

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

March 27 2008

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Mathis called the meeting to order at 10:45 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. Emery moved to approve the minutes of the March 13, 2008, Board of Directors meeting. Mr. Clabby seconded the motion, and the vote was 12 to 0 in favor.

3. Public Comment

Steve Alcove, President of Amalgamated Transit Union, Local 1309: Mr. Alcove stated that labor negotiations present an opportunity to move forward toward stable working conditions that both MTS and its employees can live with. He added that Local 1309 is well aware of MTS's funding problems. He also stated that MTS has presented a long list of "take aways" that regress 50 years of negotiated protection in working conditions. He stated that "take aways" are items with no financial impact. He also stated that the company can't buy the loyalty of its employees – it must be earned. He stated that bus operators work long hours and sometimes have short breaks at terminals and no rest room facilities. He stated that drivers are also concerned about their security during times when they are dealing with difficult passengers and added that operators need MTS's understanding and protection. He added that security cameras don't work and stated that morale is at the lowest it's been for 35 years. He stated that good working conditions are more important than money in retaining operators. He stated that MTS should take care of its loyal, long-term employees and also take care of its younger drivers so they can become loyal, long-term employees. He stated that this is about doing the right thing. He reminded the Board that these employees are constituents and taxpayers.

Lorenzo Cason: Mr. Cason was not present to speak.

Clive Richard: Mr. Richard passed.

Maurice W. Ring: Mr. Ring was not present to speak.

Jerry Kleiboeker: Mr. Kleiboeker declined to speak.

Robert Artzer: Mr. Artzer was not present to speak.

Chairman Mathis stated that he was sorry for the delay in reaching this point in the agenda. He stated that operators are valued employees and that MTS is just as anxious to reach an amicable agreement as the union is.

James Fouts: Mr. Fouts stated that customer service is about respect and dignity. He stated that the contract offer that was presented by MTS to Local 1309 showed no respect for operators and was completely undignified. He talked about the amount of money MTS spends on training and how long it takes for operators to advance through their wage progression. He also briefly discussed how expensive it is to live in San Diego at these wage rates. He made a suggestion he felt would prevent the company from having to mandate overtime for operators. He suggested that the operator wage progression be based on hours (including overtime hours) instead of months and years of service. He felt that this would allow operators to progress more quickly through their wage progression, and the company would be able to get enough operators to work overtime without mandating it.

David Lollis: Mr. Lollis stated that he is making only \$10.87 per hour and is having difficulty making ends meet.

Damain Zaldivar: Mr. Zaldivar talked about how important it is to have operators unstressed and rested when they are driving buses carrying seniors as well as young women with babies. He stated that many people depend on this service and added that the bus operator job is not easy. He stated that operators and management need to come to an agreement.

Mr. Paul Jablonski, MTS CEO, thanked the employees who came to the Board meeting on their own time. He stated that, as a former driver, he knows how difficult being an operator can be. He added that MTS has never unappreciated their work but added that he couldn't discuss negotiation issues. He felt confident that the company and the union can reach an agreement and added that it is important that meetings be held to do so.

4. MTS: Creation of an Ad Hoc Safety Committee

Chairman Mathis reminded Board members that the formation of this committee was suggested during the March 13, 2008, Board meeting and reported that the committee cannot have more than seven members in order to avoid having a quorum of the Board. He stated that the first meeting of this committee will be an organizational meeting. Chairman Mathis requested nominations from the floor.

Action Taken

Mr. Young nominated Mr. Ewin, Mr. McLean nominated Mr. Young, Mr. Rindone nominated Chairman Mathis, Mr. Ewin nominated Mr. Clabby, and Mr. Cox nominated Mr. Monroe.

The votes on these nominations were as follows:

Mr. Ewin: 12 to 0, with Mr. Ewin abstaining
Mr. Young, 12 to 0, with Mr. Young abstaining
Chairman Mathis, 12 to 0, with Chairman Mathis abstaining
Mr. Clabby, 12 to 0, with Mr. Clabby abstaining
Mr. Monroe, 12 to 0, with Mr. Monroe abstaining

CONSENT ITEMS:

Public Comment

Clive Richard: Mr. Richard requested the Board-Only attachment for Consent Agenda Item No. 11. He stated that access to this document is granted to the public by the Brown Act, Section 54957.5.

6. MTS: Mincom Annual Software Support Maintenance – Contract Amendment (ADM 130)

Recommend that the Board of Directors authorize the CEO to enter into a contract amendment (MTS Doc. No. G0740.7-01 – Attachment A of the agenda item) with Mincom Inc. for annual software support maintenance for the Ellipse financial system package.

7. MTS: Investment Report (FIN 300)

Recommend that the Board of Directors receive a report for information.

8. MTS: Light Rail Vehicle Paint and Body Rehabilitation Services – Work Order (CIP 11142, 11165)

Recommend that the Board of Directors (1) authorize the CEO to issue Work Order No. 08-01 (Attachment A of the agenda item) to MTS Doc. No. L0744.1-06 for Carlos Guzman, Inc. for additional light rail vehicle (LRV) paint and body rehabilitation services; and (2) approve the transfer of \$160,000 from Miscellaneous Capital Improvement Program (CIP) No. 11142 to LRV Paint and Body Rehabilitation Services CIP 11165 (Attachment B of the agenda item).

9. MTS: San Diego Transit Corporation Quality Assurance Audit Report (LEG 492)

Recommend that the Board of Directors receive the San Diego Transit Corporation Quality Assurance Audit Report for information.

10. MTS: Property Insurance Renewal (LEG 491)

Recommend that the Board of Directors authorize the CEO to renew the property insurance coverage for MTS, SDTC, and SDTI with the California State Association of Counties (CSAC) Property Insurance Program, effective March 31, 2008, through March 31, 2009, with a basic coverage deductible of \$25,000, \$100,000 for collision on buses and light rail vehicles, and \$1,500,000 on roads, bridges, and tunnels.

11. MTS: Audit Report on Contract Services (LEG 492)

Recommend that the Board of Directors receive a report for information.

12. MTS: Substation Transformer Rewind Services – Contract Amendment (LEG 492)

Recommend that the Board of Directors authorize the CEO to execute MTS Doc. No. PWL.100.1-08 (Attachment A of the agenda item) with Siemens Energy and Automation, Inc. to provide Front street substation transformer rewind service.

13. MTS: Mission Valley East Light Rail Transit Project – Budget Transfer and Construction Management Contract Amendment (CIP 10426.12)

Recommend that the Board of Directors authorize the CEO to: (1) transfer \$705,000 from the Mission Valley East Light Rail Transit (MVE LRT) Project Reserve (10426-4500) into the line items shown in Attachment A of the agenda item to fund additional claims support work and eliminate negative line-item balances; (2) transfer \$1,500,000 from the MVE LRT Project Reserve funds into the project revenue (funding) as shown in Attachment B of the agenda item to fully fund the approved project budget; and (3) execute Contract Amendment No. 48 (Attachment C of the agenda item) to MTS Doc. No. L6343.0-01 with Washington Group International, Inc. for claims support services on the MVE LRT Project and extend those services through December 31, 2008.

Action on Recommended Consent Items

Mr. Monroe stated that he did not know about the claim that was outlined within Consent Agenda item no. 13. He also objected to having such a substantial payment being recommended for approval by the Board under its Consent Agenda. Ms. Tiffany Lorenzen, MTS General Counsel, stated that a full briefing will be made in the near future and that a briefing was given in November of 2007. She stated that the approval being requested is for construction claims support for representing MTS litigation. Mr. Jim Linthicum, SANDAG Director of Engineering and Construction, stated that negotiations are going very slowly. He stated that since the briefing that was given to the Board last fall, there has been a lot of discovery and many depositions. Mr. Monroe felt that the briefing should be given prior to the Board approving this item. Chairman Mathis stated that this is being done in accordance with guidance given by the Executive Committee. It was suggested that the Board approve Contract Amendment No. 48 (item no. 3 of the recommendation), which would be approximately \$266,000 of the total.

Mr. Cox moved to pull Consent Agenda Item No. 13 from the Consent Agenda for discussion and approve Consent Agenda Items No. 6, 7, 8, 9, 10, 11, and 12. Ms. Atkins seconded the motion, and the vote was 12 to 0 in favor.

The Board briefly discussed approving a portion of staff's recommendation for this item.

Ms. Atkins moved to approve item no. 3 in staff's recommendation for this item - the execution of Contract Amendment No. 48 (Attachment C of the agenda item) to MTS Doc. No. L6343.0-01 with Washington Group International, Inc. for claims support services on the MVE LRT Project and extend those services through December 31, 2008.

Mr. Rindone stated that he was not comfortable with this approach. Ms. Lorenzen asked if the Board was willing to authorize the Executive Committee to approve the amendment and the budget transfer if the evidentiary support is substantive as far as Executive Committee members are concerned. Ms. Lorenzen pointed out that Board action on this item could not occur until April 10. In response to a question from Mr. Rindone, there was a brief discussion of the impact of delaying action on this item might cause a negative total in the line item for this project. Mr. Rindone did not feel that was a major issue. He felt that it was critical that this item be properly reviewed by the Executive Committee and the full Board.

Mr. Rindone made a substitute motion to defer Consent Agenda Item No. 13 to the Executive Committee next week, at which time the Executive Committee will review and make a

recommendation to the full Board. Mr. Monroe seconded the motion, and the vote was 12 to 0 in favor.

NOTICED PUBLIC HEARINGS:

There were no noticed public hearings.

CLOSED SESSION:

24. Closed Session Items (ADM 122)

MTS: CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE TO LITIGATION. Pursuant to California Government Code section 54956.9(a) Case Names Unspecified (Disclosure Would Jeopardize Negotiations)

This item was deferred.

DISCUSSION ITEMS:

There were no Discussion Items.

REPORT ITEMS:

45. MTS: San Ysidro Border Reconfiguration Project (ADM 124)

This item was deferred.

46. SDTI: Chargers Football 2007 Year-End Summary (OPS 970.2)

Mr. Tom Doogan, SDTI Special Events Coordinator, reviewed various statistics and operational issues related to the provision of SDTI service during the 2007 Chargers football season. He gave an overview of the service, presented attendance and ridership statistics, ridership history, manual ticket sales history, ticket booth revenue, and ridership trends. He stated that even though the gate percentage that SDTI carried to the games was lower than the previous year, it was still the second-highest ever. Mr. Doogan also discussed procedures SDTI has implemented to prevent fans from traveling out-of-direction one station to bypass the longer westbound queue. He stated that they are now using a combination of color-coded tickets and additional security personnel at Mission San Diego Station to prevent riders from doing this.

Mr. Monroe reported that he attended a game at Qualcomm Stadium and had difficulty boarding the trolley because the trains were full. He stated that buses were also being used on that day. Mr. Doogan reported that this happens during service for Holiday Bowl games. He stated that this particular game occurs during the Trolley's peak period, and buses are therefore used to supplement trolley service.

In response to a question from Mr. Monroe, Mr. Doogan reported that the maximum wait time at Qualcomm is 22 to 24 minutes after a game. Mr. Tereschuck reported that SDTI videotapes the boarding process after games on a regular basis to monitor the wait time. He stated that customers have become more content to wait because the City of San Diego has provided a Jumbotron for boarding passengers to watch while they are waiting. He stated that the City has also provided pedestrian guides, which have improved the boarding process.

Action Taken

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

60. Chairman's Report

Chairman Mathis made no report.

61. Audit Oversight Committee Chairman's Report

Mr. Ewin, Chairman of the Audit Oversight Committee made no report.

62. Chief Executive Officer's Report

Mr. Jablonski advised Board members that an MTS Security Report was provided prior to the start of the meeting. He stated that this report will be provided on an ongoing basis at the request of the Board. He requested that Board members call him with any comments or questions.

63. Board Member Communications

Mr. Monroe thanked MTS staff who helped get a Coronado bus stop moved.

Mr. Ewin reported that he and La Mesa City Councilman Dave Allan recently met with Mr. Jablonski, SDTI General Manager Peter Tereschuck, and Director of Security Bill Burke to discuss crime concerns in La Mesa. He stated that Mr. Burke will be making a presentation on this topic to the La Mesa City Council on April 8.

64. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

65. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, April 10, 2008, at 9:00 a.m. in the same location.

66. Adjournment

Chairman Mathis adjourned the meeting at 11:36 a.m.



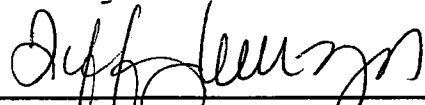
Chairperson
San Diego Metropolitan Transit System

Filed by:

A handwritten signature in cursive script, appearing to read "Gail Williams", written over a horizontal line.

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

Approved as to form:

A handwritten signature in cursive script, appearing to read "Jeff Leung", written over a horizontal line.

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): 3/27/08

CALL TO ORDER (TIME): 10:45 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: _____

RECONVENE: _____

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 11:36 a.m.

BOARD MEMBER (Alternate)				PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input checked="" type="checkbox"/>	(Hueso)	<input type="checkbox"/>		
CLABBY	<input checked="" type="checkbox"/>	(Selby)	<input type="checkbox"/>		
EMERY	<input checked="" type="checkbox"/>	(Cafagna)	<input type="checkbox"/>		
EWIN	<input checked="" type="checkbox"/>	(Allan)	<input type="checkbox"/>		
FAULCONER	<input checked="" type="checkbox"/>	(Hueso)	<input type="checkbox"/>		11:15 a.m. during AI 46
LEWIS	<input checked="" type="checkbox"/>	(Hanson-Cox)	<input type="checkbox"/>		
MAIENSCHIN	<input checked="" type="checkbox"/>	(Hueso)	<input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/>	(Vacant)	<input type="checkbox"/>		
MCLEAN	<input checked="" type="checkbox"/>	(Bragg)	<input type="checkbox"/>		
MONROE	<input checked="" type="checkbox"/>	(Downey)	<input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/>	(McCann)	<input type="checkbox"/>		
ROBERTS	<input checked="" type="checkbox"/>	(Cox)	<input type="checkbox"/>		
RYAN	<input type="checkbox"/>	(B. Jones)	<input type="checkbox"/>		<input checked="" type="checkbox"/>
YOUNG	<input checked="" type="checkbox"/>	(Hueso)	<input type="checkbox"/>		11:03 a.m. during Consent Agenda
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