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*Revised Agenda

** JOINT MEETING AND FINANCE WORKSHOP**

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

April 24, 2008

▶▶▶ 8:00 a.m. ◀◀◀

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

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ACTION
RECOMMENDED

FINANCE WORKSHOP - 8:00 a.m.

1. Roll Call
2. MTS: FY 2009 Budget Development
Action would receive a report on the FY 2009 operating budget and provide guidance. Possible Action
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. Adjournment

Please turn off cell phones and pagers
during the meeting



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

BOARD MEETING - Meeting will begin when the Finance Workshop ends.

- 4. a. Roll Call
- b. Approval of Minutes - April 10, 2008 Approve
- c. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please furnish a copy to the Clerk of the Board.

CONSENT ITEMS

- 6. MTS: Job Access and Reverse Commute Grant Approve
Action would approve Resolution No. 08-6 authorizing the CEO to submit applications for fiscal year 2006 Job Access and Reverse Commute (JARC) for Nonurban (Rural) areas - Federal Transit Administration funding 5316.

CLOSED SESSION

- 24. a. 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) Possible Action
- *b. SDTC: CONFERENCE WITH LABOR NEGOTIATORS Possible Action
Pursuant to California Government Code Section 54957.6
Agency-Designated Representative - Jeff Stumbo
Employee Organization - Amalgamated Transit Union Local 1309

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

- 25. None.

DISCUSSION ITEMS

- 30. MTS: Trolley Wraps Approve
Action would approve wrapping five additional trolleys with "green" imagery, MTS ridership messages, and limited corporate branding by third parties as official wrap sponsors.
- 31. MTS: Senior and Disabled Lift Replacement Project - Fund Transfer and Contract Award Approve
Action would: (1) approve a fund transfer request from Capital Improvement Programs (CIPs) 11216 and 11221 to CIP 11148; and (2) authorize the CEO to execute MTS Doc. No. L0826.0-08 with Complete Coach Works, Inc. to furnish and install senior and disabled lifts on the fleet of 52 SD 100 light rail vehicles (LRVs).

32. MTS: Fare Box Support Equipment - SANDAG MOU and Fund Transfer Approve
 Action would authorize the CEO to: (1) execute a memorandum of understanding between the San Diego Association of Governments (SANDAG) and MTS to transfer capital project funds for fare box support equipment; and (2) transfer funds from various MTS projects to Capital Improvement Program (CIP) 11198 (MTS Contract Services SBMF Miscellaneous Equipment) for fare box equipment.
33. SDTC: Pension Obligation Bonds Approve
 Action would direct the CEO to work with Public Financial Management (PFM) to replace MBIA, MTS's pension obligation bonds (POB) insurer, with a Letter of Credit to reduce the impact on MTS's variable rate caused by current liquidity problems within the bond markets. A final strategy will be presented to the Board for action on April 24.

REPORT ITEMS

45. MTS: Year-to-Date Operations Budget Status Report through February 2008 Receive
 Action would receive the MTS Year-to-Date Operations Budget Status Report through February 2008.
60. Chairman's Report Information
61. Audit Oversight Committee Chairman's Report Information
62. Chief Executive Officer's Report Information
63. Board Member Communications
64. Additional Public Comments Not on the Agenda
 If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this agenda, additional speakers will be taken at this time. If you have a report to present, please furnish a copy to the Clerk of the Board. Subjects of previous hearings or agenda items may not again be addressed under Public Comments.
65. Next Meeting Date: May 8, 2008
66. Adjournment

DRAFT

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

April 10, 2008

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Mathis called the meeting to order at 9:01 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Mr. Clabby moved to approve the minutes of the March 27, 2008, Joint Meeting of the MTS Board of Directors and the San Diego County Regional Airport Authority and the March 27, 2008, MTS Board of Directors meeting. Mr. McLean seconded the motion, and the vote was 8 to 0 in favor.

3. Public Comment

Clive Richard: Mr. Richard stated that the truncation of Route No. 14 in June at SDSU Station on weekends will eliminate his access to the transit center at SDSU. He suggested that the bus stop somewhere around Gary Street and pointed out that there is a bus turnout for school buses near this location.

Mr. Richard also stated that a recent article in the newspaper regarding the City's pension plan and certain related legal actions mentioned lease bonds that involve the Metropolitan Development Board Authority. Chairman Mathis stated that these references relate to an \$18 million bond for improvements at Old Town Station, which was a joint project with the City of San Diego. He stated that, as far as he knew, the legal action mentioned in the news article would have no effect on MTS.

CONSENT ITEMS:

6. MTS: Proposed Amendments to Board Policy No. 25 (Equal Employment Opportunity Program for Employees and Contractors) (ADM 110.1)

Recommend that the Board of Directors approve the proposed revisions (Attachment A of the agenda item) to Board Policy No. 25.

7. MTS: Investment Report (FIN 300)

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

8. MTS: Office of Homeland Security Grant Applications (AG 210.9)

Recommend that the Board of Directors approve Resolution No. 08-5 (Attachment A of the agenda item) authorizing the CEO to submit applications for fiscal year 2007-2008 California Transit Security Grant Program – State Transit Assistance Agencies funding.

Action on Recommended Consent Items

Mr. Emery moved to approve Consent Agenda Items No. 6, 7, and 8. Mr. Rindone seconded the motion, and the vote was 8 to 0 in favor.

NOTICED PUBLIC HEARINGS:

There were no noticed public hearings.

CLOSED SESSION:

24. Closed Session Items (ADM 122)

The Board convened to Closed Session at 9:04 a.m.

- a. MTS: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a): Balfour Beatty/Ortiz v. Metropolitan Transit System (Superior Court Case No. GIC 868963)
- b. SDTC: CONFERENCE WITH LABOR NEGOTIATORS Pursuant to California Government Code Section 54957.6
Agency-Designated Representative – Jeff Stumbo
Employee Organizations – International Brotherhood of Electrical Workers, Local 465, and Amalgamated Transit Union, Local 1309.
- c. 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)
- d. MTS: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Pursuant to California Government Code section 54956.9(a) MTDB v. RV Communities (California Supreme Court Case No. S133786)

The Board reconvened to Open Session at 10:00 a.m.

Oral Report of Final Actions Taken in Closed Session

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

- a. The Board received a report and gave direction to General Counsel and outside counsel.
- b. The Board received a report from the agency negotiator.

- c. This item was continued.
- d. The Board received a report from outside counsel.

DISCUSSION ITEMS:

30. MTS: El Cajon Transit Center Building (OPS 970.4)

Mr. Wayne Terry, SDTI Vice President of Operations, provided background information on the El Cajon Transit Center and options for dealing with the future of the building on this site. He provided an aerial perspective of the transit center, a drawing of the building layout, and showed pictures of the exterior and interior of the building. He also reviewed maintenance that would need to be completed at an annual cost of \$61,593 if the building is not demolished. He reviewed the three options under consideration and the estimated cost of each. He reported that demolishing the building was estimated at \$200,000 to \$500,000, but SANDAG engineers believe the cost will be around \$325,000. He added that the funds to cover the cost of demolishing the building are contained in the FY 2008 Capital Improvement Program (CIP) budget. Mr. Terry reviewed the recommendation of the Executive Committee for the handling of this matter.

Public Comment

Clive Richard: Mr. Richard asked if the funds for demolishing the building would come out of the CIP budget for Blue and Orange Line station improvements. He stated that he didn't see how demolishing this building could be classified as a station improvement. He also stated that he felt that closing the restrooms might deter people from using the trolley.

Mr. Lewis stated that he appreciated that staff showed pictures of the current condition of the building and stated that the City of El Cajon has been asking MTS to do something about this situation. He stated that the bathrooms are in such poor condition that he is concerned about public health issues and express his support for demolishing the building. He requested that MTS staff provide El Cajon's City Manager, Kathy Henry, with a demolition schedule and keep her updated as work proceeds. He suggested that staff also work with her in regard to future development of the site. He stated that a port-a-potty could be located at this site and requested that a quality food vendor be selected.

In response to a question from Mr. Monroe, Mr. Peter Tereschuck, SDTI General Manager, reported that the CIP program will not have to be reprioritized – that the funding to demolish the building will be transferred from the Orange Line Station Rehabilitation line item of \$250,000. He also reported that the preliminary estimate for demolition of the building is \$150,000 exclusive of any soil remediation. Mr. Rindone stated that he felt that redevelopment of this site should be accelerated and the cost for demolishing the building amortized into that project. He stated that he would be opposing the Executive Committee's recommendation on that basis. He added that the end objective of demolishing the building would exist with either approach. Chairman Mathis stated that MTS owes it to the public to address the conditions in this building.

Mr. Ewin stated that he would like to see, either at the next Board meeting or with the budget, details on other CIP projects scheduled for the coming year. He stated that he would like that information to include what funding remains in the Orange Line rehabilitation line item and details on any other assets that are in the same condition as the building at the El Cajon Transit Center.

Action Taken

Mr. Lewis moved to direct the CEO to (1) take steps to demolish the building at the East County Transit Center using funds in Capital Improvement Program 11217 (Blue and Orange Line Station Improvements) and negotiate a relocation of the existing tenants; (2) work with the City of El Cajon Redevelopment Agency to aggressively pursue a joint development agreement for the site; and (3) work with the master concessionaire to retain a mobile food establishment at the site after demolition. Mr. Clabby seconded the motion, and the vote was 11 to 1 in favor, with Mr. Rindone casting the dissenting vote.

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

Mr. John Haggerty reviewed the recommended budget transfers and funding changes for the Mission Valley East Light Rail Transit Project. He pointed out that this action doesn't increase the budget - it just reduces the project reserve by \$1.5 million. Mr. Monroe pointed out that actions dealing with large sums of money should not be on the Consent Agenda and adequate detail should be provided about what the funding is being used for.

Action Taken

Mr. Monroe moved 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 on Attachment B to fully fund the approved project budget; and (3) execute Contract Amendment No. 48 (Attachment C) to MTS Doc. No. L6343.0-01 with Washington Group International, Inc. (WGI) for claims support services on the MVE LRT Project and extend those services through December 31, 2008. Mr. Emery seconded the motion, and the vote was 12 to 0 in favor.

32. MTS: Procurement of 26 Low-Floor Compressed Natural Gas Transit Buses (CIP 11189)

Ms. Claire Spielberg, Chief Operating Officer – Transit Services, reviewed elements of MTS's procurement of low-floor articulated compressed natural gas (CNG) buses. She reported that staff worked with Los Angeles Metropolitan Transportation Authority (LAMTA) to gain an option on its procurement for the purchase of 26 of these buses. She reviewed the benefits of the procurement. She also reported that MTS negotiated a price that was \$47,000 less for each bus than what LAMTA paid because LAMTA's buses were purchased to provide Bus Rapid Transit (BRT) and therefore had additional amenities that MTS did not need. She provided highlights of the vehicle features and reported that on-board video surveillance and automated passenger counters will be installed after delivery.

In response to a question from Mr. Rindone, Ms. Spielberg stated that these buses will predominately serve Route No. 7 because of its high ridership and maybe Route No. 20. She added that this is where articulated buses are currently being used. She stated that this is in line with MTS's goal of carrying the most passengers for the least cost. Mr. Rindone requested that MTS consider using these buses on regional routes as well.

In response to a question from Mr. Clabby, Ms. Spielberg reported that the buses will have two to three tie-down locations. Mr. Clabby asked if that would be adequate given the increased

number of lift boardings that are occurring due to an aging population. Ms. Spielberg reported that many riders use the lift but are not in wheelchairs that need tie downs. She added that two to three seats per bus are lost for each tie down. In response to another question from Mr. Clabby, Ms. Spielberg stated that operators are not required to help passengers and that most riders who need assistance use Americans with Disabilities service.

In response to a question from Mr. Lewis, Ms. Spielberg reported that the life expectancy of these vehicles, according to standards for federal funding, is 12 years, but that MTS keeps its buses longer. She added that MTS's articulated buses currently cost \$1.61 per mile to operate, and the new ones will cost 60 cents per mile to operate. In response to another question from Mr. Lewis, she reported that MTS has joined with ISE, the Air Pollution Control District, and the South Coast Air Quality Management District to develop a hybrid electric CNG bus. She stated that they will be testing this new bus very soon. She also advised Mr. Lewis that ISE will either maintain or oversee SDTC's maintenance of this vehicle.

Public Comment

Clive Richard: In response to questions from Mr. Richard, Ms. Spielberg reported that MTS still has 13 diesel-powered articulated coaches that won't be replaced for another five years. She added that MTS also has an order with New Flyer to replace the rest of its diesel-powered 40-foot buses. Chairman Mathis pointed out that 75 percent of MTS's fleet is powered by CNG and that 100 percent of the fleet will be powered by CNG in five to six years.

In response to a question from Mr. Monroe, Ms. Spielberg reported that MTS has no CNG fueling facility in East County; therefore, CNG buses are not being used to serve those communities. She stated that the newest version diesel-powered buses are operating in this area. Mr. Lewis stated that El Cajon has a CNG fueling station for its trash trucks and that maybe an arrangement could be made to allow MTS to use their facility. He pointed out that because El Cajon sits in a valley, it has air quality issues and could benefit from having cleaner buses serving this community.

Action Taken

Mr. Emery moved to authorize the Chief Executive Officer (CEO) to execute a Standard Procurement Agreement (in substantially the same format as Attachment A of the agenda item) to purchase 26 60-foot heavy duty, low-floor, compressed natural gas transit buses through the Los Angeles County Metropolitan Transportation Authority of Los Angeles (Contract No. OP33200646). The resulting contract would be with North American Bus Industries, Inc., contingent upon the successful completion of a preaward audit. Mr. Rindone seconded the motion, and the vote was 10 to 0 in favor.

REPORT ITEMS:

45. MTS: Padres Promotions and MTS Tuesdays at Petco Park (PC 50551)

Mr. Rob Schupp, MTS Director of Marketing and Communications, reviewed promotional programs that MTS has entered into with the Padres. He reviewed the details of the Petco Park Employee Pilot program and stated that their goal is to sell 100 full-season equivalent passes. He stated that they have already sold more than the 40 passes that were sold all of last season. He also provided details of the new Transit Tuesdays Program, which is the first-ever

Padres/MTS ridership incentive program. He then reviewed advertising efforts related to these programs.

Mr. Roberts stated his support of these programs. He stated that he really liked the Transit Tuesdays Program and stated that anytime that marketing dollars are spent, there should be a clear goal.

Action Taken

Mr. Rindone moved to receive a report for information. Mr. Emery seconded the motion, and the vote was 10 to 0 in favor.

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

Ms. Sharon Cooney, MTS Director of Government Affairs and Community Relations, provided the Board with an overview of the General Service Administration's (GSA) Project to reconfigure the San Ysidro border crossing. Ms. Cooney reported that Congress specifically requested that the GSA work with San Diego communities to ensure that the design for San Ysidro is in keeping with community plans for the region. She added that MTS has participated in multiple meetings related to design and community input, and that the GSA staff requested detailed comment and information on transit activities. She added that MTS therefore submitted a White Paper in January detailing which transit services are going to the border and discussing potential for improvement and enhancement of transit demand at the border.

Ms. Cooney showed an aerial view of the current configuration of the border crossing and a proposed GSA design. She briefly discussed community input regarding the pedestrian crossing and added that MTS would like to see the pedestrian crossing be changed so transit patrons would have a shorter walk. Ms. Cooney pointed out that the proposed changes primarily impact auto and not bus traffic. She also pointed out that MTS needs an additional 50 feet of station platform length to accommodate four-car trains and that the Camoin Way drop-off area needs to be relocated. She reported that MTS staff recently participated in a meeting with Mayor Sanders, the GSA, and Mexican officials where MTS had an opportunity to make comments. She also reported that the legislative delegation offered to write a letter of support but only in the event that discussions break down. She stated that everyone agrees that the process is moving forward at this point and should not be subverted.

Action Taken

Mr. Emery moved to receive a report on the United States General Services Administration's San Ysidro Border Reconfiguration Project. Mr. Rindone seconded the motion, and the vote was 10 to 0 in favor.

47. MTS: San Diego International Airport Master Planning Update (S RTP 840.9.1)

Ms. Cooney provided the Board with an overview of the most recent developments in the Airport Master Plan. She stated that MTS staff members are now part of the technical team and that Chairman Mathis is on the policy committee with Mr. Rindone serving as his alternate. She provided details regarding the Jacobs Consultancy Team and project work flow and schedule.

Mr. Young stated that, in his role as a member of the Regional Airport Authority Board, he is glad that MTS is part of the process. He stated that it will be important as the project moves

forward to keep the Board up to date from a policy standpoint. Chairman Mathis stated that updates will be given at both Executive Committee and Board meetings. In response to a question from Mr. Young, Ms. Cooney stated that MTS's major concerns relate to maintaining as much transit access to the airport as possible and how the plan might impact operations at Old Town Transit Center (OTTC). She stated that staff will be working very closely with airport planners to ensure that OTTC patrons are not impacted. Mr. Young stated that he objected to the airport's assumption that they will be able to use the OTTC. He stated that he told them that had to be worked out with MTS yet they continue to include this aspect in their plans. Chairman Mathis reported that he has told the Chairman of the Regional Airport Authority Board that MTS does not own this particular piece of property and that the capacity is inadequate to include in airport plans. He added that there are caveats that must be observed before these plans can become a reality. Mr. Young stated that this needs to be made even more clear to them.

Mr. Monroe reported that he recently met with Regional Airport Authority Board members Jim Panknin and Bruce Boland and, as a result, felt optimistic that there are visionary people on the airport board with plans that make sense. He stated that he would like to have these two board members brief Chairman Mathis and Mr. Rindone. Mr. Roberts stated that, because of Mr. Young's actions, there is a more reality-based planning process. He felt that the consultant team was high quality and that some of the shortcomings of the plan will be put in better perspective. He stated that it is important to have an airport that will function long-term and integrate with all transportation systems. Mr. Rindone and Chairman Mathis also thanked Mr. Young for his leadership on this project.

Action Taken

Mr. Young moved to receive a report on the status of the San Diego International Airport's planning efforts. Mr. McLean seconded the motion, and the vote was 9 to 0 in favor.

48. MTS: C Street Master Plan Update (ADM 124)

Mr. Brandon Farley, MTS Senior Transportation Planner, provided a brief overview of the C Street Master Plan. He presented the downtown loop plans that have been considered since the last update to the Board and reported that the stakeholders in this process have all agreed that none of the loop options are possible. He added that none of the options provide adequate capacity to Centre City. He also reported that the Centre City Development Corporation (CCDC) will be providing an update to the City's Land Use and Housing Committee. Ms. Cooney pointed out that even though the loop options are considered not feasible, there are community groups that continue to support the loop concept. Chairman Mathis stated that these groups seem to give a higher priority to keeping one lane of traffic open than to making changes to the trolley that would have a ripple effect throughout the entire transit system. Mr. Monroe stated that there are lanes closed in downtown all the time due to construction, and traffic continues to flow through these areas. He stated that it would be a good time to collect data. Chairman Mathis pointed out that there are dozens of areas in downtown where traffic lanes are constricted.

Public Comment

Clive Richard: Mr. Richard stated that the loop concept is absurd, and he strongly opposed it. He also stated that he opposed the tunnel concept because of its high expense. He stated that if there is that much money available, it should be spent on purchasing buses. He stated that everyone needed to be realistic about how to serve the C Street corridor.

In response to question from Mr. Young, Chairman Mathis reported that there has been no discussion yet about how the redevelopment of City Hall would impact C Street.

In response to a comment by Mr. Roberts, Ms. Cooney explained that the only reason four-car trains were pictured in the presentation on C Street was because that's what would be needed to address demand projections for 2030 as outlined in the downtown community plan. She stated that MTS is not planning on running four-car trains through downtown. Chairman Mathis pointed out that CCDC has agreed that the plan needs to address the issue of three-car trains, not four-car trains.

Action Taken

Mr. Clabby moved to receive a report on the status of the C Street Master Plan. Mr. Emery seconded the motion, and the vote was 9 to 0 in favor.

60. Chairman's Report

CNG Hybrid: Chairman Mathis reported that a 1:00 p.m. press conference was being held to introduce the CNG hybrid bus and that North Island Federal Credit Union provided the wrap on the bus. He stated that the press conference was being held in the lower parking lot below the Hall of Champions in Balboa Park. He added that he and Mr. Roberts were participating.

61. Audit Oversight Committee Chairman's Report

Mr. Ewin, Chairman of the Audit Oversight Committee, reported that the next meeting of this committee will be held on April 17, 2008. He reminded Board members that they will receive a copy of the minutes from the previous meeting after they are approved by the Committee.

62. Chief Executive Officer's Report

There was no report given by the CEO.

63. Board Member Communications

Presentation to La Mesa City Council: Mr. Ewin thanked Mr. Tereschuck, Ms. Cooney, and SDTI Director of Security Bill Burke for making a good presentation to the La Mesa City Council about security at La Mesa stations.

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 24, 2008, with a Finance Workshop starting at 8:00 a.m. followed by the Board meeting.

66. Adjournment

Chairman Mathis adjourned the meeting at 11:42 a.m.

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

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

Office of the General Counsel
San Diego Metropolitan Transit System

Attachment: A. Roll Call Sheet

[gail.williams/minutes](#)

**METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL**

MEETING OF (DATE): 4/10/08

CALL TO ORDER (TIME): 9:01 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:04 a.m.

RECONVENE: 10:00 a.m.

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 11:42 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
ATKINS	<input type="checkbox"/> (Hueso) <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 checked="" type="checkbox"/> (Allan) <input type="checkbox"/>	9:07 a.m. for AI 24	
FAULCONER	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>		10:30 a.m. during AI 32
LEWIS	<input checked="" type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
MAIENSCHIN	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>	9:13 a.m. during AI 24	10:39 during AI 32
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"/>	9:09 a.m. during AI 24	
RYAN	<input type="checkbox"/> (B. Jones) <input type="checkbox"/>		<input checked="" type="checkbox"/>
YOUNG	<input checked="" type="checkbox"/> (Hueso) <input type="checkbox"/>	9:07 a.m. during AI 24	11:37 a.m. during AI 60
ZARATE	<input type="checkbox"/> (Parra) <input type="checkbox"/>		<input checked="" type="checkbox"/>

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

Gail Williams

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

[Signature]



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San Diego, CA 92101-7490
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Agenda

Item No. 2

MTS OPERATORS FINANCE WORKSHOP

FIN 310.1 (PC 50601)

April 24, 2008

SUBJECT:

MTS: FY 2009 BUDGET DEVELOPMENT

RECOMMENDATION:

That the MTS Board of Directors receive a report on the FY 2009 operating budget and provide guidance.

Budget Impact

None at this time.

DISCUSSION:

Staff met with the Budget Development Committee (BDC) on April 14, 2008, and the Executive Committee on April 17, 2008, regarding the development of the MTS fiscal year 2009 operating budget.

FY 2009 BUDGET DEFICIT

As detailed within the attached draft budget (Attachments E and F), MTS's recurring revenues are short of recurring expense needs by \$6,544,000. This is due to recurring revenues increasing by only \$537,000 (0.2%) and recurring expenses increasing 3.2% or \$7,081,000. The BDC and Executive Committee provided guidance on a scenario and other options for closure of the \$6.5 million shortfall, which staff will present at the Finance Workshop. The following two sections of this document detail the revenues and expenses that generate this budget deficit.



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.

FY 2009 REVENUES

Attachments A through D provide the latest projection of MTS's fiscal year 2009 operating revenues, nonoperating revenues, and statistics. As indicated within Attachment A, the total recurring and nonrecurring revenues (excluding debt service, reserve usage and lease/leaseback revenues) for operating purposes increased \$6,041,000 or 2.8%. Including the \$5.6 million in fiscal year 2007 carry-forward savings used to balance MTS's fiscal year 2008 operating budget, recurring and nonrecurring revenues have increased only 0.2% or \$537,000.

Fiscal Year 2009 Operating Revenue

Attachment B provides detailed preliminary operating revenue projections by operator for FY 2009, which are based upon the projected operating FY 2009 statistics as well as all fare changes that were approved by the MTS Board of Directors last fall.

Combined passenger revenues are projected to increase \$2,477,000, or 3.3%, compared to FY 2008 midyear levels. Internal bus operations are projected to contribute \$734,000; rail operations are projected to produce an additional \$1,166,000; Multimodal Operations are projected to add \$530,000; and Chula Vista Transit is projected to add \$47,000.

Advertising and contracted services revenues are projected to increase by \$942,000 or 63%. This is due to the Board-approved initiative of advertising on East County and South Bay contracted services revenue vehicles that have the older MTS paint scheme and also includes advertising wraps on five older U2 trolley vehicles.

Other income decreased \$408,000 (-6.9%) primarily due to FY 08 containing \$622,000 of Chula Vista Transit's favorable variance for FY 07. This is partially offset by additional projected interest income.

Fiscal Year 2009 Nonoperating Revenue

As indicated within Attachment A, recurring and nonrecurring revenues are projected to increase \$6,041,000 or 2.8%. This assumes the stable \$23,200,000 federal usage of preventative maintenance (operations) rather than capital purchases.

The relatively modest increase is due to the following:

- Federal levels for operating purposes have decreased by \$4,899,000. This is primarily driven by the expiring eligibility of Congestion Mitigation and Air Quality (CMAQ) funding that was available for the first three years of Mission Valley East operations (-\$5,149,000) and elimination of 5304 planning funds that were secured in FY 2008 (-\$97,000) partially offset by additional Jobs Access and Reverse Commute (JARC) funds secured for FY 2009 (\$347,000) as well as additional federal 5311 funds supporting MTS paratransit services (\$1,000).
- Transportation Development Act (TDA) revenues, MTS's largest source of subsidy funding, are projected to decrease by \$518,000 or -0.7%. As compared to FY 2007 actual funding levels, FY 09 is projected to be \$8.1 million lower.
- MTS has the latest San Diego Association of Governments (SANDAG) projections for State Transit Assistance (STA) funding for FY 09. These figures are considered preliminary due to historical late changes within this funding source as the State of California looks at options in balancing its own budget. The total projected STA revenue is approximately \$34 million. This is composed of two parts: spillover and formula. The formula funding of STA is projected at approximately \$13.3 million.

Spillover funding is estimated at approximately \$21.1 million. Due to the high volatility of spillover funding, MTS historically has shifted these funds into its Capital Improvement Program. Included within MTS's recurring subsidy revenue at this time is \$13.3 million in formula funding. Staff will continue to monitor the state budget throughout the budgetary process.

- Other state revenues are projected to decrease by approximately \$97,000.
- Fiscal year 2009 is the first year of the TransNet II ordinance. Due to MTS Board initiative at the SANDAG Transportation Committee, this program includes a higher share of recurring revenues for MTS operations (\$4,685,000). This was necessary as CMAQ funding eligibility expired.
- Other local subsidies are projected to decrease by approximately \$39,000 to \$929,000. As we have discussed in previous meetings, FY 2008 is the last year of the agreement between the Air Pollution Control District (APCD) and MTS for subsidizing the Sorrento Valley Coaster Connection routes (-\$539,000). FasTrak revenues that subsidize Interstate 15 corridor services will be \$500,000 in FY 09. This funding source was lost in FY 08.

FY 2009 EXPENSES

Attachment E contains the total proposed revenues and expenses for the 2009 fiscal year based upon current projected conditions. As indicated within the schedule, FY 2009 combined expenses total \$233 million, which is a decrease from the FY 2008 amended budget of \$6,017,000 (-2.5%). As indicated within Attachment F, excluding nonpension bond debt service expenses, the operational expense increase totals \$7.1 million, or 3.2%. Attachment G details each operating division and each administrative department in detail.

- MTS Positions

Attachment H includes an initial pass at a position table for FY 2009. In FY 2008, MTS froze 8.5 positions to help assist in the balancing MTS's budget. The FY 2009 budget reflects the continued freezing of these positions. While some changes of a nonbudgetary nature are included in this position table, these do not require new funding.

- Energy Rates/Assumptions

Staff has continued to analyze both compressed natural gas (CNG) and diesel rate assumptions. At the last Finance Workshop, staff projected rates for CNG and diesel at \$1.43 and \$2.62, respectively. Over the past month, futures have spiked within diesel. The latest projections are \$1.45 per therm for CNG and \$2.84 per gallon for diesel. Attachments I and J graphically present these updated future projections for FY 2009. While these trends incorporate cyclical factors and projected demands, the averages of these rates will be incorporated into the FY 2009 budget.

The approximate impact of these adjusted rates from MTS's previous projection was an additional \$660,000.

Attachment K analyzes the operating cost impacts on a \$0.01 change in price for CNG and diesel. The attachment also includes various examples of energy fluctuations and the MTS average cost per mile to run service through the varying energy types.

WAYS TO BRIDGE THE GAP

As mentioned in the first paragraph, the MTS operating budget shortfall totals \$6,544,000. Staff has discussed various options for eliminating this deficit with the BDC and Executive Committee for budget closure. Included within staff's presentation will be a BDC recommended scenario with adjustments in four categories: nonfare revenue adjustments, personnel adjustments, fare adjustments, and service adjustments as well as other options that will require further direction from the MTS Board of Directors.



Paul C. Jablonski
Chief Executive Officer

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- Attachments:
- A. Operating Budget Revenue Summary FY 09 – Functional Version
 - B. Operating Budget Operating Revenue Detail FY 09
 - C. Operating Budget Nonoperating Revenue Detail FY 09
 - D. Operating Budget Operating Statistics FY 09
 - E. FY 09 Operating Budget – Revenue/Expense Format
 - F. FY 09 Operating Budget – Revenue/Expense Format (Excluding Debt Service)
 - G. FY 09 Operating Budget – Divisional/Departmental Analysis Format
 - H. FY 09 Position Information (Summary Format)
 - I. FY 09 CNG Price Per Therm Projection Graph
 - J. FY 09 Diesel Price Per Gallon Projection Graph
 - K. FY 09 Energy Impact on Operations

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATING BUDGET
REVENUE SUMMARY
FISCAL YEAR 2009**

	BUDGET FY08	PROJECTED FY08	BUDGET FY09	DOLLAR CHANGE BUDGET/ PROJECTED	% CHANGE BUDGET/ PROJECTED
OPERATING REVENUE					
PASSENGER REVENUE	73,361,866	75,231,715	77,708,487	2,476,771	3.3%
ADVERTISING REVENUE	955,000	1,466,000	2,410,000	944,000	64.4%
CONTRACT SERVICE REVENUE	30,000	30,000	28,000	(2,000)	-6.7%
OTHER INCOME	2,902,179	5,890,848	5,482,914	(407,934)	-6.9%
Total Operating Revenue	77,249,045	82,618,564	85,629,401	3,010,837	3.6%
SUBSIDY REVENUE					
FEDERAL REVENUE	29,507,458	29,597,531	24,698,400	(4,899,131)	-16.6%
TRANSPORTATION DEVELOPMENT ACT (TDA)	75,746,723	71,186,470	70,668,909	(517,560)	-0.7%
STATE TRANSIT ASSISTANCE (STA)	9,393,706	9,428,706	13,326,730	3,898,024	41.3%
STATE REVENUE - OTHER	2,192,858	2,097,051	2,000,000	(97,051)	-4.6%
TRANSNET	18,507,000	16,794,800	21,479,466	4,684,666	27.9%
OTHER LOCAL SUBSIDIES	1,367,918	967,918	928,918	(39,000)	-4.0%
Total Subsidy Revenue	136,715,663	130,072,476	133,102,423	3,029,947	2.3%
Subtotal Recurring/Nonrecurring Revenue	213,964,708	212,691,040	218,731,824	6,040,784	2.8%
RESERVE REVENUE					
	4,374,153	5,620,405	116,487	(5,503,918)	-97.9%
Subtotal Recurring/Nonrecurring Revenue (incl. Reserves)	218,338,861	218,311,445	218,848,311	536,866	0.2%
OTHER REVENUE					
LEASE/LEASEBACK REVENUES	11,415,186	11,415,186	7,588,385	(3,826,801)	-33.5%
DEBT SERVICE REVENUES	9,270,884	9,270,884	0	(9,270,884)	-100.0%
Total Other Revenues	20,686,070	20,686,070	7,588,385	(13,097,685)	-63.3%
GRAND TOTAL REVENUES	239,024,931	238,997,515	226,436,696	(12,560,819)	-5.3%

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATING BUDGET
OPERATING REVENUE
FISCAL YEAR 2009**

	BUDGET FY08	PROJECTED FY08	BUDGET FY09	DOLLAR CHANGE BUDGET/ PROJECTED	% CHANGE BUDGET/ PROJECTED
<u>Passenger Revenue</u>					
Internal Bus Operations	22,644,928	23,514,897	24,249,129	734,232	3.1%
Rail Operations - Base	28,616,012	28,976,993	30,142,787	1,165,794	4.0%
MCS - Fixed route	17,663,366	18,216,940	18,817,000	600,060	3.3%
MCS - Paratransit	1,800,985	1,848,600	1,778,500	(70,100)	-3.8%
Chula Vista Transit	2,636,576	2,674,285	2,721,071	46,786	1.7%
Total Passenger Revenue	73,361,866	75,231,715	77,708,487	2,476,771	3.3%
<u>Advertising Revenue</u>					
Internal Bus Operations	925,000	925,000	-	(925,000)	-100.0%
Rail Operations - Base	-	157,000	-	(157,000)	-100.0%
MCS - Fixed route	-	375,000	-	(375,000)	-100.0%
Administration	30,000	9,000	2,410,000	2,401,000	26677.8%
Total Advertising Revenue	955,000	1,466,000	2,410,000	944,000	64.4%
<u>Contract Service Revenue</u>					
Internal Bus Operations	30,000	30,000	28,000	(2,000)	-6.7%
Total Contract Service Revenue	30,000	30,000	28,000	(2,000)	-6.7%
<u>Other Income</u>					
Transit Services	10,000	10,000	10,000	-	-
Rail Operations - Base	525,500	646,500	612,000	(34,500)	-5.3%
Chula Vista Transit	-	621,883	-	(621,883)	-100.0%
Administrative	612,810	2,896,560	3,035,268	138,707	4.8%
Land Management	968,869	930,905	968,546	37,641	4.0%
Taxicab	685,000	685,000	754,400	69,400	10.1%
SD&AE	100,000	100,000	102,700	2,700	2.7%
Total Other Income	2,902,179	5,890,848	5,482,914	(407,934)	-6.9%
TOTAL OPERATING REVENUE	77,249,045	82,618,564	85,629,401	3,010,837	3.6%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATING BUDGET
NON OPERATING REVENUE
FISCAL YEAR 2009

	BUDGET FY08	PROJECTION FY08	BUDGET FY09	DOLLAR CHANGE BUDGET/ PROJECTED	% CHANGE BUDGET/ PROJECTED
FEDERAL					
FTA 5307 - Planning	17,500	17,500	17,500	-	-
FTA 5307 - CMAQ MVE	5,149,292	5,149,292	-	(5,149,292)	-100.0%
FTA 5307/5309 - Preventative Maintenance	23,200,000	23,200,000	23,200,000	-	-
JARC	786,513	786,513	1,133,080	346,567	44.1%
FTA 5307 - Debt Service	6,320,720	6,320,720	-	(6,320,720)	-100.0%
FTA 5311 / 5311(f) - Rural	354,153	347,022	347,820	799	0.2%
FTA 5304 - Planning	-	97,205	-	(97,205)	-100.0%
Total Federal Funds	35,828,178	35,918,251	24,698,400	(11,219,851)	-31.2%
TRANSPORTATION DEVELOPMENT ACT (TDA)					
TDA - Article 4.0 MTS Area	70,805,495	66,033,223	65,866,491	(186,732)	-0.3%
TDA - Article 4.0 MTS Area - Debt Service	1,580,180	1,580,180	-	(1,580,180)	-100.0%
TDA - Article 4.5 (ADA)	4,104,593	3,880,000	3,965,784	85,784	2.2%
TDA - Article 8.0	836,635	1,253,247	836,635	(416,612)	-33.2%
Total TDA Funds	77,326,903	72,766,650	70,668,909	(2,097,740)	-2.9%
STATE TRANSIT ASSISTANCE (STA)					
STA - Discretionary	6,723,197	6,758,197	-	(6,758,197)	-100.0%
STA - Formula	2,670,509	2,670,509	-	(2,670,509)	-100.0%
State Transit Assistance	-	-	13,326,730	13,326,730	-
Total State Funds	9,393,706	9,428,706	13,326,730	3,898,024	41.3%
STATE REVENUE - OTHER					
Caltrans	192,858	97,051	-	(97,051)	-100.0%
MediCal	2,000,000	2,000,000	2,000,000	-	-
STIP - Debt Service (AFC)	1,369,984	1,369,984	-	(1,369,984)	-100.0%
Total State Funds	3,562,842	3,467,035	2,000,000	(1,467,035)	-42.3%
TRANSNET					
TransNet - 40% Operating Support	17,900,000	16,228,800	20,782,322	4,553,522	28.1%
TransNet - Access ADA	607,000	566,000	697,144	131,144	23.2%
Total TransNet Funds	18,507,000	16,794,800	21,479,466	4,684,666	27.9%
OTHER LOCAL					
City of San Diego	428,918	428,918	428,918	-	-
SANDAG - Inland Breeze	400,000	-	500,000	500,000	-
APCD	539,000	539,000	-	(539,000)	-100.0%
Other Local Funds	1,367,918	967,918	928,918	(39,000)	-4.0%
LEASE-LEASEBACK / RESERVES					
Lease-Leaseback	11,415,186	11,415,186	7,588,385	(3,826,801)	-33.5%
Reserve Utilization	4,374,153	5,620,405	116,487	(5,503,918)	-97.9%
Total Lease-Leaseback / Reserves	15,789,339	17,035,591	7,704,872	(9,330,719)	-54.8%
TOTAL NON OPERATING REVENUE	161,775,886	156,378,951	140,807,296	(15,571,656)	-10.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

**OPERATING BUDGET
OPERATING STATISTICS
FISCAL YEAR 2009**

**FINANCE WORKSHOP
Att. D, AI 2, 4/24/08**

	<u>BUDGET FY08</u>	<u>PROJECTED FY08</u>	<u>INITIAL FY09 BUDGET</u>	<u>DOLLAR CHANGE BUDGET/ PROJECTED</u>	<u>% CHANGE BUDGET/ PROJECTED</u>
<u>Total Passenger Levels</u>					
Internal Bus Operations	26,719,679	27,710,841	28,401,733	690,892	2.5%
Rail Operations - Base	35,994,984	38,313,765	40,371,282	2,057,517	5.4%
MCS - Fixed Route	21,189,800	21,024,925	21,595,385	570,460	2.7%
MCS - Paratransit	601,775	635,828	631,376	(4,452)	-0.7%
Chula Vista Transit	3,446,504	3,509,341	3,600,755	91,414	2.6%
Total	87,952,743	91,194,700	94,600,531	3,405,832	3.7%
<u>Total Average Fare</u>					
Internal Bus Operations	0.848	0.849	0.854	0.005	0.6%
Rail Operations - Base	0.795	0.756	0.747	(0.010)	-1.3%
MCS - Fixed Route	0.834	0.866	0.871	0.005	0.6%
MCS - Paratransit	2.993	2.907	2.817	(0.091)	-3.1%
Chula Vista Transit	0.765	0.762	0.756	(0.006)	-0.8%
Total	0.834	0.825	0.821	(0.004)	-0.4%
<u>Revenue Miles</u>					
Internal Bus Operations	9,612,949	9,570,407	9,418,313	(152,094)	-1.6%
Rail Operations - Base	7,959,350	7,959,350	8,038,944	79,594	1.0%
MCS - Fixed Route	9,196,995	9,068,839	8,994,014	(74,825)	-0.8%
MCS - Paratransit	3,339,589	3,431,847	3,281,059	(150,788)	-4.4%
Chula Vista Transit	1,337,454	1,257,157	1,248,224	(8,933)	-0.7%
Total	31,446,337	31,287,601	30,980,554	(307,047)	-1.0%
<u>Total Miles</u>					
Internal Bus Operations	11,242,665	11,197,376	10,925,243	(272,133)	-2.4%
Rail Operations - Base	8,083,887	8,083,887	8,164,726	80,839	1.0%
MCS - Fixed Route	11,025,605	10,793,072	10,759,664	(33,408)	-0.3%
MCS - Paratransit	4,306,855	4,410,370	4,213,384	(196,986)	-4.5%
Chula Vista Transit	1,437,715	1,320,014	1,447,940	127,926	9.7%
Total	36,096,727	35,804,719	35,510,957	(293,762)	-0.8%
<u>Revenue Hours</u>					
Internal Bus Operations	880,612	872,208	861,573	(10,635)	-1.2%
Rail Operations - Base	468,155	468,154	472,835	4,681	1.0%
MCS - Fixed Route	821,861	817,107	809,145	(7,962)	-1.0%
MCS - Paratransit	198,934	205,725	193,889	(11,836)	-5.8%
Chula Vista Transit	120,475	115,534	117,209	1,675	1.4%
Total	2,490,037	2,478,728	2,454,651	(24,077)	-1.0%
<u>Total Hours</u>					
Internal Bus Operations	923,353	924,540	913,268	(11,272)	-1.2%
Rail Operations - Base	477,493	477,493	482,268	4,775	1.0%
MCS - Fixed Route	867,560	871,845	864,912	(6,933)	-0.8%
MCS - Paratransit	255,637	265,351	249,152	(16,199)	-6.1%
Chula Vista Transit	126,349	122,466	124,241	1,775	1.4%
Total	2,650,392	2,661,695	2,633,841	(27,854)	-1.0%

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATING BUDGET - CONSOLIDATED**

FISCAL YEAR 2009

in (\$000's)

	FY08 APPROVED BUDGET	FY08 AMENDED BUDGET	FY09 PROPOSED BUDGET	\$ VARIANCE FY09 BUDGET TO FY08 AMENDED	% VARIANCE FY09 BUDGET TO FY08 AMENDED
Fare Revenue	\$ 73,362	\$ 75,232	\$ 77,708	\$ 2,477	3.3%
Other Revenue	3,887	7,387	7,921	534	7.2%
Total Operating Revenue	\$ 77,249	\$ 82,619	\$ 85,629	\$ 3,011	3.6%
Non-Operating Revenue	161,776	156,379	140,807	(15,572)	-10.0%
Total Revenue	\$ 239,025	\$ 238,998	\$ 226,437	\$ (12,561)	-5.3%
Labor	\$ 63,488	\$ 63,120	\$ 65,228	\$ 2,108	3.3%
Fringe	38,211	36,826	38,920	2,095	5.7%
Services	16,617	16,999	16,988	(11)	-0.1%
Purchased Transportation	56,550	55,432	56,860	1,428	2.6%
Materials	7,353	7,586	7,594	7	0.1%
Energy	25,504	28,134	30,174	2,039	7.2%
Risk Management	4,634	4,408	3,619	(789)	-17.9%
General and Administrative	1,105	1,030	1,040	10	1.0%
Vehicle/Facility Lease	446	347	569	222	64.1%
Debt Service	25,117	25,117	11,989	(13,127)	-52.3%
Total Costs	\$ 239,025	\$ 238,998	\$ 232,981	\$ (6,017)	-2.5%
Overhead Allocation	-	0	-	(0)	-100.0%
Total Revenue Less Total Costs	\$ (0)	\$ 0	\$ (6,544)	\$ (6,544)	-266551307.3%
Net Operating Subsidy	\$ (161,776)	\$ (156,379)	\$ (147,351)	\$ 9,028	-5.8%

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
COMBINED MTS BUDGET
FISCAL YEAR 2009**

	Net Operating Mid-Year Budget FY08	RTMS AFC LRV	Net Operating Mid-Year Budget FY08	Budget FY09	RTMS AFC LRV	Net Operating Budget FY09	Dollar Variance	Percent Variance
TOTAL OPERATING REVENUES	82,618,564		82,618,564	85,629,401		85,629,401	3,010,836	3.6%
TOTAL NON-OPERATING REVENUE	150,758,546	20,686,070	130,072,476	140,690,808	7,588,385	133,102,423	3,029,947	2.3%
TOTAL RESERVES	5,620,405		5,620,405	116,487		116,487	(5,503,918)	-97.9%
TOTAL COMBINED REVENUES	238,997,515	20,686,070	218,311,445	226,436,696	7,588,385	218,848,311	536,866	0.2%
TOTAL PERSONNEL EXPENSES	99,945,676		99,945,676	104,148,401		104,148,401	4,202,726	4.2%
TOTAL PURCHASED TRANSPORTATION	55,431,652		55,431,652	56,859,910		56,859,910	1,428,259	2.6%
TOTAL OUTSIDE SERVICES	16,998,669		16,998,669	16,987,903		16,987,903	(10,766)	-0.1%
TOTAL MATERIALS AND SUPPLIES	7,586,286		7,586,286	7,593,669		7,593,669	7,383	0.1%
TOTAL ENERGY	28,134,371		28,134,371	30,173,644		30,173,644	2,039,273	7.2%
RISK MANAGEMENT	4,407,912		4,407,912	3,619,090		3,619,090	(788,822)	-17.9%
GENERAL AND ADMINISTRATIVE	1,029,548		1,029,548	1,039,605		1,039,605	10,057	1.0%
DEBT SERVICE	25,116,648	20,686,070	4,430,578	11,989,438	7,588,385	4,401,053	(29,525)	-0.7%
VEHICLE / FACILITY LEASE	346,754		346,754	568,877		568,877	222,123	64.1%
TOTAL OPERATING EXPENSES	238,997,514	20,686,070	218,311,444	232,980,538	7,588,385	225,392,153	7,080,709	3.2%
TOTAL REVENUES LESS TOTAL EXPENSES	1	-	1	(6,543,841)	-	(6,543,841)	(6,543,843)	

**San Diego Metropolitan Transit System
Total Operating Budget
Fiscal Year 2009
(in \$000's)**

	FY 2008 Mid Year Expense Budget	FY 2008 Allocation Differences	Adjusted FY 2008 Amended Expense Budget	FY 2009 Current Expense Budget	Difference	Percent Variance
Operations						
Internal Bus Operations	77,686	-	77,686	79,084	1,398	1.8%
Rail Operations	54,549	-	54,549	1,178	1,178	2.2%
Contract Services - Fixed Route	48,518	-	48,518	50,773	2,255	4.6%
Contract Services - Paratransit	12,643	-	12,643	13,021	378	3.0%
Chula Vista Transit	7,353	-	7,353	7,648	294	4.0%
Coronado Ferry	143	-	143	148	4	3.0%
Administrative Pass Through	344	-	344	344	-	0.0%
Combined Operations	201,237	-	201,237	206,745	5,508	2.7%
Other Operations						
Taxicab Administration	724	-	724	828	103	14.3%
San Diego & Arizona Eastern	205	-	205	146	(60)	-29.0%
Combined Other Operations	930	-	930	974	44	4.7%
Administrative						
Board of Directors	100	-	100	112	11	11.2%
BOD Admin	227	-	227	226	(1)	-0.4%
Bus Bench / Bus Shelter	225	-	225	231	6	2.4%
Executive	455	-	455	513	57	12.6%
Finance	1,369	-	1,369	1,411	42	3.1%
Fringes	3,479	-	3,479	4,157	678	19.5%
General	22,228	(20,686)	1,542	1,800	258	16.7%
Human Resources	1,421	-	1,421	1,520	99	7.0%
Information Technology	1,554	-	1,554	1,670	117	7.5%
Land Management	334	-	334	399	65	19.3%
Legal	296	-	296	294	(1)	-0.4%
Marketing	1,484	-	1,484	1,484	0	0.0%
Multimodal Operations	361	-	361	327	(35)	-9.6%
Operations Planning	965	-	965	1,024	59	6.2%
Procurement	598	-	598	742	144	24.1%
Revenue	-	-	-	-	-	0.0%
Risk	753	-	753	729	(23)	-3.1%
Telephone Information Services	666	-	666	723	56	8.5%
Transit Store	316	-	316	313	(4)	-1.2%
Combined Administrative	36,831	(20,686)	16,145	17,674	1,529	9.5%
Combined Grand Total	238,998	(20,686)	218,311	225,393	7,081	3.2%

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM
POSITION INFORMATION (SUMMARY FORMAT)
PROPOSED FISCAL YEAR 2009 BUDGET**

**FINANCE WORKSHOP
Att. H, AI 2, 4/24/08**

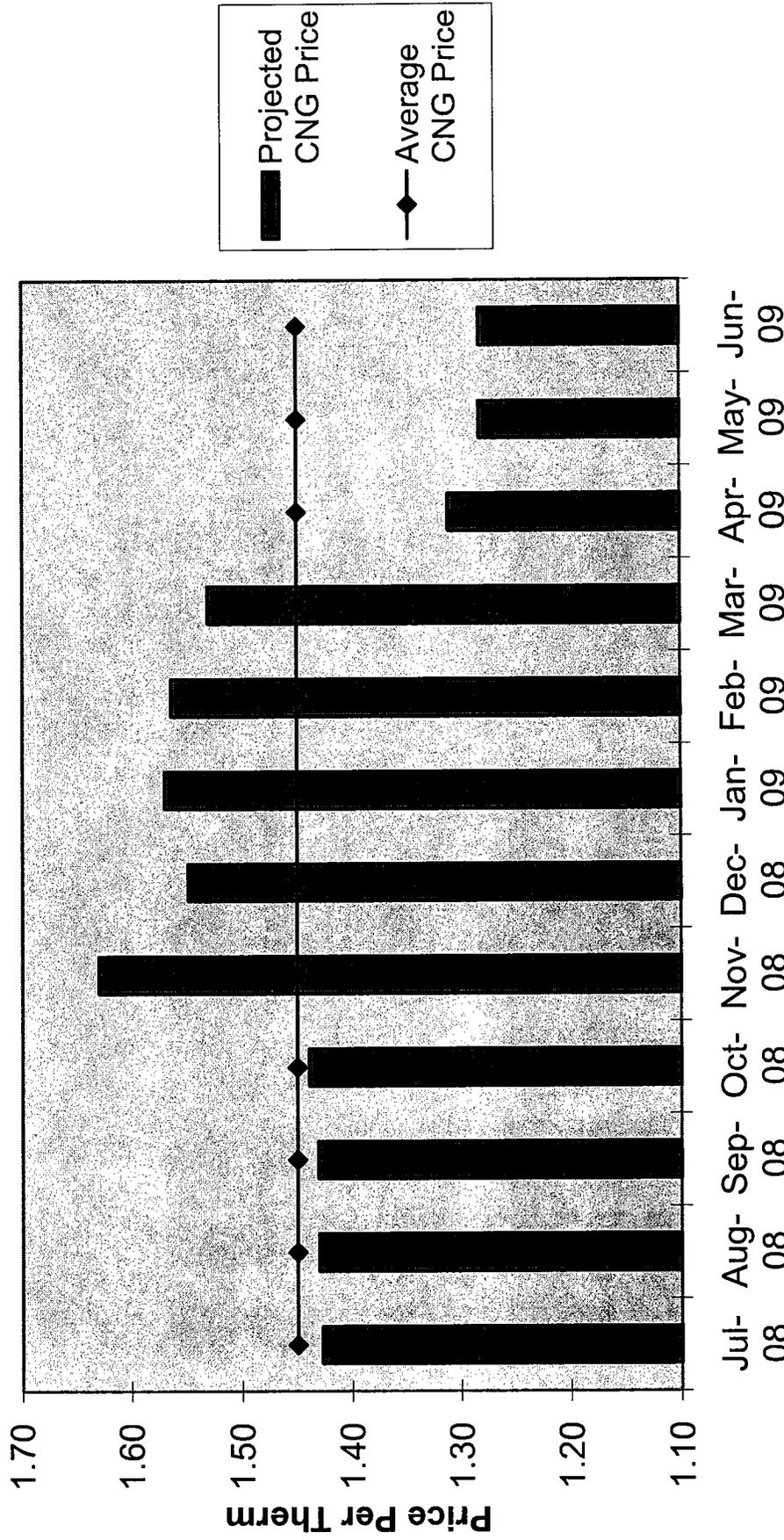
POSITION	Budget	Net	Position	Frozen	FTE'S	Net Additional
	Fiscal Year 2008	Changes	Shifts	Positions		Positions Requiring
	FTE'S	FTE'S	FTE'S	FTE'S		New Funding
						FTE'S
MTS ADMINISTRATION						
BOD ADMINISTRATION	4.0	-	-	-	4.0	-
EXECUTIVE	3.0	-	-	-	3.0	-
FINANCE	21.0	-	-	-	21.0	-
HUMAN RESOURCES	14.0	-	-	-	14.0	-
INFORMATION TECHNOLOGY	16.0	-	-	(1.0)	15.0	-
LEGAL	1.6	-	-	-	1.6	-
MARKETING	10.0	-	-	(1.0)	9.0	-
MULTIMODAL	2.0	-	-	-	2.0	-
PLANNING	14.5	-	-	(1.5)	13.0	-
PROCUREMENT	11.5	-	-	(1.0)	10.5	-
RIGHT OF WAY	3.0	-	-	-	3.0	-
RISK	6.0	-	-	-	6.0	-
TELEPHONE INFORMATION SERVICES	22.5	-	-	-	22.5	-
TRANSIT STORES	5.0	-	-	-	5.0	-
SUBTOTAL MTS ADMINISTRATION	134.1	-	-	(4.5)	129.6	-
BUS OPERATIONS (SAN DIEGO TRANSIT CORPORATION)						
EXECUTIVE	4.3	0.5 A	-	-	4.8	-
TRANSPORTATION	591.5	-	2.0	-	593.5	-
MAINTENANCE	190.0	1.0 B	(1.0)	-	190.0	-
PASSENGER SERVICES	6.0	-	-	-	6.0	-
STORES	14.0	-	-	-	14.0	-
REVENUE	14.5	-	-	-	14.5	-
TRAINING	12.6	-	(1.0)	-	11.6	-
SAFETY	1.0	-	-	-	1.0	-
SUBTOTAL BUS OPERATIONS	833.9	1.5	-	-	835.4	-
RAIL OPERATIONS (SAN DIEGO TROLLEY, INCORPORATED)						
GENERAL MANAGER	4.0	-	-	-	4.0	-
TRANSPORTATION	189.0	2.8 C	-	(1.0)	190.8	-
OPERATIONS	4.0	-	-	-	4.0	-
LIGHT RAIL VEHICLES	92.0	-	-	-	92.0	-
MAINTENANCE OF WAYSIDE	40.0	-	-	(1.0)	39.0	-
TRACK	18.0	-	-	(1.0)	17.0	-
FACILITIES	67.0	-	-	-	67.0	-
REVENUE	43.2	-	-	-	43.2	-
SECURITY	43.0	-	-	-	43.0	-
STORES	10.0	-	-	-	10.0	-
SUBTOTAL RAIL OPERATIONS	510.2	2.8	-	(3.0)	510.0	-
OTHER MTS OPERATIONS						
CONTRACT SERVICES	13.0	-	-	(1.0)	12.0	-
TAXICAB	10.0	-	-	-	10.0	-
SUBTOTAL OTHER MTS OPERATIONS	23.0	-	-	(1.0)	22.0	-
GRAND TOTAL	1,501.2	4.3	-	(8.5)	1,497.0	-

A: Capital Projects Manager increased to full time from part time status. This will not require additional funding within the operating budget as his time will be charged to capital projects.

B: Three servicer positions were added and two mechanic positions were reduced. The net impact of this is a reduction in wage expense.

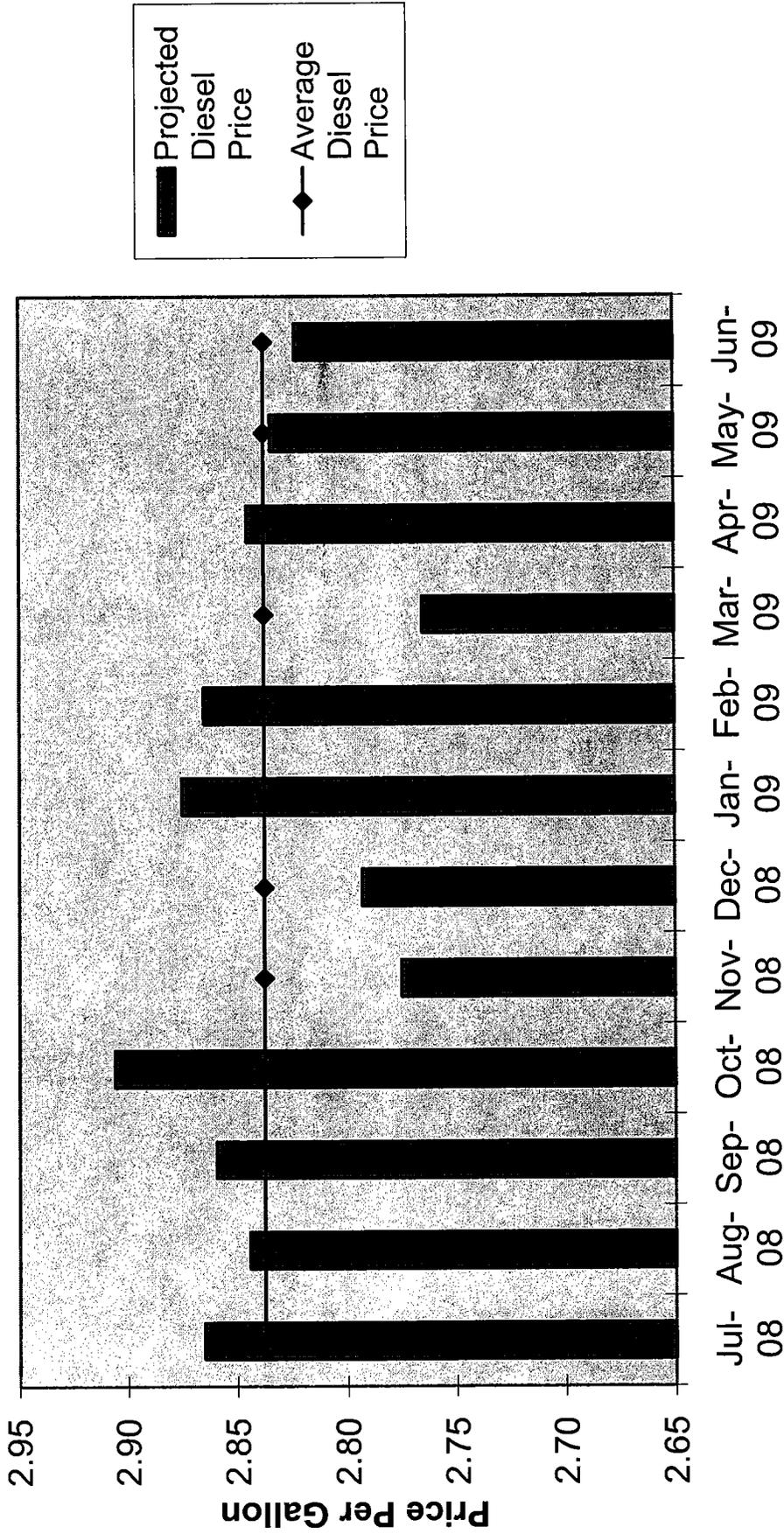
C: Part time operators hours increased slightly due to actual trending of hours worked.

FY09 CNG Projection



FY09 Projected Average CNG Price = \$1.45

FY09 Diesel Projection



FY09 Projected Average Diesel Price = \$2.84

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
Fiscal Year 2009

Energy Impact on Operations

Average annual cost per \$0.01 increase in price

CNG	Diesel
80,932	18,486

Annual budgetary impact at annual average prices

CNG		Diesel	
Average Annual Price	Annual Budgetary Impact	Average Annual Price	Annual Budgetary Impact
1.360	(728,390)	2.700	(258,804)
1.390	(485,593)	2.750	(166,374)
1.420	(242,797)	2.800	(73,944)
1.450	-	2.840	-
1.480	242,797	2.900	110,916
1.510	485,593	2.950	203,346
1.540	728,390	3.000	295,776
1.570	971,186	3.050	388,206

* Proposed budget rates for CNG and Diesel are \$1.45 and \$2.84 respectively

** CNG usage represents 87% of San Diego Transit operations

MTS FY09 Budgeted Cost Per Mile

CNG	Diesel
\$ 0.674	\$ 1.141



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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.

AG 210.9 (PC 50102)

April 24, 2008

SUBJECT:

MTS: JOB ACCESS AND REVERSE COMMUTE GRANT

RECOMMENDATION:

That the Board of Directors approve Resolution No. 08-6 (Attachment A) authorizing the Chief Executive Officer (CEO) to submit applications for fiscal year 2006 Job Access and Reverse Commute (JARC) for Nonurban (Rural) areas – Federal Transit Administration funding 5316.

Budget Impact

None.

DISCUSSION:

Resolution No. 08-6 would authorize filing applications with and requesting reimbursements from the California Department of Transportation and would satisfy requirements of the fiscal year 2006 Job Access and Reverse Commute grant application process for nonurban (rural) areas. MTS's allocation application for fiscal year 2006 is \$200,000; the funds would be used to supplement funding for Route 905.

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Nancy Dall, 619.557.4537, nancy.dall@sdmts.com

APRIL24-08.6.JARC GRANT.NDALL.doc

Attachment: A. Resolution No. 08-6



SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 08-6

Resolution Approving the Submittal of Applications and Requests for Reimbursements for Fiscal Year 2006 Job Access and Reverse Commute Grant for Non-Urban (Rural) Areas

WHEREAS, the San Diego Metropolitan Transit System (MTS) is a public entity established under the laws of the State of California for the purpose of providing transportation services in the County of San Diego who desires to apply for and obtain funding to improve access to transportation services to employment and employment-related activities.

NOW, THEREFORE, BE IT RESOLVED that the Chief Executive Officer is hereby authorized to execute any actions necessary for the purpose of obtaining state financial assistance provided by the California Department of Transportation.

PASSED AND ADOPTED by the Board of Directors this ____ day of _____ 2008, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

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

Office of the General Counsel
San Diego Metropolitan Transit System



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619.231.1466, FAX 619.234.3407

Agenda

Item No. 30

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

MKPC 620.9

April 24, 2008

SUBJECT:

MTS: TROLLEY WRAPS

RECOMMENDATION:

That the Board of Directors approve wrapping five additional trolleys with "green" imagery, MTS ridership messages, and limited corporate branding by third parties as official wrap sponsors.

Budget Impact

Possible revenue generation of up to \$240,000 per year from the solicitation of wrap sponsors to pay for initial wrap costs in addition to six-month sponsorships of \$30,000 each.

DISCUSSION:

In 2007, as part of the effort to balance the FY 08 budget, the MTS Board of Directors directed staff to pursue advertising wraps for up to five U-2 trolley cars. Since the program was initiated, three different clients have wrapped cars for varying lengths of time. Washington Mutual wrapped two cars for one month to support its Free Ride Day in October 2007, Johnson and Johnson currently has two cars wrapped through July, and the San Diego Zoo has one trolley wrapped through August. This program has generated approximately \$150,000 in revenue.

In the next year, MTS will be promoting the environmental benefits of riding public transportation. A highly visual way to communicate our "green" attributes is to utilize our trolley and bus vehicles.



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.

The MTS Marketing Department proposes wrapping additional five trolleys with green images and MTS ridership messages. These “house” ads would be placed on either the existing U-2s already identified for wraps or on one or more of five SD 100 cars slated to be painted over the next 3½ years. Currently there are 38 SD 100s in need of new paint—the cost of applying new paint is approximately \$40,000 for each SD 100.

Wrapping trolleys costs between \$10,000 and \$12,000. To offset these costs and to generate additional income, MTS proposes to sell corporate sponsors of MTS green messages. Six-month sponsorships are proposed to be sold for \$30,000, and in return, corporate sponsors would receive limited corporate branding on the exterior of the trolleys. Revenue would also be used to pay for the wraps.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Rob Schupp, 619.557.4511, rob.schupp@sdmt.scom

APRIL24-08.30.TROLLEY WRAPS.RSCHUPP.doc



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Agenda

Item No. 31

JOINT MEETING OF THE BOARD OF DIRECTORS
of the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

CIPs 11216, 11221,
11148

April 24, 2008

SUBJECT:

MTS: SENIOR AND DISABLED LIFT REPLACEMENT PROJECT – FUND TRANSFER AND CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors:

1. approve a fund transfer request (Attachment A) from Capital Improvement Programs (CIPs) 11216 and 11221 to CIP 11148; and
2. authorize the Chief Executive Officer (CEO) to execute MTS Doc No. L0826.0-08 (in substantially the same form as shown on Attachment B) with Complete Coach Works, Inc. to furnish and install senior and disabled lifts on the fleet of 52 SD100 light rail vehicles (LRVs).

Budget Impact

The total contract cost of \$348,580.35, including training, spares, and freight, would come from CIP 11148-0800 (Senior and Disabled Lift Replacement Project).

DISCUSSION:

San Diego Trolley, Inc.'s (SDTI's) fleet of 52 SD100 LRVs was procured between 1995 and 1998. Prior to beginning regular revenue service, senior and disabled lifts were installed on all vehicles. These lifts are now 10 to 13 years old and at the end of their useful lives—SDTI is experiencing increased age-related failures. In FY 2006, capital funding for LRV lift replacement was approved.



In November 2007, the project was advertised in two disadvantaged business enterprise newspapers and one general-circulation newspaper. In addition, bid packages were mailed to interested bidders.

In response, only one bid was received from Complete Coach Works, Inc. on January 14, 2008. Since it was single bid, the Procurement Department conducted a price analysis and determined that the bid prices were fair and reasonable; however, the total bid amount exceeded the available budget in the project by \$116,000 for fleet-wide lift replacement. Two factors contributed to the cost increase compared to the original estimate:

1. The original estimate was based on the cost of the existing lifts three years ago. The new lifts specified require more capacity to accommodate new, heavier wheelchairs, and the existing lifts can barely lift them. There is an associated cost increase due to the need for stronger lifts.
2. The original lifts were supplied by Ricon Corporation, which was acquired in 2007 by much a larger multinational company. MTS believes there is some cost increase due to this transition.

Replacement of existing lifts is the highest priority for SDTI because of rapidly deteriorating old equipment; therefore, SDTI staff recommends that some funds be transferred from two capital projects into the Senior and Disabled Lift Replacement Project to cover the shortfall. The proposed transfer is the entire balance of \$96,274 from CIP 11221 (Rehabilitate Electronics Control Circuit) and \$19,726 from CIP 11216 (Low-Voltage Train Line Wiring) as shown in the Fund Transfer Summary (Attachment A). Staff believes that postponing the Low-Voltage Train Line Wiring Project to a future year and slightly reducing the scope on the Rehabilitate Electronics Control Circuit Project would not impact car performance significantly whereas delaying the lift replacement would have a bigger impact on operations and possible safety implications.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Russ Desai, 619.595.4908, rushikesh.desai@sdmts.com

APRIL24-08.31.SR DISABLED LIFT REPLACEMT.RDESAI.doc

Attachments: A. Budget Transfer Summary
B. MTS Doc No. L0826.0-08

BUDGET TRANSFER SUMMARY

CIP NO.	PROJECT NAME	BUDGETS		
		<i>Orig. Budget Total</i>	<i>Proposed</i>	<i>Change</i>
11221	Low-Voltage Train Line Wiring	\$96,274	\$0.0	-\$96,274
11216	Rehabilitate Electronics Control Circuit	\$250,000	\$230,274	-\$19,726
11148	Senior and Disabled Lift Replacement	\$250,000	\$366,000	+\$116,000



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Agenda

Item No. 32

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

CIPs 11198, 11146,
11187, 11233, 11235, 11197

April 24, 2008

SUBJECT:

MTS: FARE BOX SUPPORT EQUIPMENT - SANDAG MOU AND FUND TRANSFER

RECOMMENDATION:

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

1. execute a memorandum of understanding (MOU) between the San Diego Association of Governments (SANDAG) and MTS to transfer capital project funds for fare box support equipment (in substantially the same form as shown in Attachment A); and
2. transfer funds from various MTS projects to Capital Improvement Program (CIP) 11198 (MTS Contract Services SBMF Miscellaneous Equipment) for fare box support equipment (see Attachment B).

Budget Impact

The proposed MOU would transfer up to \$340,000 from MCS SBMF Miscellaneous Equipment (CIP 11198) to SANDAG to purchase fare box support equipment under SANDAG CIP 1145700 (Automatic Fare Collection). Funds in the amount of \$174,845 would be transferred from five MTS projects to MCS SBMF Miscellaneous Equipment (CIP 11198) as follows:

- | | | |
|----|--|------------|
| 1. | Chula Vista Bus Stop Facilities (CIP 11146) | - \$48,408 |
| 2. | Chula Vista Transit Bus Stop Security Improvements (CIP 11187) | - \$49,001 |
| 3. | Bus Stop Safety & Security Enhancements (CIP 11235) | - \$30,000 |
| 4. | MCS Bus Stop Program (CIP 11233) | - \$32,516 |
| 5. | MCS Service Trucks – East County Maintenance (CIP 11197) | - \$14,919 |



DISCUSSION:

MTS staff is requesting authorization to use CIP funds to purchase support equipment for MTS fare box systems. SANDAG is willing to purchase the support equipment under the existing GFI Genfare agreement CIP 1145700 (SANDAG Automatic Fare Collection Project), which would allow the equipment to be purchased utilizing pricing within an existing agreement. An MOU (Attachment A) has been developed that would allow SANDAG to utilize MTS grant funds to purchase the equipment for MTS.

The equipment would be used to support the automation of the fare box revenue collection at MTS Contract Services locations at South Bay Division (3650A Main Street in Chula Vista), East County Division (1213 North Johnson Avenue in El Cajon), and Chula Vista Transit (1800 Maxwell Drive in Chula Vista).

Transfer of Project Funds

In order to provide sufficient funding for fare box support equipment, staff reviewed several capital projects and determined that additional funding could be transferred to the MTS Contract Services SBMF Miscellaneous Equipment Project. Attachment B summarizes the fund transfers. Some of the projects were MTS projects for Chula Vista Transit bus stop improvements. Chula Vista staff concurs with the recommended funding transfers and has approved the funding transfers that can be used for the MTS fare box support equipment. Some of the equipment would be used to outfit the Chula Vista Maxwell Yard Division with automated fare box equipment and garage systems hardware and software for fare box system management for the Chula Vista Transit buses.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Susan Hafner, 619.595.3084, Susan.Hafner@sdmts.com

APRIL24-08.32.FAREBOX EQUIP MOU FUND TRANSFER.EHURWITZ.doc

Attachments: A. Draft MOU
B. Summary of Project Fund Transfers

DRAFT

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE SAN DIEGO ASSOCIATION OF GOVERNMENTS AND THE
METROPOLITAN TRANSIT SYSTEM**

WHEREAS, the San Diego Association of Governments (SANDAG) and the Metropolitan Transit System (MTS) have jointly implemented a Regional Automated Fare Collection System (AFC) now called "Compass Card"; and

WHEREAS SANDAG currently has procured fare collection equipment for the AFC System through an existing contract with GFI Genfare, SANDAG Contract No. G0793.0-03 (GFI Contract); and

WHEREAS MTS now desires to procure additional equipment compatible with the existing AFC equipment procured through the GFI Contract; and

WHEREAS such compatible equipment is available only through GFI Genfare; and

WHEREAS the parties mutually desire to facilitate such procurement through an amendment to the GFI Contract; NOW, THEREFORE,

IT IS AGREED AS FOLLOWS:

1. SANDAG shall execute one or more amendments to the GFI Contract as necessary for the purchase of additional AFC-compatible equipment on behalf of MTS (New AFC Equipment).
2. The scope of the New AFC Equipment shall be limited to that set forth in Exhibit "A" hereto at the prices set forth in such exhibit, but shall not necessarily include all line items set forth in such Exhibit. The total cost of the New AFC Equipment shall not exceed \$340,000.
3. MTS shall communicate to SANDAG in writing the final scope of the New AFC Equipment, and shall concurrently transfer to SANDAG the total cost of the New AFC Equipment per the prices set forth in Exhibit "A."
4. SANDAG shall act as project manager and contract manager for the duration of the GFI Contract amendments and shall perform the duties generally attributable to such roles including, but not limited to, monitoring scope, schedule, budget, and deliverables.
5. Upon final payment for the New AFC Equipment MTS shall own such equipment.
6. MTS shall fully defend, indemnify, and hold harmless SANDAG, including all of its officers and employees, from all claims, suits, or actions of every name, kind, and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by MTS under or in connection with this MOU.

7. SANDAG shall fully defend, indemnify, and hold harmless MTS, including all of its officers and employees, from all claims, suits, or actions of every name, kind, and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by MTS under or in connection with this MOU.
8. The parties shall not assign this MOU without the prior written consent of the other two parties.
9. No alteration or variation of the terms of this MOU shall be valid unless made in writing and signed by MTS and SANDAG.
10. Notice shall be addressed as follows:

To MTS:
 Attention: Chief Executive Officer
 1255 Imperial Avenue, Suite 1000
 San Diego, CA 92101-7490

To SANDAG
 Attention: Executive Director
 401 B Street, Suite 800
 San Diego, CA 92101-4231

Copy to: SANDAG
 Attention: Compass Program Manager
 401 B Street, Suite 800
 San Diego, CA 92101-4231

This MOU shall be effective this _____ day of May 2008.

METROPOLITAN
 TRANSIT SYSTEM

SAN DIEGO ASSOCIATION
 OF GOVERNMENTS

Paul C. Jablonski
 Chief Executive Officer

Gary Gallegos
 Executive Director

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Tiffany Lorenzen
 Office of the General Counsel

Julie Wiley
 Office of the General Counsel

APRIL28-08.32.AttA.FAREBOX MOU.EHURWITZ.doc

Attachment: Exhibit A

DRAFT

Exhibit "A"

Proposed GFI Genfare Amendment 5 Equipment Costs

Item	Description	Quantity	Unit Price	Total Price
	Odyssey Simulator (without Tri Reader)	2	\$ 11,550.00	\$ 23,100.00
5.01	Revenue Systems Installation	3	\$ 925.00	\$ 2,775.00
5.02	Support Computer Systems Installation	1	\$ 865.00	\$ 865.00
7.03	Revenue Collection Vault/Receivers (w/o mobile safe)	3	\$ 31,300.00	\$ 93,900.00
7.04	Mobile Safes	7	\$ 10,585.00	\$ 74,095.00
7.05	Garage Data Management System (CB/ID computer & GFI garage data system hardware and software)	1	\$ 40,150.00	\$ 40,150.00
7.07	Data Probe Equipment (per lane)	4	\$ 7,245.00	\$ 28,980.00
	20-foot Extension for Probes	8	\$ -	\$ -
Subtotal Equipment				\$ 263,865.00
<i>Sales Tax</i>				<i>0.0775</i> \$ 20,449.54
TOTAL AMENDMENT 5 EQUIPMENT				\$ 284,314.54

Proposed GFI Genfare Amendment 5 Spare Parts Costs

Part No.	Description	Quantity	Unit Price	Total Price
D21133-0001	S/A Controller Board "Logic Board"	10	\$ 850.00	\$ 8,500.00
C22807-0004	S/A Power Board Converter DC/DC 12VDC	10	\$ 386.00	\$ 3,860.00
C23931-1928P	S/A Coin Validator "No Tokens W/US Coins"	10	\$ 321.00	\$ 3,210.00
C23950-0001	S/A Bill Validator (BV-7)	15	\$ 425.00	\$ 6,375.00
D23696-0004	S/A Bill Transport "New" High Speed	10	\$ 564.00	\$ 5,640.00
D18631-0002	S/A Cashbox, Short with I/D (-2 Only)	2	\$ 595.00	\$ 1,190.00
D22146-0002	S/A Electronic Lock	3	\$ 490.00	\$ 1,470.00
D22192-0001	S/A TRIM 2.0 for Odyssey Farebox complete	3	\$ 2,900.00	\$ 8,700.00
D122188-0002	S/A Printer - TRIM	1	\$ 1,052.22	\$ 1,052.22
D23903-0001	S/A Conveyor - TRIM	1	\$ 1,509.09	\$ 1,509.09
	Receiver Spare Parts Kit	1	\$ 560.00	\$ 560.00
Subtotal Spare Parts				\$ 42,066.31
<i>Sales Tax</i>				<i>0.0775</i> \$ 3,260.14
TOTAL AMENDMENT 5 SPARE PARTS				\$ 45,326.45

SUMMARY

Subtotal Equipment	\$ 284,314.54
Subtotal Spare Parts	\$ 45,326.45
Contingency	\$ 10,359.01

TOTAL PROPOSED EQUIPMENT AND SPARE PARTS

\$ 340,000.00

Note: All equipment and spare parts shall be delivered to MTS c/o Veolia Transportation - South Bay Division, 3650A Main Street, Chula Vista, CA 91911

FUND TRANSFERS FOR MTS SBMF MISCELLANEOUS EQUIPMENT PROJECT 11198

PROJECT NAME	PROJECT CODE	ORIGINAL AMOUNT	REVISED AMOUNT	TRANSFER AMOUNT
CVT Bus Stop Facility Improvements	11146	\$65,000.00	\$16,592.00	(\$48,408.00)
CVT Bus Stop Security	11187	\$50,000.00	\$998.40	(\$49,001.60)
CVT Bus Stop Safety Improvements	11235	\$30,000.00	\$0.00	(\$30,000.00)
MCS Bus Stop Program	11233	\$35,000.00	\$2,483.71	(\$32,516.29)
MCS Service Truck	11197	\$165,000.00	\$150,080.79	(\$14,919.21)
MCS SBMF Miscellaneous Equipment	11198	\$250,000.00	\$424,845.10	\$174,845.10



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Agenda

Item No. 33

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

OPS 960.6

April 24, 2008

SUBJECT:

SDTC: PENSION OBLIGATION BONDS

RECOMMENDATION:

That the Board of Directors direct the Chief Financial Officer to work with Public Financial Management (PFM) to replace MBIA, MTS's pension obligation bond (POB) insurer, with a Letter of Credit to reduce the impact on MTS's variable rate caused by the current liquidity problems within the bond markets. A final strategy will be presented.

Budget Impact

The legal and administrative costs to implement the final strategy (estimated between \$75,000 and \$120,000) should be covered in the restructuring of the debt through a refunding. It is anticipated that restructuring the variable rate POBs will bring the current rate back within budget projections.

Executive Committee Recommendation

At its meeting on April 17, 2008, the Executive Committee recommended forwarding this item to the Board of Directors for approval.

DISCUSSION:

In 2004, MTS issued \$38.69 million in fixed-rate taxable POBs and \$38.8 million in variable rate demand (VRD) bond taxable pension obligation bonds. The VRD bonds were subsequently swapped to achieve a synthetic fixed rate of 4.424% in August of 2005.



Since the time of issuance, the bonds have performed very well in the market; however, beginning in December of 2007, for reasons totally unrelated to the MTS bonds or the underlying credit of any municipal issuer, the bond market has experienced substantial turbulence.

Nearly 80% of the municipal bonds currently in the market carry some form of credit enhancement—usually a bond insurance policy from a “monoline” insurance provider. MTS’s 2004 bonds are insured by MBIA, one of the largest firms in the industry.

While there have been no recent credit issues associated with any municipal bonds, the monoline bond insurers have insured billions in collateralized mortgage obligations (CMOs). Widespread concern over these securities has prompted rating agencies to revisit the capital charge requirements on bond insurers, to require additional capital be raised and reserved and, in some cases, has caused them to reduce the ratings on bond insurance providers. Last week, Fitch Ratings downgraded MBIA from AAA to AA. Moody’s and Standard & Poor’s have placed MBIA on negative outlook.

Beginning in December, one form of variable rate debt, known as auction rate securities (ARS), began to experience a massive failure in weekly remarketing. ARS securities do not have what is known as a “put” feature allowing the owners to exit the bond upon seven days’ notice. As a result, bondholders concerned about the liquidity of their investments and the impacts of potential downgrades rushed to exit the market. At one point, over 75% of the market was in some form of “maximum rate.”

The VRD bonds issued by MTS do have a liquidity facility provided by Dexia that allows bondholders to exit the bonds. If new bondholders cannot be found, Dexia is required to extend liquidity and buy the bonds. Typically before this happens, MTS’s remarketing agent, UBS, would extend its capital and hold the bonds.

In the aftermath of the ARS meltdown, investment banks such as UBS found the capital required to support all of their outstanding bonds to be beyond their ability to continue to extend capital on behalf of issuers. In the VRD bonds market, bonds with underlying insurance were in some cases also shunned, which required many to be put back to the bank at punitive rates to the issuers.

Municipal issuers were faced with the dilemma of having paid for bond insurance to enhance the marketability and credit worthiness of their debt only to find the insurance was now a deterrent on the pricing and marketability of their bonds.

UBS and MTS staffs have both confirmed that recently the MTS bonds have been either held by the remarketing agent or have been put to Dexia to create “bank” bonds.

While MTS has swapped its debt to create a synthetic fixed rate, the ability to achieve this rate is dependent on receiving a variable rate that is equal to or greater than the rate it is paying on the bonds. MTS is receiving a rate equal to the London Interbank Offered Rate (LIBOR), which today is 2.72%; however, the actual rate it is paying on its debt as of April 9 is 4.35%. Thus, MTS is experiencing “leakage” of approximately 163 basis points over its assumed fixed rate. This makes the effective cost of funds 6.05% rather than the anticipated 4.42%. On a simple annualized basis, this could amount to an additional \$632,000 in interest costs per year.

The problem with the MTS debt is the poor market performance of any debt insured by MBIA. Accordingly, PFM's goal is to restructure the debt through a refunding so as to eliminate MBIA and to replace the bond insurer with a letter of credit provided by Dexia, MTS's current liquidity provider.

Dexia provided a bid of 60 basis points for a five-year commitment and is currently in the credit review process. Once this is complete, PFM anticipates a relatively quick effort to document a new transaction and remarket the bonds under the new credit support structure.

PFM has considered the option of remarketing the bonds into a traditional fixed-rate mode, which would likely be advantageous; however, MTS would incur a swap termination cost of approximately \$2.3 million. PFM has advised that it would be more cost effective to continue the swap until its expiration in 2012 and to consider a fixed-rate remarketing at that time.

Because of the overwhelming rush to convert ARS securities to VRD bonds, the demands on banks, such as Dexia, are severe. This demand would delay the documentation of any effort to eliminate MBIA and to replace the bond insurer with a letter of credit; however, PFM believes that it can conclude this process in 60 to 90 days.



Paul C. Jablonski
Chief Executive Officer

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Agenda

Item No. 45

JOINT MEETING OF THE BOARD OF DIRECTORS
for the
Metropolitan Transit System,
San Diego Transit Corporation, and
San Diego Trolley, Inc.

FIN 310

April 24, 2008

SUBJECT:

MTS: YEAR-TO-DATE OPERATIONS BUDGET STATUS REPORT THROUGH
FEBRUARY 2008

RECOMMENDATION:

That the Board of Directors receive the MTS Year-to-Date Operations Budget Status
Report through February 2008.

Budget Impact

None at this time.

DISCUSSION:

This report summarizes MTS's year-to-date operating results through February 2008 compared to the Board-approved midyear budget. Attachment A-1 combines the operations, administration, and other activities results through February 2008. Attachment A-2 details the year-to-date February 2008 combined operations results, and Attachments A-3 to A-8 present budget comparisons for each MTS operation. Attachment A-9 details budget comparisons for MTS Administration, and A-10 provides year-to-date February 2008 results for MTS other activities (Taxicab/San Diego and Arizona Eastern Railway Company).



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.

General and Administrative. Year-to-date general and administrative costs, including vehicle and facilities leases, were \$9,000 (-1.2%) over budget totaling \$817,000 through February 2008 compared to a year-to-date budget of \$808,000.

YEAR-TO-DATE SUMMARY

The February 2008 year-to-date net-operating subsidy totaled a favorable variance of \$1,692,000 (2.0%) and was produced by several factors. These factors include favorable variances in passenger revenue, personnel costs, purchased transportation, and energy partially offset by materials and supplies, general and administrative, and risk management.



Paul C. Jablonski
Chief Executive Officer

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APRIL24-08.45.BUDGET RPT 08.LMARINESI.doc

Attachment: A. Comparison to Budget

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

MTS

Att. A, AI 45, 4/24/08

CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2008

FEBRUARY 29, 2008

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 51,072	\$ 50,575	\$ 497	1.0%
Other Revenue	5,094	4,903	191	3.9%
Total Operating Revenue	\$ 56,166	\$ 55,478	\$ 688	1.2%
Personnel costs	\$ 65,649	\$ 66,182	\$ 532	0.8%
Outside services	46,398	46,657	259	0.6%
Transit operations funding	-	-	-	-
Materials and supplies	4,954	4,878	(76)	-1.6%
Energy	17,921	18,260	339	1.9%
Risk management	2,779	2,749	(30)	-1.1%
General & administrative	629	602	(27)	-4.5%
Vehicle/facility leases	188	206	18	8.7%
Amortization of net pension asset	8	-	(8)	-
Administrative Allocation	3	0	(3)	-9777.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 138,530	\$ 139,534	\$ 1,004	0.7%
Operating income (loss)	\$ (82,364)	\$ (84,056)	\$ 1,692	2.0%
Total public support and nonoperating revenues	12,989	13,019	(30)	-0.2%
Income (loss) before capital contributions	\$ (69,375)	\$ (71,037)	\$ 1,662	-2.3%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

Att. A, AI 45, 4/24/08

CONSOLIDATED OPERATIONS

COMPARISON TO BUDGET - FISCAL YEAR 2008

FEBRUARY 29, 2008

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 51,072	\$ 50,575	\$ 497	1.0%
Other Revenue	1,327	1,287	40	3.1%
Total Operating Revenue	\$ 52,399	\$ 51,862	\$ 537	1.0%
Personnel costs	\$ 57,939	\$ 58,544	\$ 605	1.0%
Outside services	44,761	44,982	220	0.5%
Transit operations funding	-	-	-	-
Materials and supplies	4,953	4,875	(78)	-1.6%
Energy	17,671	18,001	330	1.8%
Risk management	2,422	2,418	(4)	-0.1%
General & administrative	258	215	(43)	-20.1%
Vehicle/facility leases	188	206	18	8.7%
Amortization of net pension asset	8	-	(8)	-
Administrative Allocation	3,786	3,783	(3)	-0.1%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 131,986	\$ 133,024	\$ 1,038	0.8%
Operating income (loss)	\$ (79,588)	\$ (81,162)	\$ 1,575	1.9%
Total public support and nonoperating revenues	2,182	2,212	(30)	-1.3%
Income (loss) before capital contributions	\$ (77,406)	\$ (78,951)	\$ 1,545	-2.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

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TRANSIT SERVICES (SAN DIEGO TRANSIT CORPORATION)

COMPARISON TO BUDGET - FISCAL YEAR 2008

FEBRUARY 29, 2008

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	%
				VARIANCE
Passenger Revenue	\$ 15,267	\$ 15,296	\$ (29)	-0.2%
Other Revenue	673	806	(133)	-16.5%
Total Operating Revenue	\$ 15,940	\$ 16,102	\$ (162)	-1.0%
Personnel costs	\$ 36,569	\$ 37,159	\$ 590	1.6%
Outside services	1,487	1,542	56	3.6%
Transit operations funding	-	-	-	-
Materials and supplies	3,120	3,072	(48)	-1.6%
Energy	5,466	5,539	72	1.3%
Risk management	1,086	1,039	(46)	-4.5%
General & administrative	129	110	(19)	-17.6%
Vehicle/facility leases	54	55	1	1.7%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	1,608	1,608	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 49,519	\$ 50,123	\$ 604	1.2%
Operating income (loss)	\$ (33,579)	\$ (34,021)	\$ 442	1.3%
Total public support and nonoperating revenues	(2,295)	(2,266)	(30)	1.3%
Income (loss) before capital contributions	\$ (35,874)	\$ (36,287)	\$ 413	-1.1%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
RAIL OPERATIONS (SAN DIEGO TROLLEY, INCORPORATED)
COMPARISON TO BUDGET - FISCAL YEAR 2008
FEBRUARY 29, 2008
(in \$000's)

Att. A, AI 45, 4/24/08

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	%
				VARIANCE
Passenger Revenue	\$ 19,918	\$ 19,789	\$ 129	0.7%
Other Revenue	590	405	185	45.6%
Total Operating Revenue	\$ 20,509	\$ 20,194	\$ 314	1.6%
Personnel costs	\$ 20,544	\$ 20,544	\$ 0	0.0%
Outside services	5,938	5,772	(166)	-2.9%
Transit operations funding	-	-	-	-
Materials and supplies	1,833	1,803	(30)	-1.6%
Energy	6,037	6,266	229	3.7%
Risk management	1,336	1,379	43	3.1%
General & administrative	126	94	(32)	-34.5%
Vehicle/facility leases	51	58	7	12.1%
Amortization of net pension asset	8	-	(8)	-
Administrative Allocation	1,520	1,520	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 37,393	\$ 37,436	\$ 43	0.1%
Operating income (loss)	\$ (16,884)	\$ (17,241)	\$ 357	2.1%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (16,884)	\$ (17,241)	\$ 357	-2.1%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

Att. A, AI 45, 4/24/08

MULTIMODAL OPERATIONS (FIXED ROUTE)

COMPARISON TO BUDGET - FISCAL YEAR 2008

FEBRUARY 29, 2008

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 12,738	\$ 12,466	\$ 272	2.2%
Other Revenue	63	75	(12)	-15.4%
Total Operating Revenue	\$ 12,801	\$ 12,541	\$ 260	2.1%
Personnel costs	\$ 198	\$ 199	\$ 1	0.5%
Outside services	26,614	26,938	323	1.2%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	4,507	4,521	15	0.3%
Risk management	-	-	-	-
General & administrative	2	4	3	66.1%
Vehicle/facility leases	83	92	9	10.0%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	539	539	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 31,942	\$ 32,293	\$ 351	1.1%
Operating income (loss)	\$ (19,140)	\$ (19,752)	\$ 611	3.1%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (19,140)	\$ (19,752)	\$ 611	-3.1%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

Att. A, AI 45, 4/24/08

MULTIMODAL OPERATIONS (PARATRANSIT)

COMPARISON TO BUDGET - FISCAL YEAR 2008

FEBRUARY 29, 2008

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 1,192	\$ 1,136	\$ 56	4.9%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,192	\$ 1,136	\$ 56	4.9%
Personnel costs	\$ 133	\$ 136	\$ 3	2.0%
Outside services	6,780	6,795	15	0.2%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	1,237	1,269	32	2.5%
Risk management	-	-	-	-
General & administrative	1	3	2	57.0%
Vehicle/facility leases	-	1	1	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	18	18	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 8,170	\$ 8,222	\$ 52	0.6%
Operating income (loss)	\$ (6,978)	\$ (7,086)	\$ 108	1.5%
Total public support and nonoperating revenues	1,000	1,000	-	0.0%
Income (loss) before capital contributions	\$ (5,978)	\$ (6,086)	\$ 108	-1.8%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
CONSOLIDATED CHULA VISTA TRANSIT OPERATIONS
COMPARISON TO BUDGET - FISCAL YEAR 2008
FEBRUARY 29, 2008
(in \$000's)

Att. A, AI 45, 4/24/08

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 1,957	\$ 1,888	\$ 69	3.6%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,957	\$ 1,888	\$ 69	3.6%
Personnel costs	\$ 440	\$ 451	\$ 11	2.5%
Outside services	3,841	3,834	(8)	-0.2%
Transit operations funding	-	-	-	-
Materials and supplies	0	0	(0)	-17.2%
Energy	425	407	(18)	-4.4%
Risk management	-	-	-	-
General & administrative	0	4	4	99.3%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	102	99	(3)	-2.7%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 4,808	\$ 4,795	\$ (13)	-0.3%
Operating income (loss)	\$ (2,850)	\$ (2,906)	\$ 56	1.9%
Total public support and nonoperating revenues	3,359	3,359	-	0.0%
Income (loss) before capital contributions	\$ 509	\$ 453	\$ 56	12.3%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

Att. A, AI 45, 4/24/08

OPERATIONS
CORONADO FERRY

COMPARISON TO BUDGET - FISCAL YEAR 2008

FEBRUARY 29, 2008

(in \$000's)

	YEAR TO DATE			%
	ACTUAL	BUDGET	VARIANCE	VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Personnel costs	\$ -	\$ -	\$ -	-
Outside services	96	96	-	0.0%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	-	-	-	-
Risk management	-	-	-	-
General & administrative	-	-	-	-
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	-	-	-	-
Depreciation	-	-	-	-
Total Operating Expenses	\$ 96	\$ 96	\$ -	0.0%
Operating income (loss)	\$ (96)	\$ (96)	\$ -	0.0%
Total public support and nonoperating revenues	118	118	-	0.0%
Income (loss) before capital contributions	\$ 22	\$ 22	\$ -	0.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

ADMINISTRATION
CONSOLIDATED

Att. A, AI 45, 4/24/08

COMPARISON TO BUDGET - FISCAL YEAR 2008

FEBRUARY 29, 2008

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	2,869	2,883	(14)	-0.5%
Total Operating Revenue	\$ 2,869	\$ 2,883	\$ (14)	-0.5%
Personnel costs	\$ 7,324	\$ 7,237	\$ (87)	-1.2%
Outside services	1,558	1,604	46	2.9%
Transit operations funding	-	-	-	-
Materials and supplies	0	-	(0)	-
Energy	243	251	8	3.1%
Risk management	329	303	(26)	-8.6%
General & administrative	303	316	14	4.3%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	(3,794)	(3,794)	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 5,962	\$ 5,916	\$ (45)	-0.8%
Operating income (loss)	\$ (3,092)	\$ (3,033)	\$ (59)	-2.0%
Total public support and nonoperating revenues	10,807	10,807	-	0.0%
Income (loss) before capital contributions	\$ 7,715	\$ 7,774	\$ (59)	-0.8%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OTHER ACTIVITIES

Att. A, AI 45, 4/24/08

CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2008

FEBRUARY 29, 2008

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	%
				VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	898	733	165	22.5%
Total Operating Revenue	\$ 898	\$ 733	\$ 165	22.5%
Personnel costs	\$ 387	\$ 401	\$ 14	3.6%
Outside services	79	71	(8)	-11.3%
Transit operations funding	-	-	-	-
Materials and supplies	1	3	2	74.1%
Energy	8	8	1	8.3%
Risk management	28	28	(0)	-0.1%
General & administrative	69	71	2	3.0%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	11	11	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 582	\$ 593	\$ 12	1.9%
Operating income (loss)	\$ 316	\$ 139	\$ 177	-126.9%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ 316	\$ 139	\$ 177	126.9%



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Agenda

Item No. 62

Chief Executive Officer's Report

ADM 121.7 (PC 50101)

April 24, 2008

In accordance with Board Policy No. 52, Procurement of Goods and Services, attached are listings of contracts, purchase orders, and work orders that have been approved within the CEO's authority (up to and including \$100,000) for the period April 1, 2008, through April 14, 2008.

[gail.williams/agenda item 62](#)



CONTRACTS PERIOD 4/1/2008 THROUGH 4/14/2008

Doc #	Organization	Subject	Type	Amount	Day	Complete	P M
G1178.0-08	NEW CHILDRENS MUSEUM	12 MONTH PARTNERSHIP	L	0.00	4/7/2008	3/4/2009	JLITNE
B0414.1-04	UCSD REAL ESTATE, 0982	LICENSE AGREEMENT USE OF MTS BUS STOPS	N	0.00	4/3/2008	9/2/2008	MTHOM
L0586.0-08	ARB, INC	JOINT ROE PERMIT NCTD SEWER UPGRADES	N	1,200.00	4/10/2008	6/30/2008	TLL
PWL100.1-08	SIEMENS ENERGY & AUTOMATION	AMEND 1 FOR REWINDING FRONT ST TRANSFORM	S	64,515.00	4/10/2008	7/15/2008	RDESAI
L0803.2-07	SANDAG	AMEND 2 MTS/SANDAG MOU EXT COMPLETION	S	0.00	4/2/2008	9/30/2008	RDESAI
G1181.0-08	HOUSE OF HOSPITALITY	2008 GO GREEN PARTNERSHIP W/ BALBOA PARK	L	15,000.00	4/3/2008	12/31/2008	JLEITN
G1180.0-08	EARTHWORKS	2008 GO GREEN PARTNERSHIP W/ BALBOA PARK	L	10,000.00	4/3/2008	4/20/2008	JLEITN
S200-08-358	NASLAND ENGINEERING	ROE PERMIT GENERAL LAND SURVEYING	N	0.00	4/7/2008	3/31/2009	JBANI
L5888.0-08	TERMINIX	ROE PERMIT 702-714 KETTNER CONDOS	N	1,250.00	4/10/2008	7/1/2008	JBANI
L0837.0-08	HMS CONST INC	ROE PERMIT SD CONTRACT K0841026 TRASH	N	1,350.00	4/7/2008	7/31/2008	JBANI
S200-08-360	HP COMM INC	ROE PERMIT ATT CABLE CONDUIT REPAIR		1,500.00	4/10/2008	9/30/2008	JBANI
S200-08-354	COLBY YOUNG CITY OF NATIONAL	DEPOSIT AGREEMENT FOR BAY MARINA DRIVE	S	15,000.00	4/7/2008		TLL
G0856.6-03	GIRO, INC	ALLOW WINDOWS GUI SHAKE-UP BIDDING	P	15,290.00	4/13/2008	12/23/2007	TLL
G1075.3-07	WISMAR & BARBER	LEGAL SERVICES WORKERS COMPENSATION	S	15,000.00	4/2/2008	1/18/2012	JD
G0501.2-99	CITY OF LA MESA	EXTEND AGREEMENT TO REGULATE VEHICLES	N	0.00	4/7/2008	6/30/2013	JS
G1175.0-08	SANDAG	MTS/SANDAG MOU FOR RESIDENT ENGINEER	S	10,000.00	4/7/2008	8/1/2008	RD

PURCHASE ORDERS 4/1/08 THROUGH 4/14/08

DATE	Organization	Subject	AMOUNT	PM
4/2/2008	VEHICLE TECHNICAL CONSULTANTS	50 INPLANT/60PRE-DELIVERY VEHICLE	29,750.00	MY
4/2/2008	SOFTCHOICE CORP	NOD32 AV BUSINESS EDITION	8,970.19	ER
4/2/2008	PRINT SYSTEMS INC	1000 FACT SHEET - LRT	595.86	JAA
4/2/2008	ASSOCIATED POSTERS INC	GREEN BILLBOARDS	2,218.80	JAA
4/2/2008	SIERRA PACIFIC LANDSCAPE	CUT WEEDS TO GROUND LEVEL	980.00	RSM
4/2/2008	SEFAC LIFT & EQUIP CORP	SEFAC LIFT WEATHER PROOF COVERS	2,906.25	EPH
4/2/2008	THE PINNACLE GROUP	SERVER PROLIANT DL380	16,633.87	ER
4/2/2008	CDW GOVERNMENT INC	EMC NS 20 EQUIPMENT	99,882.57	DB
4/2/2008	COX MEDIA	2008 CH 4 PADRES SPONSORSHIP	48,480.00	AK
4/7/2008	BROWN & BIGELOW	MTS FOR EARTH ROUND BUTTIONS	843.13	JA
4/7/2008	INC FINISH THOMPSON	COOLANT RECYCLING SYSTEM	11,996.41	FT
4/7/2008	BORDEAUX PRINTERS INC	MTS NEWSLETTER 08	26,156.00	JA
4/7/2008	THE ALCALA YEARBOOK	1/8 PAG AD	595.00	AK
4/7/2008	DIARIO SAN DIEGO	1/2 PAGE COLOR AD EARTH DAY	608.00	AK
4/7/2008	SKYLINE SAN DIEGO	REPLACEMENT GRAPHIC PANEL	516.12	SM
4/7/2008	FINEST CITY BROADCASTING	RADIO SCHEDULE FOR JUROR APPRE	2,480.00	AK
4/7/2008	REID AND CLARK SCREEN ARTS	AIRPORT BUS STOP SIGN TOPPERS	1,820.98	JAA
4/7/2008	DIMENSIONAL SILKSCREEN	BUS KINGS - EARTH FAIR 2008	2,262.75	JAA
4/7/2008	WEST COAST CABLING	YARD ENTRANCE INTERCOM	2,494.00	RVD
4/10/2008	BORDEAUX PRINTERS INC	TROLLEY PUNCH OUTS	2,867.23	JA
4/10/2008	FINEST CITY BROADCASTING - 91X	1 WEEK RADIO SCHEDULE	2,000.00	AK
4/10/2008	BORDEAUX PRINTERS INC	CNG BUS BANKS	2,867.23	JAA
4/10/2008	COMPUTER PROTECTION TECH	SVC MAINT AGREEMENT	7,900.00	DB
4/10/2008	SKYLINE SAN DIEGO	REPLACEMENT FOR GRAPHIC PANEL	516.12	SM
4/10/2008	COR O VAN	MOVING SERVICES FOR MTS	2,429.56	FJT
4/10/2008	JANET FRAZER & ASSOCIATES	RC ADMIN, CU ADMIN	2,326.82	ARC
4/10/2008	DOCUSURE	SCANNING OF MARKETING ARCHIVES	1,500.00	SM

WORK ORDERS 4/1/2008 THROUGH 4/14/2008

Doc #	Organization	Subject	Amount	Day
G1127.0.08.14	BUREAU VERITAS	GEN ENG SVC TO ASSIST IN MVE RECORD	8,673.00	4/7/2008