

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

January 8, 2009

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.

Chairman Mathis welcomed Sherri Lightner, the City of San Diego's new representative on the Executive Committee.

B. APPROVAL OF MINUTES

Mr. Ewin moved approval of the minutes of the December 4, 2008, Executive Committee meeting. Mr. Roberts seconded the motion, and the vote was 5 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

1. MTS: Appointment of San Diego Association of Governments (SANDAG)  
Transportation Committee Representative and Alternate (LEG 405)

Ms. Tiffany Lorenzen, MTS General Counsel, outlined the parameters of Policy No. 22 that apply to the Executive Committee's appointments to the SANDAG Transportation Committee.

Action Taken

Chairman Mathis requested nominations from the floor for the Executive Committee representative on the SANDAG Transportation Committee. Mr. Rindone moved to nominate Chairman Mathis. The vote was 4 to 0 in favor, with Chairman Mathis abstaining.

Chairman Mathis requested nominations from the floor for the Alternate Executive Committee representative on the SANDAG Transportation Committee. Mr. Roberts moved to nominate Mr. Rindone. The vote was 4 to 0 in favor, with Mr. Rindone abstaining.

It was confirmed that Mr. Rindone had been reappointed as Chula Vista's representative on the MTS Board of Directors and that, should this change, Mr. Rindone would no longer serve as the Alternate.

2. MTS: Fiscal Year 2010 Capital Improvement Program (CIP) (FIN 310.1)

Mr. Larry Marinesi, Budget Manager, reviewed the process that was used to develop the fiscal year 2010 CIP. Mr. Jablonski, CEO, explained that the FY 2009 budget included \$29 million in federal funding that was used for Preventative Maintenance (PM), a level that was approved by the Board in 2004. Mr. Jablonski stated that there is total of \$41 million in federal funding that could be used for PM and stated that staff proposes using that entire amount and replacing it in the CIP with local funding. Mr. Jablonski stated that the use of local dollars in the CIP is preferable because local dollars can be collected and held until needed and will generate interest in the meantime. He stated that federal dollars have to be used in the year in which they were appropriated and cannot be collected until the expenses are incurred. He also reported that there are many regulations, audit requirements, and restrictions on the use of federal funding, while MTS can simply follow its own policies when using local funding. Mr. Jablonski confirmed for Mr. Rindone that this agenda item will be presented to the full Board. Mr. Jablonski advised Mr. Ewin that the \$41 million level of federal funding used for PM and the swap of local funding to replace the federal funding in the CIP will be ongoing.

Mr. Marinesi then provided an overview of Proposition 1B funding that MTS has used and expected to receive. He reported that MTS applied for and received \$27.8 million, which was used to purchase new buses, and that the remaining Proposition 1B funding is now in jeopardy. Ms. Cooney stated that MTS received a letter from the State of California asking that no further applications be submitted for this funding as it has been frozen. Mr. Jablonski reported that Proposition 1B funding requires construction to begin within three years. He stated that since it was not certain that SANDAG would be ready to begin construction on the Blue/Orange Line Rehabilitation project in the three-year period, it was decided to purchase buses with the Proposition 1B funding already received. He reported that the funding originally allocated for buses is now allocated for rail rehabilitation and will remain allocated until the funds are used for that project.

Mr. Marinesi then reviewed highlights of the fiscal year 2010 CIP. Mr. Jablonski reported that MTS is already working on the Blue/Orange Line Rehabilitation Project. He stated that a consultant is being used to develop a plan for the integration of low-floor cars and rehabilitation of the Blue Line that will allow operations to continue during construction. He stated that he will be giving a full presentation on the progress to date to the full Board in February or March. He confirmed for Mr. Roberts that C Street is part of the project and then reviewed the basic plan that will be used to continue operations on the Blue Line while construction is underway. He reported that the consultant working on this project will be writing a scope of work, developing specifications, and will be prioritizing the various elements of the project because MTS may not be able to fund the entire project. Mr. Jablonski also reported that the staging of this project is very complex.

Mr. Jablonski stated that MTS is trying to position itself for economic stimulus funding for the Blue Line rehabilitation, the two bus maintenance facilities that need to be built, and the purchase of rail cars.

Mr. Marinesi reviewed the five-year outlook of funding levels compared to CIP requests. He then reviewed staff's recommendations as outlined in the agenda item.

Mr. Jablonski reported that MTS will have replaced all of its older coaches after the next bus purchase is completed in September/October and added that this purchase may not be completed if service cuts are implemented. He advised Mr. Roberts that the \$27 million in funding purchased 50 new coaches. Ms. Claire Spielberg, Chief Operating Officer – Transit Services, reported that 50 forty-foot buses as well as 26 articulated buses have been purchased in total. Ms. Spielberg reported that MTS is receiving up to \$5,000 at auction for buses that are retired. Mr. Jablonski reported that the money from these sales is placed in the General Fund.

#### Action Taken

Mr. Ridone moved to (1) approve the fiscal year 2010 Capital Improvement Program (CIP) with the estimated federal and nonfederal funding levels (Attachments A and B). As the federal appropriation figures are finalized and/or other project funding sources become available, allow the Chief Executive Officer (CEO) to identify and adjust projects for the adjusted funding levels with the understanding that periodic updates be given to the Executive Committee for any adjustments that exceed \$500,000; (2) recommend that the San Diego Association of Governments (SANDAG) Board of Directors approve the submittal of federal Sections 5307 and 5309 applications for the MTS fiscal year 2010 CIP (shown in Attachment A) after the federal appropriations are finalized; (3) approve the \$12.5 million Preventative Maintenance increase and, in turn, swap Transportation Development Act (TDA) funding from operations to the CIP. There would be no net change to operations or capital; this exercise would simply provide more flexibility in funding within the CIP and would permit the agency to expend federal funding more quickly; (4) approve the transfer of \$1,627,724 from previous CIP projects to the fiscal year 2010 CIP; (5) approve the transfer of \$27,787,888 in nonfederal funding from previous fiscal year CIP projects to fiscal year 2010 Blue Line Rehabilitation (11266) to reflect the receipt of Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA); (6) approve the transfer of \$3.1 million of nonfederal funds currently allocated to the East County Bus Maintenance Facility (ECBMF) in exchange for \$3.1 million of federal funding currently allocated to bus procurement projects in fiscal year 2010; and (7) recommend that the SANDAG Board of Directors approve the amendment of the Regional Transportation Improvement Program (RTIP) in accordance with the fiscal year 2010 CIP recommendations. Mr. Ewin seconded the motion, and the vote was 5 to 0 in favor.

#### 3. MTS: Legislative Update (LEG 410)

Ms. Sharon Cooney, Director of Government Affairs and Community Relations, provided the Executive Committee with an update on state and federal legislative activity. Ms. Cooney reported that the legislature has proposed cutting State Transit Assistant (STA) funding in half, and the governor's proposal cuts \$10 million this year (75 percent) and \$14 million going forward (elimination of the program altogether). Mr. Jablonski reported that MTS was expecting \$14 million in STA

funding this fiscal year and has received only one quarter's payment. He stated that MTS will have a shortfall of \$4 million to \$5 million if no further STA funding is received. He stated that if that figure is added to the reduction in funding from sales tax revenues and TransNet, the shortfall totals \$18 million. Mr. Jablonski added that Congress may view California's elimination of STA as a lack of maintenance of effort and may be hesitant about giving California economic stimulus funding as a result. He further advised the Committee that the Budget Development Committee met in December to discuss this matter, and staff and the Committee are proceeding with plans to right-size the organization. Mr. Marinesi informed Chairman Mathis that the Budget Development Committee will probably have a meeting in February, assuming the state has an approved budget by then.

Ms. Cooney reported that President-Elect Obama and Congressman Oberstar, Chairman of the House Transportation and Infrastructure Committee, have been discussing an \$80 billion allocation for infrastructure with a significant portion going to transit. Mr. Jablonski reported that SANDAG led an effort to develop a list of projects for which this funding could be used. He added that no priorities were assigned to the projects on this list, which would be required if this funding is approved by Congress. Mr. Roberts requested a copy of this list. Ms. Cooney confirmed that the list only includes projects that can be started in the next year and therefore does not include the Mid-Coast Rail Project. Mr. Jablonski stated that Congress is against earmarks so the funding will most likely be allocated on a formula basis. He added that there is no information available on how the money would be distributed and added that the project list is subject to change. He added that there has also been some discussion about using some of the infrastructure funding for new starts, which would allow San Diego to use this particular funding for the Mid-Coast rail project. Mr. Rindone requested that Ms. Cooney determine if the E or H Street grade-separation projects are on the road-projects list. He also asked that consideration be given to putting South Bay BRT projects on the new-starts list.

Mr. Jablonski informed Committee members that he may go to Washington D.C. in the near future to assess progress and provide input on these issues. He reported that Congress may be realizing that it doesn't have the money to spend and may give loans instead of grants. He stated that the region needs to be prepared to move quickly when the money becomes available but shouldn't consider this funding a certainty.

#### Action Taken

Mr. Roberts moved to receive a report on relevant state and federal legislative activities. Mr. Rindone seconded the motion, and the vote was 5 to 0 in favor.

#### 4. MTS: Compass Card Implementation (CIP 11457)

Mr. James Dreisbach-Towle, SANDAG Program Analyst, reminded the Committee that implementation of the Compass Card Program has been delayed until March 1, 2009. He reported that software changes are underway to accommodate the continuation of calendar-based monthly passes, and testing should begin

February 1. He stated that the cost of reprogramming the Ticket Vending Machines (TVM's) is estimated to be about \$115,000. He also reported that the first riders to be introduced to the Compass Card will be the Premium Express riders, who will be required to convert to the Compass Card on March 1. He stated that marketing and education of these riders will begin in February. He stated that Sprinter customers will be added in May, and the remainder of the region's riders will be introduced to the program in July. He stated that this last group consists of 65,000 pass holders. He also reported that paper passes will be eliminated at this time.

Mr. Dreisbach-Towle reported that all equipment for tapping on with a Compass Card has been installed and is currently being tested, which will continue until March 1. He reported that there are 150 people on a number of different teams working toward the March 1 implementation. He added that these teams report to an Executive Team that is overseeing the project.

In response to a question from Chairman Mathis, Mr. Dreisbach-Towle reported that Compass Cards will become activated at the time of purchase rather than at the first tap-on as originally planned. He stated that pass holders therefore will not be able to purchase their first Compass Card over the internet but will be able to reload their cards in this manner.

Mr. Jablonski reported that the next week will be really critical to an on-time introduction of this program and added that there are still many software issues that need to be resolved. He also reported that they are still working on the TVM screen displays and default settings and changes to the farebox displays on buses. He also reported that marketing materials need to be issued ahead of the introduction.

#### Action Taken

Mr. Rindone moved to receive a status report on development and implementation of the Compass Card fare system. Mr. Ewin seconded the motion, and the vote was 5 to 0 in favor.

#### D. REVIEW OF DRAFT JANUARY 15, 2009, BOARD AGENDA

##### Recommended Consent Items

6. MTS: Trash Disposal Services (SDTC and SDTI) (CIP 53710)

Recommend that the Board of Directors authorize the CEO to execute MTS Doc. No. G1209.0-09 (in substantially the same format as Attachment A of the agenda item) with Daily Disposal Services, inc. for trash disposal services for a period of five years.

7. MTS: Amendments to Assignment of Contract for SANDAG On-Call General Transportation Planning Services (IBI Group) (CIP 50451)

Recommend that the Board of Directors authorize the CEO to ratify MTS Doc. No. G1135.0-08 (Attachment A of the agenda item) and execute Amendment No. 1 (Attachment B of the agenda item) to MTS Doc. No. G1135.0-08 with IBI Group as part of the SANDAG On-Call General Transportation Planning Service Agreement, which was established as a jobs order contract with MTS. Amendment No. 1 would allow MTS to proceed with evaluating weekend service structure and productivity.

8. **MTS: Bus Operator Uniforms – Contract Award** (OPS 960.6)

Recommend that the Board of Directors authorize the CEO to execute MTS Doc. B0509.0-09 (in substantially the same format as Attachment A of the agenda item) with Kingsbury Uniforms, Inc. for bus operator uniforms for up to a five-year period.

9. **MTS: Transportation Development Act (TDA) Claim Amendment** (FIN 340.2)

Recommend that the Board of Directors adopt Resolutions Nos. 09-1 (Attachment A of the agenda item), 09-2 (Attachment B of the agenda item), and 09-3 (Attachment C of the agenda item) approving the revised FY 2009 TDA Article 4.0, 4.5, and 8.0 claims.

10. **MTS: Security Patrol Services – Contract Amendment (Option Years One and Two)** (OPS 970.6, 970.11)

Recommend that the Board of Directors authorize the CEO to exercise option years 1 and 2 to MTS Doc. No. C.O.066.0-06 with Heritage Security Services/Transit Systems Security for security patrol services pursuant to the original Request for Proposals.

**Recommended Consent Items**

There was no additional discussion of the recommended Consent Items.

**Recommended Board Discussion Items**

There was no discussion of recommended Discussion Items.

**E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA**

Ms. Cooney reported that the next Transportation Committee meeting is January 16, 2009.

**F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS**

*Trolley and Bus Operations for Playoff Game:* Mr. Roberts reported that bus and trolley service was extremely efficient and effective for the recent Chargers playoff game. He also reported that people were raving about the new NABI buses. Mr. Rindone pointed out that most fans stayed until the end of the game making this accomplishment even more meaningful. Mr. Jablonski stated that MTS carried about 1/3 of the fans that day, which demonstrates that when transit is in the right place with the right facilities, it is a very good choice. Chairman Mathis requested that the Committee's compliments be passed

on to staff. Mr. Roberts expressed concern that trains leaving the Old Town Transit Center were full and could not pick up additional passengers at stations between Old Town and Qualcomm Stadium. Mr. Wayne Terry, Chief Operating Officer – Trolley, reported that MTS provides loop service between Qualcomm and Hazard Center.

**G. PUBLIC COMMENTS**

*Elyse Lowe, Executive Director, Move San Diego:* Ms. Lowe introduced herself and reported that her organization believes in Smart Growth and Transit-Oriented Development. She stated that without efficient transit, there is no Smart Growth. She said that her organization would be advocating for strong transit as part of the Regional Transit Plan.

*Clive Richard:* Mr. Richard referred to an internal audit report that identified a process that occurred but shouldn't have. He reported that he was happy to see that management, in its response, indicated that this was particular process was not standard operating procedure and is no longer happening. He also stated that a more serious effort has to be undertaken to gain funding for transit. He suggested that MTS ask all of its riders to put \$15 on a Compass Card and challenge them to use it to see how well it works.

**H. NEXT MEETING DATE:**

The next meeting is scheduled for Thursday, February 19, 2009, at 9:00 a.m., in the Executive Conference Room.

**I. ADJOURNMENT**

Chairman Mathis adjourned the meeting at 10:28 a.m.



Chairman

Attachment: A. Roll Call Sheet

**EXECUTIVE COMMITTEE  
METROPOLITAN TRANSIT SYSTEM**

**ROLL CALL**

MEETING OF (DATE) 1/8/09

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

RECESS \_\_\_\_\_

RECONVENE \_\_\_\_\_

CLOSED SESSION \_\_\_\_\_

RECONVENE \_\_\_\_\_

ADJOURN 10:28 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
EWIN	<input checked="" type="checkbox"/> (Vacant - L Grove) <input type="checkbox"/>		
LIGHTNER	<input checked="" type="checkbox"/> (Young) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/>		
MCLEAN	<input type="checkbox"/> (Rindone) <input type="checkbox"/>		<input checked="" type="checkbox"/>
RINDONE (VC)	<input checked="" type="checkbox"/> (Chair Pro Tem) <input 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]