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## Agenda

### JOINT MEETING OF THE BOARD OF DIRECTORS

for the

Metropolitan Transit System,  
San Diego Transit Corporation, and  
San Diego Trolley, Inc.

January 7, 2010

9:00 a.m.

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

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### ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes - December 10, 2009 Approve
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.

Please turn off cell phones and pagers  
during the meeting

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • (619) 231-1466 • [www.sdmts.com](http://www.sdmts.com)

Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc., a 501(c)(3) nonprofit corporation, in cooperation with Chula Vista Transit. MTS is the taxicab administrator for seven cities. MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.



## CONSENT ITEMS

- |     |   |         |
|-----|---|---------|
| 6.  | <u>SDTC: Safety Process Audit Report</u><br>Action would receive an audit report on San Diego Transit Corporation's (SDTC's) safety process.  | Receive |
| 7.  | <u>MTS: Broadway Wye Signaling and Catenary System Improvement Project Construction and Fund Transfer Memorandum of Understanding (MOU) with SANDAG</u><br>That the Board of Directors: (1) authorize the Chief Executive Officer (CEO) to execute a Memorandum of Understanding (MOU) (MTS Doc. No. L0941.0-10) with the San Diego Association of Governments (SANDAG) for the construction of the Broadway Wye signaling and catenary system improvements; and (2) transfer \$753,000 from MTS Capital Improvement Program (CIP) 11255 (Broadway Wye Switch Machines) to SANDAG CIP 1142800 (Catenary and Signaling Improvements) as shown in the Budget Change Summary for these improvements. | Approve |
| 8.  | <u>MTS: Signature Authority for San Diego Transit Corporation Retirement Plan</u><br>Action would approve the list of signatories on the San Diego Transit Corporation Retirement Plan.   | Approve |
| 9.  | <u>MTS: Risk Management Process Audit Report</u><br>Action would receive an internal audit report on risk management.   | Receive |
| 10. | <u>MTS: Investment Report - November 2009</u><br>Action would receive a report for information.   | Receive |

## CLOSED SESSION

- |     |   |                    |
|-----|---|--------------------|
| 24. | a. SDTI: CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS Pursuant to California Government Code Section 54957.6<br>Agency-Designated Representative - Jeff Stumbo<br>Employee Organization - International Brotherhood of Electrical Workers 465 | Possible<br>Action |
|-----|---|--------------------|

Oral Report of Final Actions Taken in Closed Session

## NOTICED PUBLIC HEARINGS

- |     |       |
|-----|-------|
| 25. | None. |
|-----|-------|

## DISCUSSION ITEMS

30. MTS: FY 2010 Midyear Budget-Related Service Adjustments (Sharon Cooney) Approve  
Action would: (1) receive a report on public comments received since the December 10, 2009, public hearing; (2) approve the recommended service adjustments to achieve approximately \$7 million in subsidy savings; and (3) approve the recommended restructuring of Route 880.

## REPORT ITEMS

45. MTS: Fare Component Usage Trends (Mark Thomsen) Receive  
Action would receive a report on fare component usage trends.
46. MTS: Operations Budget Status Report for October 2009 (Mike Thompson) Receive  
Action would receive the MTS operations budget status report for October 2009.
47. MTS: Urban Area Transit Strategy (Carolina Gregor from SANDAG) Receive  
Action would receive a report for information.
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: January 21, 2010
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)

### MINUTES

December 10, 2009

MTS  
1255 Imperial Avenue, Suite 1000, San Diego

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.

Mr. Mathis noted corrections to the agenda. Consent Agenda Item No. 6 is deleted as it was already approved at the September 24, 2009, meeting. Discussion Agenda Item No. 47 is deleted as it was already received at the November 12, 2009, meeting.

Mr. Mathis noted a correct on page 2 of the November 12, 2009, minutes. A copy of the corrections was provided for review.

2. Approval of Minutes

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

3. Public Comments

There were no public comments.

### CONSENT ITEMS

6. MTS: Capital Improvement Project Funds Transfer

Action would approve the transfer of federal Section 5307 and Transit Development Act (TDA) funds from MTS Capital Improvement Program (CIP) 11272 funds (South Bay Maintenance Facility Acquisition) to create a CIP for trolley automated passenger counters (APCs).

7. MTS: San Diego and Arizona Eastern (SD&AE) Railway Company Quarterly Reports and Ratification of Actions Taken by the SD&AE Board of Directors at its November 3, 2009, Meeting

Action would: (1) receive the San Diego and Imperial Valley Railroad (SD&IV), Pacific Southwest Railway Museum Association (Museum), and Carrizo Gorge Railway, Inc. (Carrizo) quarterly reports (Attachment A); and (2) ratify actions taken by the San Diego and Arizona Eastern (SD&AE) Railway Company Board of Directors at its meeting on November 3, 2009.

8. MTS: Insurance Brokerage and Consultation Services - Contract Amendment

Action would authorize the CEO to enter into MTS Doc. No. G1035.1-07 with BB&T John Burnham Insurance Services to exercise remaining option years to provide insurance brokerage and consultation services as specified in MTS's Request for Proposals (RFP).

9. MTS: Investment Report - October 2009  
Action would receive a report for information.
10. MTS: Series B Variable Pension Obligation Bonds Refinancing  
Action would approve Resolution No. 09-25.1, which would amend previously approved Resolution No. 09-25 by modifying the interest rate provision.
11. MTS: Federal 5311(f) Intercity Bus Program Grant Application  
Action would approve Resolution No. 09-26 authorizing the CEO to submit applications for \$233,498 of Federal Transit Administration (FTA) Section 5311(f) funds for operating assistance in nonurbanized areas.
12. MTS: Amendments to Policy No. 21 - Revenue-Generating Display Advertising, Concessions, and Merchandise  
Action would adopt the proposed amendments to MTS Policy No. 21 regarding revenue-generating display advertising, concessions, and merchandise.

#### Action on Consent Items

Mr. Van Deventer moved to approve Consent Agenda Item Nos. 7 through 12. Mr. Young seconded the motion, and the vote was 12 to 0 in favor. (Consent Agenda Item No. 6 was deleted.)

#### CLOSED SESSION

##### 24. Closed Session Items

This closed session item was deferred until the January 21, 2010, Board meeting.

- a. MTS: CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code Section 54956.8; Property: 3650 Main Street, Chula Vista, California (Assessor Parcel No. 623-250-23);  
Agency Negotiators: Tiffany Lorenzen, General Counsel; Tim Allison, Manager of Real Estate Assets; and Bruce Beach, Best Best & Krieger, LLP;  
Negotiating Parties: Sav-On Systems, a California Limited Partnership;  
Under Negotiation: Price and Terms of Payment

#### PUBLIC HEARING

##### 25. MTS: Public Hearing on FY 2010 Midyear Service Changes (Sharon Cooney)

Ms. Cooney gave a PowerPoint presentation on the FY 2010 Midyear Service Adjustments. She stated that the service adjustments are related to a MTS fiscal crisis. She stated that the operating budget has been impacted by -8% fare revenue and -11.1% TDA and TransNet revenues projected in the FY 2010 budget. She stated that the operating shortfall for FY 2010 is -\$12.9 million, and a -\$14.4 million shortfall is projected for FY 2011. She stated that the plan for balancing the budget includes the use of \$12.6 million in shifts from the Capital Improvement Program, and staff was directed by the Board to provide \$7 million in subsidy savings from service adjustments.

Ms. Cooney stated that the Sunday service adjustment proposal was developed through the use of the Weekend Service Analysis to preserve as much of the Monday through Saturday service

as possible and to avoid fare increases. She described the process of the weekend service analysis that included 2,500 hours of onboard counts of all bus routes and passenger surveys.

Ms. Cooney stated that Sundays have the lowest number of passengers, the highest percentage of flexible trips, the lowest farebox recovery ratio, and the highest concentration of ridership is midday allowing for spans to be decreased that would affect a lower number of passengers. She reviewed ridership number comparisons between weekdays and weekends.

Ms. Cooney described the policies that were followed for performance measurements and the tools that were utilized to map demand. She stated that some final changes were made based on comments received from passengers and other considerations. She stressed that system network connectivity was maintained, which is very important for the riding public. She reviewed the challenges associated with the approach of Sunday service adjustments.

Ms. Cooney described the 18 outreach events that were held to inform riders about the service adjustments. She stated that comments were collected and reviewed, information was placed on the MTS Web site, public notices were published in the newspaper, and Take One notices were distributed. She gave a breakdown of the 347 comments received from riders, that were summarized for the Board.

Denis Desmond, MTS Senior Transportation Planner, stated that adjustments were made primarily to Sunday service and minor changes on weekdays and Saturdays. He gave a review of frequency reductions, modified routes, and other reductions for Saturday service adding that there are no routes proposed to be discontinued.

Mr. Desmond stated that the more significant proposed changes would occur on Sunday, including all bus routes and trolley lines, and bus Route 880 would include major changes. He reviewed the frequency reductions, span reductions, shortened routes, and routes proposed to be discontinued on Sunday. He referred to maps displaying the Sunday network changes.

Mr. Desmond reviewed the impacts of the changes on the riders, the number of riders lost, and the impact of the service adjustments on religious services. He stated that 77.5% of religious facilities currently served within a half mile would still be served.

Mr. Desmond reviewed the Federal Transit Administration (FTA) guidelines that require a public hearing for any changes that affect more than 25% of a route's hours or miles, which would include the changes recommended for Route 880. He explained that Route 880 is a premium express route that travels between 4S Ranch and University City subsidized by developer impact fees. He stated that because the route has failed to perform, the proposed change is to reroute the service to downtown instead of Sorrento Valley and University City and to reduce the number of trips.

Mr. Desmond explained that a Title VI Analysis is an FTA requirement that is performed on major service changes to assess the impact on low-income and minority populations (LIM). He stated that it is not anticipated that there would be a disproportionate impact on the LIM communities.

#### **Recommendations**

1. Conduct a public hearing on recommended service adjustments to achieve at least \$7 million in subsidy savings;
2. Adopt Resolution No. 09-27, "Findings in Support of Exemption Under the California Environmental Quality Act (CEQA) Related to Proposed Budget-Related Service Adjustments"; and

3. Respond to suggestions made by the public and take action on the package of service adjustments at the next regularly scheduled Board meeting on January 7, 2010.

In response to Mr. Young, Mr. Desmond stated that he will provide the LIM percentage of the service adjustments to Route 11.

In response to Ms. Lightner, Ms. Cooney stated that the County of San Diego's conditions on the Route 880 subsidy are that some type of transit service be provided for the residents of 4S Ranch without a target destination. She stated that Route 810 is another premium express route that goes to downtown from Rancho Bernardo.

Chairman Mathis opened the Public Hearing at 9:43 a.m.

Elizabeth Elman: She stated that she is a UCSD student and Director for the Student Sustainability Collective. She stated that the students are concerned that cutting the Route 30 on the weekends is going to cut off a disproportionate number of students who live south of where Routes 201 and 202 currently run. She added that these cuts do not help the effort to get more people out of their cars and into public transit.

Clive Richard: He stated that the problem is in Sacramento and asked why everyone on the Board is not making appearances before legislators so that they may understand that this situation directly affects each and every one of their constituents.

Theresa Quiroz: She stated that MTS has \$22 million available in a SANDAG account that only needs Board approval to move to the operating fund. She stated that MTS has no fiscal emergency, and service does not need to be cut. Instead, she asked that the Board approve an acceptance of funds from SANDAG to cover this deficit. She stated Title IV requires that any decision made by the Board requires an analysis of the effect on LIM.

Lois Fergot: She pointed out that Route 704 has suffered the most over the past few years. She stated that for 35 years, three buses ran past her house, and now there are none. She added that she walks 2 blocks to the nearest bus stop and strongly objects to the elimination of the bus service on Sunday adding that no one will be able to get to church, places of employment, or hospitals. She stated that in this economy, bus ridership should be up. Service on Routes 929 and 932 should be analyzed for cuts. She also suggested that MTS Moves is an expensive publication and is not needed.

Ms. Chapin: She described her 3-hour experience of riding the bus to a doctor's appointment. She added that with global warming, services should not be cut.

Duncan McFetridge, President, Save Our Forest and Ranchlands (SOFAR): He stated that SOFAR is vitally interested in transit as a basis of sustainable community. SOFAR was involved with the first-ever transit plan in San Diego and regionally in the urban core. He stated that MTS does not have a fiscal emergency and referred to a letter submitted to the Board dated December 9, 2009, that challenges MTS's claim of fiscal emergency. He stated that SOFAR is opposed to the proposed service reductions and requests that alternative means to reduce the budget deficiency be considered.

Mr. McFetridge stated that the current crisis is a political crisis of leadership. He stated that we cannot change the policies that were voted on to build freeways. He pointed out that recent public policy polls reflect that 77% of Californians want transit infrastructure, and 18% say the state should focus on freeways. He reviewed the results of a SANDAG 2008 public opinion study.

Sandra London: She stated that she is disabled, and the bus and trolley have been her only transportation since 1967. She added that routes should be increased instead of taking transportation away from people, which greatly affects their lives. She stated that the discontinuation of transfers had a great impact on people.

Ms. Xadira (through translator): She stated that she is opposed to reducing Routes 704 & 712, which is the only transportation that she uses to visit her relatives and to go to the hospital. There is no one in her family who drives. She stated that if Route 929 is cut, she will have a long walk from Iris Avenue Trolley Station to her home near the border. She also opposes cuts to Routes 932 and 705.

Alexandro Beltran (through translator): He stated that the changes to Routes 929 & 932 will impact him because he lives close to the border, and he will have to walk miles from Iris Avenue Trolley Station. He added that he uses the bus to visit relatives, shop for the family, and go to doctors' visits for his grandma.

Alan Silver: He stated that he is a teacher for the last two speakers in the Sweetwater Union High School District. He states that these students really rely on public transportation, specifically Routes 929 and 932. The students are taught to use these routes, and the Sunday route cuts will severely impact their ability to go to church and visit relatives. He asks that MTS reconsider these proposed cuts.

Juan Rivera: He stated that he is concerned with the Sunday cuts to Route 929 and 932. He lives near the border, and there is no way to get from home to Iris Avenue Trolley Station to go somewhere.

Linda Middlebrook: She stated she is concerned with Route 962. If that route is cut on Sunday, she has no way to get to work. She asks that cutting this route be reconsidered because she would have to walk 10 to 12 miles to get to the next bus stop.

Todd Ruth: He stated that his comments are in support of MTS. He recognizes that MTS can't fix 60 years of poor land-use planning and there is not enough money to do the job that everyone would like to see done. He stated that the subject of car sharing does not come up as often as it should. He described the car sharing alternative at UCSD Hospital. One of the proposals is to cut off Route 3, which is the only direct bus service to those cars.

Nancy Yuen: She stated that her comments concern Route 20. She asked why the cuts are not made across the board instead of certain routes, some routes have been severely affected and others not at all. She added that if this is a fiscal emergency, the Board needs to pull together all of its funding to be spent where it is needed.

Lillian Hanson: She stated that her chief complaint was the Route 11 being eliminated on Sunday. She added that she has been a transit rider for many years, and it took three buses to go from University Heights to Old Town to work. Recently she became disabled and stays close to home. The Route 11 is her lifeline to visit relatives, to go to the store, and, at times, to the emergency room. She asked that eliminating the Route 11 on Sundays be reconsidered.

Jacqueline Wilson: She stated that she is a student at City College. She is concerned about bus Routes 3, 11, and 13. She stated that she is in the hospital once a week; Route 11 is her lifeline, and if that route is cut, she would have no way to get there. On Sunday, Route 11 is the only way for her to get to church. She stressed that this route is full every day and does not understand how cutting this route can be considered. She stated that she does not know anyone with a car who could pick her up.



Bob Guthrie: He stated that he is on The Arc Board and has the support of the San Diego Regional Center for the Developmentally Disabled. He stated that he is concerned about Route 864 being cut on Sunday because he could not get to the church that he attends in Harbinson Canyon. He added that Route 864 means a lot to him, and he has spoken to many seniors, disabled, and workers from Viejas who would be affected.

Robert Rodriguez: He expressed concern about Routes 874 and 875 being cut. He added that if these routes are cut, he will have to walk 1-2 miles. He noted that many people work at Parkway Plaza who would be affected.

Lorriane Leighton: She stated that the proposals include cuts to Routes 872A, 115, 855, and 854. She asked how many Board members ride the bus.

Roy Thompson: He stated that MTS encourages the public to ride transit, and it is ridiculous to cut service. He added that people with disabilities depend on the buses. He asked that Route 115 not be cut.

Merry Cowan: She expressed concern about Route 856. She stated that she knows a lot of people who work at Goodwill on the weekends and need the route badly. She stated that if that route is cut, everyone will have to find another way to work.

Michele Beathes: She stated that she does not understand why Route 833 has a sign for Outstanding Public Transportation. She added that she finds it to be poor public transportation. She explained that she has health problems, and she needs the route. She asked that MTS stop the cuts.

Marta Estrada (through translator): She uses Routes 901 and 934 to get to work at 3:00 p.m.; she gets out after 11:00 p.m. She stated she has many coworkers who also use these routes in the Imperial Beach area. Her concern is the last-scheduled bus on both routes will be discontinued.

Christopher Thompson: He stated that he is a Petty Officer, 2<sup>nd</sup> Class, in the United States Navy. He expressed concern for Routes 901 and 934. In particular, he uses Route 901 on Sundays to get to work from Imperial Beach to Naval Station North Island. He stated that he works every other weekend, and the bus is his only transportation. He stated that he goes to work at 8:00 a.m. to arrive at 9:00 a.m. and, in the evenings, he returns home between 10:00 p.m. and 11:00 p.m. He reported that he knows others who use the service from the Naval Amphibious Base who would be cut off completely from downtown, Coronado, or Imperial Beach. He stated that he knows many marines, sailors, and seals who do not drive because they are always in training, and the buses are needed.

Sonya Ching: She would like the Routes 855 and 856 to continue to run on Sunday. She stated that fares could be raised for seniors from \$18 to \$20 instead of discontinuing service. Her concern was that there are many disabled and others traveling to work and school, so transportation is needed.

Donald Fezzy: He stated that he is speaking on behalf of his girlfriend who is disabled and rides Route 901 to Lowes Resort. He added that Route 901 would not go south of Del Coronado. He asked, since it is only 10 minutes from the Del Coronado to 9<sup>th</sup> & Palm, for consideration in continuing this bus to 7<sup>th</sup> and making a right turn on Rainbow. All of the riders from the amphibious base could get to Horton Plaza. He stated that there are 50 employees who work at Lowes on Sunday who would have no transportation. He stated that the route would meet with Routes 933 and 934 on Palm Avenue.

Louis Pruitt: He stated that he lives in Imperial Beach, and he is concerned with Route 901. He stated that these cuts would strand people in Imperial Beach and those who live on the bases and work graveyard shifts. He expressed concern that Route 901 is needed--especially on Sundays. Those working in the hotel industry know that there is a very big checkout on Sundays.

Keith Newcomb: He stated that he rides Route 901 five days a week--Wednesdays through Sundays. He expressed concern that cutting Route 901 on Sunday would cause him an extra 2-½ hours every day. He stated that getting Route 901 to 7<sup>th</sup> Street would help a lot.

Steve LoCoco: He expressed that he was surprised to learn that there is money in savings that MTS could use. He stated that the proposed cuts would affect the economy. He expressed thanks to the bus drivers for their commitment and service. He stated that drivers routinely respond professionally.

Mr. LoCoco stated that frequency cuts in the evenings are being taken that are unnecessary. He noted that there are two routes going in opposite directions. One of the routes could be cut so that all of the buses are going in one direction. Mr. Mathis asked Mr. LoCoco to give his recommendations to Mr. Desmond.

Carl Browning: He stated that he is making a statement on behalf of all of the riders of Route 880. He expressed concern that this route is being cancelled, and there are no alternatives. He stated that taking Route 20 to Route 921, across Mira Mesa, takes 2 hours in each direction and is not a viable alternative. He stated that he has lived in North Poway and commuted to Sorrento Valley since 1991. He noted that Route 880 is fully funded by 4S Ranch Development.

He stated that he thinks that Route 880 has failed because it was not promoted. Most riders hear of it by word of mouth. He stated that the proposed change takes Route 880 downtown, which would cause riders to stop riding public transit.

Sue Schaffner: She stated she is the Executive Director of Hostelling International San Diego, who operates two hostels in the city, serving 15,000 visitors. She stated that the Point Loma Hostel is near Voltaire and Chatsworth, which may be losing Route 923 on Sunday. She added that in the last five years, the reduction of public transportation has included the loss of Route 35 and continued reduction of Route 923. She stated that Route 923 is the only link between west Ocean Beach to the airport. She stated that there are no close bus stops to Routes 35 or 28 within a mile of Voltaire and Chatsworth. She encouraged the Board to look at alternatives for the area, such as rerouting Routes 35 or 28 to service the area or continuing Route 923 in the afternoon when the library would be open.

Alex Alexander: He expressed concern about Route 41, but decided to talk about the whole system in general. He compared the riders being referred to as 2% and the personnel cuts that amounted to 20% of administration--20 people in three years. He pointed out that fares have gone up, and service has gone down to the public who depend on the service.

Evelyn Blackshur: She expressed concern about Route 928. She stated that cutting that service on Sunday would provide no way out of Sierra Mesa to the trolley. She opposes cutting that bus route on Sunday.

Bruce Bletcher: He stated that he would like to put a face to the reductions. He expressed that Route 7 frequencies could be reduced during the week. He noted that he has seen multiple Route 7 buses within minutes of each other. He stated that he works late evenings at the airport, which is a major corridor for San Diego tourism, and only Routes 923 and 992 serve the airport. He stated cutting those hours is not feasible.

David Gomez: He stated that he works in the Hillcrest area and addressed cuts to Route 929; the starting point would be City College, which will be impossible during the week. He stated that if Route 929 is going to be cut, he suggested that Routes 120, 7, and 15 be improved so that they arrive on time.

Fritz Marthone: He expressed concern about security officers who work graveyard shifts and Routes 11, 1, 120, 3, and 10. He stated that from his home in Bankers Hill, the last Route 1 bus on Sunday would depart at 8 p.m. He would have a two-hour bus ride to Grossmont, and he would have to call off the opportunity for work because he could not catch the bus, which would be a loss of \$80 from his salary. He added that an alternative would be for him to catch Route 3 to downtown and then to Grossmont. He stated that even with alternate routes considered, the trickle down would affect his ability to pay his rent. He stated that the general public would be affected emotionally and financially.

Noel Tapawan: He expressed concern about Route 20 and the route traveling between Mira Mesa and downtown. He stated that he lives in Carmel Mountain Ranch and takes this route to travel to work at the downtown library and to church on Sunday. He requested that all the routes not be cut, especially Route 20, as many disabled and seniors rely on this route.

Peter Warner: He stated that he is the author of four Web sites on the Trainweb and a member of the Train Travel Group that meets on the fourth Monday of every month. He suggested that there is an alternative for the UCSD Hospital issue--Route 11 could terminate at UCSD Hospital on Sunday. He stated that this would please many people.

Nicolas Gregovich: He stated that he is disabled, is from the Senior Center on Broadway, and has been using public transportation for 22 years.

Patricia Rigby: She expressed concern about Route 712 and the Blue Line in Chula Vista. She stated that if that route is cut, she would have no way to visit relatives in El Cajon.

Michelle Krug: She stated that she is a resident of City Council District 4, which is Tony Young's district. She expressed concern about Route 962 being completely discontinued on Sunday and requested instead that the route be reduced to two-hour frequencies. She added that the disabled, low-income, and seniors in Paradise Hills would be isolated and without options.

Sandra Terminel: She expressed concern about Routes 933 and 934. She stated that she lives with her children in Imperial Beach, works two jobs, and cares for her grandmother. She added that sometimes they travel late in the day, which is a safety issue when they have to wait an hour at the bus stop. If the route was discontinued on Sunday, this would be more of a safety issue because she would have to walk to Imperial Beach at night. She stated that she uses Route 901 every day, including Sunday, for work. She reported that no service to the Strand would affect tourists, the workers at Lowes, and the military. She added that she would support a fare increase if necessary instead of cutting service.

Josephine Brillante: She stated that since becoming a San Diego resident, she has noticed a lot of transit service adjustments and fare increases. She noted that she is a student and qualifies for the student bus pass. She is concerned that if Route 30 is stopped from going downtown, she would not be able to catch it from school to Old Town in time to catch Route 105. She stated that the waiting and transferring may make the trip not worth it, sometimes the buses do not run when they are supposed to. She may begin riding her bike, but her friends do not have the option to walk or ride their bikes. She stated that in Miami, there is an emergency ride program that she would like to see in San Diego.

Kathy Evans-Calderwood: She stated that she represents San Diego Welfare Warriors as the Vice President. She added that she is disabled and assists Lillian Hanson, president of the organization when she has emergency hospitalizations. She stated that she does not think it is appropriate to consider cutting Route 11 on Sunday because people need access to the hospitals 24/7. She added that cuts could be made during the week, and smaller linkage buses could be used, such as those used for the disabled Access program. She stated that City Heights is a community of 36 languages, and she only noticed one other language on the Public Hearing notices. She noted that cuts to Routes 2 and 20, which serve the County Board of Supervisors, would leave the public without access to those meetings.

Noe Gallego: He stated that he is a grant writer and congratulated MTS for winning the award. He encouraged MTS to get more funding from grants to expand the transportation system. He stated the government leaders should be written to ask that transportation funds be funneled back to MTS to expand the system. He explained that he takes Route 856 to Cuyamaca College and requested that this service not be cut.

Gary Guess: He stated that he rides the trolley daily and, in the last week, he has had no one challenge whether he has paid his fare. He urged that MTS check fares 100% to make sure people are paying their fares. He also commented that on the Web site that there was no indication that talks took place with Sacramento and local municipalities about other funding avenues for transportation. He stated that before reading the letter from Councilmember Gloria, he did not know that there is \$20 million available from TransNet.

Lyn Gwizdak: She stated that she is concerned about Route 7 and 10 cutbacks. She advised that buses on the University Avenue corridor all the way to La Mesa are always full. She stated that we live in the richest country in the world, and the transportation system in Europe is far superior to ours. She stated that once cuts happen they never come back, and she questioned whether Saturday service would be cut next.

Melissa Rosenblum: She stated that she is disabled and rides the Green Line, Orange Line, and Route 874 on the weekends and Routes 871 and 872 on the weekdays. She expressed concern that if those routes were reduced, she would have no way to get around.

Steve Alcove: He stated that he is President and Business Agent of the San Diego Bus Drivers Union. He expressed concern about the service reductions that will cause employees and members of the union to be laid off. He pointed out that the ATU has fought Governor Schwarzenegger and Washington D.C. for money. He stated that MTS has \$9 million from The Arc and \$3 billion coming from the state. He stated he sat on the Comprehensive Operational Analysis and knows why cuts have to be made, but does not understand when he sees that money has been put away for a rainy day (\$31 million in the contingency fund). He asked how hard it has to rain before thought is given to the people who are riding the buses.

Travis Herron: He stated that he represents Naples Independent Living with a lot of clients who rely on the services of MTS. He pointed out that cutting the Sunday route would deeply impact him, his employees, and many vulnerable adults with disabilities and mental challenges. He requested that Route 704 not be cut on Sunday.

Chairman Mathis closed the Public Hearing at 11:14 a.m.

Mr. Ewin stated that he appreciated the testimony, which has pointed out a number of challenges. He requested that staff look into continuing Route 7 from 69<sup>th</sup> / 70<sup>th</sup> Street to the La Mesa Trolley Station on Sunday--possibly every other run. He pointed out that this route travels through some of the lowest-income areas of La Mesa.

Mr. Ewin asked for explanations and clarification regarding the following:

- 1) Clarification regarding funds that have been set aside.
- 2) He asked that certain fixed expenses on bus and trolley routes be explained as to whether there are riders or not.

He then stated that he feels that we need to increase our ridership and make sure that we continue to look for operational efficiencies as we have been doing over the past several years.

Mr. Ovrom stated Route 901 serves Coronado, including the Coronado Cays housing. He explained that he was surprised to learn that the Sunday service cuts affect many people who live in Navy housing. He also pointed out that the Loews Hotel Coronado and other hotels in the area have heavy checkout traffic on Sunday, and many service employees who would be affected by the cuts. He asked staff to supply him with the ridership data, including hours of ridership for Route 901, so that accurate data is presented to the Navy and the hotels.

Mr. Young thanked the speakers and stated that he is tired of layoffs and cutting service, which is a painful process. He pointed out that MTS is in a difficult situation because the state has taken most of the transit money away from the system.

Mr. Young clarified that after this public hearing, the matter will be brought back on January 7, 2010, to make the decision. He requested that at that time, staff provide answers to the three following questions:

- 1) What is the average ridership for Route 962 and Route 11 on Sundays?
- 2) What is the annual subsidy savings amount for Route 962 if Sunday service is discontinued?
- 3) What is the annual subsidy savings amount for Route 11 if the changes were implemented?

Mr. Young stated that the impact of the service adjustments on Sunday in communities like his is going to be life-changing--not just trying to get to jobs, but also getting to church. He will be bringing up alternatives.

In response to Ms. Lightner, Mr. Jablonski stated that there is \$30 million in the contingency fund at present. He stated that that is projected to be reduced to \$20 million by June 30, 2011. He explained to Ms. Lightner that there are no conditions on the use of those funds.

Ms. Lightner asked if there was any progress made with an effort to go to SANDAG to request additional funds. Mr. Jablonski stated that the reference to \$22 million refers to swapping federal dollars for local dollars. As was pointed out to SANDAG, MTS can accomplish that too, a third of which has been done with the ARA funds. Mr. Jablonski clarified that in the current fiscal year, FY 2010, there is an \$11 million to \$12 million shortfall, and the projection is \$14 million for FY 2011 for a total shortfall of \$26 million. He pointed out that \$19 million in one-time money is being taken from reserves, capital, and other sources to balance the budget and \$7 million in service adjustments to cope with this structural deficit occurring in the next 4-5 years.

Ms. Lightner stated that she sees no financial benefit or reason to change the Route 880 at this time and questions the motivation about changing the route in that it could possibly be used to supplant another route. She added that she is concerned with Route 30, the route to UCSD, and the plan to stop the route at Old Town.

Ms. Lightner added that the Board is being asked to make a finding today to exempt this process from the California Environmental Quality Act (CEQA). She stated that she would like to know whether cumulative effects of the route reductions within the last calendar year are being considered in the finding or just the current changes. She asked if there is any procedure for considering cumulative effects within a certain length of time.

Ms. Lightner pointed out that the savings for changing routes in terms of the annual subsidy have been provided. Those savings have not been provided for the Sunday service adjustments. She stated she would like to see those numbers.

Ms. Lightner asked if the State of California has ever been billed for the money that was not funded. Mr. Jablonski stated that MTS prevailed against the State of California through the Supreme Court. He stated that the demand has been placed before the state, which is ignoring the request. He added that the court has not taken the final action in terms of the judgment. Once that happens, another lawsuit may be required. In response to Ms. Lightner, Mr. Jablonski stated that the judgment is for State Transportation Assistance (STA) in the amount of \$30 million a year.

In response to Ms. Lightner, Ms. Lorenzen stated that CEQA findings were based on a statutory exemption for fiscal emergency. In making these findings the Board was looking only at the proposed service changes that are the subject of the public hearing.

Mr. Gloria stated that his concern for transit riders was the cause for his December 1, 2009, memorandum that suggested other alternatives. He stated that his preference is not to cut transit or to raise fares, which would be a significant burden on riders. He added that the service cuts discussed will have significant impacts on the lives of the most vulnerable people in the community.

In response to Mr. Gloria, Ms. Cooney clarified that staff will be analyzing the public testimony to finalize the proposal for the January 7, 2010, meeting. Mr. Gloria urged the public present to get in touch with state legislators in an attempt to restore transit funding to MTS. He stated that staff must become transit advocates to create local funds to support the system and become aggressive with the Regional Transportation Board. He added that he is sympathetic and recognizes that there are no other options for the people who ride the system. He stated that he will not support asking the people who are struggling the most in this economy to bear the brunt of the cuts.

Mr. Cunningham recognized that staff is seeking ways to balance the budget and have the best interest of the riders at hand during these difficult times. He stated that the quality-of-life issues presented by the speakers were well put and well taken by the Board. He asked if there was a study done to define significant reductions in Sunday service hours and an increase in fare to reach the comparable \$7 million savings. A 75% reduction in service with an increase in fare that the public is willing to absorb may be an alternative.

Mr. Jablonski stated that the specific analysis has not been done by staff. He stated that the fare increase for Sunday would be difficult to implement. The vast majority of the riders are on monthly passes and it would be difficult to require a cash fare on Sunday. He added that a general fare increase would be necessary.

Mr. Rindone expressed thanks to the many speakers who represent a small portion of the public who would like to communicate with the Board. He stated that everyone on the Board is an advocate for public transportation and has the responsibility to make the system work. He suggested that what is evident from the public comments is that reductions in service are less

desirable than raising fares. He added that it is not acceptable that the state owes \$30 million to MTS.

Mr. Rindone requested that staff reconsider cuts to Route 709. This is the only route that the City of Chula Vista has identified as 15 miles wide, the only east-west route, and the northern leg as well as the southern leg. He requested an analysis on Route 704 from staff regarding a 2-hour frequency instead of total elimination of the service. He added that a short period of midday service cuts be analyzed.

Mr. Mathis stated that these are painful times, and he appreciated the testimony about the personal impacts. He stated that the entire Board is sympathetic to the concerns of the public. He added that staff will take a look at the comments and issues presented by the public.

#### Action Taken

Mr. McClellan moved to adopt Resolution No. 09-27 and directed staff to respond to the suggestions that were made at the public hearing, which will be brought back to the Board on January 7, 2010. Mr. Ovrom seconded the motion, and the vote was 9 to 2 in favor with Mr. Gloria and Ms. Lightner opposing.

Ms. Lightner stated that her opposition is based on the findings. She stated that she does not believe that the findings can be made without considering the cumulative impacts for the whole calendar year.

### DISCUSSION ITEMS

#### 30. MTS: FY 2009 Final Budget Comparison (Tom Lynch)

Mr. Jablonski stated that the staff recommendation is to commit \$1,853,000 from FY 2009 operations into the contingency reserve.

#### Action Taken

Mr. McClellan moved to approve the staff recommendation. Mr. Ewin seconded the motion, and the vote was 11 to 0 in favor.

### REPORT ITEMS

#### 45. MTS: Semiannual Security Report (January through June 2009) (Bill Burke)

Mr. Mathis suggested that this report be received and waive the presentation.

#### Action Taken

Mr. Ewin moved to receive the report without a presentation. Mr. Ovrum seconded the motion, and the vote was 11 to 0 in favor.

#### 46. MTS: Fare Component Usage Trends (Mark Thomsen)

This agenda item was trailed to the January 7, 2010, meeting.

47. MTS: Operations Budget Status Report for September 2009 (Mike Thompson)

This report item was already received at the November 12, 2009, Board meeting. The agenda item was pulled.

48. MTS: Report on the Creation of a Central MTS Database and Reporting Tool (Devin Braun)

This agenda item was trailed to the January 7, 2010, meeting.

60. Chairman's Report

None.

61. Audit Oversight Committee (AOC) Chairman's Report

None.

62. Chief Executive Officer's Report

Mr. Jablonski reported that he made a one-day trip to Sacramento for a special meeting of the Executive Committee of the California Transit Association to discuss strategies for the lawsuit against the State of California.

63. Board Member Communications

Mr. Cunningham wished everyone happy holidays and stated that he is looking forward to less of a challenging year next year.

Mr. Rindone reported that he attended a LOSSAN meeting on December 9, 2009. The purpose of the meeting was to reorganize and set up a system to be more proactive in expanding light rail throughout six southern counties of California.

64. Additional Public Comments on Items Not on the Agenda

None.

65. Next Meeting Date

The next regularly scheduled Board meeting is January 7, 2010.

66. Adjournment

Chairman Mathis adjourned the meeting at 11:46 a.m.



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Chairperson  
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

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

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Office of the General Counsel  
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

VRogers/  
MINUTES - Board 12-10-09.doc

METROPOLITAN TRANSIT DEVELOPMENT BOARD  
ROLL CALL

MEETING OF (DATE): 12-10-09

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

RECESS:

RECONVENE:

CLOSED SESSION: NONE

RECONVENE:

PUBLIC HEARING: 9:06 a.m.

RECONVENE: 11:46 a.m.

ORDINANCES ADOPTED: -

ADJOURN:                     

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
CUNNINGHAM	<input checked="" type="checkbox"/> (Boyak) <input type="checkbox"/>		
EWIN	<input checked="" type="checkbox"/> (Allan) <input type="checkbox"/>		
FAULCONER	<input type="checkbox"/> (Emerald) <input type="checkbox"/>		
GLORIA	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>		
JANNEY	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>		
LIGHTNER	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input checked="" type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
OVROM	<input checked="" type="checkbox"/> (Denny) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (Castaneda) <input type="checkbox"/>		
ROBERTS	<input type="checkbox"/> (Cox) <input type="checkbox"/>		
RYAN	<input type="checkbox"/> (B. Jones) <input type="checkbox"/>		
SELBY	<input checked="" type="checkbox"/> (England) <input type="checkbox"/>		
VAN DEVENTER	<input checked="" type="checkbox"/> (Zarate) <input type="checkbox"/>		
YOUNG	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>		11:40

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

*Nick Rogers*

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

*Jeffrey*



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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.

LEG 492

January 7, 2010

SUBJECT:

SDTC: SAFETY PROCESS AUDIT REPORT

RECOMMENDATION:

That the Board of Directors receive an audit report on San Diego Transit Corporation's (SDTC's) safety process.

Budget Impact

None.

DISCUSSION:

During November 2009, the MTS Internal Auditor performed a review of the SDTC safety process with a particular emphasis on the pull-notice procedures. As a result of this review, four recommendations were made for management's consideration. Management has accepted the recommendations and is taking action to address the issues noted.

A handwritten signature in black ink, appearing to read 'Paul C. Jablonski', is written over a horizontal line.

Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Mark Abbey, 619.557.4573, [mark.abbey@sdmts.com](mailto:mark.abbey@sdmts.com)

JAN7-10.6.SDTC SAFETY AUDIT RPT.MABBEY.doc

Attachment: A. SDTC Safety Process Audit Report

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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc., a 501(c)(3) nonprofit corporation, in cooperation with Chula Vista Transit. MTS is the taxicab administrator for seven cities. MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.





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Att. A, AI 6, 1/7/10

## Memorandum

DATE: December 11, 2009  
TO: Larry Moss  
FROM: Mark Abbey  
SUBJECT: AUDIT REPORT – SDTC SAFETY REVIEW

LEG 492

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### EXECUTIVE SUMMARY

I have completed a review of the safety process at San Diego Transit Corporation (SDTC). The audit was performed in accordance with the approved audit plan.

#### Audit Objectives and Scope

The objectives of the audit were to review the adequacy of safety processes and address safety risks at SDTC. In view of recent unfavorable California Highway Patrol audit findings, an in-depth review was made of the agency's pull-notice procedures.

#### Observations and Recommendations

The SDTC Safety Manager has made excellent progress in ensuring that SDTC has an adequate pull-notice review process. Pull notices are received on-line and reviewed daily, and the Ellipse system is updated daily for all driver record changes.

To further improve the SDTC safety processes, the following recommendations are offered for management's consideration:

1. Develop comprehensive standard operating procedures (SOP) for the SDTC pull-notice process.
2. Develop an annual safety audit plan and comprehensive safety audit process.
3. Ensure that SDTC is in compliance with Occupational and Health and Safety Act (OSHA) Personal Protective Equipment (PPE) requirements.
4. Consider additional Federal Transit Administration (FTA) and OSHA training courses for the new Safety Manager.



A detailed explanation of this recommendation is provided in Detailed Observations. I wish to thank Safety Department personnel for their cooperation and assistance during the course of this review.

## BACKGROUND

SDTC has a written safety policy statement, which reads, *"It shall be the policy of SDTC to recognize through adoption and practice of safe operating methods and procedures, the vital necessity of protecting human life from harm and danger and property from damage and loss."*

In order to meet these responsibilities, SDTC has established safety standard operating procedures. These procedures are designed to ensure compliance with the Occupational and Health and Safety Act (OSHA) and the Federal Transit Administration (FTA).

Each fiscal year, SDTC establishes a set of goals and objectives that focus on continuous safety improvement. Benchmarks are established that are used to measure incidents, injuries, workers' compensation claims, and training statistics.

The Safety Department consists of one employee—a Safety Manager who reports directly to the Chief Operating Officer of Bus. Safety goals for fiscal 2009-2010 include the following:

- Improve accuracy of Ellipse resource information to 100% accuracy.
- Reduce the number of employee work-related injuries by 10%.

Substantial progress has been made in improving controls over the DMV pull-notice process. Pull notices are now received on-line and reviewed daily, and driver records within Ellipse are updated daily. In addition, a complete audit is performed every four months of all drivers for license validity, passenger endorsements, verification of the transit training card (VTT), and a review of the medical certification (DL-51).

## DETAILED OBSERVATIONS

### 1.0 Pull Notice SOP

In early 2008, CHP inspectors gave SDTC an unsatisfactory rating during an audit of bus operator credentials. Subsequent to this audit, the MTS bus division made several changes to its process to ensure compliance with State of California Commercial Driver License requirements. I have reviewed these changes and found them to be satisfactory. The only change still needed is the development of a comprehensive SOP documenting the entire SDTC process. This SOP would eliminate any confusion and formalize the procedures regardless of any future personnel changes.

#### Recommendation

Develop a comprehensive SOP for the SDTC pull-notice process.

#### Management Response

The current pull-notice SOP revision dated May 2002 was last reviewed on June 26, 2003. It will be revised by including instructions for obtaining and reviewing reports on line from SAMBA Holdings, Inc. and deleting obsolete information about obtaining reports by mail.

## 1.1 Safety Audits

SDTC should, at a minimum, implement an internal program that includes continuous audits to examine safety programs and provide an evaluation as to whether SDTC's management process is tracking all safety indicators adequately. My review determined that some safety walk-through reviews have been performed by the Safety Manager, but they are not consistent and can be improved.

This program should include an annual safety audit plan. Copies of the reports should be distributed to senior SDTC management. Regular follow-up reviews should be performed to ensure that audit findings are corrected on a timely basis.

### Recommendation

Develop an annual safety audit plan and comprehensive safety audit process.

### Management Response

Safety walk-through inspections will be conducted on a weekly basis. A more detailed report will be developed, and copies of reports will be distributed to senior SDTC management requesting feedback and corrective action of discrepancies.

## 1.2 OSHA Personal Protective Equipment Requirements

OSHA has specific standards for personal protective equipment (PPE). In discussions with the SDTC Safety Manager, it was agreed that the MTS Bus Division needs to review compliance to these standards on an ongoing basis. Recent walk-throughs at Imperial Avenue Division made by both the Safety Manager and the MTS Internal Auditor revealed some instances where PPE is not always being worn as required.

### Recommendation

Ensure that SDTC is in compliance with OSHA PPE requirements.

### Management Response

1. Better safety awareness will be developed by talking with employees to promote and reinforce safe work practices when they are observed.
2. When at-risk behaviors are observed, the Safety Manager or other manager will talk with the person involved until he or she understands why the act is hazardous and what the consequences could be if the practice is continued.

## 1.3 Safety Manager Training

The SDTC Safety Manager started in this position in May 2009. Although he is very familiar with State of California Commercial Driver License requirements, other aspects of this position are very new to him, and additional training courses would enhance his competency in these areas. OSHA and FTA training courses would provide him with tools to perform his job at a higher level.

### Recommendation

Consider additional FTA and OSHA training courses for the new Safety Manager.

### Management Response

Safety Manager will enroll in UCS San Diego Extension OSHA Training Institute in the spring of 2010. He has completed the FTA's three-day Connecting Communities Public Transportation Emergency Preparedness Workshop.

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## Agenda

Item No. 7

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

CIP 11255

January 7, 2010

### SUBJECT:

MTS: THE BROADWAY WYE SIGNALING AND CATENARY SYSTEM  
IMPROVEMENT PROJECT CONSTRUCTION AND FUND TRANSFER  
MEMORANDUM OF UNDERSTANDING (MOU) WITH SANDAG

### RECOMMENDATION:

That the Board of Directors:

1. authorize the Chief Executive Officer (CEO) to execute a Memorandum of Understanding (MOU) (MTS Doc. No. L0941.0-10) with the San Diego Association of Governments (SANDAG) (in substantially the same format as Attachment A) for the construction of the Broadway Wye signaling and catenary system improvements; and
2. transfer \$753,000 from MTS Capital Improvement Program (CIP) 11255 (Broadway Wye Switch Machines) to SANDAG CIP 1142800 (Catenary and Signaling Improvements) as shown in the Budget Change Summary (Attachment B) for these improvements.

### Budget Impact

No change to the overall CIP budget; \$753,000 would be added to CIP 1142800 (Catenary and Signaling Improvements) from CIP 11255 (Broadway Wye Switch Machines).





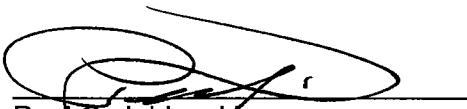
## DISCUSSION:

The Broadway track and grade-crossing junction (generally referred to as the Broadway Wye due to the Y configuration formed by the Orange and Blue Line tracks and C Street tracks) is one of the most critical junctions in entire trolley system. All three operating lines converge, diverge, or pass through this junction, and it is one of the busiest grade crossings in the entire system. Special events trains heavily use this junction during all Qualcomm Stadium and San Diego State University events. Freight and Coaster tracks traverse this grade crossing. Any equipment or system failures in this area have the potential to impact operations on all three lines and cause significant congestion on Broadway.

After almost 20 years of heavy use, system elements (catenary, track switches, signals, and crossing controls) are worn and in need of rehabilitation or replacement. The signal system needs to be upgraded in light of current and near future operational needs. The signal control house needs to be expanded to accommodate newer equipment. With these needs in mind, planning for the project started in 2007/2008, and initial design began in early 2009 when CIP 11255 was approved for \$157,500. Construction funds were requested and approved in FY 10 for a total project budget of \$907,500. From the early design phase, it became quite clear that the approved funding is insufficient for the increased scope of the project, complexity of the configuration, and extremely limited time available for construction due to train and automobile traffic priorities. Therefore, additional construction funding was requested through SANDAG CIP 1142800.

Currently, project design is complete under MTS CIP 11255; \$753,000 is available for construction, construction management, and contingency. SANDAG CIP 1142800 has \$1,186,000 available for signal and catenary improvements at the Broadway Wye. Combining these two funding sources under SANDAG CIP 1142800 would make a total of \$1,939,000 available for the construction. The Engineers Estimate prepared by General Engineering Consultant Bureau Veritas is \$1,862,099, including construction management and project administration costs.

Since MTS does not have the resources to manage a construction project of this size, MTS and SANDAG staffs have prepared an MOU (MTS Doc. No. L0941.0-10 - Attachment A) for SANDAG to provide procurement and construction management services for the Broadway Wye Catenary and Signaling Improvement Project and for MTS to transfer \$753,000 to SANDAG CIP 1142800 (Attachment B) to pay for construction and construction management services.



Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Rushikesh Desai, 619.595.4908, [rushikesh.desai@sdmts.com](mailto:rushikesh.desai@sdmts.com)

JAN7-10.7.FUND TRANSFER MOU BROADWAY WYE PROJ.RDESAI.doc

Attachments: A. MOU (MTS Doc. No. L0941.0-10)  
B. Fund Transfer Summary

**MEMORANDUM OF UNDERSTANDING  
BETWEEN SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG)  
AND METROPOLITAN TRANSIT SYSTEM (MTS)  
REGARDING FUNDING AND CONSTRUCTION OF THE  
BROADWAY WYE IMPROVEMENT PROJECT**

---

This Memorandum of Understanding ("MOU") is made and entered into effective as of this \_\_\_\_\_ day of February 2010 by and between the San Diego Association of Governments ("SANDAG") and Metropolitan Transit System ("MTS").

**RECITALS**

The following recitals are a substantive part of this Agreement:

WHEREAS, MTS Board at its January 7, 2010, meeting approved replacement of the switch machines, signaling control, and associated equipment for the Broadway Wye; and

WHEREAS, MTS currently does not have resources to manage the construction contract; and

WHEREAS, SANDAG has resident engineers available to help manage the project; and

WHEREAS, under its current policies, SANDAG may provide construction management services to its member agencies; and

WHEREAS, at its January 7, 2010, Board meeting, the MTS Board of Directors approved transferring funds from MTS Capital Improvement Project (CIP) 11255 to SANDAG CIP 11428000 "Broadway Wye Switch Machine Replacement & Signal Improvements" for construction and construction management of Broadway Wye improvements; and

WHEREAS, the parties wish to memorialize their agreement in this MOU to carry out the purposes set forth above;

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

**SANDAG AGREES:**

1. To issue a set of contracts/bid documents for the design, construction, and management of the improvements to be undertaken at the Broadway Wye.
2. That the not-to-exceed amount referenced below in this MOU consists of the current construction estimate by SANDAG consultants for the construction work of \$1,162,015 inclusive of a 15 percent construction contingency. In the event that SANDAG believes that this amount will be exceeded, it will notify MTS, and the parties will meet to discuss whether an amendment to this MOU is appropriate.

3. To provide construction management services, including a Resident Engineer (RE), to manage the Broadway Wye Switch & Catenary Improvement task order on a time-and-materials basis.
4. Unless otherwise agreed to by MTS, SANDAG shall designate Angel Morales as RE for the project.
5. That the maximum amount for this construction management services shall not exceed \$169,500 without prior written approval from MTS.
6. To use any funds provided by MTS under this MOU exclusively for the Project and to return any remaining Project funds to MTS upon completion of the Project.
7. MTS nor any director, officer, agent, or employee thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by SANDAG under or in connection with any work, authority, or jurisdiction delegated to SANDAG under this MOU. It is understood and agreed that, pursuant to Government Code Section 895.4, SANDAG shall fully defend, indemnify, and save harmless MTS, its officers, directors, agents, 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 SANDAG under or in connection with any work, authority, or jurisdiction delegated to SANDAG under this MOU.

**MTS AGREES:**

1. To transfer funds from MTS CIP 11255 totaling \$753,000 to SANDAG CIP 1142800.
2. In the event that SANDAG notifies MTS that the maximum amount will be exceeded, MTS will meet with SANDAG to discuss whether an amendment to this MOU is appropriate. In no event shall SANDAG have the responsibility to move forward with the Project until the parties are able to identify sufficient funds to complete the work.
3. To provide staff support on the Project at no cost to SANDAG, including, but not limited to, any staff support or cooperation needed to defend any contractor claims that may arise on the Project.
4. SANDAG nor any director, officer, agent, or employee thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by MTS under or in connection with any work, authority, or jurisdiction delegated to MTS under this MOU. It is understood and agreed that, pursuant to Government Code Section 895.4, MTS shall fully defend, indemnify, and save harmless SANDAG, its officers, directors, agents, 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 any work, authority, or jurisdiction delegated to MTS under this MOU.

**THE PARTIES MUTUALLY AGREE:**

1. That all obligations of the parties under the terms of this MOU are subject to the appropriation of the required resources by parties and the approval of their respective boards of directors.
2. Any notice required or permitted under this MOU may be personally served on the other party, by the party giving notice, or may be served by certified mail, return receipt requested, to the following addresses:

**For SANDAG**

Attn: Office of General Counsel  
401 B Street, Suite 800  
San Diego, CA 92101

**For MTS**

Attn: Office of General Counsel  
1255 Imperial Avenue Suite 1000  
San Diego, CA 92101

3. That unless it is amended by the parties in writing, this MOU shall terminate on December 31, 2011, or on such earlier or later date as the parties may agree to in writing. This MOU shall continue in effect unless and until a party to the MOU gives 60 (sixty) days' written notice of its desire to withdraw from the MOU. If such notice is given, the MOU shall continue to be binding on those parties who have not formally withdrawn.
4. The indemnification provisions of this MOU shall survive termination of the MOU.
5. This MOU shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this MOU, the action shall be brought in a state or federal court situated in the County of San Diego, State of California.
6. All terms, conditions, and provisions hereof shall inure to and shall bind each of the parties hereto and each of their respective heirs, executors, administrators, successors, and assigns.
7. For purposes of this MOU, the relationship of the parties is that of independent entities and not as agents of each other or as joint venturers or partners. The parties shall maintain sole and exclusive control over their personnel, agents, consultants, and operations.
8. No alteration or variation of the terms of this MOU shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.
9. Nothing in the provisions of this MOU is intended to create duties or obligations to or rights in third parties to this MOU or affect the legal liability of the parties to this MOU.
10. This MOU may be executed in any number of identical counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument when each party has signed one such counterpart.

IN WITNESS WHEREOF, the Parties hereto have executed this MOU effective on the day and year first written above.

SAN DIEGO ASSOCIATION OF  
GOVERNMENTS

MTS

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**GARY L. GALLEGOS**  
Executive Director

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**PAUL C. JABLONSKI**  
Chief Executive Officer

APPROVED AS TO FORM:

APPROVED AS TO FORM:

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**Office of General Counsel**

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**Office of General Counsel**

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## FUND TRANSFER SUMMARY

PROJECT (CIP NO.)	FY 10 Budget	Proposed Budget	Budget Change
1. Broadway Wye Switch and Signal Improvement - Project (CIP 11255)	\$907,500	\$154,500	-\$753,000
2. Catenary and Signaling Improvement Project (CIP 1142800)	\$1,186,000	\$1,939,000	\$753,000



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## Agenda

Item No. 8

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

FIN 370

January 7, 2010

### SUBJECT:

MTS: SIGNATURE AUTHORITY FOR SAN DIEGO TRANSIT CORPORATION  
RETIREMENT PLAN

### RECOMMENDATION:

That the Board of Directors approve the list of signatories on the San Diego Transit Corporation Retirement Plan.

#### Budget Impact

None.

### DISCUSSION:

MTS staff is updating the eligible signatories for expenses related to the San Diego Transit Corporation's Retirement Plan (Plan). The Plan's funding resides currently at Union Bank. Staff would like to update the signatories as follows:

1. Cliff Telfer, Chief Financial Officer
2. Jeff Stumbo, Director of Human Resources
3. Larry Marinesi, Budget Manager

A handwritten signature in black ink, appearing to read 'Paul C. Jablonski', is written over a horizontal line.

Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Larry Marinesi, 619.557.4542, [larry.marinesi@sdmts.com](mailto:larry.marinesi@sdmts.com)

JAN7-10.8.SIGNATURE AUTH SDTC RETIREMT PLAN.LMARINESI.doc





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## Agenda

Item No. 9

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

LEG 492

January 7, 2010

**SUBJECT:**

MTS: RISK MANAGEMENT PROCESS AUDIT REPORT

**RECOMMENDATION:**

That the Board of Directors receive an internal audit report on risk management.

Budget Impact

None.

**DISCUSSION:**

During October 2009, the MTS Internal Auditor performed a review of the MTS Risk Management process. As a result of this review, four recommendations were made for management's consideration. Management has accepted the recommendations and is taking action to address the issues noted.

A handwritten signature in black ink, appearing to read 'Paul C. Jablonski', is written over a horizontal line.

Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Mark Abbey, 619.557.4573, [mark.abbey@sdmts.com](mailto:mark.abbey@sdmts.com)

JAN7-10.9.RISK MGMT AUDIT RPT.MABBEY.doc

Attachment: A. Risk Management Audit Report







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Att. A, AI 9, 1/7/10

## Memorandum

DATE: December 8, 2009

TO: Jim Dow, Carmen Naranjo

FROM: Mark Abbey

SUBJECT: AUDIT REPORT - RISK MANAGEMENT

LEG 492

### EXECUTIVE SUMMARY

I have completed a review of the Risk Management process. The audit was performed in accordance with the approved audit plan.

#### Audit Objectives and Scope

The objective of the audit was to review the adequacy of internal controls over the risk management process at MTS.

### BACKGROUND

The MTS Risk Department consists of five staff who report to the Chief Financial Officer. MTS Risk Department personnel are responsible for adjudicating and processing liability claims. MTS outsources its workers' compensation administration function to TRISTAR, a third-party administrator (TPA), which is responsible for adjudicating and processing workers' compensation claims. MTS is self-insured for workers' compensation claims up to \$1 million and for liability claims up to \$2 million.

TRISTAR is required to send monthly reports on active claims to MTS. TPA and attorney billings are reviewed by MTS Risk Department personnel prior to payment. The following is a summary of recent workers' compensation and liability claims by agency.

#### Number of Open Files as of June 30, 2009

AGENCY	UNIQUE LIABILITY	WORKERS' COMPENSATION
MTS	25	3
SDTC	147	143
SDTI	51	64
TOTAL	223	210

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Metropolitan Transit System (MTS) is a California public agency comprised of San Diego Transit Corp., San Diego Trolley, Inc., San Diego and Arizona Eastern Railway Company (nonprofit public benefit corporations), and San Diego Vintage Trolley, Inc., a 501(c)(3) nonprofit corporation, in cooperation with Chula Vista Transit. MTS is the taxicab administrator for seven cities. MTS member agencies include the cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, Santee, and the County of San Diego.

In addition to the payments on claims, MTS paid out the following for legal fees in fiscal 2009:

YEAR	LIABILITY LEGAL COSTS	Up 115%
FY 2008	\$658,740	
FY 2009	\$1,413,050	

YEAR	WORKERS' COMP. LEGAL COSTS	Down 8%
FY 2008	\$302,073	
FY 2009	\$276,784	

As the table above shows, legal fees in FY 2009 on liability claims more than doubled as compared to FY 2008.

## OBSERVATIONS AND RECOMMENDATIONS

To further improve the risk management process, the following recommendations are offered for management's consideration:

1. Perform periodic formal audits/file reviews at the TPA office.
2. Develop an action plan for controlling legal costs.
3. Formalize workers' compensation standard operating procedures.
4. Update staff position descriptions.

A detailed explanation of these recommendations is provided in Detailed Observations below.

I wish to thank Risk Management personnel for their cooperation and assistance during the course of this review.

## DETAILED OBSERVATIONS

### 1.0 Quality Assurance Review of the TPA

MTS has not performed formalized on-site quality assurance reviews of the TPA. Regular audits should be performed periodically at the TRISTAR office to ensure that claims are properly adjusted, time and expense charges are appropriate for the tasks performed, and if the files contain appropriate/adequate documentation as required by industry standards.

#### Recommendation

Perform periodic formal audits/file reviews at the TPA office.

#### Management Response

Ongoing communications with the third-party administrator is conducted on daily/weekly basis to discuss and review individual case files. Monthly meetings are held with MTS Human Resources to review cases and evaluate employment-related impacts.

A 16-point audit worksheet has been constructed to evaluate and measure effectiveness of contract service by the workers' compensation TPA services provider. This worksheet is intended to be completed annually to assure compliance with the workers' compensation claims

administration scope of work. Many audit points are and have been monitored on an ongoing basis without being physically on site. Additional audits and file reviews will be conducted on site at the TPA office.

Auditing individual claim files will be conducted with assistance from the Risk and Claims Manager.

#### 1.1 Legal Cost Review

FY 2009, legal costs related to liability claims amounted to \$1,413,050, which is more than double the FY 2008 liability legal costs of \$658,740. My review of these costs revealed that six large cases accounted for more than half of these costs. In order to minimize future legal costs, the reasons for the large costs should be analyzed, and an action plan should be developed for controlling future costs.

This is especially critical in view of the current MTS budget constraints.

#### Recommendation

Develop an action plan for controlling legal costs.

#### Management Response

The need for and requirement of tort liability legal services are typically initiated by the plaintiff filling a civil lawsuit. The extent of liability exposure weighs greatly in the nature of any defense to a suit. Unfortunately for FY 2009, a number of high-profile cases that occurred on the average of over 33 months ago moved toward trial. The character of these high-dollar exposure risks required a rigorous defense to best protect the assets of MTS. It was this controlled defense that resulted in legal costs significantly greater than normally anticipated.

A plan for controlling legal costs has been drafted. Most of the items contained in this plan have been instituted prior to use of any contracted legal services. Additional emphasis and auditing of key points of the plan will be enhanced.

Key points of the plan include:

1. Assure that legal budgets on all cases with significant cost exposures are up-to date. Notify MTS if earlier legal budget estimates are substantially inaccurate and continue to investigate variances to the budget.
2. Continue to identify legal services necessary to protect MTS interests. Determine which resources will be used and how and when they will be utilized. Understand what economies are available that could result in a beneficial outcome. The timing of various legal services and case settlement negotiations can have a great impact on legal costs.
3. Maintain advanced approval for charges, which may include experts and medical evaluations.
4. Provide periodic reports detailing services provided, resources used, and related costs.
5. Monitor the progress on a regular basis to be sure that the budget and strategy are being maintained, and evaluate necessary changes to both as they occur.

The key to controlling costs should be with continued involvement in the process until the end and to be certain that selected attorneys are meeting expectations.

## 1.2 Workers' Compensation SOP

MTS uses a TPA for adjudicating and processing workers' compensation claims. Before new claims can be forwarded to TRISTAR, preliminary work needs to be done at MTS. This includes having the employees complete the proper forms and providing employees with direction on steps to take in the workers' compensation process. Information needs to be gathered to complete the claim, including gathering information from Payroll staff and the Human Resources Department.

Procedures followed by the Bus Division, Rail Division and MTS administration are different. A new standard operating procedure needs to be developed and formalized so procedures are clearly understood by all MTS staff.

### Recommendation

Formalize a workers' compensation SOP.

### Management Response

Standard operating procedures have been in place for each agency. Currently, the Risk and Claims Manager is in the process of formalizing workers' compensation procedures into one consolidated process that will be followed by all agencies; completion is projected in early 2010.

## 1.3 Position Descriptions

I obtained staff position descriptions for Risk Department staff from the Human Resources Department. I noted that two of the position descriptions for Risk Department staff need to be updated. The position description for the "Claims Adjustor 1" did not accurately reflect her current duties, which include workers' compensation responsibilities. The position description for the MTS Risk and Loss Prevention Manager also needs to be updated as it did not accurately reflect this person's current duties. It is important for staff members to have accurate written position descriptions to ensure that job goals and objectives are fully understood and performance is directed to meeting these goals and objectives.

### Recommendation

Update staff position descriptions.

### Management Response

Position descriptions have been produced by the Human Resources Department and are in the final phases of review and approval.



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## Agenda

Item No. 10

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

FIN 305

January 7, 2010

### SUBJECT:

MTS: INVESTMENT REPORT – NOVEMBER 2009

### RECOMMENDATION:

That the Board of Directors receive a report for information.

#### Budget Impact

None.

### DISCUSSION:

Attachment A is a report of MTS investments as of November 2009.

The first column provides details about investments restricted for capital support and debt service—the majority of which are related to the 1995 lease and leaseback transactions.

The second column is the unrestricted investments, which reports the working capital for MTS operations for employee payroll and vendors' goods and services. This column includes the investment in San Diego Transit Corporation's pension obligation bonds that were repurchased and represents an asset that is not currently available to fund operations.

Total cash and investment balances have decreased by \$12 million largely due to \$8 million in expenditures related to bus and rail car procurements.



Transfers from the Local Agency Investment Fund (LAIF) investment to the operating account totaling \$8 million were initiated in November. The current monthly yield in the LAIF investment is 0.61%, which represents a reduction from 2.779% since August 2008.

The funds restricted for debt service are structured investments with fixed returns that do not vary with market fluctuations if held to maturity. These investments are held in trust and will not be liquidated in advance of the scheduled maturities.

Other restricted funds are designated for various capital improvement projects.

  
Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Linda Musengo, 619.557.4531, [linda.musengo@sdmts.com](mailto:linda.musengo@sdmts.com)

JAN7-10.10.INVESTMT RPT 11-09.LMUSENGO.doc

Attachment: A. Investment Report for November 2009

**San Diego Metropolitan Transit System  
Investment Report  
November 30, 2009**

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	<b>Average rate of return</b>
Cash and Cash Equivalents				
Bank of America - concentration sweep account	\$ 5,718,275	\$ 3,628,269	\$ 9,346,544	0.00%
Total Cash and Cash Equivalents	<u>5,718,275</u>	<u>3,628,269</u>	<u>9,346,544</u>	
Cash - Restricted for Capital Support				
US Bank - retention trust account	2,720,655		2,720,655	N/A *
Local Agency Investment Fund (LAIF) Proposition 1B TSGP grant funds	<u>2,705,336</u>		<u>2,705,336</u>	0.61%
Total Cash - Restricted for Capital Support	<u>5,425,991</u>	<u>-</u>	<u>5,425,991</u>	
Investments - Working Capital				
Local Agency Investment Fund (LAIF)		4,355,303	4,355,303	0.61%
Bank of New York Money Market POB interest	<u>-</u>	<u>40</u>	<u>40</u>	
Total Investments - Working Capital	<u>-</u>	<u>4,355,344</u>	<u>4,355,344</u>	
Investments - Restricted for Debt Service				
US Bank - Treasury Strips - market value (Par value \$39,474,000)	34,734,887	-	34,734,887	
Rabobank - Payment Undertaking Agreement	<u>84,951,545</u>	<u>-</u>	<u>84,951,545</u>	7.69%
Total Investments Restricted for Debt Service	<u>119,686,432</u>	<u>-</u>	<u>119,686,432</u>	
Investment in SDTC Pension Obligation Bonds				
Bank of America custodial account	<u>-</u>	<u>35,630,000</u>	<u>35,630,000</u>	
Total Investment in SDTC Pension Obligation Bonds	<u>-</u>	<u>35,630,000</u>	<u>35,630,000</u>	
Total cash and investments	<u><b>\$ 130,830,698</b></u>	<u><b>\$ 43,613,613</b></u>	<u><b>\$ 174,444,311</b></u>	

N/A\* - Per trust agreements, interest earned on retention account is allocated to trust beneficiary (contractor)



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## 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.

SRTP 830

January 7, 2010

### SUBJECT:

MTS: FY 2010 MIDYEAR BUDGET-RELATED SERVICE ADJUSTMENTS  
(SHARON COONEY)

### RECOMMENDATION:

That the Board of Directors:

1. receive a report on public comments received since the December 10, 2009, public hearing; and
2. approve the recommended service adjustments to achieve approximately \$7 million in subsidy savings (as described in Attachment A); and
3. approve the recommended restructuring of Route 880.

#### Budget Impact

Implementation of the staff-recommended service changes is expected to result in an annual operating subsidy savings of \$7 million beginning in FY 2011.

### DISCUSSION:

Elimination of state transit funding, lower sales tax revenues, and lower-than-projected fare revenues have created a projected budget deficit of \$15 million for fiscal year 2011. During the budget development process, the MTS Budget Development Committee and the Board of Directors provided guidance in resolving a portion of this significant shortfall through service reductions. At its November 12, 2009, meeting, the Board adopted a strategy of focusing on Sunday services in order to maintain weekday levels of service and minimize the impacts for the greatest number of riders.





A package of service reduction proposals was brought to a public hearing at the Board meeting on December 10, 2009. This included mostly minor weekday changes, some Saturday reductions, primarily in operating frequencies, and a new, scaled-down network of Sunday services. The proposals presented at the public hearing reduced weekday service by approximately 3% and Saturdays by 11% while preserving about half of the current Sunday service.

In response to public comments received before, during, and after the public hearing, and to Board discussion on December 10, a number of modifications have been made to the initial proposal:

- Route 6: Sunday service restored between North Park and Fashion Valley.
- Route 7: Sunday service restored to downtown La Mesa (selected trips only).
- Route 11: Sunday service is restored to Meadowbrook Dr. instead of Euclid Trolley.
- Route 13: Routing in National City restored to 18<sup>th</sup> Street with Route 962 now covering Plaza Boulevard.
- Route 30: Almost all early/late weekend service between Old Town and downtown discontinued.
- Route 41: Sunday southbound service extended to 9 p.m.
- Route 44: Sunday northbound service extended to 10 p.m.
- Route 709: Sunday route revised to cover more of south Chula Vista. The route would now cover substantial portions of the existing Routes 701, 704, 709, and 712.
- Route 848: Sunday service restored between Lakeside and El Cajon Transit Center.
- Route 874/875: Routing changed to operate on Washington Avenue only with Route 848 now covering Broadway (El Cajon).
- Route 855: Sunday service restored between La Mesa and Rancho San Diego.
- Route 901: Limited Sunday service restored on Silver Strand Boulevard to Imperial Beach.
- Route 928: Sunday service restored between Fashion Valley, Serra Mesa, and Stonecrest.
- Route 962: Sunday service restored between National City and Paradise Hills.

Restored services would operate at a lower frequency and reduced span matching reductions in other Sunday service. While these changes would have a gross annual cost of several hundreds of thousands of dollars, the budgetary impact would be compensated for by the selective reduction of weekday trips and decreasing some proposed Sunday trips and service span.

MTS Policy No. 42 states that any service change affecting more than 25 percent of a route's weekly in-service miles or hours is considered a "major service change" and requires a properly noticed public hearing prior to Board action. Except for Route 880, detailed below, none of the changes proposed meet the criteria of 25 percent of any route's miles or hours.

On December 10, 2009, the Board also adopted Resolution No. 09-27, "Findings in Support of Exemption Under the California Environmental Quality Act (CEQA) Related to Proposed Budget-Related Service Adjustments," and directed staff to return to the Board on January 7, 2010. A written and oral report on public comments received since the public hearing will be provided to the Board at January 7, 2010, meeting.

#### Route 880

Premium Express bus Route 880 is fully subsidized by the 4S Ranch development. Its implementation fulfills a county mitigation requirement that calls for some type of transit service. The current alignment between 4S Ranch and Sorrento Valley/University City was chosen because a survey conducted last year found that nearly half of the interested residents in 4S Ranch work in these areas (the other half work downtown). Since implementation in March 2009, the route has failed to attract substantial ridership with current levels stagnant at fewer than six passengers per trip. The proposed change is to reroute Route 880 to serve downtown instead of Sorrento Valley/University City.

MTS Policy No. 42 states that any service change affecting more than 25 percent of a route's weekly in-service miles or hours is considered a "major service change" and requires a properly noticed public hearing prior to Board action. In accordance with this policy, the Board held a public hearing on the proposed Route 880 service change on December 10, 2009.



Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, [sharon.cooney@sdmts.com](mailto:sharon.cooney@sdmts.com)

JAN7-10.30.FY 10 MIDYEAR SVC CHGS.DDESMOND

Attachment: A. Recommended Service Adjustments

**SUNDAY PROPOSED SERVICE NETWORK:** Most service is hourly, some critical corridors more frequent; some routes slightly restructured for better coverage or connections; span is generally 6am-7pm, select corridors operate later.

Route	Current Frequency	Proposed Frequency	Current Span	Proposed Span	Routing change summary
1	30	30	530am-12mid	7am-8pm	Move eastern terminal to Dwtm La Mesa (no Grossmont or Amaya).
2	20	30	430am-1am	6am-10pm	Extend east on Adams Ave. through Normal Heights.
3	30	60	530am-1130pm	6am-8pm	Move western terminal to City College (no Bankers Hill or Hillcrest).
4	30	60	6am-1130pm	7am-7pm	No routing changes proposed.
5	30	30	5am-930pm	6am-8pm	No routing changes proposed.
6	<b>30</b>	<b>60</b>	<b>630am-1030pm</b>	<b>8am-7pm</b>	<b>No routing changes proposed.</b>
7	15	20	5am-2am	6am-12mid	Move Dwtm terminal to City College.
8/9	20	30	530am-1230am	6am-8pm	Operate between Old Town, Sea World, and Mission Blvd only.
10	20	30	5am-1230am	6am-8pm	Move eastern terminal to the City Hts. Transit Plaza.
11	30	30	5am-12am	6am-8pm	Operate between Euclid Trolley & Dwtm (5th/C St.) only.
13	30	60	530am-10pm	6am-8pm	No routing changes proposed.
15	20	30	5am-1am	6am-12mid	Move Dwtm terminal to City College.
20B	30/60	60	530am-10pm	6am-8pm	Add service to Kearny Villa Rd. between Balboa and Clairemont Mesa.
27	60	----	6am-830pm	----	Route would not operate on Sundays.
28	30	60	6am-11pm	6am-8pm	No routing changes proposed.
30	30	30	5am-130am	6am-11pm	Operate between Old Town and VA Medical Center only (no Dwtm or UTC).
35	30	30	630am-11pm	7am-8pm	Move Ocean Beach terminal to Newport Ave. (no Point Loma Ave.).
41	30	30	6am-11pm	630am-830pm	Operate via Linda Vista and move north terminal to UTC (no UCSD).
44	30	60	6am-12mid	630am-1030pm	Via Health Ctr Dr., Meadowlark.
88	60	----	630am-9pm	----	Route would not operate on Sundays.
105	60	60	630am-9pm	6am-7pm	Move north terminal to Clairemont Sq. (no UTC); route change in Bay Park.
115	60	----	630am-9pm	----	Route would not operate on Sundays.
120	30	30	530am-1030pm	6am-10pm	Operate between Dwtm (Broadway) and Fashion Valley only.
201/202	15	15	6am-1030pm	6am-1030pm	No changes proposed.
701	60	----	630am-930pm	----	Route would not operate on Sundays.
704	60	----	7am-930pm	----	Route would not operate on Sundays.
705	60	----	730am-730pm	----	Route would not operate on Sundays.
709	30	60	630am-930pm	630am-7pm	Major route changes to serve Hilltop, Sharp Hosp., E. Palomar (no East H St.).
712	60	----	630am-9pm	----	Route would not operate on Sundays.
815	30	60	530am-830pm	7am-6pm	No routing changes proposed.
832	60	----	9am-530pm	----	Route would not operate on Sundays.
833	60	----	9am-530pm	----	Route would not operate on Sundays.
845	60	----	730am-630pm	----	Route would not operate on Sundays.
848	<b>60</b>	<b>60</b>	<b>7am-10pm</b>	<b>630am-630pm</b>	<b>No routing changes proposed.</b>
854	60	----	8am-930pm	----	Route would not operate on Sundays.
855	<b>60</b>	<b>60</b>	<b>6am-930pm</b>	<b>730am-530pm</b>	<b>No routing changes proposed.</b>
856	60	----	530am-10pm	----	Route would not operate on Sundays.
864	30	60	5am-11pm	7am-6pm	Move east terminal to East Main & Broadway (no Alpine).
872A	60	----	8am-530pm	----	Route would not operate on Sundays.
874/875	30	60	630am-10pm	7am-6pm	Operate on Washington to/from 3rd/Lexington only.
901	30	60	5am-230pm	6am-8pm	Operate between 12th/Imperial & Coronado; some trips ext. to I.B. or Iris.
904	60	----	10am-630pm	----	Route would not operate on Sundays.
905	60	----	530am-7pm	----	Route would not operate on Sundays.
906/907	---	30	----	6am-8pm	New loop route replaces southern end of Routes 929, 932.
916/917	60	----	6am-930pm	----	Route would not operate on Sundays.
921	60	----	7am-8pm	----	Route would not operate on Sundays.
923	60	----	6am-7pm	----	Route would not operate on Sundays.
928	<b>60</b>	<b>60</b>	<b>630am-930pm</b>	<b>830am-630pm</b>	<b>No routing changes proposed.</b>
929	20	20	5am-3am	6am-11pm	Operate only between Iris Ave. and 8th St. Trolley (National City).
932	20	30	430am-1am	6am-8pm	Operate only between Iris Ave. and E St. Trolley (Chula Vista).
933/934	30	30	530am-130am	6am-8pm	Discontinue Satellite/Iris loop south of Coronado Ave.
936	30	30	530am-11pm	6am-8pm	No routing changes proposed.
955	30	30	5am-12mid	6am-8pm	No routing changes proposed.
961	60	60	7am-8pm	6am-8pm	Operate only between 24th St. Trolley and Plaza Bonita.
962	<b>60</b>	<b>60</b>	<b>7am-730pm</b>	<b>7am-530pm</b>	<b>No routing changes proposed.</b>
965	45	----	7am-730pm	----	Route would not operate on Sundays.
967	120	----	7am-730pm	----	Route would not operate on Sundays.
968	120	----	8am-7pm	----	Route would not operate on Sundays.
992	15	30	5am-1230am	6am-11pm	No routing changes proposed.
Blue	15	15	430am-2am	430am-2am	End last four trips at America Plaza instead of Old Town.
Orange	15	30	530am-1230am	530am-1230am	No routing changes proposed.
Green	15	30	430am-1am	430am-1am	No routing changes proposed.
<b>TOTAL SUNDAY SUBSIDY SAVINGS</b>				<b>\$4,020,786</b>	

Routes shown in bold have been added into the proposed Sunday service since the December 10, 2009, Public Hearing.

**WEEKDAY PROPOSED CHANGES: Mostly minor reductions with low passenger impacts.**

Route	Change summary	Annual Subsidy Savings
2	Reduce to 15-min. midday frequency; move Dwtm terminal to America Plaza.	\$326,777
6	Selected evening minor trip reductions.	\$29,612
11	Selected minor peak hour trip reductions.	\$112,094
13	Trips shifted for improved morning northbound service.	(\$19,292)
20	Middays only; reduce to 30-min. freq. betw. Dwtm/Mira Mesa; 60-min. north of Mira Mesa.	\$371,996
30	Discontinue service between Dwtm and Old Town after 7pm.	\$263,949
50	Reduce several trips at the periphery of the rush hours.	\$183,918
150	Minor scheduling efficiencies due to Route 50 reductions.	\$16,908
210	Move downtown terminal to America Plaza.	\$31,511
854	Every other trip runs directly between Amaya Trolley & Grossmont Coll., via SR-125.	\$47,292
860	Discontinue the last northbound trip.	\$29,979
874/875	No service to Granite Hills after 6pm.	\$12,269
880	Reroute to Dwtm instead of Sorrento Valley, UTC; operate 2 instead of 3 round trips.	\$0
906/907	New loop route (Iris Trolley-San Ysidro) replaces southern end of Routes 929, 932.	(\$1,259,445)
916/917	Discontinue half hour north side overlay except in peak.	\$103,480
928	Reduce frequency to hourly after 630pm.	\$38,674
929	Service south of Iris replaced by new Rt. 906/907. Move Dwtm terminal to City College.	\$737,996
932	Service south of Iris replaced by new Rt. 906/907.	\$612,549
992	Discontinue two last round trips at night.	\$19,666
Blue	Reduce span of peak to end earlier in the AM and start later in the PM.	\$321,785
Blue	End last four trips at America Plaza instead of Old Town.	
<b>TOTAL WEEKDAY</b>		<b>\$1,981,717</b>

**SATURDAY PROPOSED CHANGES: Frequencies reduced on many core routes; routes shortened where possible.**

Route	Change summary	Annual Subsidy Savings
2	Reduce to 20-min. frequency.	\$64,686
3	Discontinue first southbound half-trip.	\$1,585
7	Reduce to 15-min. frequency.	\$79,879
8/9	Reduce to 30-min. frequency during the non-summer months.	\$50,053
10	Reduce to 20-min. frequency and move eastern terminal to the City Hts. Transit Plaza.	\$101,103
11	Reduce to 30-min. frequency.	\$144,748
15	Reduce to 20-min. frequency.	\$102,147
20	Reduce to 60-min. frequency north of Fashion Valley.	\$76,739
27	Reduce to 90-min. frequency and move Kearny Mesa terminal to Balboa/Convoy.	\$21,894
30	Operate between Old Town and the VA Hospital only (extend to UTC after 10pm).	\$152,152
41	Move northern terminal to UTC instead of UCSD.	\$53,665
88	Reduce to 60-min. frequency.	\$32,397
105	Reduce to 60-min. frequency and move northern terminal to Clairemont Square.	\$108,634
874/875	Reduce to 60-min. frequency, and discontinue service to Granite Hills.	\$63,760
901	Reduce to 60-min. frequency between 6pm and 7pm.	\$10,856
906/907	New loop route (Iris Trolley-San Ysidro) replaces southern end of Routes 929, 932.	(\$187,926)
929	Service south of Iris Trolley is replaced by new Route 906/907.	\$92,129
932	Service south of Iris Trolley is replaced by new Route 906/907.	\$92,039
955	Discontinue two early morning half-trips.	\$2,189
967/968	Reduce to 120-min. frequency.	\$29,710
992	Reduce to 30-min. frequency and discontinue two last round trips at night.	\$46,177
Blue	End last four trips at America Plaza instead of Old Town.	\$9,224
<b>TOTAL SATURDAY</b>		<b>\$1,147,840</b>



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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.

S RTP 825

January 7, 2010

### SUBJECT:

MTS: FARE COMPONENT USAGE TRENDS (MARK THOMSEN)

### RECOMMENDATION:

That the Board of Directors receive a report on fare component usage trends.

#### Budget Impact

None.

### DISCUSSION:

MTS implemented four rounds of fare changes in 2008 and 2009. The resulting change in usage by fare component has been substantial. To provide background and context for these trends, an overview of the composition of ridership and comparisons with California peer properties will be presented during the meeting.

A handwritten signature in black ink, appearing to read 'Paul C. Jablonski', is written over a horizontal line.

Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, [sharon.cooney@sdmts.com](mailto:sharon.cooney@sdmts.com)

JAN7-10.45.FARE USAGE TRENDS.MTHOMSEN.doc





1255 Imperial Avenue, Suite 1000  
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## Agenda

Item No. 46

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

FIN 310

January 7, 2010

### SUBJECT:

MTS: OPERATIONS BUDGET STATUS REPORT FOR OCTOBER 2009  
(MIKE THOMPSON)

### RECOMMENDATION:

That the Board of Directors receive the Metropolitan Transit System (MTS) operations budget status report for October 2009.

#### Budget Impact

None at this time.

### DISCUSSION:

This report summarizes MTS's operating results for October 2009 compared to the fiscal year 2010 budget. Attachment A-1 combines the operations, administration, and other activities results for October 2009. Attachment A-2 details the October 2009 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 October 2009 results for MTS's other activities (Taxicab/San Diego and Arizona Eastern Railway Company).

### MTS NET-OPERATING SUBSIDY RESULTS

As indicated within Attachment A-1, the year-to-date October 2009 MTS net-operating subsidy unfavorable variance totaled \$2,576,000 (-6.9%). Operations produced a



\$2,347,000 (-6.3%) unfavorable variance, and the administrative/other activities areas were unfavorable by \$229,000.

## MTS COMBINED RESULTS

### Revenues

Year-to-date combined revenues through October 2009 were \$31,742,000 compared to the year-to-date budget of \$34,700,000, which represents a \$2,959,000 (-8.5%) negative variance. This is primarily due to an unfavorable variance within passenger revenue due to lower-than budgeted ridership.

### Expenses

Year-to-date combined expenses through October 2009 were \$71,488,000 compared to the year-to-date budget of \$71,871,000, which resulted in a \$383,000 (0.5%) favorable variance.

Personnel Costs. Year-to-date personnel-related costs totaled \$33,768,000 compared to a year-to-date budgetary figure of \$33,985,000, which produced a favorable variance of \$217,000 (0.6%). This is primarily due to favorable year-to-date variances within Administration.

Outside Services and Purchased Transportation. Total outside services for the first four months of the fiscal year totaled \$23,964,000 compared to a budget of \$24,377,000, which resulted in a year-to-date favorable variance of \$413,000 (1.7%). This is primarily due to purchased transportation favorable variances within paratransit operations.

Materials and Supplies. Total year-to-date materials and supplies expenses totaled \$2,319,000 compared to a budgetary figure of \$2,357,000, which resulted in a favorable expense variance of \$38,000 (1.6%).

Energy. Total year-to-date energy costs were \$9,046,000 compared to the budget of \$9,147,000, which resulted in a year-to-date favorable variance of \$101,000 (1.1%). Traction power was unfavorable by \$425,000 primarily due to critical peak-pricing events, which was partially offset by positive variances in diesel and compressed natural gas (CNG).

Year-to-date diesel prices averaged \$2.367 per gallon compared to the budgetary rate of \$2.300 per gallon. Year-to-date CNG prices averaged \$1.159 per therm compared to the budgetary rate of \$1.350 per therm.

Risk Management. Total year-to-date expenses for risk management were \$1,682,000, compared to the year-to-date budget of \$1,339,000, which resulted in an unfavorable variance totaling \$343,000 (-25.6%). This is primarily due to higher-than -expected legal claims costs within rail operations.

General and Administrative. Year-to-date general and administrative costs, including vehicle and facilities leases, were \$42,000 (-6.3%) unfavorable to budget totaling \$708,000 through October 2009 as compared to a year-to-date budget of \$666,000. This is primarily due to variances in noncapital equipment within Administration.

#### YEAR-TO-DATE SUMMARY

The October 2009 year-to-date net-operating subsidy totaled an unfavorable variance of \$2,576,000 (-6.9%). These factors include unfavorable variances in passenger revenue, other revenue, and risk management, partially offset by favorable variances in personnel costs, purchased transportation, and energy.



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Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Larry Marinesi, 619.557.4542, [Larry.Marinesi@sdmts.com](mailto:Larry.Marinesi@sdmts.com)

Attachment: A. Comparison to Budget

JAN7-09.46.OPS BUDGET OCT 09.MTHOMPSON.doc



**SAN DIEGO METROPOLITAN TRANSIT SYSTEM**

**MTS  
CONSOLIDATED**

Att. A, AI 46, 1/7/2010

**COMPARISON TO BUDGET - FISCAL YEAR 2010  
OCTOBER 31, 2009  
(in \$000's)**

	<b>YEAR TO DATE</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>% VARIANCE</b>
Passenger Revenue	\$ 29,623	\$ 32,279	\$ (2,656)	-8.2%
Other Revenue	2,119	2,421	(302)	-12.5%
<b>Total Operating Revenue</b>	<b>\$ 31,742</b>	<b>\$ 34,700</b>	<b>\$ (2,959)</b>	<b>-8.5%</b>
Personnel costs	\$ 33,768	\$ 33,985	\$ 217	0.6%
Outside services	23,964	24,377	413	1.7%
Transit operations funding	-	-	-	-
Materials and supplies	2,319	2,357	38	1.6%
Energy	9,046	9,147	101	1.1%
Risk management	1,682	1,339	(343)	-25.6%
General & administrative	513	458	(56)	-12.1%
Vehicle/facility leases	194	208	14	6.5%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	0	0	-	0.0%
Depreciation	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 71,488</b>	<b>\$ 71,871</b>	<b>\$ 383</b>	<b>0.5%</b>
<b>Operating income (loss)</b>	<b>\$ (39,746)</b>	<b>\$ (37,170)</b>	<b>\$ (2,576)</b>	<b>-6.9%</b>
<b>Total public support and nonoperating revenues</b>	<b>(483)</b>	<b>(219)</b>	<b>(264)</b>	<b>120.1%</b>
<b>Income (loss) before capital contributions</b>	<b>\$ (40,229)</b>	<b>\$ (37,390)</b>	<b>\$ (2,839)</b>	<b>7.6%</b>

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM**

**OPERATIONS**

Att. A, AI 46, 1/7/2010

**CONSOLIDATED OPERATIONS**

**COMPARISON TO BUDGET - FISCAL YEAR 2010**

**OCTOBER 31, 2009**

**(in \$000's)**

	<b>YEAR TO DATE</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>% VARIANCE</b>
Passenger Revenue	\$ 29,623	\$ 32,279	\$ (2,656)	-8.2%
Other Revenue	164	193	(30)	-15.4%
<b>Total Operating Revenue</b>	<b>\$ 29,787</b>	<b>\$ 32,472</b>	<b>\$ (2,686)</b>	<b>-8.3%</b>
Personnel costs	\$ 29,321	\$ 29,417	\$ 96	0.3%
Outside services	20,860	21,228	368	1.7%
Transit operations funding	-	-	-	-
Materials and supplies	2,312	2,345	33	1.4%
Energy	8,807	8,946	139	1.6%
Risk management	1,505	1,198	(307)	-25.7%
General & administrative	133	138	5	3.7%
Vehicle/facility leases	183	189	6	3.1%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	6,499	6,499	-	0.0%
Depreciation	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 69,621</b>	<b>\$ 69,960</b>	<b>\$ 339</b>	<b>0.5%</b>
<b>Operating income (loss)</b>	<b>\$ (39,834)</b>	<b>\$ (37,487)</b>	<b>\$ (2,347)</b>	<b>-6.3%</b>
<b>Total public support and nonoperating revenues</b>	<b>386</b>	<b>650</b>	<b>(264)</b>	<b>-40.7%</b>
<b>Income (loss) before capital contributions</b>	<b>\$ (39,449)</b>	<b>\$ (36,838)</b>	<b>\$ (2,611)</b>	<b>7.1%</b>

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM**  
**OPERATIONS**  
**TRANSIT SERVICES (SAN DIEGO TRANSIT CORPORATION)**  
**COMPARISON TO BUDGET - FISCAL YEAR 2010**  
**OCTOBER 31, 2009**  
**(in \$000's)**

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	<b>YEAR TO DATE</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>% VARIANCE</b>
Passenger Revenue	\$ 8,940	\$ 9,348	\$ (408)	-4.4%
Other Revenue	22	20	2	8.4%
<b>Total Operating Revenue</b>	<b>\$ 8,962</b>	<b>\$ 9,368</b>	<b>\$ (406)</b>	<b>-4.3%</b>
Personnel costs	\$ 18,984	\$ 18,940	\$ (44)	-0.2%
Outside services	646	531	(115)	-21.7%
Transit operations funding	-	-	-	-
Materials and supplies	1,445	1,349	(96)	-7.1%
Energy	2,381	2,467	86	3.5%
Risk management	497	545	47	8.7%
General & administrative	46	52	6	11.1%
Vehicle/facility leases	70	65	(5)	-7.9%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	2,211	2,211	-	0.0%
Depreciation	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 26,280</b>	<b>\$ 26,158</b>	<b>\$ (121)</b>	<b>-0.5%</b>
<b>Operating income (loss)</b>	<b>\$ (17,318)</b>	<b>\$ (16,790)</b>	<b>\$ (528)</b>	<b>-3.1%</b>
<b>Total public support and nonoperating revenues</b>	<b>(1,473)</b>	<b>(1,208)</b>	<b>(264)</b>	<b>21.9%</b>
<b>Income (loss) before capital contributions</b>	<b>\$ (18,791)</b>	<b>\$ (17,999)</b>	<b>\$ (792)</b>	<b>4.4%</b>

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM**  
**OPERATIONS**  
**RAIL OPERATIONS (SAN DIEGO TROLLEY, INCORPORATED)**  
**COMPARISON TO BUDGET - FISCAL YEAR 2010**  
**OCTOBER 31, 2009**  
**(in \$000's)**

Att. A, AI 46, 1/7/2010

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 11,094	\$ 12,888	\$ (1,794)	-13.9%
Other Revenue	121	173	(53)	-30.3%
<b>Total Operating Revenue</b>	<b>\$ 11,215</b>	<b>\$ 13,062</b>	<b>\$ (1,847)</b>	<b>-14.1%</b>
Personnel costs	\$ 9,910	\$ 9,953	\$ 43	0.4%
Outside services	1,245	1,115	(130)	-11.7%
Transit operations funding	-	-	-	-
Materials and supplies	867	985	118	12.0%
Energy	3,530	3,089	(441)	-14.3%
Risk management	1,008	653	(355)	-54.3%
General & administrative	66	81	15	18.1%
Vehicle/facility leases	65	75	10	12.8%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	3,937	3,937	-	0.0%
Depreciation	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 20,629</b>	<b>\$ 19,888</b>	<b>\$ (740)</b>	<b>-3.7%</b>
<b>Operating income (loss)</b>	<b>\$ (9,413)</b>	<b>\$ (6,826)</b>	<b>\$ (2,587)</b>	<b>-37.9%</b>
<b>Total public support and nonoperating revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income (loss) before capital contributions</b>	<b>\$ (9,413)</b>	<b>\$ (6,826)</b>	<b>\$ (2,587)</b>	<b>37.9%</b>

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM**

**OPERATIONS**

Att. A, AI 46, 1/7/2010

**MULTIMODAL OPERATIONS (FIXED ROUTE)**

**COMPARISON TO BUDGET - FISCAL YEAR 2010**

**OCTOBER 31, 2009**

**(in \$000's)**

	<b>YEAR TO DATE</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>% VARIANCE</b>
Passenger Revenue	\$ 7,644	\$ 7,993	\$ (349)	-4.4%
Other Revenue	21	-	21	-
<b>Total Operating Revenue</b>	<b>\$ 7,665</b>	<b>\$ 7,993</b>	<b>\$ (328)</b>	<b>-4.1%</b>
Personnel costs	\$ 79	\$ 154	\$ 75	48.8%
Outside services	13,545	13,623	78	0.6%
Transit operations funding	-	-	-	-
Materials and supplies	1	10	9	92.1%
Energy	2,170	2,309	139	6.0%
Risk management	-	-	-	-
General & administrative	1	2	1	51.5%
Vehicle/facility leases	48	49	1	1.9%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	294	294	-	0.0%
Depreciation	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 16,138</b>	<b>\$ 16,442</b>	<b>\$ 303</b>	<b>1.8%</b>
<b>Operating income (loss)</b>	<b>\$ (8,473)</b>	<b>\$ (8,449)</b>	<b>\$ (25)</b>	<b>-0.3%</b>
<b>Total public support and nonoperating revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income (loss) before capital contributions</b>	<b>\$ (8,473)</b>	<b>\$ (8,449)</b>	<b>\$ (25)</b>	<b>0.3%</b>

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM**

**OPERATIONS**

Att. A, AI 46, 1/7/2010

**MULTIMODAL OPERATIONS (PARATRANSIT)**

**COMPARISON TO BUDGET - FISCAL YEAR 2010**

**OCTOBER 31, 2009**

**(in \$000's)**

	<b>YEAR TO DATE</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>% VARIANCE</b>
Passenger Revenue	\$ 609	\$ 764	\$ (155)	-20.3%
Other Revenue	-	-	-	-
<b>Total Operating Revenue</b>	<b>\$ 609</b>	<b>\$ 764</b>	<b>\$ (155)</b>	<b>-20.3%</b>
Personnel costs	\$ 49	\$ 67	\$ 18	27.5%
Outside services	3,244	3,739	495	13.2%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	591	810	219	27.1%
Risk management	-	-	-	-
General & administrative	0	2	2	99.4%
Vehicle/facility leases	-	1	1	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	12	12	-	0.0%
Depreciation	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 3,895</b>	<b>\$ 4,631</b>	<b>\$ 736</b>	<b>15.9%</b>
<b>Operating income (loss)</b>	<b>\$ (3,286)</b>	<b>\$ (3,866)</b>	<b>\$ 580</b>	<b>15.0%</b>
<b>Total public support and nonoperating revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income (loss) before capital contributions</b>	<b>\$ (3,286)</b>	<b>\$ (3,866)</b>	<b>\$ 580</b>	<b>-15.0%</b>

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM**  
**OPERATIONS**  
**CONSOLIDATED CHULA VISTA TRANSIT OPERATIONS**  
**COMPARISON TO BUDGET - FISCAL YEAR 2010**  
**OCTOBER 31, 2009**  
**(in \$000's)**

Att. A, AI 46, 1/7/2010

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 1,336	\$ 1,285	\$ 51	3.9%
Other Revenue	-	-	-	-
<b>Total Operating Revenue</b>	<b>\$ 1,336</b>	<b>\$ 1,285</b>	<b>\$ 51</b>	<b>3.9%</b>
Personnel costs	\$ 111	\$ 114	\$ 3	3.1%
Outside services	1,974	2,013	40	2.0%
Transit operations funding	-	-	-	-
Materials and supplies	0	2	1	98.0%
Energy	136	272	136	50.1%
Risk management	-	-	-	-
General & administrative	19	1	(19)	-3342.0%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	45	45	-	0.0%
Depreciation	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 2,284</b>	<b>\$ 2,446</b>	<b>\$ 162</b>	<b>6.6%</b>
<b>Operating income (loss)</b>	<b>\$ (949)</b>	<b>\$ (1,161)</b>	<b>\$ 212</b>	<b>18.3%</b>
<b>Total public support and nonoperating revenues</b>	<b>1,794</b>	<b>1,794</b>	<b>-</b>	<b>0.0%</b>
<b>Income (loss) before capital contributions</b>	<b>\$ 846</b>	<b>\$ 633</b>	<b>\$ 212</b>	<b>33.5%</b>

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM**

**OPERATIONS**

Att. A, AI 46, 1/7/2010

**CORONADO FERRY**

**COMPARISON TO BUDGET - FISCAL YEAR 2010**

**OCTOBER 31, 2009**

**(in \$000's)**

	<b>YEAR TO DATE</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>%</b>
				<b>VARIANCE</b>
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
<b>Total Operating Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
Personnel costs	\$ -	\$ -	\$ -	-
Outside services	51	51	-	0.0%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	-	-	-	-
Risk management	-	-	-	-
General & administrative	-	-	-	-
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	-	-	-	-
Depreciation	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 51</b>	<b>\$ 51</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Operating income (loss)</b>	<b>\$ (51)</b>	<b>\$ (51)</b>	<b>\$ -</b>	<b>0.0%</b>
<b>Total public support and nonoperating revenues</b>	<b>64</b>	<b>64</b>	<b>-</b>	<b>0.0%</b>
<b>Income (loss) before capital contributions</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ -</b>	<b>0.0%</b>



**SAN DIEGO METROPOLITAN TRANSIT SYSTEM**

**ADMINISTRATION**

Att. A, AI 46, 1/7/2010

**CONSOLIDATED**

**COMPARISON TO BUDGET - FISCAL YEAR 2010**

**OCTOBER 31, 2009**

**(in \$000's)**

	<b>YEAR TO DATE</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>% VARIANCE</b>
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	1,766	2,123	(357)	-16.8%
<b>Total Operating Revenue</b>	<b>\$ 1,766</b>	<b>\$ 2,123</b>	<b>\$ (357)</b>	<b>-16.8%</b>
Personnel costs	\$ 4,236	\$ 4,349	\$ 113	2.6%
Outside services	3,046	3,106	60	1.9%
Transit operations funding	-	-	-	-
Materials and supplies	3	10	7	70.5%
Energy	235	194	(41)	-21.1%
Risk management	166	133	(33)	-24.4%
General & administrative	324	285	(39)	-13.8%
Vehicle/facility leases	11	19	8	41.0%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	(6,522)	(6,522)	-	0.0%
Depreciation	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 1,499</b>	<b>\$ 1,574</b>	<b>\$ 75</b>	<b>4.7%</b>
<b>Operating income (loss)</b>	<b>\$ 267</b>	<b>\$ 549</b>	<b>\$ (282)</b>	<b>51.4%</b>
<b>Total public support and nonoperating revenues</b>	<b>(869)</b>	<b>(869)</b>	<b>1</b>	<b>-0.1%</b>
<b>Income (loss) before capital contributions</b>	<b>\$ (602)</b>	<b>\$ (320)</b>	<b>\$ (281)</b>	<b>87.8%</b>

**SAN DIEGO METROPOLITAN TRANSIT SYSTEM**

**OTHER ACTIVITIES**

Att. A, AI 46, 1/7/2010

**CONSOLIDATED**

**COMPARISON TO BUDGET - FISCAL YEAR 2010**

**OCTOBER 31, 2009**

**(in \$000's)**

	<b>YEAR TO DATE</b>			
	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>% VARIANCE</b>
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	189	105	84	80.0%
<b>Total Operating Revenue</b>	<b>\$ 189</b>	<b>\$ 105</b>	<b>\$ 84</b>	<b>80.0%</b>
Personnel costs	\$ 211	\$ 219	\$ 8	3.5%
Outside services	59	44	(15)	-34.0%
Transit operations funding	-	-	-	-
Materials and supplies	4	2	(2)	-102.6%
Energy	4	6	3	42.5%
Risk management	11	8	(3)	-41.4%
General & administrative	56	35	(21)	-60.5%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	23	23	-	0.0%
Depreciation	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 368</b>	<b>\$ 337</b>	<b>\$ (31)</b>	<b>-9.2%</b>
<b>Operating income (loss)</b>	<b>\$ (179)</b>	<b>\$ (232)</b>	<b>\$ 53</b>	<b>22.9%</b>
<b>Total public support and nonoperating revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income (loss) before capital contributions</b>	<b>\$ (179)</b>	<b>\$ (232)</b>	<b>\$ 53</b>	<b>-22.9%</b>



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## Agenda

Item No. 47

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

SRTP 835

January 7, 2010

### SUBJECT:

MTS: URBAN AREA TRANSIT STRATEGY (CAROLINA GREGOR OF SANDAG)

### RECOMMENDATION:

That the Board of Directors receive a report for information.

#### Budget Impact

None.

### DISCUSSION:

In an effort to prepare for the 2050 Regional Transportation Plan (RTP) and in compliance with the terms of the 2008 Settlement Agreement between SANDAG and various parties regarding the adequacy of the 2030 RTP Environmental Impact Report, SANDAG is developing an "Urban Core Transit Strategy" (UCTS). This project will develop and evaluate a series of innovative and visionary transit network alternatives designed to maximize peak-period transit mode share in the urban core area and in key transportation corridors/communities and to reduce vehicle miles traveled and greenhouse gas emissions in the San Diego region. Transit network alternatives resulting from the planning process will be used as major inputs in the preparation of the 2050 RTP.

The UCTS will be developed to significantly increase the attractiveness and use of transit, walking, and biking in the urban core area, and to make transit time-competitive with the car. The urban core area was defined by the Settlement Agreement as the downtown trolley ring that includes Downtown San Diego, Mission Valley, La Mesa, Lemon Grove, and portions of National City. Through this project, three transit network



alternatives will be developed and tested over the next year with incorporation of one of the networks (or a combination or variation thereof) into the development of the 2050 RTP.

SANDAG has contracted with PB Americas to conduct the work on the UCTS, including assembling an international consulting team of PB professionals to develop the alternative transit networks, conducting stakeholder meetings, travel-demand forecasting and modeling, and refining alternatives and cost estimates. In addition, SANDAG will assemble a peer review panel to critically assess the alternative transit networks before they become finalized. At the conclusion of the project, the SANDAG Board of Directors will ultimately select the transit network that will be incorporated into the 2050 RTP.



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Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Denis Desmond, 619.515.0929, [denis.desmond@sdmts.com](mailto:denis.desmond@sdmts.com)

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## Agenda

Item No. 62

Chief Executive Officer's Report

ADM 121.7

January 7, 2010

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 12/3/09, through 12/17/09.

Vicki.rogers/agenda item 62



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.

### REVENUE CONTRACT

Doc #	Organization	Subject	Amount	Day
L0934.0-10	HMS CONSTRUCTION	ROE PERMIT TRAFFIC SIGNALS CITY SD-PARK	(\$9,400.00)	12/3/2009
S200-10-422	BOCK CO	ROE PERMIT SDGE 28TH/HARBOR 12KV CONV	(\$500.00)	12/8/2009
S200-10-429	AYALA BORING INC	ROE PERMIT SDGE 28TH/HARBOR 12 K CONV	(\$500.00)	12/8/2009
L5712.0-10	VCI TELCOM INC	JROE PERMIT MCI METRO VERIZON FIBER OPTI	(\$750.00)	12/11/2009

### EXPENSE CONTRACT

Doc #	Organization	Subject	Amount	Day
G1301.0-10	HOLIDAY BOWL	HOLIDAY BOWL AND POINSETTIA BOWL ADV	\$1,175.00	12/3/2009
L0932.0-10	HERITAGE SECURITY SVCS	10 MOS SERVICES FOR MTS SOUTH BAY FACILI	\$100,000.00	12/3/2009
G1296.0-10	SAN DIEGO SYMPHONY, WINTER POP	2009-2010 PARTNERSHIP AGREEMENT	\$0.00	12/8/2009
L0935.0-10	JACOBS CENTER FOR NEIGHBORHOOD	JACOBS CENTER - TROLLEY ENTERTAINMENT	\$0.00	12/8/2009
T0476.0-10	TRUE NORTH RESEARCH, INC	TAXI-CAB ON CALL SURVEY SVCS 3YR	\$100,000.00	12/11/2009
G1302.0-10	JACOBS CENTER FOR NEIG INNOV	HOLIDAY MUSIC/ENTERTAINMENT EUCLID/ENCAN	\$5,000.00	12/14/2009
G1067.7-07	MCDUGAL LOVE ECKIS SMITH BOEH	LEGAL SERVICES GENERAL & TORT LIABILITY	\$25,000.00	12/17/2009
G1111.12-07	WHEATLEY BINGHAM & BAKER	LEGAL SERVICES GENERAL & TORT LIABILITY	\$25,000.00	12/17/2009
L0936.0-10	SPERRY RAIL SERVICE	RAIL TESTING BLUE/ORANGE/GREEN LINES	\$93,356.67	12/17/2009
S200-10-424	TESSERA SOLAR	PRIVATE CROSSING AT GRADE WEST OF PLASTE	\$18,000.00	12/17/2009

### PO

DATE	Organization	Subject	AMOUNT
12/8/2009	OTAY VALLEY ROCK LLC	W-706 2" RR BALLAST 300 TON (TRACK	\$12,683.07
12/8/2009	DIARIO SAN DIEGO	FULL PAGE AD DEC 30 INCERTION	\$810.00
12/8/2009	VOICE & VIEWPOINT	ONE SPOT COLOR AD 1/4 PG JAN 21, 10	\$625.00
12/14/2009	DIEBOLD IDENX	FAR 86032 FARGO YMCKOK RIBBON	\$1,859.52
12/14/2009	CHOICE LOCKSMITHING & SECURITY	SERVICE CALL CHARGE	\$602.50
12/14/2009	DAVEY TREE EXPERT CO	TREE SERVICE SPRING ST	\$2,200.00

**PO**

<b>DATE</b>	<b>Organization</b>	<b>Subject</b>	<b>AMOUNT</b>
12/14/2009	STAPLES BUSINESS ADVANTAGE	PRINTING OPERATOR HAND BOOKS	\$8,298.50
12/14/2009	THE PLACE PUBLICATIONS	12 MONTH ADS BUY 1 1/2 PG	\$7,380.00
12/17/2009	CUBIC TRANSPORTATION SYSTEMS	DRIVER CONTROL UNIT	\$7,897.21
12/17/2009	MULTICARD SYSTEMS	COLOR RIBBON KIT KMCKT	\$2,314.20

**WORK ORDERS**

<b>Doc #</b>	<b>Subject</b>	<b>Amount</b>	<b>Day</b>
G1245.0-09.01	GE SVCS FOR HAZARDOUS WASTE SITE IN	\$12,800.00	12/17/2009