

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

March 26, 2009

MTS
1255 Imperial Avenue, Suite 1000, San Diego

MINUTES

1. Roll Call

Chairman Mathis called the Board meeting to order at 9:02 a.m. A roll call sheet listing Board member attendance is attached.

Moment of Silence

Chairman Mathis started the meeting with a moment of silence in honor of Ben Mwangi and Michael Stevenson. He stated that it had been a difficult week for MTS, but that the MTS team had responded as true professionals. Mr. Paul Jablonski, CEO, stated that he was extremely saddened by what happened. He stated that he had spent much time with coworkers of the employees and gave an update on programs set up to help these individuals. He also stated that all maintenance employees reported to work the next day and that, in a show of support, other maintenance employees as well as bus operators volunteered to help that shift and be with them. He stated that he was very proud of the organization. Chairman Mathis also expressed his appreciation of the public support that has been shown as MTS works through this matter.

2. Approval of Minutes

Mr. Rindone moved to approve the minutes of the March 12, 2009, MTS Board of Directors meeting. Mr. Cunningham seconded the motion, and the vote was 10 to 0 in favor.

3. Public Comments

Chuck Lungerhausen: Mr. Lungerhausen provided the Board with details on the 2009 MS Walk for Land-Lubbers on April 4, 2009 and requested donations. He also expressed his thanks for support given in previous years for this cause.

Theresa Quiroz: Ms. Quiroz expressed her sympathies over the recent tragedy. She stressed the importance of Mr. Jablonski taking an active role in the discussions of MTS's fiscal position that are taking place during SANDAG Transportation Committee meetings. She pointed out that transit riders are being asked to give up funding so it can be used for roads and highways.

4. Recognition of Holiday Music Program

Mr. Young spoke in recognition of this great program supported by the Board, MTS staff, community members of District 4, and the County of San Diego. He introduced Brian Matthews, who coordinated the program. It was reported that music performances were staged at the

Euclid/Market and 62 Street/Cantos stations, and this was the second year for this program. Mr. Matthews introduced Prince Habib, who performed a song for the Board. Coca-Cola was also recognized for its contributions to the program. Mr. Matthews then recognized members of the Lincoln High String Ensemble who were present at the meeting. Mr. Young presented a special commendation to the Lincoln High participants.

CONSENT ITEMS:

6. MTS: Operations Budget Status Report for January 2009 (FIN 310.1)

Recommend that the Board of Directors receive the MTS Operations Budget status Report for January 2009.

7. MTS: Audit Report – SDTI Storeroom (LEG 492)

Recommend that the Board of Directors receive an internal audit report on SDTI's Storeroom procedures (Attachment A of the agenda item).

8. MTS: Audit Report – SDTC Storeroom (LEG 492)

Recommend that the Board of Directors receive an internal audit report on SDTC's storeroom procedures (Attachment A of the agenda item).

9. MTS: Property Insurance Renewal (LEG 491)

Recommend that the Board of Directors authorize the CEO to renew the property insurance coverage for MTS, SDTC, and SDTI with the California State Association of Counties Property Insurance Program, effective March 31, 2009 through March 31, 2010, with a basic coverage deductible of \$25,000, \$100,000 for collision on buses and light rail vehicles, and \$1,500,000 on roads, bridges, and tunnels.

10. SDTI: Gate Turnoff Firing Boards – Contract Award (CIP 11216-0200)

Recommend that the Board of Directors authorize the CEO to execute MTS Doc. No. L0883.0-09, a sole-source contract (in substantially the same format as Attachment A of the agenda item) with Siemens Transportation Systems, Inc. for a five-year period to purchase Gate Turnoff Firing Boards.

11. MTS: Federal Transit Administration 5311 Program of Projects Under the American Recovery and Reinvestment Act of 2009 (OPS 950.7)

Recommend that the Board of Directors approve Resolution No. 09-13 (Attachment A of the agenda item) authorizing the use of \$401,826.65 of Federal Transit Administration Section 311 funds for the purchase of three Type VII minibuses for use in the rural routes.

12. MTS: State Transit Assistance Claims (FIN 340.2)

Recommend that the Board of Directors adopt Resolution No. 09-14 (Attachment A of the agenda item) approving the revised fiscal year 2009 State Transit Assistance claims.

13. MTS: Regional Transit Management System – Contract Amendment (CIP 10940)

Recommend that the Board of Directors (1) ratify MTS Doc. No. G0867.6-09 (Attachment A of the agenda item) with Motorola as executed by the CEO at no additional cost; and (2) authorize the CEO to execute MTS Doc. No. G0867.7-09 (Attachment B of the agenda item) with Motorola to fund the region's Traffic Light Synchronization Program.

Action on Recommended Consent Items

Mr. Ewin moved to approve Consent Agenda Item Nos. 6, 7, 8, 9, 10, 11, 12, and 13. Mr. Ovrom seconded the motion, and the vote was 13 to 0 in favor for Agenda Item Nos. 6 through 12. The vote was 12 to 0 in favor for Agenda Item No. 13, with Mr. Roberts abstaining.

Mr. Ewin referred to Agenda Item Nos. 7 and 8, MTS Audit Reports, and stated that he will make sure there is an option for the Audit Oversight committee to look at these reports in more detail.

NOTICED PUBLIC HEARINGS

There were no Noticed Public Hearings.

CLOSED SESSION:

There were no Closed Session items.

DISCUSSION ITEMS:

30. MTS: FY 2010 Budget-Related Service Adjustments (SRTP 830)

Ms. Sharon Cooney, Interim Director of Planning and Scheduling, referred to the revised Attachment A handout and stated that this handout reflects changes made to the service adjustments proposed at the March 12, 2009, public hearing on this matter. Mr. Denis Desmond, Senior Transportation Planner, reported that staff continued to collect comments from the public after the hearing, and minor modifications were made to four of the routes based on that input and input from the Board. Mr. Desmond reviewed the proposed service adjustments to achieve a savings of \$4.7 million. In response to a question from Mr. Ewin, Mr. Desmond stated that these service adjustments would be effective June 14 except as noted. Mr. Faulconer requested that he be provided with a monthly update on Route No. 84 that serves Navy personnel.

Public Comment

Don Stillwell: Mr. Stillwell objected to the service changes affecting the Mission San Diego trolley stop, Mission Valley, and Fashion Valley. He suggested getting a sales tax to provide funding for transit instead of raising fares. He requested that Route 14 be continued as it is today. He also requested that the transfer program be reinstated.

Theresa Quiroz: Ms. Quiroz thanked MTS for listening to the public's comments regarding the originally proposed service adjustments for Route 965. She stated that many people need transit to get to essential places. She added that she knows that MTS has lost funding but

stated that now is not the time to cut transit. She suggested that MTS take a stand and insist that SANDAG provide the funds to help transit to continue to run.

Michelle Krug: Ms. Krug echoed Ms. Quiroz's comments about insisting that SANDAG provide additional funding. She stated that she appreciated staff's efforts to minimize service adjustments and suggested that MTS replace capital funds with economic stimulus funds and then use the freed-up capital funds for operations to get through the current financial crisis. She also stated that additional revenue could be generated by MTS if it enforced its ordinances and specifically mentioned the no-smoking ordinance and the ordinance requiring that individuals present identification before being allowed to purchase discounted fare media.

Clive Richard: Mr. Richard stated that he was not in favor of the service adjustments. He felt that it was important for MTS to preserve its network of 15-minute frequencies. He thanked staff for doing a great job of trying to find excess service that could be eliminated. He felt that work on this effort should have started six months ago. He stated that MTS's critical mission should be to improve service, not just maintain it.

Mr. Gloria thanked staff for its efforts regarding Route 965 and its willingness to consider compromises. He stated that there are many people who will benefit from this particular compromise. He stated that MTS needs to be more comprehensive in dealing with funding shortfalls and stated that he could not support reducing service or increasing fares at this time.

In response to a question from Mr. Roberts, Mr. Jablonski stated that SANDAG has been willing to discuss ways of addressing the funding shortfall, including the diversion capital funds. He reminded the Board that this particular approach consists of one-time dollars, not sustainable funding. He also stated that SANDAG is concerned about not impacting projects that the public voted for under TransNet. Mr. Roberts stated that MTS should continue to pursue a funding solution with SANDAG but also take steps now to make service adjustments because delaying would result in an even larger shortfall later. Mr. Rindone agreed that MTS needed to pursue both options. He stated that the service adjustments come at a particularly bad time given that ridership has been on the rise. He also thanked staff for its diligence in mitigating the impact of the reduced funding MTS is facing. He also stated that the Board is responsible for the fiscal solvency of the organization.

Mr. Young stated that if MTS does not take action now, it will have to deal with a much bigger problem later. He stated that staff had done a good job of identifying service cuts that would have minimal impact on the public. He stated that he supported having further discussions with SANDAG regarding funding but felt that the process of identifying additional funding would take some time and, therefore, action needed to be taken now. In response to a question from Ms. Lightner, Mr. Jablonski stated that MTS has discussed using capital funding for operating purposes for the last three budget cycles. She stated that she would like to see MTS request a specific dollar amount for a specified period of time and that she would not be supporting the recommendation for the service adjustments because other options had not been sufficiently explored. Mr. Jablonski stated that this approach had been taken for the operation of the Green Line after new-start funding was no longer available. She stated that this is a different situation, and time should be taken to advocate for funding through SANDAG and to pursue reinstatement of State Transit Assistance (STA) funding from the state.

Chairman Mathis stated that MTS has to operate the system and balance the budget according to law. He stated that MTS cannot borrow money to cover operations because it has to be paid back along with interest, which would result in MTS funding being used to pay that interest.

rather than for providing service. He stated that MTS needs long-term sustainable funding. He stressed that MTS has to meet a timeline for implementing service adjustments in order to realize the projected savings. He also pointed out that voters have typically not been in favor of raising taxes and that TransNet passed by a very slim margin.

Mr. Cunningham expressed his appreciation to staff for providing thousands of notices about the public hearing and for responding to public comment on the proposed changes. He recognized that staff worked very hard on developing the original recommendation but was still willing to take a second look and make adjustments. He also stated that MTS cannot wait for the state to reconsider its elimination of STA funding for transit or for SANDAG to reconsider the allocation of TransNet funding.

Chairman Mathis pointed out that this budget is not without risks. He pointed out that the state recently reported an additional \$8 million deficit. He also pointed out that economic stimulus funding is allocated for capital projects only and that sales tax revenues could take another downturn. He stated that MTS will be exploring the need for sustainable revenue with SANDAG. He pointed out that the Los Angeles Metropolitan Transportation Authority has a dedicated 1½-cent sales tax while San Diego gets 1/8 cent.

Mr. Rindone pointed out that North County Transit is having to make even deeper cuts to their system and are on the verge of cutting into major segments of its service. He stated that MTS and NCTD will unite in efforts to seek additional funding through SANDAG.

Action Taken

Mr. Rindone moved to (1) receive a report on public comments received since the March 12, 2009, public hearing; and (2) approve the recommended service adjustments to achieve approximately \$4.7 million in subsidy savings (as described in Attachment A of the agenda item). Mr. Young seconded the motion, and the vote was 11 to 2 in favor, with Mr. Gloria and Ms. Lightner casting the dissenting votes.

31. MTS: Light Rail Network Short-and Long-Term Operating Plans (OPS 970.2)

Mr. Wayne Terry, Chief Operating Officer – Trolley, reported that, while working with a consultant to evaluate procurement options for a new trolley car, it was decided to explore making that part of a larger long-term operating plan. He stated that staff wanted an operating plan that would result in a more effective Central Train Control, that would be more customer friendly, and that would allow the efficient integration of the Mid-Coast extension. Mr. Terry introduced Tom Tupta, Superintendent of Transportation, who reviewed the benefits and improved efficiency of the recommended short- and long-term operating plans. He provided an overview of the current system and the train and car requirements of the plan. He reported that, under these plans, three fewer cars would be needed to operate service.

Mr. Tupta then reviewed enhancements that would be needed at the Santa Fe Depot and America Plaza as well as a change in the East County turn back. He stated that Red Line event service could be eliminated because the Green Line would be able to provide that service. He estimated a total savings in annual operating costs of \$774,100 could be realized under the proposed operating plans. He also briefly discussed how the Mid-Coast extension might integrate into the current system. He stated that, under the proposed plans, there would be no additional train crossings at Broadway, and the need for multiple transfers would be eliminated.

In response to a question from Mr. Jones about parking capacity if the East County turnback is relocated from Gillespie Field Station to Arnele Avenue Station, staff stated that there would be a better timed transfer at Arnele, which should offset the reduced parking capacity at Arnele. Mr. Jones suggested that the improved timed transfer be advertised to riders.

In response to a question from Ms. Lightner, Paul stated staff considers short-term to mean a couple of years, and long-term to be the year 2015 when the Mid-Coast extension is scheduled to be completed.

Chairman Mathis thanked Mr. Terry and Mr. Tupta and stated that the plans were well thought out.

Public Comment

Clive Richard: Mr. Richard stated that he thought this was a great idea. He stated that he supported this item as well as items 32 and 33, which are plans for the integration of low-floor on the entire MTS system and the rehabilitation of the Orange and Blue Lines. He stated that he was also happy to see that a solution had been found for running longer consists on C Street.

Action Taken

Mr. Cunningham moved to adopt a plan for changes to the light rail transit system to improve efficiency in the short-term and accommodate a viable long-term operating plan. Mr. Ewin seconded the motion, and the vote was 13 to 0 in favor.

32. MTS: Booz Allen Hamilton Consultant's Report – Low-Floor Capability Assessment and Light Rail Vehicle Recommendations (OPS 970.2)

Mr. Jablonski reported that the study of procurement options for low-floor trolley cars took into consideration transfer problems at Old Town and problems that would occur in trying to run four-car trains through downtown San Diego. He reported that the current S70 cars are 90 feet in length, which would cause a problem running the Green Line through downtown. He also reported that the U-2 cars are 30 years old, which is close to the end of their useful life, and need to be rehabilitated or replaced. Mr. Jablonski advised the Board that a decision about buying new cars must be made before plans regarding station platforms can be developed. He stated that Booz Allen has been working on recommending station improvements to achieve low-floor access system wide, is validating and prioritizing MTS's 10-year Capital Plan to achieve "state of good repair" on the Blue Line, and is assisting staff in determining the sequence of the various elements of the project.

Mr. Terry provided an overview of the make-up of the current fleet of trolley cars and reviewed alternatives that had been studied by a previous consultant in 2000. He added that the current study confirmed that a low-floor section in the SD 100 car would not offer an acceptable return on investment. Mr. Terry reported on a Vehicle Manufacturer's Symposium that MTS held in order to identify the types of vehicles that were available. He added that Utah Transit Authority was invited to participate as they were considering an LRV purchase also. He reviewed the various cars that were considered and rejected and then reported that Siemens is building an 80-foot car for Utah Transit that will meet MTS's needs. He reported that MTS has an option to order cars under Utah Transit's contract with Siemens for this car. Mr. Terry also showed how the use of 80-foot cars on C Street will eliminate the need to make previously proposed

infrastructure improvements in this area and will allow MTS to operate service in this corridor without blocking traffic flow on the streets. He then displayed system maps showing where improvements would have to be made to accommodate low-floor cars.

Mr. Tupta reviewed four options for the purchase of low-floor cars and showed the make-up of the entire fleet under each of those options. He stated that, because three fewer cars are needed under the proposed operating plan, the cost under each of these options is \$12 million less. Mr. Terry provided the Board with detail on what types of rehabilitation would be pursued for the U-2 cars if that option is selected. He then displayed a picture of the front end of the prototype 80-foot car currently being designed for Utah Transit.

Mr. Faulconer stated that he felt the 80-foot cars would help the entire system and particularly C Street. He stated that he appreciated the amount of work that staff had done to identify an alternative to the infrastructure changes originally proposed to accommodate 90-foot cars. He stated that the city can now proceed with plans for C Street. He stated that this was a very positive solution.

Public Comment

Clive Richard: Mr. Richard stated that he fully supported the purchase of as many low-floor cars as possible. He didn't feel that the U-2 cars should be rehabilitated. He felt they should be retired instead.

Action Taken

Action on this item was taken in combination with the action on Agenda Item No. 33.

33. Implementation Plan for Execution of the San Diego MTS Blue and Orange Line Rehabilitation and Improvement Project (OPS 970.2)

Mr. Terry reviewed an implementation plan for the rehabilitation of the Blue and Orange Lines, including the project tasks. During his presentation of Task 3, which dealt with construction, Mr. John Haggerty, SANDAG Principal Engineer, reported that the way this plan is being implemented will allow eight-hour construction periods rather than the typical four. He stated that this is a much more efficient way of doing construction and will be less costly. Mr. Jablonski pointed out that, with 65,000 to 70,000 passengers and over 200 train movements, MTS cannot stop service during the rehabilitation and improvement construction phase and, therefore, the crossovers are needed so that trains can be run around the construction areas. Mr. Jablonski pointed out that the proposed crossovers not only provide a benefit during construction but also provide a long-term operating benefit. He stated that having crossovers will allow MTS to take a section of track out of service and run service around that section. He stated that this applies to freight service as well.

During the review of the expenditure plan, Mr. Jablonski pointed out that the projects labeled as High Priority must be done as soon as possible, while Medium Priority tasks can be delayed if needed. He stated that all tasks need to be completed. A cost summary was also provided for each of the tasks with each of the vehicle-purchase options. Staff then reviewed the multiple sources of funding that could be used for this project and the preliminary phasing for the High Priority tasks. A cost breakdown for each of the tasks was also presented.

In response to a question from Mr. Jones, Mr. Terry stated that the new 80-foot cars would cost \$2.89 million each. In response to another question from Mr. Jones, Mr. Jablonski stated that there may be some market for the U-2 trolley cars. Mr. Rindone expressed his thanks to staff for developing such a detailed plan.

Action Taken

Mr. Rindone moved to:

Agenda Item No. 32: receive a report regarding the consultant's recommendation for low-floor light rail vehicle procurement.

Agenda Item No. 33: receive a report on implementation of the project phasing plan, light rail vehicle procurement and rehabilitation alternatives, and provide direction to staff regarding (1) the consultant's recommendation for 82-foot low-floor vehicle procurement; (2) pursuit of light rail vehicle procurement/rehabilitation strategy based on funding availability; and (3) project priority plan and phasing program.

Mr. Faulconer seconded the motions, and the vote was 9 to 0 in favor.

REPORT ITEMS:

There were no Report Items.

60. Chairman's Report

Chairman Mathis made no report.

61. Audit Oversight Committee Chairman's Report

There was no report made on this item.

62. Chief Executive Officer's Report

Mr. Jablonski reported that a memorial fund was being established for the employees mentioned at the beginning of the meeting. He stated that details will be provided.

63. Board Member Communications

There were no Board Member Communications.

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 9, 2009.

66. Adjournment

Chairman Mathis adjourned the meeting at 12:13 p.m. in honor Ben Mwangi and Michael Stevenson.



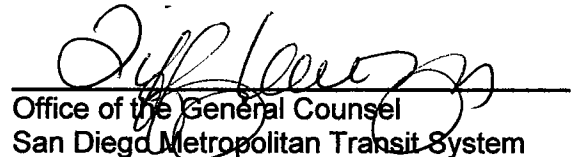
Chairperson
San Diego Metropolitan Transit System

Filed by:



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

Approved as to form:



Office of the General Counsel
San Diego Metropolitan Transit System

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

**METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL**

MEETING OF (DATE): 3/26/09

CALL TO ORDER (TIME): 9:02 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: _____

RECONVENE: _____

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 11:43 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
BOYACK	<input type="checkbox"/> (Cunningham) <input checked="" type="checkbox"/>		
EWIN	<input checked="" type="checkbox"/> (Allan) <input type="checkbox"/>		11:19 a.m. during AI 32
FAULCONER	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>	9:15 a.m. during AI 4	
GLORIA	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>	9:12 a.m. during AI 3	
LIGHTNER	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>		11:23 a.m. during AI 32
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		<input checked="" type="checkbox"/>
MCLEAN	<input checked="" type="checkbox"/> (Janney) <input type="checkbox"/>		
OVROM	<input checked="" type="checkbox"/> (Woiwode) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (Castaneda) <input type="checkbox"/>	9:05 a.m. during AI 2	
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		11:36 a.m. during AI 33
RYAN	<input type="checkbox"/> (B. Jones) <input checked="" type="checkbox"/>	9:11 a.m. during AI 3	
SELBY	<input checked="" type="checkbox"/> (England) <input type="checkbox"/>		
YOUNG	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>		10:35 a.m. during AI 32
ZARATE	<input type="checkbox"/> (Parra) <input type="checkbox"/>		<input checked="" type="checkbox"/>

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL