$38,593
Jul-04	0.00	\$34,255	\$4,247	\$38,502
Aug-04	0.00	\$33,657	\$4,042	\$37,699
Sep-04	0.00	\$33,199	\$4,071	\$37,270
Oct-04	0.00	\$33,621	\$4,035	\$37,656
Nov-04	0.00	\$31,778	\$3,841	\$35,619
Dec-04	0.00	\$30,081	\$3,643	\$33,725
Jan-05	0.00	\$27,798	\$3,419	\$31,217
Feb-05	0.00	\$27,397	\$3,393	\$30,790
Mar-05	0.00	\$30,190	\$3,787	\$33,977
Apr-05	0.00	\$25,203	\$3,611	\$28,814
May-05	0.00	\$22,472	\$6,414	\$28,886
Jun-05	0.00	\$22,781	\$6,300	\$29,081
Jul-05	0.00	\$20,095	\$5,065	\$25,160
Aug-05	0.00	\$19,137	\$7,359	\$26,495
Sep-05	0.00	\$23,157	\$7,320	\$30,478
Oct-05	0.00	\$21,604	\$6,630	\$28,234
Nov-05	0.00	\$25,478	\$4,860	\$30,337
Dec-05	0.00	\$25,222	\$4,744	\$29,966
Jan-06	0.00	\$21,899	\$9,592	\$31,491
Feb-06	0.00	\$16,122	\$6,754	\$22,877
Mar-06	0.00	\$22,967	\$6,901	\$29,868
Apr-06	0.00	\$22,234	\$7,385	\$29,619
May-06	0.00	\$25,827	\$9,553	\$35,380
Jun-06	0.00	\$22,361	\$8,150	\$30,511
Jul-06	0.00	\$22,542	\$7,770	\$30,312
Total Sum	0.00	\$1,349,373	\$247,415	\$1,596,788
Monthly Average	0.00	\$28,112	\$5,154	\$33,266





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.

FIN 300 (PC 50601)

October 19, 2006

SUBJECT:

MTS: INVESTMENT REPORT

RECOMMENDATION:

That the Board of Directors receive a report for information.

DISCUSSION:

The MTS Investment Report as of August 31, 2006, is broken down into two categories: (1) investments restricted either for capital support or for debt service; and (2) the unrestricted portion.

As the schedule shows, the overwhelming bulk of investments are restricted primarily for debt service. These are set to serve the payments on 1989/1990 and 1995 lease and leaseback transactions.

The unrestricted assets provide the working capital for MTS operations allowing for payments to employees for payroll and vendors for goods and services.

A handwritten signature in black ink, appearing to read 'Paul C. Jablonski', is written over a horizontal line.

Paul C. Jablonski
Chief Executive Officer

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

OCT19-06.8.INVESTMT RPT.TLYNCH

Attachment: A. Investment Report



**San Diego Metropolitan Transit System
Investment Report
August 31, 2006**

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Avg. Rate of Return</u>
<u>Cash and Cash Equivalents</u>			
Metropolitan Transit System	\$ -	\$ 5,639,260	N/A
San Diego Transit Corporation	-	2,182,347	N/A
San Diego Trolley, Inc.	-	2,045,267	N/A
	<hr/>	<hr/>	
Total Cash and Cash Equivalents	-	9,866,874	
	<hr/>	<hr/>	
<u>Investments - Working Capital</u>			
Metropolitan Transit System	-	920,542	4.67%
San Diego Transit Corporation	-	65,493	4.53%
San Diego Trolley, Inc.	-	-	N/A
	<hr/>	<hr/>	
Total Investments - Working Capital	-	986,035	
	<hr/>	<hr/>	
<u>Cash - Restricted for Capital Support</u>			
Metropolitan Transit System	6,274,665	-	N/A
	<hr/>	<hr/>	
Total Cash - Restricted for Capital Support	6,274,665	-	
	<hr/>	<hr/>	
<u>Investments - Restricted for Debt Service</u>			
Metropolitan Transit System	144,609,738	-	4.62%
	<hr/>	<hr/>	
Total Investments - Restricted for Debt Service	144,609,738	-	
	<hr/>	<hr/>	
Total Cash and Investments	\$ 150,884,403	\$ 10,852,909	
	<hr/>	<hr/>	

Controller: _____

Date: _____



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Agenda

Item No. 9

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

LEG 491 (PC 50633)

October 19, 2006

SUBJECT:

MTS: INCREASED AUTHORIZATION FOR LEGAL SERVICES

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to enter into a contract amendment (MTS Doc. No. G0960.3-05) with Robert Howard of the law firm Latham & Watkins, LLP for legal services (in substantially the same form as Attachment A) and ratify prior amendments entered into under the CEO's and/or previous General Manager's authority(ies).

Budget Impact

Unknown at this time. Not to exceed \$35,000 for Robert Howard. Recommended amounts are contained within the FY 2007 budget.

DISCUSSION:

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

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



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

Robert Howard is currently under contract with the Agencies for \$100,000. Mr. Howard has successfully represented MTS in a number of environmentally related cases and issues.

The CEO has approved prior amendments for this contract at the \$100,000 authority level. Board ratification of the prior contracts/amendments is also requested.



Paul C. Jablonski
Chief Executive Officer

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

OCT19-06.9.LEGAL SVCS.JDOW

Attachment: A. Draft MTS Doc. No. G0960.3-05



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Att. A, AI 9, 10/19/06, LEG 491

DRAFT

October 19, 2006

MTS Doc. No. G0960.3-05
LEG 491 (PC 50633)

Mr. Robert Howard
Latham & Watkins, LLP
600 West Broadway, Suite 1800
San Diego, CA 92101-3375

Dear Mr. Howard:

Subject: AMENDMENT NO. 3 TO MTS DOC. NO. G0960.0-05: LEGAL SERVICES –
ENVIRONMENTAL LIABILITY

This letter will serve as Amendment No. 3 to MTS Doc. No. G0960.0-05. This contract amendment authorizes additional costs not to exceed \$35,000 for professional services. The total value of this contract, including this amendment, is \$135,000. Additional authorization is contingent upon MTS approval.

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

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

Robert Howard
Latham & Watkins, LLP

OCT19-06.9.ATTA.G0960.3-05.HOWARD.JDOW

Date: _____

A-1

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Agenda

Item No. 10

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

LEG 492 (PC 50121)

October 19, 2006

SUBJECT:

MTS: SDTI REVENUE PROCESS AUDIT REPORT

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

During September 2006, the MTS Internal Auditor performed a review of SDTI's revenue-collection procedures. The objective of the review was to assess the adequacy of internal controls over the revenue collection process. Overall, revenue collection and reconciliation procedures are well planned and carried out in a secure manner. However, to further improve the processes, six recommendations were made for management's consideration. These recommendations have been accepted, and corrective action is underway to implement the recommendations.

A handwritten signature in black ink, appearing to read 'Paul C. Jablonski', is written over a horizontal line.

Paul C. Jablonski
Chief Executive Officer

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

OCT19-06.10.SDTIREVENUEAUDIT.MABBEY

Attachment: A. SDTI Revenue Collection Audit Report **(Board Only)**



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



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Agenda

Item No. 11

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

FIN 310 (PC 50601)

October 19, 2006

SUBJECT:

MTS: FY 2007 CAPITAL IMPROVEMENT PROGRAM AMENDMENT

RECOMMENDATION:

That the Board of Directors approve a shift in the available projects that funded the FY 07 Capital Improvement Program (CIP) totaling \$201,374 (as detailed within Attachment A).

Budget Impact

None.

DISCUSSION:

The MTS Board-approved fiscal year 2007 Capital Improvement Program was partially funded by older, closed projects that had projected funding available. After the FY 07 CIP was approved, staff proceeded to procedurally close these projects and began the transfer process to the FY 07 program. As projects with available funds were closed out, the actual funding levels differed from the amounts anticipated. Staff has identified other projects with available funds to satisfy the funding shortfall.

Attachment A includes a list of Board-approved projects that partially funded the FY 07 CIP and the final listing of projects that have funding available for the FY 07 program. There would be no combined budget impact to this agenda item; project funding would shift to assist in funding the FY 07 CIP.

Paul C. Jablonski
Chief Executive Officer

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

OCT19-06.11.FY07CIPAMDMT.LMARINESI

Attachment: A. Funding of CIP with Project Transfers



**San Diego Metropolitan Transit System
Fiscal Year 2007 Capital Improvement Program
Funding of CIP with Project Transfers
In (000s)**

	FY07 Projected Funding Availability	FY07 Actual Funding Availability	FY07 Actual Funding Differences
Projects That Require No Amendment			
Project 10842 - Fenton Parkway Station	32.2	32.2	-
Project 10974 - Replace Switches - State / Columbia	43.7	43.7	-
Project 10986 - SDTC Engine Retrofits	141.7	141.7	-
Project 10987 - 50 Rebuild Transmissions	27.1	27.1	-
Project 11028 - LRV HVAC Modification Phase II	112.2	112.2	-
Project 11087 - SD100 Digital Voice System Replacement	583.5	583.5	-
Subtotal			-
Projects That Had Less Available Than Previously Approved			
Project 10443 - IAD CNG Facility Improvements	14.7	8.4	(6.4)
Project 10452 - Curve Straightening	21.8	-	(21.8)
Project 10579 - IAD/KMD Clean Up Study	31.8	-	(31.8)
Project 10696 - LRT Station Surv. Systems	284.4	254.7	(29.7)
Project 10739 - KMD Oil Tank Installation	54.9	-	(54.9)
Project 10834 - Broadway Wye Signal Mods	11.2	10.8	(0.4)
Project 10843 - Fenton Parkway Grade Crossing	31.3	31.3	(0.0)
Project 10862 - Computer Upgrades (Risk)	89.3	74.8	(14.5)
Project 10888 - Grade Crossing Improvements	31.6	34.2	2.6
Project 10893 - Sweetwater Flats Switch Replacement	20.0	-	(20.0)
Project 10907 - Bus Surveillance Cameras	11.0	11.0	(0.0)
Project 10948 - LRT Station Svc Panel Upgrade	6.8	-	(6.8)
Project 10951 - Rail Replacement - 12th and Imperial	9.1	7.5	(1.7)
Project 10975 - F Street Diamond Replacement	11.0	-	(11.0)
Project 10993 - IAD Expansion Land Purchase	0.4	-	(0.4)
Project 11022 - IAD Building Shakeup Room	144.6	139.9	(4.7)
Subtotal			(201.4)
Projects with Available Funding			
Project 11402 - Kearny Mesa Transit Center	100.0	101.2	1.2
Project 10745 - SBMF Building Repairs	-	15.4	15.4
Project 10833 - SDTI Revenue Facility Addition	-	9.9	9.9
Project 10879 - Blue Line Switch Machine	-	11.6	11.6
Project 10886 - SDTI Pit Light Replacement	-	2.2	2.2
Project 10941 - MTDB Vehicles	-	2.4	2.4
Project 11040 - SDTC Transmission Overhauls	-	9.7	9.7
Project 11082 - IAD Steam Cleaner	-	18.0	18.0
Project 11126 - LRV Tires	-	3.1	3.1
Project 11130 - SDTC Supervisor Vehicles	-	3.1	3.1
Project 11131 - MTS 9th Floor Copy Machine	-	2.8	2.8
Project 10958 - KMD Underground Tanks	-	122.0	122.0
Subtotal			201.4
Grand Total	1,814.3	1,814.3	(0.0)



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Agenda

Item No. 30

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

AG 210.3 (PC 50111)

October 19, 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;



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- 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

OCT19-06.30.QUIETZONES.PTERESCHUCK

Attachment: A. FRA Horn Rule Summary



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FEDERAL RAILROAD ADMINISTRATION (FRA) HORN RULE SUMMARY

QUIET ZONES

1. Background

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

2. Implementation and Issues

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

3. Quiet Zone Provisions/Requirements

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



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

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

4. Analysis Criteria (Both Diagnostic and Prediction Formulas)

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

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

5. Implementation of Quiet Zone

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

OCT19-06.30.AttA.QUIETZONES.PTERESCHUCK

Federal Railroad Administration Horn Rule – Quiet Zones

**Presentation
to
Board of Directors
October 19, 2006**



Background of Horn Rule

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



Provisions of Horn Rule

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



Issues of Concern

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



Implementation of Quiet Zones

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



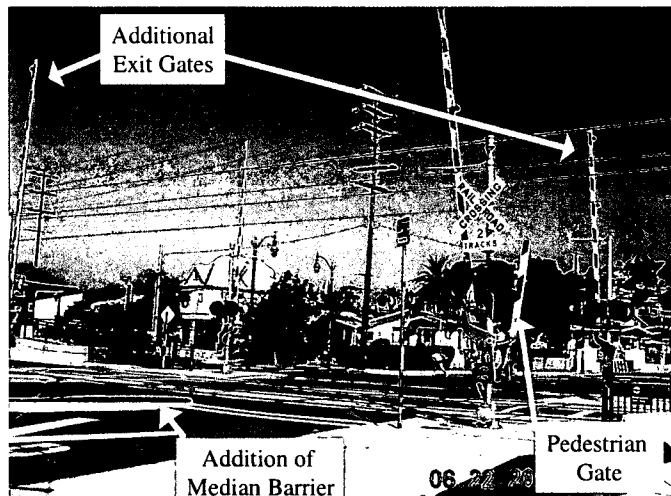
Quiet Zone Provisions

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



Supplemental Safety Measures

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



Los Angeles Gold Line Quad Gates





Los Angeles Gold Line Quad Gates



Addition of Detector Loops



Four Quadrant Gates for QZ

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



Alternative Safety Measures

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



MTS Considerations / Concerns

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



Downtown Quiet Zone Locations

LRT Impacted
In Red

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



Recommendations

- Direct staff to continue to work with CCDC, City of SD, NCTD, and negotiate an O & M agreement for QZ implementation,
- Require essential indemnification protection to cover all MTS entities and Board,
- Recommend that LRT operational components, i.e. gate hold-off feature and deactivation of crossing bells be retained in status quo condition,
- Require that detector loops be maintained by others (City),
- Require requesting / funding agency to provide capital outlay for all equipment, spare parts, risk analysis, engineering for QZ implementation with zero cost impact to MTS





Metropolitan Transit System

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Agenda

Item No. 45

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

OPS 960.2

October 19, 2006

SUBJECT:

SDTI: FY 06 YEAR-END RAIL OPERATIONS REPORT

RECOMMENDATION:

That the Board of Directors receive this report for information.

Budget Impact

None.

DISCUSSION:

This report provides information pertaining to the status of San Diego Trolley, Inc.'s (SDTI's) rail operations and maintenance for year-end FY 06. An overview of statistical information will be presented followed by a brief discussion of accomplishments during the fiscal year.

Transportation Department

Ridership. The annual ridership for FY 06 was fixed at 33,829,833, representing an increase of 13% over the previous fiscal year (33,829,833 vs. 29,334,362). This number is attributed to the July opening of MTS's new Green Line service; the ever-increasing public use of trolley service for work, travel, and special events; and escalating gas prices.

Accidents Per 100,000 Train Miles. SDTI has once again achieved one of the lowest accident rates among light rail agencies in the country in addition to reducing the number



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of accidents experienced in FY 06. During FY 06 (commencing on July 1, 2005), there were 3,267,617 train miles operated. The total number of accidents during the fiscal year was 24, representing 0.7 accidents per 100,000 miles operated. When the total FY 06 accidents per 100,000 miles is compared with FY 05 (0.7 vs. 0.8), an increase in safe train miles operated is realized. It is important to note that, of the 24 accidents reported, 2 were considered preventable.

Operating Rule Infractions. SDTI experienced 95 operating rule infractions while operating 3,267,617 train miles in FY 06. This figure not only represents a 29% reduction in infractions from FY 05 (134 vs. 95), it was accomplished in a year that also experienced a 20% increase (552,721) in train miles operated. Staff remains diligent in their efforts to continue this trend, including the use of refined training modules, enhanced student evaluations, and ongoing supervisory interaction and oversight.

Schedule Adherence/On-Time Performance. SDTI scheduled 170,285 regular train trips in FY 06. Of the number scheduled, 170,200 were operated for a schedule adherence of 99.95 percent. Of those trips operated, 97.1 percent were on time (within five minutes of schedule). Staff continually monitors system operations, trip times, and ridership patterns so as to implement timely responses to events that may occur in a rail environment where even minor delays can impact the trip times of multiple trains and delay numerous passengers. Monitoring ridership patterns and making appropriate adjustments to train-consist size (the number of LRVs) is important and required to balance passenger comfort against the economies of service provided.

Lift Service. Total wheelchair ridership during FY 06 reached 78,664 (215 per day), representing a modest 3% increase over FY 05 (78,664 vs. 76,556). The new low-floor S70 LRV was introduced to the fleet in July allowing four disabled riders per LRV as opposed to the two-rider maximum per train on the U2 LRVs and three-rider maximum per train on the SD-100 LRVs.

Special Events Service. During FY 06, SDTI provided service to 134 special events, including: 84 Padres games, 10 Chargers games, the Holiday Bowl, Street Scene, Comic Con, and Oktoberfest, to name a few of the larger events. Total attendance at these 134 events was reported to be 4,007,822 with 706,414 (17.6%) using the trolley for transportation. There were over 4,916 train trips operated to support special events service to these events, and revenue from manual ticket sales was down 13% as compared to FY 05 (\$1,171,710 vs. \$1,344,537).

LRV Maintenance Department

Car Miles Between Service Failures. The LRV Maintenance Department has instituted numerous fleet tasks (component inspections/repair) throughout the year in an effort to ensure maximum efficiency and reliability with the LRV fleet. The fleet incorporates three series of Siemens vehicles beginning with 71 U2 LRVs (21 to 26 years old), 53 SD-100 LRVs (11 years old), and 11 S70 LRVs introduced in July to support the new Green Line service. Differing maintenance training and service programs for each series of vehicle requires that personnel maintain a high degree of technical knowledge in a variety of areas associated with the maintenance of electrical and mechanical components of each vehicle.

The department remains focused on preventative maintenance programs to address the most common component defects, enhance maintenance procedures, and reduce equipment failures and service delays. By achieving 59,025 vehicle miles between service failures, the LRV Maintenance Department exceeded the FY 06 goal of 46,556 vehicle miles between service failures.

LRV Body Restoration and Painting Program. An aggressive body restoration and painting program continued in FY 06 to address the exterior appearance of the U2 LRV fleet. In FY 06, a total of 14 U2 LRVs received extensive body restoration and finish paint bringing the total number restored to 58. In the U2 fleet, 13 vehicles remain to be completed. The current contract is scheduled to be renewed next year; after the renewal, a similar restoration program will be initiated on the SD-100 LRV fleet. It is anticipated that the body restoration program for the U2 cars will be completed in FY 08.

Wayside Maintenance Department

Maintenance programs and inspection activities specific to the track structure, safety, ride quality, signaling, grade-crossing safety and general system maintenance continued throughout the year. These programs are initiated annually to ensure a safe operating environment is consistently maintained. The department continued to improve on its preventive maintenance programs by successfully completing the FY 06 goal of revising training modules associated with signaling, traction power, and station electrical. An enhanced substation and catenary inspection program has significantly reduced the frequency of system failures involving these critical wayside components. The FY 06 goal to replace crossties and track tamping was exceeded with a total of 1,102 crossties changed and 5.15 miles of track surfaced and aligned on the Blue Line.

Transit System Security/Code Compliance

Canine Unit. As one of the top ten light rail systems in the United States, MTS was invited by the Transportation Security Administration (TSA) to participate in the National Explosives Detection Canine Team Program. Highly trained explosive-detection dogs were provided to MTS for use in the program, and all expenses for the teams were paid by the TSA. The teams will be fully authorized to respond to bomb threats and suspicious packages throughout the MTS system beginning in September 2006.

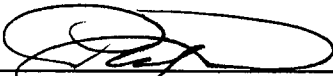
Grants. MTS was awarded a grant in spring 2006 by the Department of Homeland Security under the 2005 Transit Security Grant Program. The award considers regional collaboration with the North County Transit District (NCTD), and funds will be spent on projects that support regional goals of protection against terrorism. An additional grant was provided for installation of closed-circuit television (CCTV) at the San Ysidro Transit Center.

The Green Line Turns One Year

The Green Line turned one year on July 10, 2006. Service was established on the new line segment between the Old Town Transit Center and Santee Town Center Station with 15-minute weekday headways and 30-minute late-evening and weekend-morning headways. During the initial year of service, 47,930 regular train trips were operated. Additionally, 1,307 special events trips contributed to a total of 50,978 revenue train trips operated. In its first year, the Green Line carried 7,429,050 passengers and generated revenue of approximately \$3,500,000 from ticket vending machines and special events booths and \$14,000,000 from monthly pass sales. In September 2006, a service adjustment will be made to provide an enhanced late-night service to the SDSU Transit Center Station.

Operations Control Center (OCC)

The new OCC was activated on March 14, 2006. The center has approximately 1,700 square feet of working space, housing train controllers, security dispatchers, and CCTV monitors as well as a customer service information representative and the OCC supervisor. The OCC is staffed 24/7 providing system operations oversight and security monitoring and response. The center also maintains a fully supportive UPS and redundant HVAC system.



Paul G. Jablonski
Chief Executive Officer

Key Staff Contact: Wayne Terry 619.595.4906, wayne.terry@sdmts.com

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San Diego Trolley

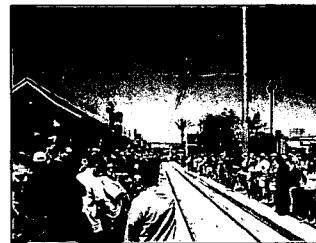
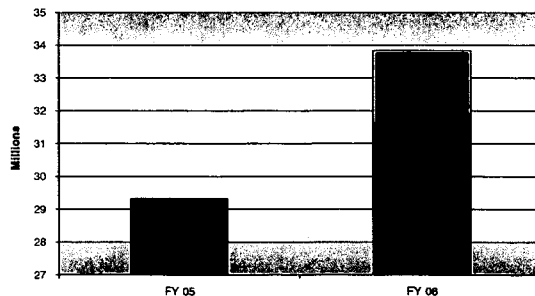
FY 06 Year End Report

Board of Directors Meeting
October 19, 2006



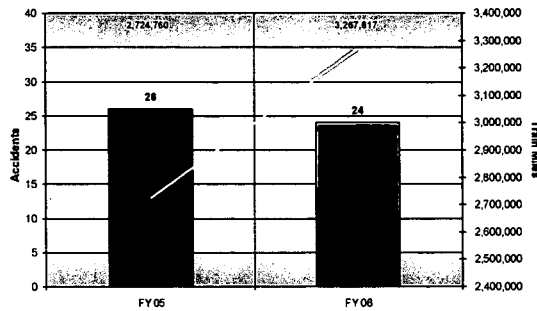
Ridership

- Annual Ridership in FY 06: 33,829,833
- Increase of 13% from FY 05



Accidents

- Continuing positive trend
- Accidents in FY 06: 24 (two fewer than FY 05)
- Train Miles in FY 06: 3,267,617
- Accidents per 100K miles: 0.7 accidents



Schedule Adherence

- Train Trips scheduled in FY 06: 170,285
- Train Trips operated in FY 06: 170,200
- Schedule Adherence: 99.95%
- Percentage operated on-time: 97.1%



Wheelchair Boarding

- Wheelchair Ridership in FY 06: 78,664
- Increase of 3% from FY 05
- New low-floor LRVs carry four disabled riders per LRV, as opposed to 2-3 per train in older LRVs



SD-100 LRV



S70 LRV



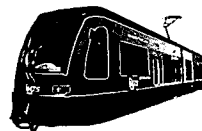
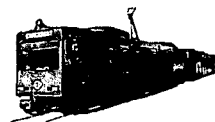
Special Events

- Special Events serviced: 134
- Special Event Train trips: 4,916
- Additional ridership: 706,414
- Additional revenue: \$1,171,710



Car Miles Between Service Failures

- Three Series of Siemens Light Rail Vehicles
- Different training and service required for each LRV type requiring a high degree of technical knowledge
- FY 06 car miles between assists or service failures was recorded at 59,025 to a goal of 46,556



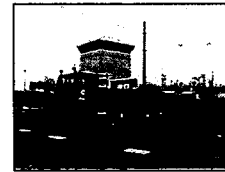
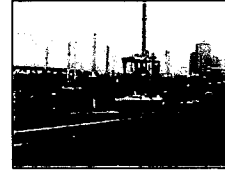
LRV Body Restoration and Painting Program

- FY 06: 14 U2 LRVs Restored
- Total U2 LRVs Restored: 58 of 71
- Project Ongoing



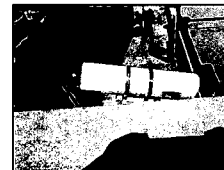
Wayside Maintenance Department

- Shown: ballast regulator, low-railer and track tamper and track liner
- FY06 – 1,100 crossties replaced and over 5-miles of rail tamped and aligned
- FY07 will focus on Blue Line ride quality



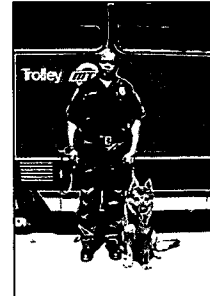
Security / Code Compliance

- MTS/NCTD awarded grant in 2006 from the Department of Homeland Security for projects to support regional protection against terrorism
- Additional grant awarded to provide funding for CCTV installation at the San Ysidro Transit Center
- Projects ongoing to expand station CCTV to 13 additional locations



K-9 Unit

- Transportation Security Administration (TSA) National Explosives Detection K-9 Team Program
- Highly-trained explosive detection dogs and all program expenses paid by TSA
- Patrols will begin in September 2006



Green Line

- Completed first year of operation on July 10, 2006
- Green Line ridership: 23,774 average daily
- Regular train trips operated: 47,930
- Special event train trips operated: 1,307
- Benefits of east & west access to Qualcomm Stadium (compared to 2004)
 - Chargers ridership: + 40.5%
 - SDSU Aztec ridership: + 127%
- Over 3,400 semester passes sold
- Average 6,000 daily trips recorded at SDSU, ending June 2006. Current experience exceeds 8,000 trips.



Operations Control Center (OCC)

- Activated March 14, 2006
- 1,700 square feet of combined space
- Train Controllers, Security Dispatchers & CCTV monitoring, Customer Service Information Representative and OCC Supervisor
- 24/7 operation
- Fully-supportive UPS and redundant HVAC system





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San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

Agenda

Item No. 46

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

FIN 310 (PC 50601)

October 19, 2006

SUBJECT:

MTS: YEAR-TO-DATE OPERATIONS BUDGET STATUS REPORT THROUGH
AUGUST 2006

RECOMMENDATION:

That the Board of Directors receive the MTS Year-to-Date Operations Budget Status
Report through August 2006.

Budget Impact

None.

DISCUSSION:

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

MTS NET-OPERATING SUBSIDY RESULTS

As indicated within Attachment A-1, the August 2006 MTS net-operating subsidy favorable variance totaled \$721,000 (3.0%). Operations produced a \$784,000 (4.0%)



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of Santee, and the County of San Diego.

favorable variance, and the administrative area contributed a \$63,000 (-1.5%) unfavorable variance.

MTS COMBINED RESULTS

Operating Revenues

Year-to-date combined operating revenues through August 2006 were \$13,174,000 compared to the year-to-date budget of \$13,049,000, representing a \$125,000 (1.0%) favorable variance. From a year-to-date perspective, internal bus operations and fixed-route contract services produced positive variances of \$126,000 (3.2%) and \$105,000 (4.1%), respectively. Compared to the budget, rail operations had a year-to-date unfavorable variance of \$226,000 (-4.2%). All other year-to-date bus-related operations, administration, and other activities were \$120,000 over budget.

Expenses

Year-to-date combined expenses through August 2006 were \$39,290,000 compared to the year-to-date budget of \$39,886,000, resulting in a \$596,000 (1.5%) favorable variance.

Personnel Costs. Year-to-date personnel-related costs totaled \$15,402,000 compared to a year-to-date budgetary figure of \$15,735,000, producing a favorable variance of \$333,000 (2.1%). This was mainly due to savings in shop wages within internal bus operations (\$111,000) and rail operations (\$93,000).

Outside Services and Purchased Transportation. Total outside services for the first two months of the fiscal year totaled \$10,824,000 compared to a budget of \$10,946,000, resulting in a year-to-date favorable variance of \$122,000 (1.1%). This favorable variance was mainly attributable to repair/maintenance and other outside services under budget by \$164,000 and \$138,000, respectively, and were offset mainly by an unfavorable variance within purchased transportation of \$-115,000.

Materials and Supplies. Total year-to-date materials and supplies expenses totaled \$1,225,000 compared to a budgetary figure of \$1,230,000, resulting in a favorable expense variance of \$5,000 (0.4%).


Energy – Year-to-Date August 2006. Total year-to-date energy costs were \$4,436,000 compared to the budget of \$4,476,000, resulting in a year-to-date favorable variance of \$40,000 (0.9%). On a year-to-date basis, traction power within rail operations had a \$205,000 (-19.1%) unfavorable variance. Year-to-date diesel prices averaged \$2.572 per gallon compared to the budgetary rate of \$2.500 per gallon. Year-to-date compressed natural gas (CNG) prices averaged \$1.067 per therm compared to the midyear-adjusted budgetary rate of \$1.500 per therm.

Risk Management. Year-to-date expenses for risk management were \$57,000 (6.4%) under budget totaling \$828,000 compared to the year-to-date budgetary figure of \$885,000.

General and Administrative. Year-to-date general and administrative costs, including vehicle and facilities leases, were \$62,000 (7.0%) under budget totaling \$820,000 through August 2006 compared to a year-to-date budget of \$882,000.

YEAR-TO-DATE SUMMARY

The August 2006 year-to-date net-operating subsidy totaled a favorable variance of \$721,000 (3.0%) and was produced by many factors. Favorable variances in operating revenue, wages and fringe-related expenses, services, energy, risk management, and general expenses were offset by purchased transportation.



Paul C. Jablonski
Chief Executive Officer

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

OCT19-06.46.OPS BUDGET AUG06.LMARINESI

Attachment: A. Comparison to Budget

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

Att. A, AI 48,
10/19/06, FIN 310

MTS CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2007

AUGUST 31, 2006

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 12,456	\$ 12,423	\$ 33	0.3%
Other Revenue	718	626	92	14.7%
Total Operating Revenue	\$ 13,174	\$ 13,049	\$ 125	1.0%
Subsidy	\$ 24,645	\$ 24,444	\$ 201	0.8%
Other Non Operating Income	2,824	2,824	-	0.0%
Total Non Operating Revenue	\$ 27,469	\$ 27,268	\$ 201	0.7%
Total Revenue	\$ 40,643	\$ 40,318	\$ 326	0.8%
Wages	\$ 9,915	\$ 10,218	\$ 303	3.0%
Fringes	5,487	5,517	30	0.5%
Services	2,276	2,514	237	9.4%
Purchased Transportation	8,548	8,433	(115)	-1.4%
Materials	1,225	1,230	5	0.4%
Energy	4,436	4,476	40	0.9%
Risk Management	828	885	57	6.4%
General and Administrative	784	830	46	5.5%
Debt Service	5,755	5,733	(22)	-0.4%
Vehicle/Facility Lease	36	52	16	30.8%
Total Costs	\$ 39,290	\$ 39,886	\$ 596	1.5%
Overhead Allocation	-	-	-	-
Total Revenue Less Total Costs	\$ 1,353	\$ 431	\$ 922	213.9%
Net Operating Subsidy	\$ (23,292)	\$ (24,013)	\$ 721	3.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONSOLIDATED OPERATIONS

COMPARISON TO BUDGET - FISCAL YEAR 2007

AUGUST 31, 2006

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 12,456	\$ 12,423	\$ 33	0.3%
Other Revenue	322	223	100	44.8%
Total Operating Revenue	\$ 12,778	\$ 12,646	\$ 132	1.0%
Subsidy	\$ 22,781	\$ 22,681	\$ 100	0.4%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 22,781	\$ 22,681	\$ 100	0.4%
Total Revenue	\$ 35,559	\$ 35,327	\$ 232	0.7%
Wages	\$ 8,800	\$ 9,131	\$ 331	3.6%
Fringes	5,347	5,399	53	1.0%
Services	2,001	2,227	226	10.1%
Purchased Transportation	8,548	8,433	(115)	-1.4%
Materials	1,225	1,228	3	0.2%
Energy	4,391	4,436	45	1.0%
Risk Management	735	794	60	7.5%
General and Administrative	37	93	56	59.9%
Debt Service	611	588	(22)	-3.8%
Vehicle/Facility Lease	36	52	16	30.8%
Total Costs	\$ 31,730	\$ 32,382	\$ 652	2.0%
Overhead Allocation	-	-	-	-
Total Revenue Less Total Costs	\$ 3,829	\$ 2,945	\$ 884	-
Net Operating Subsidy	\$ (18,952)	\$ (19,736)	\$ 784	4.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

INTERNAL BUS OPERATIONS (SAN DIEGO TRANSIT CORPORATION)

COMPARISON TO BUDGET - FISCAL YEAR 2007

AUGUST 31, 2006

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 3,838	\$ 3,770	\$ 68	1.8%
Other Revenue	232	175	58	33.1%
Total Operating Revenue	\$ 4,071	\$ 3,945	\$ 126	3.2%
Subsidy	\$ 6,940	\$ 6,940	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 6,940	\$ 6,940	\$ -	0.0%
Total Revenue	\$ 11,010	\$ 10,884	\$ 126	1.2%
Wages	\$ 4,990	\$ 5,151	\$ 161	3.1%
Fringes	3,842	3,783	(59)	-1.6%
Services	179	326	147	45.2%
Purchased Transportation	-	-	-	-
Materials	781	735	(47)	-6.4%
Energy	1,270	1,335	65	4.9%
Risk Management	287	319	32	10.2%
General and Administrative	9	24	16	64.3%
Debt Service	611	588	(22)	-3.8%
Vehicle/Facility Lease	0	13	13	98.2%
Total Costs	\$ 11,968	\$ 12,274	\$ 307	2.5%
Overhead Allocation	-	-	-	-
Total Revenue Less Total Costs	\$ (958)	\$ (1,390)	\$ 433	-
Net Operating Subsidy	\$ (7,897)	\$ (8,330)	\$ 433	5.2%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RAIL OPERATIONS (SAN DIEGO TROLLEY, INC.)

COMPARISON TO BUDGET - FISCAL YEAR 2007

AUGUST 31, 2006

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 5,004	\$ 5,272	\$ (268)	-5.1%
Other Revenue	90	48	42	87.6%
Total Operating Revenue	\$ 5,094	\$ 5,320	\$ (226)	-4.2%
Subsidy	\$ 3,689	\$ 3,689	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 3,689	\$ 3,689	\$ -	0.0%
Total Revenue	\$ 8,783	\$ 9,009	\$ (226)	-2.5%
Wages	\$ 3,414	\$ 3,583	\$ 169	4.7%
Fringes	1,254	1,378	125	9.0%
Services	1,264	1,405	141	10.0%
Purchased Transportation	-	-	-	-
Materials	428	466	38	8.1%
Energy	1,736	1,481	(255)	-17.2%
Risk Management	375	404	29	7.1%
General and Administrative	23	33	10	29.3%
Debt Service	-	-	-	-
Vehicle/Facility Lease	14	15	2	10.9%
Total Costs	\$ 8,508	\$ 8,766	\$ 257	2.9%
Overhead Allocation	-	-	-	-
Total Revenue Less Total Costs	\$ 274	\$ 243	\$ 32	-
Net Operating Subsidy	\$ (3,415)	\$ (3,446)	\$ 32	0.9%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONTRACT SERVICES FIXED ROUTE

COMPARISON TO BUDGET - FISCAL YEAR 2007

AUGUST 31, 2006

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 2,698	\$ 2,593	\$ 105	4.1%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 2,698	\$ 2,593	\$ 105	4.1%
Subsidy	\$ 7,828	\$ 7,828	\$ (0)	0.0%
Other Non Operating Income	-	0	-	-
Total Non Operating Revenue	\$ 7,828	\$ 7,828	\$ (0)	0.0%
Total Revenue	\$ 10,526	\$ 10,421	\$ 105	1.0%
Wages	\$ 66	\$ 69	\$ 2	3.5%
Fringes	-	-	-	-
Services	291	186	(105)	-56.7%
Purchased Transportation	6,117	5,912	(205)	-3.5%
Materials	-	-	-	-
Energy	936	1,149	213	18.5%
Risk Management	-	-	-	-
General and Administrative	0	2	2	95.2%
Debt Service	-	-	-	-
Vehicle/Facility Lease	20	20	(0)	-0.1%
Total Costs	\$ 7,430	\$ 7,337	\$ (93)	-1.3%
Overhead Allocation	-	-	-	-
Total Revenue Less Total Costs	\$ 3,096	\$ 3,084	\$ 12	0.4%
Net Operating Subsidy	\$ (4,733)	\$ (4,744)	\$ 12	0.2%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CONTRACT SERVICES

PARA TRANSIT

COMPARISON TO BUDGET - FISCAL YEAR 2007

AUGUST 31, 2006

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 273	\$ 178	\$ 95	53.5%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 273	\$ 178	\$ 95	53.5%
Subsidy	\$ 2,212	\$ 2,112	\$ 100	4.7%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 2,212	\$ 2,112	\$ 100	4.7%
Total Revenue	\$ 2,485	\$ 2,290	\$ 195	8.5%
Wages	\$ 34	\$ 41	\$ 7	17.6%
Fringes	-	-	-	-
Services	30	44	14	31.2%
Purchased Transportation	1,558	1,652	94	5.7%
Materials	-	-	-	-
Energy	234	221	(13)	-6.0%
Risk Management	-	-	-	-
General and Administrative	-	1	1	-
Debt Service	-	-	-	-
Vehicle/Facility Lease	2	4	2	42.9%
Total Costs	\$ 1,858	\$ 1,961	\$ 104	5.3%
Overhead Allocation	-	-	-	-
Total Revenue Less Total Costs	\$ 627	\$ 328	\$ 299	-
Net Operating Subsidy	\$ (1,585)	\$ (1,784)	\$ 199	11.1%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
CHULA VISTA TRANSIT - CONSOLIDATED
COMPARISON TO BUDGET - FISCAL YEAR 2007
AUGUST 31, 2006
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 420	\$ 395	\$ 26	6.5%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 420	\$ 395	\$ 26	6.5%
Subsidy	\$ 1,200	\$ 1,200	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 1,200	\$ 1,200	\$ -	0.0%
Total Revenue	\$ 1,620	\$ 1,595	\$ 26	1.6%
Wages	\$ 85	\$ 87	\$ 2	2.4%
Fringes	-	-	-	-
Services	878	870	(7)	-0.8%
Purchased Transportation	-	-	-	-
Materials	-	-	-	-
Energy	139	182	44	24.0%
Risk Management	-	-	-	-
General and Administrative	3	4	1	23.1%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 1,104	\$ 1,144	\$ 39	3.4%
Overhead Allocation	-	-	-	-
Total Revenue Less Total Costs	\$ 516	\$ 451	\$ 65	-
Net Operating Subsidy	\$ (684)	\$ (749)	\$ 65	8.7%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
NATIONAL CITY TRANSIT
COMPARISON TO BUDGET - FISCAL YEAR 2007
AUGUST 31, 2006
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ 223	\$ 217	\$ 6	2.8%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 223	\$ 217	\$ 6	2.8%
Subsidy	\$ 533	\$ 533	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 533	\$ 533	\$ -	0.0%
Total Revenue	\$ 756	\$ 750	\$ 6	0.8%
Wages	\$ 211	\$ 200	\$ (11)	-5.5%
Fringes	62	49	(13)	-26.7%
Services	54	87	32	37.3%
Purchased Transportation	-	-	-	-
Materials	15	27	12	44.2%
Energy	77	68	(8)	-11.8%
Risk Management	73	71	(1)	-2.1%
General and Administrative	2	30	27	92.4%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 494	\$ 532	\$ 38	7.1%
Overhead Allocation	-	-	-	-
Total Revenue Less Total Costs	\$ 261	\$ 217	\$ 44	-
Net Operating Subsidy	\$ (272)	\$ (316)	\$ 44	14.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CORONADO FERRY

COMPARISON TO BUDGET - FISCAL YEAR 2007

AUGUST 31, 2006

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Subsidy	\$ 35	\$ 35	\$ -	0.0%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 35	\$ 35	\$ -	0.0%
Total Revenue	\$ 35	\$ 35	\$ -	0.0%
Wages	\$ -	\$ -	\$ -	-
Fringes	-	-	-	-
Services	0	0	-	0.0%
Purchased Transportation	23	23	-	0.0%
Materials	-	-	-	-
Energy	-	-	-	-
Risk Management	-	-	-	-
General and Administrative	-	-	-	-
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 23	\$ 23	\$ -	0.0%
Overhead Allocation	-	-	-	-
Total Revenue Less Total Costs	\$ 12	\$ 12	\$ -	0.0%
Net Operating Subsidy	\$ (23)	\$ (23)	\$ -	0.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
ADMINISTRATION PASS THRU
COMPARISON TO BUDGET - FISCAL YEAR 2007
AUGUST 31, 2006
(in \$000's)

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

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

ADMINISTRATION CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2007

AUGUST 31, 2006

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	334	342	(8)	-2.2%
Total Operating Revenue	\$ 334	\$ 342	\$ (8)	-2.2%
Subsidy	\$ 1,610	\$ 1,509	\$ 101	6.7%
Other Non Operating Income	-	-	-	-
Total Non Operating Revenue	\$ 1,610	\$ 1,509	\$ 101	6.7%
Total Revenue	\$ 1,944	\$ 1,851	\$ 93	5.0%
Wages	\$ 1,049	\$ 1,012	\$ (37)	-3.7%
Fringes	382	360	(22)	-6.0%
Services	262	274	12	4.5%
Purchased Transportation	-	-	-	-
Materials	-	1	1	-
Energy	44	38	(7)	-17.3%
Risk Management	80	75	(5)	-6.3%
General and Administrative	886	878	(8)	-1.0%
Debt Service	-	-	-	-
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 2,703	\$ 2,638	\$ (65)	-2.5%
Overhead Allocation	-	-	-	-
Total Revenue Less Total Costs	\$ (759)	\$ (787)	\$ 28	3.6%
Net Operating Subsidy	\$ (2,369)	\$ (2,296)	\$ (73)	-3.2%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OTHER ACTIVITIES CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2007

AUGUST 31, 2006

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Fare Revenue	\$ -	\$ -	\$ -	-
Other Revenue	62	62	(0)	-0.2%
Total Operating Revenue	\$ 62	\$ 62	\$ (0)	-0.2%
Subsidy	\$ 254	\$ 254	\$ -	0.0%
Other Non Operating Income	2,824	2,824	-	0.0%
Total Non Operating Revenue	\$ 3,078	\$ 3,078	\$ -	0.0%
Total Revenue	\$ 3,140	\$ 3,140	\$ (0)	0.0%
Wages	\$ 66	\$ 75	\$ 9	12.1%
Fringes	(241)	(243)	(1)	0.5%
Services	13	12	(1)	-5.9%
Purchased Transportation	-	-	-	-
Materials	-	1	1	-
Energy	1	2	1	70.4%
Risk Management	14	15	2	12.1%
General and Administrative	(140)	(141)	(1)	1.0%
Debt Service	5,145	5,145	-	0.0%
Vehicle/Facility Lease	-	-	-	-
Total Costs	\$ 4,856	\$ 4,866	\$ 10	0.2%
Overhead Allocation	-	-	-	-
Total Revenue Less Total Costs	\$ (1,716)	\$ (1,726)	\$ 10	0.6%
Net Operating Subsidy	\$ (1,970)	\$ (1,980)	\$ 10	0.5%

Metropolitan Transit System FY 2007 - August 2006 Financial Review

MTS Board of Directors Meeting
October 19, 2006



SAN DIEGO METROPOLITAN TRANSIT SYSTEM

COMBINED OPERATIONS AUGUST YEAR TO DATE HIGHLIGHTS (in 000's)

	YEAR TO DATE
COMBINED NET OPERATING SUBSIDY VARIANCE	
Operations	784
General Fund	(63)
	<hr/>
Total Combined Net Operating Subsidy Variance	721



**COMBINED MTS TRANSIT OPERATORS
COMPARISON TO BUDGET - FY 2007
YEAR TO DATE, AUGUST 31, 2006
(in \$000's)**

	YEAR TO DATE			
	ACTUAL	AMENDED BUDGET	VARIANCE	% VAR
Fare Revenue	\$12,456	\$12,423	\$33	0.3%
Other Revenue	322	223	100	44.8%
Total Operating Revenue	12,778	12,646	132	1.0%
Wages/Fringes	14,146	14,530	384	2.6%
Purchased Transportation	8,548	8,433	(115)	-1.4%
Energy	4,391	4,436	45	1.0%
Other Expenses	4,645	4,983	338	6.8%
Total Costs	31,730	32,382	652	2.0%
Net Operating Subsidy	(\$18,952)	(\$19,736)	\$784	4.0%



Metropolitan Transit System FY 2007 - August 2006 Financial Review

MTS Board of Directors Meeting
October 19, 2006





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

Item No. 61

Chief Executive Officer's Report
October 19, 2006

ADM 121.7 (PC 50101)

Minor Contract Actions

- IBM Corporation for software support and disaster recovery maintenance.
- UCSD Guardian for six ¼-page ads.
- U.S. Postal Service to replenish postage in MTS postage meter.
- West Coast Cabling, Inc. for a 10-button speakerphone for Multimodal Operations.
- Stromberg, Inc. for 50 user licenses for timekeeping system.
- College Area EDC and the Mission Valley Tourism Council for banners displayed in the college area community promoting Green Line late-night service.
- Class Imprints for tee shirts for customer appreciation purposes.
- Sabrina Zhang for programming for a taxi administration application.
- Kearny Mesa Ford for two trucks to be used as San Diego Transit utility vehicles.
- Butz Dunn for general liability legal services.
- Baker & Miller PLLC for liability legal services related to railroad freight operations.
- HAR Construction, Inc. for construction services related to the San Ysidro Intermodal Transportation Center ticket booth.
- Stacy & Witbeck for trackwork and systems services for the Mission Valley East Light Rail Transit extension project.

Contract Matters

There are no contract matters to report.

gail.williams/agenda item 61



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway,