

EXECUTIVE COMMITTEE MEETING FOR THE  
METROPOLITAN TRANSIT SYSTEM (MTS),  
SAN DIEGO TRANSIT CORPORATION (SDTC),  
AND SAN DIEGO TROLLEY, INC. (SDTI)

June 5, 2008

MTS  
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

A. ROLL CALL

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

B. APPROVAL OF MINUTES

Mr. Monroe moved approval of the minutes of the May 15, 2008, Executive Committee meeting. Mr. Roberts seconded the motion, and the vote was 4 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

1. MTS: American Public Transportation Association (APTA) Update on 2008 International Exposition (AG 280.1)

Mr. Paul Jablonski, MTS CEO, advised the Executive Committee that the APTA Expo Committee has been meeting for well over a year on this conference and that he will be participating in weekly conference calls on the same subject starting on Monday. He stated that Jerry Premo from DMJM Harris, an icon in the industry, is chairing the Committee. He stated that Mr. Premo has functioned in various general manager positions on the east coast and has also served as the Deputy Administrator of the Federal Transit Administration. He then introduced Lenay Gore, APTA's Director of Meetings and Conventions. Ms. Gore had each of her core team members introduce themselves and explain their role on the committee.

Ms. Gore reported that 546 exhibitor registrations have been received for the EXPO and that 17,000 to 18,000 attendee registrations are expected. She added that the 5,000 rooms set aside at the hotels are almost sold out. Ms. Gore advised Mr. Monroe that the banquet will be held at the Hotel Del Coronado and that hotels for lodging were selected that were within walking distance of the conference hotel and convention center or a trolley line. Mr. Monroe offered to assist APTA with any issues related to the Hotel Del Coronado. Ms. Gore reported that the economic impact on San Diego for this conference is estimated at over \$57 million. She added that they currently have commitments for show floor space of 274,000 net square feet compared to their goal of 297,000 net square feet and have exceeded their DBE goal. She also reported that MTS will be providing airport transportation to the hotels and volunteers to help with various activities. Ms. Gore reported that there will be various speaking opportunities and that they welcome any assistance that can be given in making contact with possible keynote speakers. She also reported that they will have a large international contingent comprised of 15 separate delegations and includes the Transportation Minister of Egypt.

Executive Committee members and staff briefly discussed various entertainment options for the closing banquet and the fact that many people leave when the entertainment begins because it lacks the necessary broad appeal. Mr. Jablonski advised the Committee that MTS does have some influence regarding the selection of an entertainer. Mr. Jablonski added that five to six technical tours have been identified for the conference, and a list of those tours was passed around the table.

In response to a question from Mr. Roberts regarding Governor Schwarzenegger being a possible speaker, Mr. Jablonski stated that the Committee will attempt to get someone as prominent as possible to make remarks at the opening session. He added that this is a top priority for the Expo Committee. Mr. Roberts offered to assist with this effort and suggested getting the Governor to discuss hydrogen and green house gas topics. Mr. Monroe suggested that the Chair of the House Committee on Transportation, Mr. James Oberstar, be considered and stated that he is a transit supporter.

In response to a question from Mr. Monroe, Mr. Jablonski reported that there is a possibility that the APTA Scholarship Foundation will sponsor a golf event. Mr. Monroe suggested that the golf event be arranged as quickly as possible to ensure that a good golf course is available. Ms. Gore stated that she would add this item to the agenda for the Monday, June 9, conference call. An APTA video about the EXPO was played.

Action Taken

No action was taken.

D. RECOMMENDED FOR BOARD CONSENT AGENDA

1. MTS: 9<sup>th</sup> Avenue and C Street Grade Crossing Replacement – Fund Transfer (CIP 10494, 11156)

Recommend that the Board of Directors request from the SANDAG Board of Directors a transfer of funds from the Orange Line Head Span Replacement Project (CIP 1115600) to the City College Station Realignment Project (CIP 1049400) as shown in the Fund Transfer Summary (Attachment A of the agenda item).

2. MTS: Senior and Disabled Lift Replacement Project – Fund Transfer and Contract Award (CIP 11216, 11221, 11148)

Recommend that the Board of Directors (1) approve a fund transfer request (Attachment A) from Capital Improvement Programs (CIP) 11216 and 11221 to CIP 11148; and (2) authorize the CEO to execute MTS Doc. No. L0826.0-08 (in substantially the same form as shown on Attachment B of the agenda item) with Complete Coach Works, Inc. to furnish and install senior and disabled lifts on the fleet of 52 SD 100 light rail vehicles.

3. MTS: Poway Transit Services (OPS 920.5)

Recommend that the Board of Directors (1) authorize the CEO to exercise two carryover months allowable under the current contract (MTS Doc. No. B0339.0-02

in substantially the same format as Attachment A of the agenda item) with First Transit (formerly Laidlaw Transit Services, Inc.) for Poway transit Route Nos. 844 and 845 from July 1, 2008, through August 30, 2008; and (2) assign the service to Southland Transit to operate effective Sunday, August 31, 2008, for a projected savings of approximately \$50,000 annually.

4. MTS: Poway Transit Vehicles (CIP 11419)

Recommend that the Board of Directors authorize the CEO to execute MTS Document No. B0478.1-07 (in substantially the same form as Attachment A of the agenda item) with Creative Bus Sales to purchase up to eight additional medium-duty buses utilizing the public agency/state contract with Creative Bus Sales (Specification No. 54309 of State of California Contract No. 1-05-23-16).

5. MTS: Contract Award for MTS Americans with Disabilities Act (ADA) Certification and Evaluation Services (OPS 980.5)

Recommend that the Board of Directors authorize the CEO to execute MTS Doc. No. G1149.0-08 (in substantially the same format as Attachment A) with ADAride.com, LLC for ADA certification and evaluation services.

Action Taken

Mr. Ewin moved to approve placing Agenda Items No. D1, D2, D3, D4, and D5 on the Consent portion of the June 12, 2008, Board agenda. Mr. Roberts seconded the motion, and the vote was 5 to 0 in favor.

E. REVIEW OF DRAFT JUNE 12, 2008, BOARD AGENDA

Recommended Consent Item

6. MTS: Uniform Report of DBE Awards or Commitments and Payments (LEG 430)

Recommend that the Board of Directors receive the Uniform Report of Disadvantaged Business Enterprise Awards or Commitments and Payments (Attachment A of the agenda item).

Recommended Consent Items

There was no discussion of the recommended Consent item.

Recommended Board Discussion Items

There was no discussion of recommended Discussion Items.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

Ms. Sharon Cooney, Director of Government Affairs and Community Relations, advised Committee members that a briefing on the SANDAG Transportation Committee agenda for June 6, 2008 had been placed at the table. She pointed out that the first reading of the fare ordinance is on this particular agenda, and that there was a difference of opinion between SANDAG and MTS staff members regarding which fare option to recommend -

\$2.50 cash fare with free transfers for two hours in a single direction (favored by MTS staff) or \$2.25 per-trolley-line cash fare with no free transfers (favored by SANDAG staff). She stated that staff differs on three other areas as well as outlined in the brief.

Ms. Cooney reported that SANDAG staff feels that the fare option of \$2.50 favored by MTS would have a disproportionate impact on minority and low-income groups under Title VI. Ms. Cooney referenced pages 17 and 18 of SANDAG's Title VI report, which is in the agenda item, and pointed out that there are two different statements – one that there is no disproportionate impact and one that there is. She also pointed out that the two fare options have about the same financial benefit to the system. She stated that the second page of the brief provides talking points regarding why MTS feels that the \$2.50 fare is a better option. She stated that, most importantly, the \$2.50 option is the easiest and least expensive fare type of administer. She added that a \$2.25 fare without transfers makes code compliance difficult. She also reported that that using the \$2.25 fare when Smart Cards are implemented would result in riders having to tap on when boarding the trolley and tap off when leaving to ensure that they are no longer being charged. With the \$2.50 fare, a rider would only have to tap on once. She added that SANDAG feels that trolley passengers should be treated the same as bus patrons, who no longer have transfer options. She stated that MTS feels that trolley is more closely aligned with MTS express bus service, which is an upgraded service also priced at \$2.50, and is not as closely aligned with normal urban bus service.

In response to a question from Mr. Monroe about the strength of SANDAG's position on this issue, Chairman Mathis responded that MTS will be at the meeting to state its position and SANDAG will state its position as well. Mr. Monroe felt that staff members from the two agencies should reach an agreement on this issue prior to presenting it to the Transportation Committee. Mr. Roberts pointed out that there are sometimes differences of opinion among staff members. He also pointed out that anyone making multiple transfers can purchase a Day Pass for \$5.00, so there is a minimal financial impact on the rider. He stated that he favored the \$2.50 fare because of its simplicity. Mr. Monroe stated that there are often less-than-satisfactory results when staff members don't make a unified recommendation. Mr. Jablonski stated that MTS has presented its position on the \$2.50 fare to SANDAG many times.

Mr. Jablonski reported that bus passengers interact with the farebox and an operator when they board a bus, but the system on the trolley is a barrier-free. He stated that fares therefore have to be checked by hand on the Trolley. He added that this would become even more difficult with the advent of Smart Cards, which have no identification, and code compliance officers will have to physically check each one. He stated that the elimination of transfers would mean that MTS would have to consider color-coded tickets at stations. He stated that this is further complicated in areas like C Street, which is served by two trolley lines, because tickets would have to somehow indicate on which line the ticket was purchased. Mr. Jablonski reported that under the \$2.25 fare scenario, SANDAG has indicated that a transfer exception could be allowed at Old Town. He stated that making exceptions to the no-transfer policy will be very problematic for MTS. He stated that if the \$2.25 fare is adopted and the transfer exception is not allowed at Old Town, MTS would lose \$300,000 to \$400,000 in revenue. He stated that there could also be public relations issues. Ms. Atkins stated that she feels there could be a perception problem and that it will be very important for MTS to make sure that the public understands. After a brief discussion regarding the volume of transfers at various locations, Mr. Roberts stated that, if the \$2.25 fare is adopted, MTS should market the Day Pass very clearly. He stated that it will be important that patrons understand they have this option, which would allow them to cap the cost of making multiple transfers. Mr. Jablonski stated that 75 percent of MTS's patrons use monthly passes, about 15 percent use day passes, and about 10 percent pay cash.

Mr. Monroe suggested that Mr. Jablonski and SANDAG Executive Director Gary Gallegos meet to form a unified recommendation prior to the Transportation Committee meeting at which this decision will be made. He also suggested contacting the other elected officials who sit on the Transportation Committee to make MTS's case for the \$2.50 fare. He stated that SANDAG is in the planning business, and MTS is in the operating business and should be able to run its business as it wants. Chairman Mathis stated that he has discussed MTS's position on this issue with Mr. Gallegos, who said it made sense. Chairman Mathis also pointed out that it is not always realistic to agree on these types of matters. Mr. Roberts suggested that staff back-up its position by showing examples of how much trips would cost under each of the fare scenarios and how many people fall in each of those categories. He stated that the material presented should show this information in a simple way. He stated that, since the financial impact of the two different fare options is similar, it is not a financial decision. When staff stated that data was not available for determining how many passengers would fall in the different fare and transfer scenarios, Mr. Monroe suggested picking five days in April for analysis. Chairman Mathis requested that this information be provided to Committee members prior to the Transportation Committee meeting.

In response to a question from Mr. Ewin regarding the \$2.50 fare being over the Title VI threshold, Mr. Jablonski reported that an exception can be made if there is a financial constraint for the agency. Lorenzen added that the consultant concluded that there is no disparate impact and stated so on pages 17 and 18 of the Title VI report.

Ms. Cooney stated that MTS staff is also recommending that the \$1.25 downtown trolley cash fare be increased from \$1.25 to \$1.75. She reported that this seems to have been left out inadvertently but could be included in the second reading of the ordinance if someone were to make that recommendation. In response to a question from Mr. Monroe, Ms. Lorenzen reported that SANDAG's legal counsel has stated that the ordinance can be modified between the first and second readings. She added that the request for the addition of this item has to be made by one of the Transportation Committee members.

Ms. Cooney briefly reviewed the items in the brief on amending the paratransit rate and eliminating the \$5 cap and delaying the recommendation for rolling 14- and 30-day passes until further analysis can be conducted. She stated that the proposed amendment to the paratransit rate would codify common practice. She added that SANDAG legal counsel believes the recommended paratransit rate adjustment would be a new ordinance and should go to the SANDAG Board. Mr. Jablonski pointed out that the rolling monthly 14- and 30-day passes would be implemented when the Smart Card program is activated.

Mr. Roberts stated that he studied the possibility of providing funding to patrons who are unable to pay for a full-month pass but was unsuccessful at identifying a successful way to do this. He stated that he made the suggestion at the fare hearing that was recently held in Oceanside that the Smart Card automatically convert to a monthly pass for that month once the cardholder has incurred cost equal to the cost of a monthly pass. Mr. Roberts stated that this concept, which has been discussed previously by SANDAG staff members, should have been presented to the respective boards. He felt that critical elements were being held back by SANDAG and that he expressed that to Mr. Jack Boda at SANDAG. It was reported that this idea has been discussed with Cubic staff members who have indicated that this can be done. Mr. Roberts reported that he would like to continue to explore other options to assist those who cannot afford the cash expenditure for a monthly pass.

In response to a question from Mr. Ewin, Mr. Jablonski stated that there has been limited implementation of the Smart Card for testing purposes. He estimated full implementation might take place in January 2009.

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Mr. Jablonski stated that he would discuss the issue of having conflicting recommendation from staff members at the two agencies with Mr. Gallegos. He stated he would talk to Karen King, Executive Director of North County Transit, about supporting MTS's position on the fare issue.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

There were no Committee member communications or other business.

G. PUBLIC COMMENTS

There were no public comments.

C. COMMITTEE DISCUSSION ITEMS (Continued)

The Committee convened to Closed Session at 10:21 a.m. to discuss the following item:

2. MTS: CLOSED SESSION: 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).

The Committee reconvened to Open Session at 10:53 a.m.

Oral Report of Final Actions Taken in Closed Session

Ms. Tiffany Lorenzen, MTS General Counsel, reported the following action taken in Closed Session:

The Committee received a report from and gave direction to outside counsel and General Counsel.

H. NEXT MEETING DATE:

The next meeting is scheduled for Thursday, June 19, 2008, in the Executive Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 10:54 a.m.



Chairman

Attachment: A. Roll Call Sheet  
gail.williams/minutes

**EXECUTIVE COMMITTEE  
METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

MEETING OF (DATE) 06/05/08

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

RECESS \_\_\_\_\_

RECONVENE \_\_\_\_\_

CLOSED SESSION 10:21 a.m.

RECONVENE 10:53 a.m.

ADJOURN 10:54 a.m.

| BOARD MEMBER<br>(Alternate)  | PRESENT<br>(TIME ARRIVED) | ABSENT<br>(TIME LEFT)               |
|--|---------------------------|-------------------------------------|
| ATKINS <input checked="" type="checkbox"/> (Young) <input type="checkbox"/>  |                           |                                     |
| EMERY <input type="checkbox"/> (Cafagna) <input type="checkbox"/>            |                           | <input checked="" type="checkbox"/> |
| EWIN <input checked="" type="checkbox"/> (Clabby) <input type="checkbox"/>   | 9:17 a.m. during AI C1    |                                     |
| MATHIS <input checked="" type="checkbox"/>                                   |                           |                                     |
| MONROE <input checked="" type="checkbox"/> (McLean) <input type="checkbox"/> |                           |                                     |
| RINDONE <input type="checkbox"/> (Emery) <input type="checkbox"/>            |                           | <input checked="" type="checkbox"/> |
| ROBERTS <input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>   |                           |                                     |

SIGNED BY OFFICE OF THE CLERK OF THE BOARD

Gail Williams

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL:

[Signature]