



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619.231.1466 FAX 619.234.3407

Agenda

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

November 18, 2010

9:00 a.m.

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

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please call the Clerk of the Board at least five working days prior to the meeting to ensure availability. Assistive Listening Devices (ALDs) are available from the Clerk of the Board/Assistant Clerk of the Board prior to the meeting and are to be returned at the end of the meeting.

**ACTION
RECOMMENDED**

1. Roll Call
2. Approval of Minutes - October 28, 2010 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.
4. MTS: Appointment of Ad Hoc Nominating Committee for Recommending
Appointments to MTS Committees for 2011 (Sharon Cooney) Elect/
Appoint
Action would appoint less than a quorum of members to an Ad Hoc Nominating
Committee (pursuant to MTS Board Policy No. 22 - Rules of Procedure for the
Metropolitan Transit System) to make recommendations to the Board with respect
to the appointment of members of the Board to serve on MTS and non-MTS
committees for 2011.

Please turn off cell phones
during the meeting

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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.

CONSENT ITEMS

- | | | |
|-----|---|---------|
| 6. | <u>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 meeting on October 19, 2010</u>
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; and (2) ratify actions taken by the San Diego and Arizona Eastern (SD&AE) Railway Company Board of Directors at its meeting on October 19, 2010. | Receive |
| 7. | <u>MTS: Revisions to MTS Policy No. 41 (Signature Authority) and MTS Policy No. 52 (Procurement of Goods and Services)</u>
Action would approve revisions to MTS Policy No. 41 (Signature Authority) and MTS Policy No. 52 (Procurement of Goods and Services). | Approve |
| 8. | <u>MTS: Investment Report - September 2010</u>
Action would receive a report for information. | Receive |
| 9. | <u>MTS: Regional Transportation Improvement Program Amendment</u>
Action would forward a recommendation to the San Diego Association of Governments' (SANDAG's) Board of Directors to adopt Resolution No. 10-25 approving the amendment of the Regional Transportation Improvement Program (RTIP) to remove the Transportation Development Credits and add the newly awarded Federal Transit Administration (FTA) Clean Fuels Grant in accordance with the fiscal year 2011 Capital Improvement Program recommendations. | Approve |
| 10. | <u>MTS: Semiannual Uniform Report of Disadvantaged Business Enterprise Awards or Commitments and Payments</u>
Action would receive the Semiannual Uniform Report of Disadvantaged Business Enterprise (DBE) Awards or Commitments and Payments | Receive |
| 11. | <u>MTS: Brake and Axle-Related Items - Contract Award</u>
Action would authorize the CEO to execute multiple five-year contracts in response to MTS Doc. No. B0533.0-10 to the following contractors that were the lowest responsive, responsible bidders in their respective groups for brake and axle-related items. (1) Truck Trailer Transit/Axle Tech - Group A (Brake and Planetary Kits) MTS Doc. No. B0545.0-11; (2) Mohawk Mfg. & Supply Co. - Group B (Bendix Air Brake Parts) MTS Doc. No. B0546.0-11; (3) San Diego Friction Products, Inc. (Wetmore's) - Group C (Brake Drums and Rotors) MTS Doc. No. B0547.0-11; (4) North American Bus Industries - Group D (Brake Linings and Disc Brake Pads) MTS Doc. No. B0548.0-11; (5) New Flyer Industries, Inc. - Group E (Shocks) MTS Doc. No. B0549.0-11; (6) Neopart, LLC - Group F (Air Suspension) MTS Doc. No. B0550.0-11. | Approve |
| 12. | <u>MTS: Payroll and Human Resources Information System - Contract Award</u>
Action would authorize the CEO to execute MTS Doc. No. G1355.0-11 with Automatic Data Processing (ADP) Incorporated to provide payroll and human resources services. | Approve |

CLOSED SESSION

- | | | | |
|-----|----|--|--------------------|
| 24. | a. | <p>MTS: CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code Section 54956.8; <u>Properties</u>: 7490 and 7550 Copley Park Place, San Diego, California (Assessor Parcel Nos. 356-410-08 and 356-410-09); <u>Agency Negotiators</u>: Tiffany Lorenzen, General Counsel; and Tim Allison, Manager of Real Estate Assets; <u>Negotiating Parties</u>: RV Investment CA, LLC, RV Investment CA, LLC II; <u>Under Negotiation</u>: Price and Terms of Payment</p> | Possible
Action |
|-----|----|--|--------------------|

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

- | | | |
|-----|---|---------|
| 30. | <p><u>MTS: Hosted Text Messaging System - Contract Award (Devin Braun)</u>
Action would authorize the CEO to execute MTS Doc. No. G1326.0-10 with Deeplocal, Inc. for the procurement of a hosted text messaging system, including a vanity short messaging service (SMS) short code with a one-year base and 2 two-year options.</p> | Approve |
|-----|---|---------|

REPORT ITEMS

- | | | |
|-----|---|-------------|
| 45. | <p><u>MTS: Regional Transportation Plan Revenue-Constrained Scenarios (Carolina Gregor of SANDAG)</u>
Action would receive a report for information.</p> | Receive |
| 46. | <p><u>MTS: Catenary Replacement Project (Fred Byle and Sharon Cooney)</u>
Action would receive a report for information and provide comments.</p> | Receive |
| 47. | <p><u>MTS: Operations Budget Status Report for September 2010 (Mike Thompson)</u>
Action would receive a report on MTS's operations budget status for September 2010.</p> | Receive |
| 60. | <p><u>Chairman's Report</u></p> | Information |
| 61. | <p><u>Audit Oversight Committee Chairman's Report</u></p> | Information |
| 62. | <p><u>Chief Executive Officer's Report</u></p> | Information |
| 63. | <p><u>Board Member Communications</u></p> | |
| 64. | <p><u>Additional Public Comments Not on the Agenda</u>
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.</p> | |
| 65. | <p><u>Next Meeting Date</u>: December 9, 2010</p> | |
| 66. | <p><u>Adjournment</u></p> | |

JOINT MEETING OF THE BOARD OF DIRECTORS FOR THE
METROPOLITAN TRANSIT SYSTEM (MTS),
SAN DIEGO TRANSIT CORPORATION (SDTC), AND
SAN DIEGO TROLLEY, INC. (SDTI)
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

October 28, 2010

DRAFT MINUTES

1. Roll Call

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

2. Approval of Minutes

Mr. Young moved to approve the minutes of the October 14, 2010, MTS Board of Directors meeting. Mr. Van Deventer seconded the motion, and the vote was 10 to 0 in favor.

3. Public Comments

There were no public comments.

CONSENT ITEMS:

6. MTS: Adoption of 2011 MTS Executive Committee and Board of Directors Meeting Schedule

Action would adopt the 2011 Executive Committee and Board of Directors meeting schedule.

7. MTS: Aerial Platform Truck Equipment and Accessories - Contract Award

Action would authorize the CEO to execute MTS Doc. No. L0978.0-11 with Terex Utilities for the procurement and installation of aerial platform truck equipment and accessories.

8. MTS: Federal Transit Administration 5316 Grant Applications

Action would approve Resolution No. 10-24 authorizing the CEO to submit applications for fiscal years 2011 and 2012 Job Access and Reverse Commute (JARC) for Non-Urban (Rural) Areas Federal Transit Administration (FTA) Funding 5316. The total amount of the application is \$844,797.

Action on Recommended Consent Items

Mr. Young moved to approve Consent Agenda Item Nos. 6, 7, and 8. Mr. Janney seconded the motion, and the vote was 10 to 0 in favor.

CLOSED SESSION:

24. Closed Session Items

The Board convened to Closed Session at 9:01 a.m.

- a. MTS: CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to California Government Code Section 54956.8;
Properties: 7490 and 7550 Copley Park Place, San Diego, California (Assessor Parcel Nos. 356-410-08 and 356-410-09);
Agency Negotiators: Tiffany Lorenzen, General Counsel; and Tim Allison, Manager of Real Estate Assets;
Negotiating Parties: RV Investment CA, LLC, RV Investment CA, LLC II;
Under Negotiation: Price and Terms of Payment

The Board reconvened to open session at 9:20 a.m.

Oral Report of Final Actions Taken in Closed Session

Ms. Lorenzen reported the following:

- a. The Board received a report and gave direction to agency negotiators.

NOTICED PUBLIC HEARINGS:

25. None.

DISCUSSION ITEMS:

30. None.

REPORT ITEMS:

45. MTS: Semiannual Security Report (January through June 2010)

Bill Burke, Director of Security, gave the Board a report on security related items that occurred from January through June of 2010. He stated that the security department worked in conjunction with the procurement department to select a vendor for the security contract that was expiring and Heritage Security was awarded a four-year contract with two 1-year renewal options. He mentioned that the Part I rail incidents have increased slightly from 74 to 75 incidents because there had been bicycle thefts that occurred in the early part of the year. He stated that Part II arrests have increased due to an increase in drug use and curfew/loitering. Mr. Burke stated that Part I incidents on buses had increased mainly due to theft. He stated that Part II arrests on the bus have also increased slightly, mainly related to curfew/loitering.

Mr. Burke mentioned that the Mills Building security enhancements in the lobby have been completed and include a metal detector, scanner, closing off of rear building exits and closing off the lobby entrances to ground floor businesses. He stated that dangerous items have been confiscated from visitors such as knives and scissors since the implementation of the metal

scanner. Visitors are given the option to either not enter the building or turn in dangerous objects to building management.

Mr. Burke then discussed the Graffiti Tracker program which has the ability to match up graffiti based on signature. The Graffiti Tracker has analyzed over 2 million images, has helped catch over 2,000 vandals, and has provided over \$3 million in restitution. Currently 11 cities already participate, and 7 others have negotiated a contract with Graffiti Tracker and will join before the end of the year. MTS and North County Transit District (NCTD) have both agreed to pay \$7,500 each to participate in the program. A kick-off program and media strategy will run from January 1, 2011 through June 30, 2012. A permanent funding source will be identified if the trail program is found to be successful.

Mr. Burke then talked about Blackberry use by the security field agents. He explained that the Operation Control Center dispatches information to every Blackberry in the field which allows the officer to read an important "Be on the Lookout" or other pass down messages. The Blackberry usage allows the field officer to perform daily logs and routine reporting. The Daily Activity Report (DAR) detail is like a "line" in a Daily Log. Currently, officers are required to enter DAR detail every 15 minutes for Fare Paid Zone checks and the officers typically enter detail after trains have left the station; any incident that happens, such as an injury, arrest, or backup is logged. The Blackberry phone is programmed so that the officer cannot get internet access and play games and is only capable of making calls to (619) and (858) area codes. In addition, all phone calls will be reviewed by Heritage Security the following business day. Field officers are to use their personal cellular phones to make personal phone calls.

Mr. Burke explained that transient camps are another issue that security officers are required to handle. He explained that camps have been resurrected in Mission Valley and Santee on property owned by MTS, in secluded areas, and need to be cleared out every couple months.

Mr. Gloria wanted to make sure that MTS will receive a share of any restitution received from the Graffiti Tracker program. Mr. Burke confirmed that MTS will receive restitution funds. Mr. Gloria also wanted to know if the security enhancement in the lobby has in fact performed as intended for the building tenants. Mr. Burke shared that he has received positive feedback from building tenants and building management regarding the security measures. Mr. Jablonski stated that the fifth floor already had a security system in place and using federal funds, MTS updated the equipment, and moved the security screening to the building lobby so that all visitors must be cleared before entering the building.

Mr. Young wanted to know what is projected next for bus and trolley security. Mr. Burke responded that the next step is testing equipment for cameras on trains and to connect all the information together to enhance security. He also mentioned that stations that do not currently have CCTV surveillance are being evaluated for installations, and working with the Graffiti Tracker are priorities. Mr. Burke also mentioned that security officers will be trained with an emphasis on customer service as the Compass Card program becomes more popular, and officer interactions with patrons become more commonplace. Mr. Young expressed that he would like the theft issue to be addressed further and is encouraging Security to continue to find ways to make the system safer. He also commented that he would like Security to get more involved with the San Diego Police Department related to curfew sweeps as he feels it is helpful for the safety of the community and the safety of patrons at stations.

Mr. McClellan stated that the Graffiti Tracker program helped convict a vandal who had tagged a billboard sign in the City of El Cajon two days after it had been vandalized.

Mr. Jablonski mentioned that he and Mr. Burke had a very productive meeting with several San Diego security chiefs regarding police investigations and the disruption that they cause to the system. One gentleman in particular, Boyd Long from the City of San Diego, stepped forward to lead the group, and he was very responsive to the transportation issues police investigations cause and pledged to work with MTS to establish protocols.

Action Taken

Mr. Young moved to receive a report for information. Mr. McClellan seconded the motion, and the vote was 12 to 0 in favor.

46. SDTI: FY 10 Year-End Rail Operations Report

Wayne Terry, Chief Operating Officer of Rail, gave the Board a report on SDTI rail operations and maintenance for the fiscal year 2010. He mentioned that ridership was down 17.5% from the previous fiscal year with the biggest decrease in ridership on Sundays, due to Sunday service cuts that occurred in the beginning of the year. He explained that accidents per 100,000 train miles experienced a slight increase of 0.71 accidents, but SDTI continues to rank favorably among the other light rail agencies in the state. He further explained that accidents most often occurred in the downtown corridor.

Mr. Terry stated that SDTI experienced 94 operating-rule infractions in fiscal year 2010 as opposed to 81 infractions in 2009, which is a 16% increase. He explained that while the increase is substantial, the increase is in minor procedure-related infractions, which have minimal potential to impact operating safety and first-year train operators are responsible for 14% of the infractions. Mr. Terry discussed schedule adherence and stated that 168,758 regular train trips were scheduled during the year and 94.3% of those trips were on-time. He mentioned that total wheelchair ridership had increased 8% and system-wide delays due to wheelchair boardings account for 41.6% of all delays. He mentioned that with the new S70 low-floor vehicles coming into service more wheelchair passengers will be accommodated and more timely boardings are expected.

Mr. Terry discussed special event service which includes 142 special events; Padres games, Charger games, Holiday Bowl, Street Scene, ComicCon, and Oktoberfest. He stated that over 4,100 train trips were operated to support special events and ticket sales were down 1% as compared to fiscal year 2009. He explained that center city will undergo surface street traffic signal sequencing to improve light rail transit and vehicular traffic flow in the downtown area. He also explained that the City of Santee will undergo upgrades to traffic signal controllers and trolley indicators to improve safety and efficiency through the Cuyamaca corridor.

Mr. Terry discussed the Light Rail Vehicle (LRV) Maintenance Department and stated that numerous LRV fleet tasks have been instituted throughout the year in an effort to ensure maximum efficiency and reliability. He explained that the fleet is made up of three series of Siemens vehicles: 71 U-2 LRVs (24 to 29 years old), 52 SD 100 LRVs (16 years old), and 11 S70 LRVs (introduced in 2005) to support Green Line operations. He stated that the LRV maintenance department recorded 20 failures (161,271 miles between incidents) in fiscal year 2010 and 18 failures (181,406 miles between incidents) in 2009. He explained that capital

improvement projects focused on maintaining a state of good repair included a new re-rail truck, a blower motor replacement, and the ongoing programs for SD100 Gearbox and Brake overhaul and wheel truing. He also explained that Recaro seat covers were installed on the train operator seats in the S70 LRV instead of replacing the seats which had a cost savings of \$29,900.

Mr. Terry talked a little bit about LRV door failures as the doors are the most heavily used piece of equipment on the system. In fiscal year 2010, there were 121 more door failures reported than in 2009, reason being excessive wear on the door and step barrier sensors on both the U-2 and SD 100 LRVs. As such, the LRV maintenance department is retrofitting the entire fleet with new Telco light barriers to address the problem. He also explained that automatic passenger counters are being installed and systems with counters have reported reliable data.

Mr. Terry stated that the LRV maintenance department completed a full paint and body rehabilitation on eleven SD 100 LRVs in fiscal year 2010. He stated that 6 more LRVs will be restored in fiscal year 2011 and 15 LRVs have been approved for an advertising wrap. He mentioned that Mendoza, Argentina purchased 11 U-2 LRVs for \$300,000 per car in part because of our exceptional vehicle maintenance program. The procurement of low-floor vehicles has been contracted with Siemens and the vehicles are scheduled to arrive in August and September of 2011.

Mr. Terry discussed the Wayside Maintenance Department and the continued improvements it has undertaken during the 2010 fiscal year. The department has focused on the Blue Line and replaced 2,340 crossties, tamped and regulated 27.5 miles of track, has completed all signal inspections on-time, and rebuilt and replaced three grade crossing gate mechanisms. He stated that staff assisted in the restoration of the Palm Avenue grade crossing which included the replacement of 100% of the rail and cross ties and over 580 feet of track and road surface were replaced in one weekend. He explained that staff completed the recommended improvements to the Old Town Transit Center which enhanced pedestrian safety at the Taylor Street crossing. The project included a new bus entrance, track area fencing to prevent patrons crossing on tracks, and enhanced directional signage. Mr. Terry mentioned that the Wayside Maintenance Department also modified all existing substations with self-contained ventilation units to replace the turbine-type unit that was prone to water penetration.

Mr. Terry then discussed the revenue department which had 3,829 failures between transactions during the fiscal year which was lower than fiscal year 2009. He stated that in fiscal year 2009, it was found that the Cubic machines had a problem with the printer wheel. An internal employee came up with a solution and had a part made and all the machines underwent a retrofit for less than \$3,000. He explained that ticket vending machines have been installed at all trolley stations and 13% of revenue came from credit and debit sales. He explained further that approximately 75% of monthly passes purchased on the system are uploaded on Compass Card ticket vending machines.

Mr. Ewin commented that he would like more information on particular routes that experienced a higher percentage of ride, per trip, due to service cuts in frequency and some of the limits of the routes. He also commented that a lot of work takes place at stations and at right-of-ways and he thanked Mr. Terry and his staff for their efforts in improving public safety and visibility along the rail lines.

Action Taken

Mr. Ewin moved to receive a report for information. Mr. McClellan seconded the motion, and the vote was 12 to 0 in favor.

47. SDTC: Bus Year-End Report

Claire Spielberg, Chief Operating Officer of Transit, gave a summary of MTS's combined fixed-route and paratransit bus operations for fiscal year 2010 to the Board of Directors. She stated that her staff met 7 milestones during the year: Fiscal Management and Cost Containment, MTS Bus Operational Issues, On-Board Video Surveillance Procurement, ADA Paratransit Update, South Bay Maintenance Facility Update, CNF Fuel Station Operator Procurement, and Maintenance Operations.

Ms. Spielberg explained that direct operating expense was 5.2% less than fiscal year 2009 while farebox recovery ratio increased by 4.3% to 37.1%. She further explained that the direct operating expense had decreased because of reduced bus staffing and lower than forecasted pricing on diesel and compressed natural gas (CNG). She stated that bus operator-related complaints decreased by 4.4% due to the management of all customer complaints and an operating retraining program. She mentioned that preventable accidents decreased by 13.1% from fiscal year 2009 probably due to retraining efforts.

Ms. Spielberg explained that a Safe Driver Award Program was instituted in 2005 to provide greater positive recognition for the safest operators and for the fifth consecutive year, more than 300 bus operators qualified by preventing an accident for an entire year. She also mentioned that forty-six bus operators have qualified for the award for all five years.

Ms. Spielberg commented on the Rock 'n' Roll Marathon event which was the largest bus move in San Diego history with 152 buses deployed. She explained that the race course presented logistical challenges but that the operational plan was executed well. She then discussed transit system security and in 2010 MTS successfully completed a procurement process to select a vendor to install and maintain onboard video surveillance equipment on the bus fleet. She stated that the contract was awarded to Apollo Video Technology, and staff has completed phase one testing and is ready to complete phase two with the entire fleet having equipment installed by June 1, 2011.

Ms. Spielberg explained that the recession also affected MTS's paratransit services, which experienced a 4.9% ridership decrease to 353,986 Americans with Disabilities trips. She stated that a new contract with the same provider, First Transit, was awarded in fiscal year 2010 with a five year base period and four options years. She mentioned that MTS is seeking a new operational facility to house this service.

Ms. Spielberg talked about the purchase of abutting property to expand the South Bay Maintenance Facility to 10.6 acres. MTS is currently working with Kimley-Horn engineers to increase the facilities capacity to service and store busses. The project is funded with TRANSNET early action funds and broke ground yesterday; it is scheduled to be completed in 2013, and will support 240 heavy-duty CNG fueled transit buses. She explained that a new vendor, Trillium, had been successfully procured to upgrade and maintain existing CNG fueling stations at Imperial Avenue, Kearny Mesa Division, and South Bay.

Ms. Spielberg covered maintenance issues of the fleet with the average age in fiscal year 2010 being 4.2 years old for contract services and 6.8 years old for in-house operations. She explained that the mean distance between failures statistic suffered due to the ongoing issues we are experiencing with the NABI fleet of articulated vehicles and the Cummins ISL engines. On any given day, upwards of 20% of the NABI fleet is inoperable due to a warranty related issue. She further explained that more than 50% of the NABI failures were attributed to Cummins engines. Ms. Spielberg had a meeting on May 16, 2010, to discuss the ongoing issues of poor reliability with NABI and they have agreed to extend the warranty coverage for an additional year on five key areas and success will be measured.

Action Taken

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

48. MTS: Regional Transportation Plan Revenue-Constrained Scenarios

This item has been deferred to the next meeting.

60. Chairman's Report

Vice Chairman Rindone stated that at 3:30 p.m. a press conference will be held at the Navy complex for the Murphy Canyon Express Memorandum of Understanding Signing.

61. Audit Oversight Committee Chairman's Report

Mr. Ewin stated that the Audit Oversight Committee met with the external auditors last week regarding the Comprehensive Annual Financial Report (CAFR), which is proceeding appropriately, and will be brought to the Board at the November 18 meeting.

62. Chief Executive Officer's Report

There was no Chief Executive Officer Report.

63. Board Member Communications

Mr. Ovrom wanted to make sure that agenda item 48 was just to receive a report. Mr. Jablonski stated that the next Board meeting will take place before the SANDAG meeting wherein the Regional Transportation Plan will be presented so that Board members will have time for input. He explained that MTS has worked in conjunction with SANDAG on transit related items such as tunneling downtown and to keep in mind that the report is a long range plan to explore for the next 40 years.

Mr. Rindone mentioned that SANDAG has met with South Bay representative regarding the regional transportation plan and has identified a list of shortcoming that will be presented in a white paper.

Mr. Selby briefly touched upon his experience trying to reload two youth passes on the Compass Card and stated his troubles with the online system. He would like the Board to receive an update on the Compass Card program in the near future. Mr. Jablonski stated that

staff will present a report to the Board regarding the Compass Card program on December 9, 2010.

64. Additional Public Comments on Items Not on the Agenda

Clive Richard – Mr. Richard commented that while he feels that security in the Mills Building is an important presence, he feels it is also important that security be courteous to patrons.

65. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, November 18, 2010.

66. Adjournment

Vice Chairman Rindone adjourned the meeting at 10:51 a.m.

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

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

Office of the General Counsel
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

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METROPOLITAN TRANSIT DEVELOPMENT BOARD
ROLL CALL

MEETING OF (DATE): October 28, 2010

CALL TO ORDER (TIME): 9:00 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:01 a.m.

RECONVENE: 9:20 a.m.

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 10:51 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
CUNNINGHAM	<input type="checkbox"/> (Boyack) <input checked="" type="checkbox"/>	9:10 a.m.	
EWIN	<input checked="" type="checkbox"/> (Allan) <input type="checkbox"/>	9:28 a.m.	
EMERALD	<input type="checkbox"/> (Faulconer) <input type="checkbox"/>		
GLORIA	<input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/>		
JANNEY	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>		10:35 a.m.
LIGHTNER	<input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/>		
MATHIS	<input 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 checked="" 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"/> (Faulconer) <input type="checkbox"/>		10:26 a.m.

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD: Valerie Vizkeleti

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL: [Signature]



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
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Agenda

Item No. 4

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

LEG 410 (PC 50101)

November 18, 2010

SUBJECT:

MTS: APPOINTMENT OF AD HOC NOMINATING COMMITTEE FOR
RECOMMENDING APPOINTMENTS TO MTS COMMITTEES FOR 2011
(SHARON COONEY)

RECOMMENDATION:

That the Board of Directors appoint less than a quorum of members to an Ad Hoc Nominating Committee (pursuant to MTS Board Policy No. 22 - Rules of Procedure for the Metropolitan Transit System) to make recommendations to the Board with respect to the appointment of members of the Board to serve on MTS and non-MTS committees for 2011.

Budget Impact

None.

DISCUSSION:

Each year, the Board makes appointments to various committees, including the Budget Development Committee, Audit Oversight Committee, Executive Committee, Joint Committee on Regional Transit (JCRT), Taxicab Committee, Los Angeles-San Diego Rail Corridor Agency (LOSSAN), and the Accessible Services Advisory Committee (ASAC). The Executive Committee appoints the representative to the San Diego Association of Governments (SANDAG) Transportation Committee. Attachment A is a table of committee appointments for 2010.

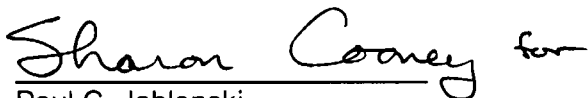
MTS Board Policy No. 22 specifies that on or before the Board's first meeting in November, the Board shall appoint less than a quorum of members to an Ad Hoc Nominating Committee. The 2010 Ad Hoc Nominating Committee appointed by the Board included Board members Mathis, Roberts, and Selby.

The Ad Hoc Nominating Committee shall review the list of MTS committees and make recommendations to the Board with respect to the appointment of members of the Board to serve on each committee. The Ad Hoc Nominating Committee is also tasked with reviewing the list of outside boards and/or committees and making recommendations to the Board with respect to the appointment of members of the Board to represent MTS on each outside board or committee, except for the Board representative appointed to the SANDAG Transportation Committee, which is appointed by the Executive Committee.

The Ad Hoc Nominating Committee forwards its recommendations for appointments of officers and committee members on or before the first Board meeting in January.

The election procedures to appoint an Ad Hoc Nominating Committee pursuant to Robert's Rules of Order are as follows:

1. The Chairman of the Board opens the agenda item.
2. The Chairman requests nominations from the floor. Nominations do not require a second.
3. The Chairman closes the nominations.
4. The Chairman invites the candidate(s) to address the Board for three minutes.
5. The Chairman asks for any Board discussion.
6. The Chairman calls for the vote on each motion for each candidate.
7. A vote is taken on the motion(s) for each candidate based upon the order in which they were nominated. The vote continues until a candidate is elected.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

NOV18-10.4.ADHOCNOMINATINGCOMM.SCOONEY.doc

Attachment: A. Table of MTS Committees for 2010

TABLE OF MTS COMMITTEES FOR 2010

Executive Committee	<p>Harry Mathis – Chair (Also E/C Rep. on SANDAG Transportation Comm. (Alternate: Jerry Rindone) Ron Roberts – County Representative (Alternate: Greg Cox) Sherri Lightner – City of San Diego Representative (Alternate: Tony Young) Jerry Rindone – South Bay Representative (Alternate: Jim Janney) Jerry Selby – East County Representative (Alternate: Hal Ryan)</p>
Accessible Services Advisory Committee (ASAC)	Thomas Clabby – Chair
Ad Hoc Airport Regional Policy Committee	Harry Mathis – Committee Representative (Jerry Rindone – Alternate)
Ad Hoc Public Security Committee	<p>Tony Young – Chairman Ernie Ewin – Committee Representative Al Ovrom – Committee Representative Harry Mathis – Committee Representative</p>
Audit Oversight Committee	<p>Ernie Ewin – Committee Representative Harry Mathis – Committee Representative Ron Roberts – County Representative (Alternate: Greg Cox) Sherri Lightner – City of San Diego Representative (Alternate: Tony Young) Jerry Rindone – South Bay Representative (Alternate: Jim Janney) Jerry Selby – East County Representative (Alternate: Hal Ryan)</p>
Budget Development Committee	<p>Jerry Rindone – Chair Harry Mathis – Vice Chair Bob McClellan – Committee Representative Ron Roberts – Committee Representative Tony Young – Committee Representative</p>
Joint Committee on Regional Transit (JCRT)	<p>Bob McClellan – Committee Representative Harry Mathis – Committee Representative Ernie Ewin – Committee Representative (Alternate: Sherri Lightner)</p>
Los Angeles--San Diego Rail Corridor Agency (LOSSAN)	<p>Jerry Rindone – Committee Representative Harry Mathis – Alternate</p>
SANDAG Board	<p>Harry Mathis - Advisory Representative Ron Roberts - Alternate Jerry Selby – Second Alternate</p>
SANDAG Regional Planning Committee	<p>Al Ovrom - Committee Representative Request nominations for alternate from the floor</p>
SANDAG Transportation Committee (Elected by EC)	<p>Harry Mathis – Committee Representative Jerry Rindone – Alternate</p>
Taxicab Committee	<p>Todd Gloria – Chair Marti Emerald - Alternate</p>



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

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.

SDAE 710 (PC 50771)

November 18, 2010

SUBJECT:

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 MEETING ON OCTOBER 19, 2010

RECOMMENDATION:

That the Board of Directors:

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 October 19, 2010 (Attachment A).

Budget Impact

None.

DISCUSSION:

Quarterly Reports

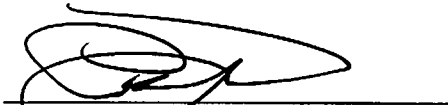
Pursuant to the Agreement for Operation of Freight Rail Services, SD&IV, Museum, and Carrizo have provided the attached quarterly reports of their operations during the third quarter of calendar year 2010 (Attachment A).



SD&AE Property Matters

Under its adopted policy for dealing with the SD&AE Railway, the MTS Board of Directors must review all property matters acted on by the SD&AE Board. At its meeting of October 19, 2010, the SD&AE Board:

- approved issuing a license to Tessera Solar to use an existing at-grade crossing as a temporary construction access road and ultimately as a secondary emergency access road. The crossing crosses over SD&AE tracks located west of Plaster City and south of S80 (Evan Hewes Highway) at approximately milepost 128.0 on the Desert Line.
- approved the 2011 SD&AE Board of Directors meeting schedule.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tiffany Lorenzen, 619.557.4512, tiffany.lorenzen@sdmts.com

NOV18-10.6.SDAE RPTS.TLOREN.doc

Attachment: A. SD&AE Meeting Agenda & Materials **(Board Only Due to Volume)**



San Diego & Arizona Eastern
Railway Company

A Nevada Nonprofit
Corporation

1255 Imperial Avenue,
Suite 1000
San Diego, CA 92101-7490
619.231.1466

BOARD OF DIRECTORS
Don Seil, Chairman
Bob Jones
Paul Jablonski

OFFICERS
Paul Jablonski, President
Bob Jones, Secretary
Linda Musengo, Treasurer

OF COUNSEL
Tiffany Lorenzen

AGENDA

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

October 19, 2010

9:00 a.m.

Executive Committee Room
James R. Mills Building
1255 Imperial Avenue, 10th Floor

SDAE 710.1
(PC 50771)

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please call the Clerk of the Board at least five working days prior to the meeting to ensure availability. Assistive Listening Devices (ALDs) are available from the Clerk of the Board prior to the meeting and are to be returned at the end of the meeting.

RECOMMENDED ACTION

- | | | |
|----|--|---------|
| 1. | <u>Approval of the Minutes of July 20, 2010</u>
Action would approve the SD&AE Railway Company minutes of July 20, 2010. | Approve |
| 2. | <u>Statement of Railway Finances (Linda Musengo)</u>
Action would receive a financial report for the quarter ended September 30, 2010. | Receive |
| 3. | <u>Report on San Diego and Imperial Valley (SD&IV) Railroad Operations (Jose Ramos)</u>
Action would receive a report for information. | Receive |
| 4. | <u>Report on Pacific Southwest Railway Museum (Diana Hyatt)</u>
Action would receive a report for information. | Receive |
| 5. | <u>Report on the Desert Line (Armando Freire)</u>
Action would receive a report for information and an update on the status of rail operations. | Receive |
| 6. | <u>Real Property Matters (Tim Allison)</u> | |
| a. | <u>Summary of SD&AE Documents Issued Since July 20, 2010</u>
Action would receive a report for information. | Receive |

- | | | |
|-----|--|---------|
| b. | <u>License Agreement with Tessera Solar</u>
Action would approve issuing a license to Tessera Solar to use an existing at-grade crossing as a temporary construction access road and ultimately as a secondary emergency access road. The crossing crosses over SD&AE tracks located west of Plaster City and south of S80 (Evan Hewes Highway) at approximately milepost 128.0 on the Desert Line. | Approve |
| | | |
| 7. | <u>Approval of the 2011 SD&AE Board of Directors Meeting Schedule (Tiffany Lorenzen)</u>
Action would approve the 2011 SD&AE Board of Directors meeting schedule. | Approve |
| | | |
| 8. | <u>Old Business</u> | |
| | | |
| 9. | <u>New Business</u> | |
| | | |
| 10. | <u>Public Comments</u> | |
| | | |
| 11. | <u>Next Meeting Date</u>
Pending approval of Agenda Item No. 7, the next scheduled meeting of the SD&AE Board of Directors will be on Tuesday, January 18, 2011, at 9:00 a.m. | |
| | | |
| 12. | <u>Adjournment</u> | |

JGardetto/
A-SDAE-OCT19-10.doc

MINUTES

BOARD OF DIRECTORS MEETING OF THE SAN DIEGO & ARIZONA EASTERN RAILWAY COMPANY

July 20, 2010

A meeting of the Board of Directors of the San Diego & Arizona Eastern (SD&AE) Railway Company, a Nevada corporation, was held at 1255 Imperial Avenue, Suite 1000, San Diego, California 92101, on July 20, 2010, at 9:00 a.m.

The following persons, constituting the Board of Directors, were present: Don Seil, Bob Jones, and Paul Jablonski. Also in attendance were:

MTS staff:

SD&IV staff:

Pacific Southwest Railway Museum:

Carrizo Gorge Railway, Inc. (Carrizo):

Bureau Veritas:

California Public Utilities Commission:

Tierra Madre Railway:

City of Lemon Grove:

Taxicab Leased Driver Representative:

Tiffany Lorenzen, Tim Allison,

Linda Musengo, Wayne Terry

Matt Domen

Diana Hyatt

Armando Freire

Phil Kern

Jay Ellis

R. Mitchel Beauchamp

Barbara Kraber, Patrick Hansen-Lund

Margo Tanguay

1. Approval of Minutes

Mr. Jones moved to approve the Minutes of the April 20, 2010, SD&AE Railway Board of Directors meeting. Mr. Jablonski seconded the motion, and it was unanimously approved.

2. Statement of Railway Finances

Linda Musengo submitted the financial statement for the quarter ended June 30, 2010 (attached to the agenda item). Ms. Musengo clarified for Mr. Jablonski that the reserve is projected to increase over the next year.

Action Taken

Mr. Jablonski moved to receive the report for information. Mr. Jones seconded the motion, and it was unanimously approved.

3. Report on SD&IV Operations

Matt Domen presented the report of activities for the second quarter of 2010 (attached to the agenda item).

Action Taken

Mr. Jablonski moved to receive the report for information. Mr. Jones seconded the motion, and it was unanimously approved.

4. Report on Pacific Southwest Railway Museum Operations

Diana Hyatt presented the second quarter report for 2010 (attached to the agenda item).

Action Taken

Mr. Jablonski moved to receive the report for information. Mr. Jones seconded the motion, and it was unanimously approved.

5. Report on the Desert Line

Armando Freire reviewed the report for the second quarter (attached to the agenda item), and noted a few corrections as follows:

1. On page 5-3 under "Accomplishment during Second Quarter 2010," the first bullet point that reads "Bridge rehabilitation" should be deleted;
2. On page 5-4 under "I. Labor," the sentence should be corrected to read "... Carrizo Gorge has ~~45~~ 10 employees to cover overall administration of the road and operations in the U.S. on the Desert Line"; and
3. On page 5-8, Mr. Freire clarified that there is no activity on the Desert Line from milepost 59 through milepost 70.

In response to Mr. Jablonski's inquiry regarding weed abatement due to fire concerns, Mr. Freire stated that Carrizo has not performed any weed abatement in the last month and a half because it does not have the resources. Mr. Freire also clarified that Carrizo received a letter from the California Department of Forestry and Fire Protection (CDF) affirming that Carrizo must perform weed abatement to stay in compliance, but there currently is no restriction to operate by CDF. Diana Hyatt informed members that the Museum is conducting weed abatement.

- Public Speaker

Mitchel R. Beauchamp – Mr. Beauchamp stated that he was asked by Gary Sweetwood, Carrizo stockholder and owner of East County Dirt Works, to make some comments. Mr. Beauchamp announced that East County Dirt Works was recently awarded a significant judgment against Carrizo by the Superior Court, and Mr. Sweetwood reviewed Carrizo's records on July 9. Mr. Beauchamp submitted a copy of a letter from Charles McHaffie (attached). He added that there may be changes in Carrizo's corporate structure, and that Mr. Sweetwood and other investors are working on getting freight customers for the Desert Line.

Mr. Beauchamp stated that he met with Jorge Monraz of ADMICARGA, and he feels that there is cross-border confusion regarding the opening of Tunnel 3 (closed due to fire) on the Desert Line, which could affect the ability to keep the freight monopoly in San Diego for BNSF. He added that there are a lot of issues to get the Desert Line back in shape, and they are trying to make that happen.

Action Taken

Mr. Jones moved to receive the report for information. Mr. Jablonski seconded the motion, and it was unanimously approved.

6. Real Property Mattersa. Summary of SD&AE Documents Issued Since April 20, 2010

- S200-10-444: Right of Entry Permit to URS Corporation to perform environmental studies at the San Ysidro Border.
- S200-10-445: Right of Entry Permit to the United States Navy for the 24th Annual Bay Bridge Run/Walk.
- S200-10-446: Right of Entry Permit to Ortiz Corporation to reconstruct water facilities at 19th and Commercial Streets in the City of San Diego.
- S200-10-447: Right of Entry Permit to the City of La Mesa for the Flag Day Parade.
- S200-10-448: Right of Entry Permit to Cascade Drilling L.P. to perform soil borings at the San Ysidro Border.
- S200-10-449: Right of Entry Permit to Bike the Bay for its annual bike race.
- S200-10-453: Right of Entry Permit to California Boring Inc. for underground electric facility installation at 22nd and Commercial Street in the City of San Diego.
- S200-10-454: Right of Entry Permit to California Auger Boring, Inc. for directional boring operations at 22nd and Commercial Street in the City of San Diego.
- S200-10-456: Right of Entry Permit to Southland Electric for overhead electric facility installation at G Street in Chula Vista on the south line segment.

Action Taken

Mr. Jablonski moved to receive the report for information. Mr. Jones seconded the motion, and it was unanimously approved.

b. License Agreement with Tessera Solar

Tim Allison explained that at its last meeting, the Board approved a license to Tessera Solar for an at-grade crossing for the proposed power plant project. Tessera Solar needs an additional license agreement for an aerial electric line and an aerial communications line. Mr. Allison clarified that the license would generate \$1,500 per crossing per year and that he sees no issues with granting this license.

Action Taken

Mr. Jones moved to approve issuing a license to Tessera Solar for a proposed aerial crossing over SD&AE tracks located west of Plaster City and south of S80 (Evan Hewes Highway) at County Road 2003. Mr. Jablonski seconded the motion, and it was unanimously approved.

c. The City of Lemon Grove North Avenue Realignment Project

Tim Allison reviewed the City of Lemon Grove's request for support of its General Order 88b application and approval of various utility crossings.

Mr. Allison summarized the City of Lemon Grove's North Avenue Realignment Project. He introduced Barbara Kraber and Patrick Hansen-Lund of the City of Lemon Grove and Phil Kern of Bureau Veritas. He stated that the City of Lemon Grove is working in conjunction with MTS, SANDAG, Bureau Veritas, Caltrans, and the CPUC to address the following project concepts and issues:

- Realigning several streets
- Reconfiguring the existing crossing
- Reconstructing the crossing and its affiliated signaling and crossing equipment
- Replacing several utilities

Mr. Allison confirmed for Mr. Jones and Mr. Seil that the new crossing would be safer and added that the CPUC supports the project. Wayne Terry interjected that the new crossing would straighten out the line of sight for trains, pedestrians, and automobiles.

Mr. Hansen-Lund informed members that groundbreaking on construction of the project is anticipated in early 2011. Mr. Terry added that the project would be a big improvement, and no freight problems are anticipated. Mr. Hansen-Lund clarified that all intersections would have traffic signals, and a reduction in traffic is anticipated because of the realignment.

Action Taken

Mr. Jablonski moved to: (1) receive a report; (2) authorize the support of Lemon Grove's General Order 88b application; and (3) approve the various utility crossings. Mr. Jones seconded the motion, and it was unanimously approved.

d. The City of Lemon Grove Main Street Promenade Project

Mr. Allison gave an update on the City of Lemon Grove Main Street Promenade Project. He reported that the City of Lemon Grove is going to vacate Main Street to auto traffic, and only pedestrians will be allowed. In addition, pedestrian movement on Broadway is also being reconfigured. Community art and landscaping elements will be incorporated, and engineering drawings are moving forward for construction, which has an anticipated spring 2011 start date. Mr. Allison reminded members that the SD&AE Board and MTS Board have previously seen and supported this project. He confirmed that the project fosters transit-oriented development goals and a good working relationship amongst the parties involved.

Barbara Kraber, Management Analyst with the City of Lemon Grove, distributed a design concepts rendering (attached). She thanked the Board for its support of the City of Lemon Grove's Smart Growth application (almost \$2 million was awarded). Ms. Kraber explained that the plans are at about 30% currently, and the concept edits are going to the City Council on August 3. Ms. Kraber invited everyone to the City of Lemon Grove City Hall from 9:00 a.m. to noon on Saturday to attend a project premier that will include display boards and a movie presentation that will fly through the project in 3D.

Ms. Kraber discussed project details, including affordable housing components, Americans with Disabilities Act (ADA) accessibility, themes throughout the project, windmills that will generate electricity and water reclamation, and public art. She added that the City of Lemon Grove is almost finished with the acquisition component of the project and anticipates going out to bid in March or April 2011.

Ms. Kraber clarified for Mr. Jablonski that the pedestrian crossing will eventually be refigured to limit access to the lemon trees.

Mr. Allison informed members that Eric Adams, SANDAG engineer, is dealing with some issues with ADA platform accessibility.

Mr. Allison clarified for Mr. Jones and Mr. Seil that there would be pedestrian barriers for safety purposes. Ms. Kraber added that a play area with seating is designed to pull families off of the platform while waiting for the trolley.

Discussion ensued regarding fencing, utilities, and corridor accessibility plans for the project. Mr. Jablonski reminded project participants to make sure they incorporate all proposed amenities now. He added that we don't want to have one station hold up the new low-floor trolley cars that will run on the line.

Action Taken

Mr. Jablonski moved to receive a report for information. Mr. Jones seconded the motion, and it was unanimously approved.

7. Old Business

There was no old business.

8. New Business

There was no new business.

9. Public Comments

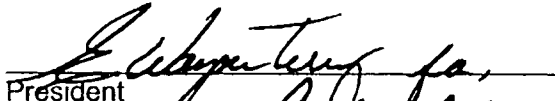

There were no additional public comments.

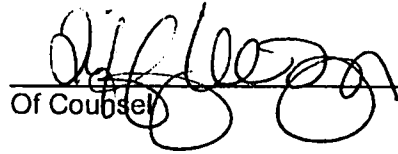
10. Next Meeting Date

The next meeting of the SD&AE Railway Company Board of Directors is on October 19, 2010, at 9:00 a.m. in the Executive Committee Conference Room.

11. Adjournment

The meeting was adjourned at 9:46 a.m.


President



Of Counsel

JGardetto/
7-20-10.SDAE MINUTES.doc

Attachments: Letter from Charles McHaffie
Rendering of the City of Lemon Grove's Main Street Promenade Project

Carrizo Gorge Railway Inc.
375 Custom House Plaza
San Diego CA. 92154

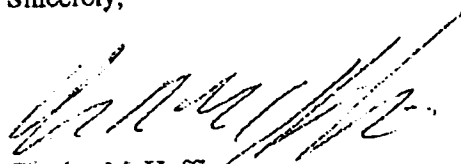
April 28th, 2010

To the Board of Directors:

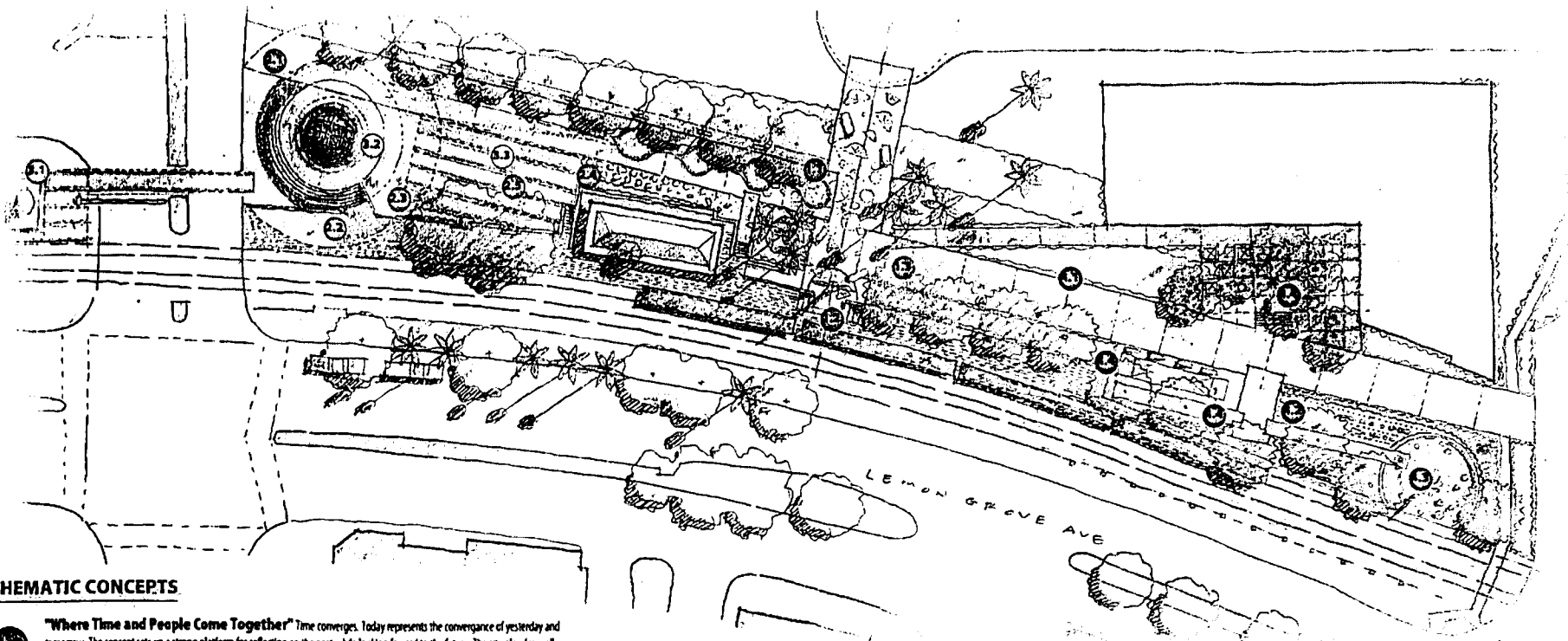
I, hereby, tender my resignation as President of Carrizo Gorge Railway Inc., effective immediately.

It is with sincere regret that I find it necessary to take this action, which in my opinion, will provide CZRY with a possible restructuring plan to continue and ultimately succeed in achieving all of the accomplishments we have invisioned.

Sincerely,



Charles McHaffie,



THEMATIC CONCEPTS



"Where Time and People Come Together" Time converges. Today represents the convergence of yesterday and tomorrow. The concept sets up a strong platform for reflecting on the past while looking forward to the future. The site plan (as well as time) converge at the center of the site, which is where people should be pulled into. Time is a snapshot, and the art elements and topics all literally reflect on time (transit time, current events, current city leaders, etc.).



"History Walk" Lemon Grove has a rich history not commonly shown to the visiting public and not known by many of its citizens. A story needs to be told, from the Kamehameha to present day citizens and community leaders. The historic walk will feature a timeline bar in the pavement with important dates, events, and people. The railing will be outfitted with interpretive panels to explain the "Transportation", "Agricultural Roots", and "Community Development" history of the area.



"Agricultural Roots" Lemon Grove started as a community with its own center at this site. Agriculture is not only the basis of the city's name, but also represents the roots of the physical and social community that evolved under the "Best Climate on Earth". The display of agriculture is the center of the public use plaza, but its not all hard work, in fact it's meant to focus on play instead. The lemon has provided an icon for the community for many years. How it is time to carry this concept across the street. The plan embraces the whiteness of the lemon and carries it across the street and celebrates it in a fun way.



"Conservation-A Way of Life" An underlying message of the plan is how the community began with the addition of water for agriculture and the need to be frugal with limited water and energy resources in order to survive. Three iconic towers will exist that represent each time period. A panel will exist on each of the three wind structures: one for yesterday and the very pioneer conservatism that was essential, one for today and the need for managing our resources better, and one for the future, with actual examples of community gardens, water conservation, and energy production through PV, wind, stormwater runoff, smart growth and the use of alternative modes of transportation. The last panel will also explain how we have come full circle with our pioneer past.

MAJOR PROJECT ELEMENTS

- 1.1 Yesterday, will have a historic walk and interpretive panels that focus on community roots. Historic street furnishings and lighting will be used to emphasize this period.
- 1.2 Today, with reflective panels to see yourself, current events, civic leaders, transit schedule, & we'll all emphasize now. Contemporary street furnishings will be used.
- 1.3 Tomorrow, will include citizen of the year sandblasted in the wall and a panel that discusses the importance of sustainable practices. Futuristic furnishings will be used to emphasize this period.
- 2.1 The history walk includes a band of color that represents water flow (from rainfall/stream/irrigated row crops/orchard irrigation to ponds) with chronological ordered historic dates & events
- 2.2 Transportation history panels (metal panel with 3m imagery, mounted on existing fence) will showcase various historic modes of travel. Raised letters on the wall will start the chronology
- 2.3 Agricultural history panels will be mounted on the west facing side of the wall and will showcase the importance of agriculture to the history of Lemon Grove
- 2.4 Community buildings and development of the city will be the third panel set. It will showcase historic structures of Lemon Grove, including the replica train station
- 2.5 The agricultural showcase area will have elements of history including fruit crates and labels, ceramic vegetable bins, tractor seats, the historical balancing cows and agricultural equipment.

NORTH → May 19, 2010

- 3.1 The base around the existing lemon will be improved with a row crop pattern with colored rock, decomposed granite, concrete stained patterns. A new cross walk and median refuge will also be added.
- 3.2 The historic windmill will not only generate power, but will move the auger or other device in circles. A light mist sprinkler system will be topped by a sensor which will also trip lights at night. A droplet fountain is also possible.
- 3.3 The playground area will have a rubberized multi-colored safety surface. The pattern will be similar to row crops & will include blue streams representing crop watering. A tractor slide, see-saw, balancing platform and climbing crates will all be included in this agricultural fun zone. Vines planted on the wall will help to denote agriculture.
- 4.1 The futuristic light posts will generate solar power through mounted PV panels.
- 4.2 A community garden will be run by the Senior Center. Benched racks will also be attached to the existing wall to serve as a fence that limits public cross access from the tracks and to grow crops upon and store supplies.
- 4.3 A futuristic wind generator will be enhanced with art and educational panels will explain water conservation, fuel efficiency, locally grown foods, alternative transportation, solar generation, smart growth, stormwater runoff, limited fertilizers and pesticide use, and native plant material use. A sign will explain how society has come full circle when compared to the original pioneers, with modern pioneers returning to sustainable approaches
- 4.4 Activity will be encouraged with bocce ball, horse shoes, checker table tops, gardening, use of the amphitheater for events or just watching others and talking with friends. This is a more sustainable social approach to quality living

Agenda

Item No. 2

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

SDAE 710.1 (PC 50771)

October 19, 2010

SUBJECT:

STATEMENT OF RAILWAY FINANCES

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a financial report for the quarter ended September 30, 2010.

Budget Impact

None.

DISCUSSION:

This report presents results for the first quarter FY 2011 and adjusted results for FY 2010. The current quarter results show a slight decrease in both revenue and expenses with a net income of \$5,751. The final results for FY 2010 have been adjusted for increased expenses in outside services and personnel costs, which are partially offset by lower-than-estimated depreciation expense. In addition, revenue has been decreased by \$2,208 to record uncollectible lease revenues. These adjustments have resulted in a net loss of \$5,198 for the year. The calculation of the final reserve balance will not be available until the MTS audit is completed and interest earnings are allocated.

Attachment: SD&AE Financial Report for the First Quarter of 2011

SD&AE OPERATING STATEMENT FY 2011 AND FY 2010

	FY 2011	FY 2010				
	Q1	Q1	Q2	Q3	Q4	YTD
Revenue						
Right of entry permits	\$ 12,250	\$ 21,619	\$17,400	\$ 8,500	\$10,975	\$58,494
Lease income	22,072	25,871	43,341	819	31,193	101,224
SD&IV 1% freight fee	-	-	-	-	35,542	35,542
Total revenue	34,322	47,490	60,741	9,319	77,710	195,260
Expense						
Personnel costs	19,916	22,734	26,334	19,540	18,682	87,291
Outside services	-	12,031	5,989	5,147	37,574	60,742
Energy costs	-	-	-	-	32	32
Risk management	8,352	8,486	8,486	8,403	8,352	33,728
Misc operating expenses	303	20,474	(18,913)	25	-	1,586
Depreciation	-	-	-	-	17,080	17,080
Total expense	28,571	63,725	21,897	33,115	81,721	200,458
Net income/(loss)	\$ 5,751	\$ (16,235)	\$38,845	\$(23,796)	\$ (4,011)	\$ (5,198)

Reserve balance 2010 - provisional	\$ 863,561
Allocated interest earnings - estimated	417
Operating profit (loss)	5,751
Improvement expense 2011	-
Reserve balance 2010 - estimated	\$ 869,729

2011

Agenda

Item No. 3

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

SDAE 710.1 (PC 50771)

October 19, 2010

SUBJECT:

REPORT ON SAN DIEGO AND IMPERIAL VALLEY (SD&IV) RAILROAD OPERATIONS

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

An oral report will be given during the meeting.

Attachment: Periodic Report for the 3rd Quarter of 2010



SD&AE Board
C/O MTS
1255 Imperial Avenue, Suite 1000
San Diego, California 92101

October, 8 2010

Periodic Report

In accordance with Section 20 of the Agreement for Operational Freight Service and Control through Management of the San Diego and Arizona Eastern Railway Company; activities of interest for the 3rd Quarter of 2010 are listed as follows:

1. Labor

At the end of Sept. 30, 2010 the San Diego & Imperial Railroad had 10 employees:

- 1 General Manager
- 1 Asst. General Manager
- 1 Asst. Trainmaster
- 1 Manager - Marketing & Sales
- 1 Office Manager
- 1 Mechanical Officer
- 1 Roadmaster
- 1 Maintenance of Way Employee
- 2 Train Service Employees

2. Marketing

In the 3rd Quarter of 2010 versus 2009, volumes were slightly increased as paper products and brewery ingredients were strong commodities with LPG being fairly flat. Feed grains moved slightly ahead of last year's volumes into Mexico for the quarter.

3. Reportable Injuries/Environmental

Days through year to date, Sept. 30, 2010, there were no FRA Reportable injuries or environmental incidents on the SDIV Railroad.

Days FRA Reportable Injury Free: 4020

4. Summary of Freight

	2010	2009	2008
Total rail carloads that moved by SDIY Rail Service in the quarter.	1,442	1,424	1,853
Total railroad carloads Terminating/Originating Mexico in the quarter.	1,144	1,016	1,145
Total railroad carloads Terminating/Originating El Cajon, San Diego, National City, San Ysidro, California in the quarter.	298	408	708
Total customers directly served by SDIY in the quarter	12	12	12
Regional Truck trips that SDIY Railroad Service replaced in the quarter	4,758	4,699	6,114

Respectfully,

Don Seil-

General Manager

Agenda

Item No. 4

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

SDAE 710.1 (PC 50771)

October 19, 2010

SUBJECT:

REPORT ON PACIFIC SOUTHWEST RAILWAY MUSEUM

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

A report will be presented during the meeting.

Attachment: Third Quarter Report for 2010



Pacific Southwest Railway Museum

La Mesa Depot 4695 Nebo Drive La Mesa, CA 91941 619-465-7776

October 8, 2010

SD&AE Board
c/o Metropolitan Transit System
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

Re: Third Quarter, 2010

Dear SD&AE Board:

During the third quarter of 2010, the Pacific Southwest Railway Museum operated a total of 48 Golden State trains carrying 1,468 passengers with no FRA reportable accidents or injuries. Total income from SD&AE property for third quarter 2010 is \$23,942.85. A check for \$478.86 has been mailed under separate cover. During the third quarter of 2009 PSRM operated 0 passenger trains and earned an income of \$3,001. During the third quarter of 2008 PSRM operated 34 passenger trains carrying 948 passengers with a total income of \$16,629. So, PSRM has experienced a 55% and 100% increase in ridership when comparing these figures with 2008 and 2009 respectively; and a 44% and 87% increase in income when comparing these figures with 2008 and 2009 respectively.

This past summer, PSRM experimented with several evening trains in lieu of the daytime trains. The dates of these trains were scheduled to coincide with the full moon and new moon cycles. The museum received a positive response in ridership for these trains and is in the process of expanding and improving upon this concept for summer 2011. Pumpkin Trains will operate for three weekends in October as compared to the two weekends in previous years. The concept of operating night trains during this period has been delayed until 2011. PSRM also plans to operate its very popular North Pole trains during the fourth quarter of this year, increasing the number of trains offered from 10 in 2009 to 12 in 2010.

The walls of the waiting room in the Campo Depot are now insulated with spray polyurethane foam, SPF, insulation. The museum contracted with Cool Roof Systems to complete this task. The ceiling will be insulated with standard insulation. The tongue and groove paneling, milled by Lane Stanton Vance from maple wood salvaged from the bleachers at Grossmont High

School has been installed on most of the walls. The joints will be filled and sanded, chair railing installed and the upper portion painted. We continue to project a completion date prior to Thanksgiving.

Thank you for allowing the museum the privilege of protecting and preserving a portion of the original San Diego & Arizona Railway. This 26 year relationship has allowed PSRM to offer an unparalleled living history experience, educating children and adults alike in the historical significance of this local railroad treasure.

Very Truly Yours,

A handwritten signature in black ink that reads "Diana Hyatt". The script is cursive and fluid, with the first name "Diana" and last name "Hyatt" clearly distinguishable.

Diana Hyatt
President

Agenda

Item No. 5

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

SDAE 710.1 (PC 50771)

October 19, 2010

SUBJECT:

REPORT ON THE DESERT LINE

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information and an update on the status of rail operations.

Budget Impact

None.

DISCUSSION:

A report will be presented during the meeting.

5-DESERTLINE.doc

Attachment: Third Quarter Report



Periodic Report

To The San Diego & Arizona Eastern Railway Company

Third Quarter 2010

The periodic Report to the SD&AE Railway Company is produced quarterly by the Carrizo Gorge Railway, Inc for the SD&AE Board, in fulfillment of contractual requirements and to document activity in the restoration of the line to regional service along with its ongoing improvement for future generations.

CARRIZO GORGE RAILWAY, INC.

Accomplishments during Third Quarter 2010

CONTENTS

THIRD QUARTER 2010 ACTIVITY

Appendix A- MOW Summary

Appendix B- Desert Line Track Rehabilitation
Offset Financial Summary

Appendix C- Desert Line Freight Revenues
Financial Summary

CARRIZO GORGE RAILWAY, INC.

Third Quarter 2010

Metropolitan Transit Development Board
San Diego & Arizona Eastern Railway Board
1255 Imperial Avenue 10th floor
San Diego, California 92101

Pursuant to reporting agreement, here is the summary of Third Quarter activity for 2010.

I. Labor

As of September 30 , 2010, Carrizo Gorge Railway has 5 employees to cover the railroad administration and operation in the U.S.

- 2 Administration
- 1 DSL
- 1 Train Master
- 1 Locomotive engineer

CARRIZO GORGE RAILWAY, INC.

II. Marketing

Carrizo Gorge Railway is currently not seeking any new business for the desert line until repairs can be completed

Carrizo Gorge Railway continued working to improve relations with Admicarga in an effort to increase revenues as well as the improvement of service to the shipping community in the region.

III. Desert Line

Carrizo Gorge Railway is the rail freight operator on the Desert Line by contractual agreement with Rail America/ SD&IV and with the approval of SD&AE/ MTDB.

IV. Reportable Injuries / Environmental Incidents

There were no reportable injuries in the second quarter of 2010.

There were no reportable accidents in the second quarter of 2010.

There were was on enviromental incidents in the second quarter of 2010.

CARRIZO GORGE RAILWAY, INC.

V. Freight Activity

No freight activity in the 3rd quarter of 2010 due to the embargo , we are still continuing to store empties, with a total amount of 52 GE cars located in the East end of the line as of this date.

MOW Sand carloads moved on the Desert Line	0
Revenue Sand carloads moved on the Desert Line	0
Revenue Freight carloads moved to/from Seeley Via interchange with UPRR, on the Desert Line	0
Non-Revenue Freight carloads moved from UPRR and USG, on the Desert Line	0
Revenue Freight carloads terminating/originating in Mexico to/from San Ysidro via interchange with SD&IV Railroad	0
Total overall second quarter 2010 Carloads Moved	0
Revenue Empties	0
Revenue Storage	52

CARRIZO GORGE RAILWAY, INC.

VI. Mexican Railroad

Carrizo Gorge Railway is the rail freight operator for the State of Baja California, Mexico and continues to employ the following personnel dedicated to freight service south of the border.

Here is an update of Carrizo Gorge Railway, Inc. Mexico's Operation.

CURRENT MEXICO PERSONNEL

- 1 Director of Operations
- 1 Supervisor of Operations
- 3 Dispatchers
- 3 Train Engineers
- 6 Conductors
- 1 Mechanic
- 1 Division Engineer
- 1 Track Inspector
- 2 Track Supervisor
- 8 Track laborer

CARRIZO GORGE RAILWAY, INC.

Page 1 of 1

Appendix A M.O.W. SUMMARY

DESERT LINE

TRACK

Ties Installed (6" x 8" x 8')	0	each
(7" x 9" x 9")	0	each
Stringers	0	each
90 lb/yd Rail Change Out	0	ft.
113 lb. rail Change Out	0	ft.
Repair Open Joints	0	each
Track Regaging	0	each
Separator Rails (4" x 8" x 20")	0	each
Replace Missing Track Bolts	0	each
Rail Anchors Replaces	0	each
Repair Broken angle bars (60 lb.)	0	each
(75 lb.)	0	each
(90 lb.)	0	each
Track Surfaced	0	ft
Track Spikes Used (new)	0	each
Switch Ties Installed	0	each

CARRIZO GORGE RAILWAY, INC.

Page 1 of 1

Appendix B **OFFSET FINANCIAL SUMMARY**

DESERT LINE SAND OPERATION

There was no production or commercial sale of sand from M.O.W. activity on the Desert Line during Third Quarter of 2010.

CARRIZO GORGE RAILWAY, INC.

Page 1 of 1

Appendix C FINANCIAL SUMMARY

DESERT LINE

REVENUE FREIGHT HAULED

Railcar loads to/from UP Interchange, Seeley /Plaster City	0
--	---

Railcar loads revenue sand from Dixie (Plaster City) to Campo	0
---	---

Non-revenue Freight
USG Cars

Total	0
--------------	----------

Track Use Fees:

Interchange freight to/from UPRR over the Desert Line

SD&AE / MTS 1% payment	66.89
SD&IV / Rail America payment 6.9 (49 Railcars Storage)	461.52

Revenue Sand from Dixie to Campo

SD&AE / MTS 1% payment	0.00
SD&IV RailAmerica payment(0cars at \$0.00 each)	0.00

Agenda

Item No. 6a

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

SDAE 710.1 (PC 50771)

October 19, 2010

SUBJECT:

SUMMARY OF SD&AE DOCUMENTS ISSUED SINCE JULY 20, 2010

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

Since the July 20, 2010, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-10-450: Right of Entry Permit to PAR Electric for aerial electric rehabilitation at Sampson Street in the City of San Diego.
- S200-10-458: Right of Entry Permit to Burtech Pipeline for sewer construction at 21st Street in the City of San Diego.
- S200-11-460: Right of Entry Permit to Walter H. Barber and Sons, Inc. for track reconstruction in Campo.

OCT19-10.6a.SUMMARY OF DOCS.TALLISON.doc

Agenda

Item No. 6b

San Diego and Arizona Eastern (SD&AE)
Railway Company
Board of Directors Meeting

SDAE 710.1 (PC 50771)

October 19, 2010

SUBJECT:

LICENSE AGREEMENT WITH TESSERA SOLAR

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors approve issuing a license to Tessera Solar to use an existing at-grade crossing as a temporary construction access road and ultimately as a secondary emergency access road. The crossing crosses over SD&AE tracks located west of Plaster City and south of S80 (Evan Hewes Highway) at approximately milepost 128.0 on the Desert Line.

Budget Impact

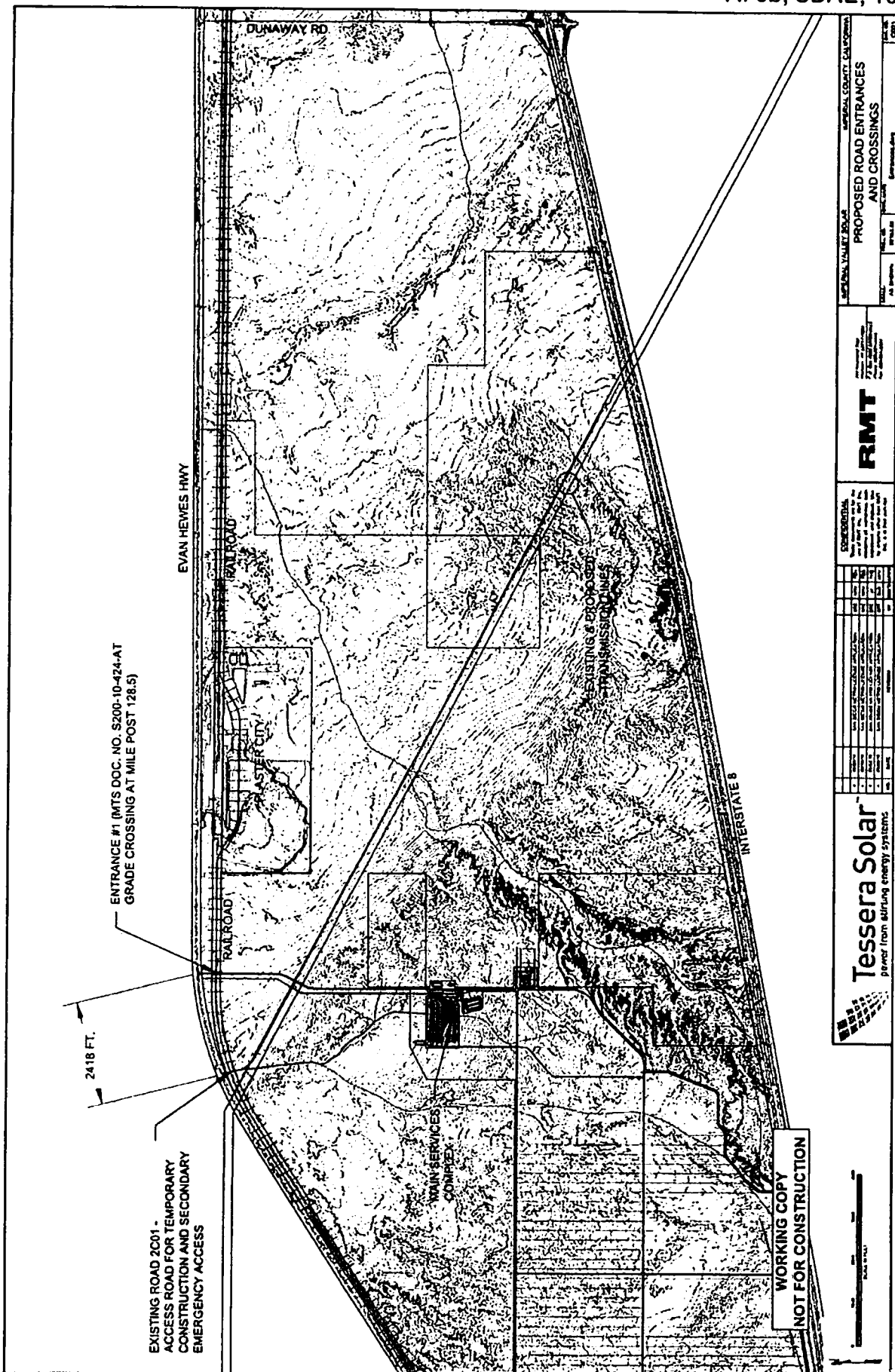
Yearly license fees would be credited to the SD&AE reserve, and processing fees would be reimbursed to MTS.

DISCUSSION:

Tessera Solar requests the issuance of a license to use an existing at-grade crossing over SD&AE tracks located west of Plaster City and south of S80 (Evan Hewes Highway) at approximately mile post 128.0 on the Desert Line. The crossing would serve as a temporary construction crossing and as a secondary emergency access crossing to a 750-megawatt solar panel power plant that will serve Southern California (the proposed project is attached).

OCT19-10.6b.LICENSE TESSERA SOLAR.TALLISON.doc

Attachment: Proposed Project



Agenda

Item No. 7

San Diego and Arizona Eastern (SD&AE)
Railway Company

SDAE 710.1 (PC 50771)

Board of Directors Meeting

October 19, 2010

SUBJECT:

APPROVAL OF THE 2011 SD&AE BOARD OF DIRECTORS MEETING SCHEDULE

RECOMMENDATION:

That the SD&AE Board of Directors approve the 2011 SD&AE Board of Directors meeting schedule.

Budget Impact

None.

DISCUSSION:

The SD&AE Board of Directors customarily meets once each quarter to discuss business and receive reports from its contract operators. The following meeting schedule is recommended for 2011:

Tuesday, January 18, 2011	9:00 a.m.	(Fourth Quarter 2010 Reports)
Tuesday, April 19, 2011	9:00 a.m.	(First Quarter 2011 Reports)
Tuesday, July 19, 2011	9:00 a.m.	(Second Quarter 2011 Reports)
Tuesday, October 18, 2011	9:00 a.m.	(Third Quarter 2011 Reports)

Upon approval of the above meeting dates, additional information regarding materials due dates and mail-outs are as follows:

Materials Due to Clerk

Friday, January 7, 2011
Friday, April 8, 2011
Friday, July 8, 2011
Friday, October 7, 2011

Materials Mailed

Wednesday, January 12, 2011
Wednesday, April 13, 2011
Wednesday, July 13, 2011
Wednesday, October 12, 2011



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

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.

ADM 110.2

November 18, 2010

SUBJECT:

MTS: REVISIONS TO MTS POLICY NO. 41 (SIGNATURE AUTHORITY) AND
MTS POLICY NO. 52 (PROCUREMENT OF GOODS AND SERVICES)

RECOMMENDATION:

That the Board of Directors approve revisions to MTS Policy No. 41 (Signature Authority) and MTS Policy No. 52 (Procurement of Goods and Services) as shown in Attachments A and B, respectively.

Budget Impact

None at this time.

DISCUSSION:

Staff is seeking minor changes to MTS Policy No. 41 (Signature Authority) and Policy No. 52 (Procurement of Goods and Services) to aid internal efficiencies and reflect Federal Transit Administration (FTA) rule changes.

The proposed changes include:

1. Purchase orders would be required for all purchases over \$3,000 rather than the current \$500. Manager preapproval would be required for all purchases over \$500.
2. Micro-purchase procedures relating to obtaining three bids would change from \$2,500 to \$3,000 to reflect FTA rule changes.

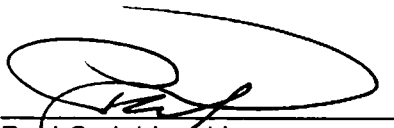
1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • (619) 231-1466 • www.sdmts.com



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.

3. The Procurement Manager or his designee would sign purchase orders going to vendors after all internal procedures, external procedures, and approvals are complete.
4. Managers' authority level for purchase requisitions would be changed to \$3,000 from the current \$2,500.
5. Two signatures would be required for checks and wire transfers above \$2,000 from the current \$1,000.
6. The language would be changed to state that a manager could designate another manager to sign in their absence.

Staff is requesting MTS Board approval of the revisions to MTS Policy No. 41 (Signature Authority) and MTS Policy No. 52 (Procurement of Goods and Services).



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tom Lynch, 619.557.4538, tom.lynch@sdmts.com

NOV18-10.7.POLICY 41 CHANGES.TLYNCH.doc

Attachments: A. Revised MTS Policy No. 41 (Signature Authority)
B. Revised MTS Policy No. 52 (Procurement and Goods and Services)

1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
619/231-1466
FAX 619/234-3407

Policies and Procedures

No. 41

SUBJECT:

Board Approval: 2/23/06 11/18/10

SIGNATURE AUTHORITY

PURPOSE:

To establish guidelines and procedures for authorized signatories relating to check processing (including wire transfers) and MTS documents (purchase requisitions, contracts, agreements, payment vouchers). The policies below relate to MTS, San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI).

BACKGROUND:

MTS, SDTC, and SDTI maintain a number of checking accounts in various approved financial institutions. To ensure adequate internal controls, signing of checks and execution of wire transfers is restricted to authorized personnel only. This policy would establish guidelines and procedures for obtaining appropriate approval. In addition, this policy establishes guidelines and procedures for delegating authority to execute MTS documents, including contracts and agreements, on behalf of the Chief Executive Officer in his or her absence.

POLICY:

41.1 Authorized Signatories for Disbursements

Authorized signatures for disbursements are: the Finance Manager, Controller, Chief Operations Officer — Bus/Rail, ~~President and General Manager—Trolley~~, Chief Financial Officer, Chief of Staff, General Counsel, and Chief Executive Officer.

One signature is required for check and wire transfer disbursements under \$1,000. This signature can be a facsimile signature. Two signatures are required for all checks and wire transfer disbursements over \$1,000. One of these can be a facsimile signature. A listing of all facsimile checks must be reviewed and approved by an authorized check signer. For checks and wire transfer disbursements over \$10,000, the second signature SHALL NOT BE the Finance Manager or Controller. Checks and wire transfer disbursements over \$25,000 require that one of the signatures be that of the Chief of Staff, General Counsel, Chief Financial Officer, or Chief Executive Officer.



The listing below summarizes the above as to effective levels of check-signing authority:

Finance Manager	To	\$ 10,000
Controller	To	\$ 10,000
Chief Operations Officer — Bus/Rail	To	\$ 25,000
President and General Manager — Trolley	To	\$ 25,000
Chief Financial Officer	Over	\$ 25,000
Chief of Staff	Over	\$ 25,000
General Counsel	Over	\$ 25,000
Chief Executive Officer	Over	\$ 25,000

41.2 Authorized Signatories on Purchase Requisitions

Authorized signatures for purchase requisitions are Supervisors, Managers, Directors, Chief Operations Officer — Bus/Rail, ~~President and General Manager — Trolley~~, Chief Financial Officer, General Counsel, and Chief Executive Officer.

Manager/Supervisor	To	\$2,500 3,000
Directors	To	\$ 5,000
Chief Operations Officer — Bus/Rail	To	\$ 50,000
President and General Manager — Trolley	To	\$ 50,000
Chief Financial Officer	To	\$ 50,000
Chief of Staff	To	\$ 50,000
General Counsel	To	\$ 50,000
Chief Executive Officer	Over	\$ 50,000

41.3 Purchase Orders

Upon completion of the procurement process (i.e. Board approval of a formal contract, staff approval of a purchase order) ~~ascertaining that all procurement policies have been followed and all requisite approvals have been obtained~~, the Manager of Procurement may execute the Ellipse Purchase Order which shall be transmitted to the vendor. ~~Procurement Department personnel will complete the purchase order. The purchase order will executed by the Manager of Procurement or his designee regardless of award amount.~~

41.43 Authorized Signatories on Contracts and Documents

Authorized signatures for Contracts and Documents are Supervisors, Managers, Directors, Chief Operations Officer — Bus/Rail, ~~President and General Manager — Trolley~~, Chief Financial Officer, Chief of Staff, General Counsel, and Chief Executive Officer.

All approval levels must be contained within and be consistent with overall Board of Directors approval levels. The approval levels are as follows:

Manager/Supervisor	To	\$ 2,500 3,000
Directors	To	\$ 5,000

Chief Operations Officer — Bus/Rail	To	\$ 50,000
President and General Manager — Trolley	To	\$ 50,000
Chief Financial Officer	To	\$ 50,000
Chief of Staff	To	\$ 50,000
General Counsel	To	\$ 50,000
Chief Executive Officer	Up To	\$ 100,000

Board of Directors approval is required for all contracts over \$100,000.

41.54 Authorized Signatories for the Clerk of the Board

In the Clerk of the Board's absence, the Assistant Clerk of the Board is authorized to execute documents as may be required.

41.65 Authorized Signatories of Payment Vouchers and Check Requests

Authorized signatures for payment vouchers and check requests are Supervisors, Managers, Directors, Chief Operations Officer — Bus/Rail, ~~President and General Manager — Trolley~~, Chief Financial Officer, General Counsel, and Chief Executive Officer.

All approval levels must be contained within and be consistent with overall Board of Directors approval levels. The approval levels are as follows:

Manager/Supervisor	To	\$ 2,500 3,000
Directors	To	\$ 5,000
Chief Operations Officer — Bus/Rail	To	\$ 50,000
President and General Manager — Trolley	To	\$ 50,000
Chief Financial Officer	To	\$ 50,000
General Counsel	To	\$ 50,000
Chief Executive Officer	Over	\$ 50,000

41.76 Authorized Signatories for the CEO in the CEO's Absences

In the CEO's absence, General Counsel or the CEO's designee is authorized to execute all checks, purchase requisitions, contracts, and documents as necessary, so long as prior approval is given by the CEO.

In the Procurement Manager's absence, the Chief Financial Officer, the General Counsel or a Director with appropriate signature authority is authorized to execute purchase orders and contracts falling within the Procurement Manager's signature authority.

~~In the event of absence, the above approvers under this policy may designate someone to make approvals.~~

This original Policy was adopted on 2/13/92.

Policy revised on 8/11/94.

Policy revised on 1/29/04.

Policy revised on 2/23/06.

Policy revised on 11/18/10.

Policies and Procedures

No. 52

| SUBJECT:

Board Approval: ~~9/13/07~~ 11/18/10

PROCUREMENT OF GOODS AND SERVICES

PURPOSE:

To establish a unified procedure for acquiring all goods and services.

BACKGROUND:

Included in MTS's enabling legislation are various provisions regulating procurement. Section 120222 sets forth the requirements for purchasing goods and services utilizing all sources of funds. In order to maximize the use of federal, state, local, and private funds and to maintain a competitive posture in seeking supplemental federal funds, the Board shall have the authority to establish and use a flexible contracting process to maximize its efficient use of public monies. With that in mind, any procurement that involves the use of federal funds must also conform to the Code of Federal Regulations, Volume 49, Part 18, Federal Transit Administration Circular 4220.1E, and any successors thereof.

This policy applies to MTS, San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI) (collectively the "Agencies").

POLICY:

52.1 Procurement Types

- A. Materials, Supplies, or Equipment. Except in cases when an article of a specified brand or trade name is the only article that will properly meet the needs of the Agencies, or in an emergency declared by the vote of two-thirds of the membership of the Board of Directors, all contracts for the acquisition or lease of materials, supplies, or equipment, in an amount of one hundred thousand dollars (\$100,000), or in excess of that amount as authorized by the Board, shall be made or entered into with the lowest responsible bidder meeting specifications. For purposes of determining the lowest bid, the amount of sales tax shall be excluded from the total amount of the bid.



- B. Services (Excluding Architectural, Landscape Architectural, Engineering, Environmental, Land Surveying Services, and Construction Project Management Services). Except in cases of an emergency declared by the vote of two-thirds of the membership of the Board of Directors, the Agencies shall for all contracts for the acquisition of services that exceed one hundred thousand dollars (\$100,000), that will not be performed by another public agency and that are not within the category of services defined in Section 4525 of the Government Code (contracts with private architects, engineers, land surveying, and construction management), solicit bids in writing and award the contract in a competitive procurement process that is in the best interest of the Board, including, but not limited to, a negotiated procurement that may or may not evaluate price as a consideration.

When the expected amount of the service contract is less than ~~two-three~~ thousand ~~five hundred~~ dollars (~~\$2,5003,000~~) staff shall certify that the price is fair and reasonable prior to paying the invoice. When the expected amount of the service contract exceeds ~~two-three~~ thousand ~~five hundred~~ dollars (~~\$2,5003,000~~) and does not exceed one hundred thousand dollars (100,000), the Agencies shall seek a minimum of three quotations, either written or oral, to permit comparison of prices or other terms.

- C. Architectural, Landscape Architectural, Engineering, Environmental, Land Surveying Services, and Construction Project Management Services. The Board shall award contracts for architectural, landscape architectural, engineering, environmental, land-surveying services, and construction project management services that are in excess of one hundred thousand dollars (\$100,000) in accordance with the provisions of Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code and the federal Brooks Act (if federally funded).
- D. Construction Services. Contracts for construction in excess of fifty thousand dollars (\$50,000) shall be awarded to the lowest responsible bidder submitting a responsive bid after formal competitive bidding, except in an emergency declared by the vote of two-thirds of the membership of the Board of Directors. If the expected construction contract exceeds \$1,000 and does not exceed fifty thousand dollars (\$50,000), the Agencies shall seek a minimum of three quotations, either written or oral, to permit comparison of price and award the contract to the bidder who submitted the lowest bid. If no bids are received, the project may be performed by a negotiated process.

52.2 Procurement Methodology

The Agencies may use any procurement method authorized for state or local agencies under state or federal law, including, but not limited to, a competitive negotiation process in accordance with the provisions of Article 7.5 (commencing with Section 20216) of Chapter 1 of Part 3 of Division 2 of the California Public Contracts Code. The Agencies shall maintain these acquisition and contracting guidelines and comply with those guidelines in the procurement of all goods and services. Failure to do so will be grounds for disciplinary action up to and including termination.

A. General Provisions

- (i) The Chief Executive Officer shall have the authority to approve all procurements up to \$100,000. The Board of Directors shall approve all procurements in excess of \$100,000. The Chief Executive Officer shall notify the Board of all contracts executed within his or her authority at the next Board of Directors meeting.
- (ii) All purchases of any kind in excess of \$500 but less than \$3,000 shall be authorized in advance. Authorization shall be documented by a Micro Purchase Approval Request form or an e-mail containing the same data points (e.g. name of vendor, amount, purpose, etc.). Authority levels for approval are contained within Policy No. 41.
- ~~(ii)~~(iii) All purchases of any kind shall be documented by a purchase order or written contract if they are in excess of ~~two-three~~ thousand five hundred dollars (\$2,5003,000). Authority levels for approval are set forth in Policy No. 41.
- ~~(iii)~~(iv) All purchases of any kind shall be procured in accordance with the MTS Procurement Manual and these procurement requirements. Any deviations therefrom must have prior Board of Directors approval.
- ~~(iv)~~(v) The Board of Director's Equal Employment Opportunity Plan will be incorporated by reference in all service contracts.
- ~~(v)~~(vi) A project may not be split into multiple contracts for the purpose of avoiding the necessity of the approval of the Board of Directors or of avoiding any of these procurement requirements.
- (vii) The Agencies shall disclose to the Board of Directors any protest, potential or actual conflicts of interest, and unusual cost provisions associated with any proposed contractor or bidder.

B. Procurements Involving Federal Funds. Any procurement which involves the use of federal funds must conform to the Code of Federal Regulations, Volume 49, Part 18, Federal Transit Administration (FTA) Circular 4220.1E, and any successors thereof. All applicable federal certifications and clauses must be included in the final contract document.

- (i) For purchases up to ~~\$2,5003,000~~ involving federal funds staff shall certify that the price is fair and reasonable prior to paying the invoice.
- (ii) For purchases in excess of ~~\$2,5003,000~~ involving federal funds, a written contract or purchase order must be used in order to attach all applicable federal requirements and certifications.
- (iii) The Board of Director's Disadvantaged Business Enterprise (DBE) Program shall be incorporated by reference in all service contracts.

- (iii) Competitive bids of goods and services estimated to cost more than ~~\$2,500~~\$3,000 but less than \$100,000 shall be procured as follows:
- a. The Agencies shall seek a minimum of three quotations, which may be either written or oral, that would permit price and other terms to be compared.
 - b. Contracts shall be awarded to the lowest responsible bidder or the most qualified bidder or proposer depending upon the procurement methodology utilized; i.e., price, price and qualifications, or qualifications only.
- (iv) Competitive bids of goods and services estimated to cost more than \$100,000 shall be formally advertised and bid as follows:
- a. Notice of the goods or services needed shall be published at least once in a newspaper of general circulation in San Diego County and in community newspapers as appropriate in San Diego County at least two weeks before the opening date. The notice shall state the time and place for receiving and opening sealed bids. Notice shall also be published in one or more DBE-certified newspapers and in such other minority newspapers as appropriate in San Diego County.
 - b. Notice shall also be sent to contractors and bidders previously known to be interested in providing the supplies, equipment, or materials, including small and emerging businesses on MTS's various interested party lists and to appropriate DBE contractors listed in the MTS DBE Directory.
 - c. Contracts shall be awarded to the lowest responsible bidder or the most qualified bidder or proposer depending upon the procurement methodology utilized; i.e., price, price and qualifications, or qualifications only.
 - d. In some situations, these procedures may not be feasible for products and materials that are undergoing rapid technological changes or for the introduction of new technologies into the Agencies' operations; i.e., specialized rail transit equipment, computers, telecommunications equipment, fare collection equipment, microwave equipment, and other related electronic equipment and apparatus, and of rail cars. In those circumstances, the Agencies may request a waiver of any of these procurement provisions by a vote of two-thirds of the membership of the Board of Directors.

C. Procurements Involving State or Local Funds

- (i) For purchases up to ~~\$2,500~~\$3,000 involving state or local funds, staff shall certify that the price is fair and reasonable prior to paying the invoice.
- (ii) Competitive bids of goods and services estimated to cost more than \$3,000 but less than \$100,000 shall be procured as follows:
 - a. The Agencies shall seek a minimum of three quotations, which may be either written or oral, that would permit prices and other terms to be compared.
 - b. Contracts shall be awarded to the lowest responsible bidder or the most qualified bidder or proposer depending upon the procurement methodology utilized; i.e., price, price and qualifications, or qualifications only.
- (ii) Competitive bids of goods and services estimated to cost more than \$100,000 shall be formally advertised and bid as follows:
 - a. Notice of the goods or services needed shall be published at least once in a newspaper of general circulation in San Diego County and in community newspapers as appropriate in San Diego County at least two weeks before the opening date. The notice shall state the time and place for receiving and opening sealed bids.
 - b. Notice shall also be sent to suppliers previously known to be interested in providing the supplies, equipment, or materials, including small and emerging businesses on MTS's various interested party lists.
 - c. Contracts shall be awarded to the lowest responsible bidder or the most qualified bidder or proposer depending upon the procurement methodology utilized; i.e., price, price and qualifications, or qualifications only.
 - d. In some situations, these procedures may not be feasible for products and materials that are undergoing rapid technological changes or for the introduction of new technologies into the Agencies' operations; i.e., specialized rail transit equipment, computers, telecommunications equipment, fare collection equipment, microwave equipment, and other related electronic equipment and apparatus, and of rail cars. In these circumstances, the Agencies may request a waiver of any of these procurement provisions by a vote of two-thirds of the membership of the Board of Directors.

D. Procurement of Construction Services

- (i) All public works contracts (as that term is defined by the California Labor Code and the federal Davis Bacon Act) valued at over \$1,000 shall be subject to the payment of federal and/or state prevailing wages, whichever is higher. Public works contracts funded solely with federal funds valued over \$2,000 shall be subject to the payment of federal prevailing wage. Public works contracts may be bid as either a service or construction contract depending on the type of work being performed.
- (ii) For construction contracts estimated to cost \$1,000 or less, staff shall certify that the price is fair and reasonable prior to paying the invoice.
- (ii) For construction contracts estimated to cost more than \$1,000 but less than \$50,000, written Notices Inviting Bids (NIBs) will be sent to a minimum of three qualified bidders by mail or facsimile on the same date. The bid period will be a minimum of seven calendar days unless approved by the Chief Executive Officer. When possible, NIBs should be sent to at least two certified DBE firms for federally funded projects. The NIB will contain the time and location for receiving and opening bids. The contract will be awarded to the lowest responsive and responsible bidder.
- (iii) For construction contracts estimated to cost more than \$50,000, the following procedures shall apply:
 - a. Public notice shall be given by publication once a week for at least two consecutive weeks, at least three weeks before the day set for receiving bids, as follows in a newspaper of general circulation, published in San Diego County; in a trade paper of general circulation published in Southern California devoted primarily to the dissemination of contract and building news among contractors and building materials supply firms (optional for projects estimated to cost less than \$100,000); and in at least one DBE-certified newspaper for federally funded projects.
 - b. Bidders listed on the Agencies' Bidder List with appropriate experience shall be notified. Appropriate DBEs listed in the current DBE Directory will be notified of any work advertised under this policy for federally funded projects.
 - c. The notice shall state the time and place for receiving and opening sealed bids. The notice shall describe, in general terms, the work to be done and that the bids will be required for the entire project.

- d. The Agencies shall, for all prospective contractors whose bid would exceed \$500,000, adopt and apply a uniform qualification system for rating bidders on the basis of a standard experience questionnaire and financial statement verified under oath in respect to the contracts upon which each bidder is qualified to bid. A contractor may request to be prequalified for a predetermined contract amount prior to bidding. Any contractor requesting a prequalification rating will be required to reimburse all costs incurred by the Agencies in evaluating the contractor's qualifications. In no event shall any bidder be awarded a contract if such contract award would result in the bidder having, under contract, work in excess of that authorized by his or her prequalification rating.
- e. The Agencies shall furnish each bidder with a standard proposal form, to be filled out, executed, and submitted as his or her bid. All bids shall be submitted in a sealed envelope accompanied by one of the following forms of bidder's security: cash, a cashier's check, certified check, or a bidder's bond executed by an admitted surety insurer and made payable to the Agencies. A bid shall not be considered unless accompanied by one of the forms of bidder's security. Bidder's security shall be at least 10 percent of the amount bid. Late bids shall not be accepted after the time and date designated in the notice.
- f. A bid may be withdrawn any time prior to the time fixed in the notice for bid opening by written request to the Chief Executive Officer. The request shall be executed by the bidder or his designated representative. Bids shall not be withdrawn after the time fixed for public opening.
- g. On the day specified in the notice, the Agencies shall publicly open sealed bids and announce the apparent lowest bidder(s).
- h. After the bids are publicly opened, the Agencies shall review all bids in order to determine which bidder is the lowest, responsive and responsible bidder. The term "lowest, responsive and responsible bidder" shall mean the lowest monetary bidder whose bid is responsive and who is responsible to perform the work required by the contract documents. The Agencies may investigate the responsibility and qualifications of all bidders to whom the award is contemplated for a period not to exceed 60 days after the bid opening. The 60-day review period may be extended by the Chief Executive Officer with written concurrence by the affected bidders.

- i. The Agencies reserve the right to reject any or all bids and to waive any irregularity. No bid shall be binding upon the Agencies until after the contract is signed by both the contractor and the Agencies.
- j. Determination of Responsiveness. The lowest monetary bidder's bid will be evaluated by the Agencies in order to determine whether or not that bid is responsive. The term "responsive" is defined by California law, but generally means that the bid has been prepared and submitted in accordance with the requirements of the Invitation to Bid (ITB) and bid documents. These requirements shall generally include, but not be limited to, the following:
 - Proposal and Cost Proposal - with bid amounts filled in.
 - Designation of Subcontractors - including dollar amounts.
 - Designation of DBE Suppliers and DBE Subcontractors - including dollar amounts for federally funded projects.
 - Acknowledgment of Addenda.
 - Contractor's License Requirements.
 - Ability to Meet Minimum Insurance Requirements.
 - Public Contract Code 10162 Questionnaire.
 - Bidder's Bond.
 - Noncollusion Affidavit.
 - Certification of Restrictions on Lobbying (federally funded projects).
 - Disclosure of Lobbying Activities (federally funded projects).

- k. Determination of Responsibility. If the lowest monetary bidder's bid is responsive, then the bidder's qualifications will be evaluated by the Agencies to determine whether or not the bidder is responsible to perform the work required by the contract documents. The term "responsible" is defined by California law, but generally means that the bidder is able to demonstrate that it possess: (1) the capacity to perform the work required by the contract documents with respect to financial strength, resources available, and experience; and (2) the integrity and trustworthiness to complete performance of the work in accordance with the contract documents. The Agencies shall review "responsibility" of bidders based upon factors set forth below for all contracts in excess of \$500,000:

- Financial Requirements

- Contractors shall have evidence of the availability of working capital that exceeds the contract bid price by a factor of 10;
- The largest value of all work any bidding contractor has had under contract over a previous similar time frame as the subject contract shall meet or exceed the total amount bid;
- The dollar value of at least one of the previous individual contracts listed shall be at least 50 percent of the dollar value bid on the Agencies' contract; and
- The contractor shall have successfully completed contracts during the previous five years that together exceeds five times the annual value of the Agencies' contract.

- Experience Requirements

- The contractor must demonstrate organization experience on work similar to the Agencies' contract by submitting a list, covering at least the previous five years, of all projects of any type that have been completed or are under construction. The list shall contain a name, title, address, and phone number for staff to contact to verify the contract details;
- The contractor shall demonstrate individual experience by submitting a list of all officers, superintendents, and engineers who will be

involved in the Agencies' contract. These key personnel shall have at least three years' experience on contracts where the work is similar to the Agencies' contract and shall have been employed by the contractor for at least two years before the Agencies' contract bidding date. The individuals listed shall have been involved at the same level of responsibility on successfully completed contracts during the previous five years that together exceeds the value of the Agencies' contract. A resume for each individual listed shall include the name, title, address, and phone number of an individual or organization who can verify the individual's experience;

- The contractor shall submit a summary of all claims made in the last five years arising out of previous contracts listed (this summary shall include all claims by owner against bidder or bidder against owner, and the final status of each claim);
- The contractor shall state whether or not they have defaulted on a construction project within the last two years;
- The contractor shall list any violation of the Apprenticeship Requirements under a State Business and Professions Code or Labor Code found by an appropriate authority within the last two years;
- The contractor shall state whether they have been found guilty of failure to pay required prevailing wages on a public contract within the last two years;
- The contractor shall state whether they have been formally found to be a nonresponsible bidder, for reasons other than being nonresponsive, by a public agency within the last two years;
- The contractor shall list how many construction projects the bidder will be working on in conjunction with the Agencies' contract;
- The contractor shall state whether they have ever been terminated by an owner or client or

rejected from bidding in a public works project in the last five years;

- The contractor shall state whether a surety ever completed any portion of the work of the bidder's project within the last five years;
 - The contractor shall state whether the bidder, any officer of such bidder, or any employee of such bidder who has a proprietary interest in such bidder, has ever been disqualified, removed, or otherwise prevented from bidding on or completing a federal, state, or local government project because of a violation of a law or safety regulation, and if so, explain the circumstances; and
 - For all items identified above, the contractor shall provide the name of owner, title of project, contract amount, location of project, date of contract, and name of bonding company.
- Reporting Forms. In order to demonstrate that the Agencies' financial and experience requirements are met, the contractor shall submit, when requested, a standard experience questionnaire and financial statement verified under oath that shall meet the requirements adopted herein. Failure to provide accurate information relative to its financial status or experience may result in the debarment of the contractor from future work. Questionnaires and financial statements shall not be considered public records nor open for public inspection.

- I. Review of Submittals and Supplemental Information. The Agencies will make a determination of responsibility based upon information submitted by bidders, and, if necessary, interviews with previous owners, clients, design professionals, or subcontractors with whom the bidder has worked. If a nonresponsive or nonresponsible bidder submits additional evidence, then that additional evidence shall be considered by the Agencies in making the recommendation to the Board of Directors regarding determination of the lowest responsive and responsible bidder and award of the contract. The Board's decision shall be final.

m. Award or Rejection of Bids

If the Agencies find that the lowest monetary bidder submitted a responsive bid and that the bidder is responsible, then that bidder shall be deemed the apparent lowest responsive and responsible bidder. If the Agencies find that the lowest monetary bidder's bid is not responsive or that the lowest monetary bidder is not responsible, then the Agencies may review the responsiveness and responsibility of the next lowest monetary bidder. If the Director finds that the next lowest monetary bidder is responsive and responsible, then that next low bidder shall be deemed the apparent lowest responsive and responsible bidder. The Agencies may continue to review the responsiveness and responsibility of the next low monetary bidders until the lowest monetary bidder, which is also responsive and responsible, is found and deemed lowest responsive and responsible bidder. In the event that one or more low monetary bidders are found to be nonresponsive or nonresponsible, those bidders will be given notice and a reasonable opportunity to present additional evidence to the Agencies within five working days after the bidder receives the notice.

- (i) The Chief Executive Officer may award a Limited Notice to Proceed (LNTP) to the apparent lowest responsive and responsible bidder for an amount not to exceed \$250,000 prior to the award of the construction contract if he or she determines that the award of an LNTP is justified in order for work to commence promptly.
- (ii) If it is for the best interest of the Agencies, the Board of Directors may, on refusal or failure of the successful bidder to execute the contract, award it to the second-lowest, responsive and responsible bidder. If the second-lowest, responsive and responsible bidder fails to execute the contract, the Agencies may likewise award it to the third-lowest responsible bidder.
- (iii) On the failure or refusal of any bidder to execute the contract, his bidder's security shall be forfeited.
- (iv) The successful bidder must furnish a performance bond and a payment bond equal to 100 percent of the contract price. Failure to furnish the required bonds shall constitute failure to execute the contract.
- (v) The Board has the right at any time prior to award to reject any or all bids and readvertise the project.

- n. Return of Bidder's Security. The Agencies may withhold the bidder's security of the second- and third-lowest, responsive and responsible bidders until the contract has been finally executed. The Agencies shall, upon request, return cash, cashier's checks, and certified checks submitted by all other unsuccessful bidders within ten days after the contract is awarded, and their bidder's bonds shall be of no further effect.

E. Procurement of Architectural, Landscape Architectural, Engineering, Environmental, Land-Surveying Services, and Construction Project Management Services

- (i) Competitive bids of architectural, landscape architectural, engineering, environmental, land surveying, and construction project management services estimated to cost less than \$100,000 shall be procured as follows:
 - a. The Agencies shall seek a minimum of three quotations, which may be either written or oral, that would permit prices and other terms to be compared.
 - b. Contracts shall be awarded to the lowest qualified bidder or the most qualified bidder or proposer depending upon the procurement methodology utilized; i.e., price and qualifications or qualifications only.
- (ii) Competitive bids of architectural, landscape architectural, engineering, environmental, land surveying, and construction project management services estimated to cost more than \$100,000 shall be formally advertised and bid in accordance with the provisions of Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code and if federally funded in accordance with the Brooks Act.

52.3 Protests

A person who submits or who plans to submit a proposal or bid in response to a procurement solicitation may protest any acquisition conducted in accordance with this section as follows:

- A. Protests based on the content of the procurement solicitation shall be filed with the Board within ten calendar days after the procurement solicitation is first advertised. The Chief Executive Officer or his/her designee shall issue a written decision on the protest prior to opening of the procurement solicitation. A protest may be renewed by refiling the protest with the Board of Directors within 15 calendar days after the mailing of the notice of the intent to award.
- B. Any bidder may protest the intent to award on any ground not based upon the content of the procurement solicitation by filing a protest with the Board within 15 calendar days after the mailing of the notice of the intent to award.

- C. All protests shall contain a full and complete written statement specifying in detail the grounds of the protest and the facts supporting the protest. Protestors shall have an opportunity to appear and be heard before the Board prior to the opening of the procurement solicitation in the case of protests based on the content of the procurement solicitation or prior to final award in the case of protests based on other grounds or the renewal of protests based on the content of the procurement solicitation.
- D. The decision of the protest by the Board shall be in writing and constitutes a final administrative decision for purposes of judicial review pursuant to Section 1094.6 of the Code of Civil Procedure.

52.4 Procurement Special Provisions

- A. After rejecting bids received under Section 52.2 above, the Board of Directors may determine and declare, by a two-thirds vote of all of its members, that in its opinion, the supplies, equipment, or materials may be purchased at a lower price in the open market. The Agencies may then proceed to purchase these supplies, equipment, or materials in the open market without further observance of Section 52.2.
- B. After solicitation of bids under Section 52.2 above, the Board of Directors may determine and declare by a majority vote that it has not received a responsive bid. The Agencies may then proceed to purchase the supplies, equipment, or materials in the open market without further observance of Section 52.2.
- C. Upon determining that immediate remedial measures to avert or alleviate damage to, or to repair or restore damaged or destroyed property of, the Agencies are necessary in order to ensure that the facilities of the Agencies are available to serve the transportation needs of the general public or to comply with any state or federal regulation with respect to the operation of public transportation services, and upon determining that available remedial measures, including procurement in compliance with Section 52.2 is inadequate, the Chief Executive Officer may authorize the expenditure of money previously appropriated by the Board specifically for the direct purchases of goods and services without observance of Section 52.2. In such a case, the Chief Executive Officer shall submit to the Board a full report explaining the necessity for that action at the next meeting of the Board.
- D. Upon a finding by two-thirds of all members of the Board of Directors that a purchase in compliance with Section 52.2 does not constitute a method of procurement adequate for the operation of Board of Directors' facilities or equipment, the Agencies may procure prototype equipment or modifications in an amount sufficient to conduct and evaluate operational testing without further observance of Section 52.2.
- E. Notwithstanding Section 52.2, the Board of Directors may direct the purchase of any supply, equipment, or materials without observance of Section 52.2 upon a finding by two-thirds of all members of the Board of Directors that there is only a single source of procurement and that the purchase is for the

sole purpose of duplicating, repairing, or replacing supplies, equipment, or materials that are in use, including upgrades or migrations of proprietary intellectual property. For all procurements under \$100,000, the Chief Executive Office may approve sole-source procurements with appropriate documentation.

- F. Provisions in any federally funded contract concerning DBEs shall not be subject to negotiation with the successful bidder.

POLICY.52.PROCUREMENT OF GOODS & SERVICES.doc

Original Policy Enacted on 6/22/06.

Policy revised on 9/13/07.

| Policy revised on 11/18/10.



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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.

November 18, 2010

SUBJECT:

MTS: INVESTMENT REPORT – SEPTEMBER 2010

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 September 2010. The combined total of all investments has decreased by \$1.1 million in the current month attributable to a reclassification of restricted assets in the current month.

The first column provides details about investments restricted for capital improvement projects and debt service—the majority of which are related to the 1995 lease and leaseback transactions. The funds restricted for debt service are structured investments with fixed returns that will 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. The second column shows unrestricted investments, which reports the working capital for MTS operations for employee payroll and vendors' goods and services.

During September, \$10 million was transferred from the short-term investment account at Local Agency Investment Fund to provide for a scheduled payment of normal operating expenses.

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: Linda Musengo, 619.557.4531, Linda.Musengo@sdmts.com

NOV18-10.8.SEPT INVESTMT RPT.LMUSENGO.doc

Attachment: A. Investment 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.



**San Diego Metropolitan Transit System
Investment Report
September 30, 2010**

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	Average rate of return
Cash and Cash Equivalents				
Bank of America - concentration sweep account	\$ 6,490,944	\$ 15,068,092	\$ 21,559,036	0.00%
Total Cash and Cash Equivalents	<u>6,490,944</u>	<u>15,068,092</u>	<u>21,559,036</u>	
Cash - Restricted for Capital Support				
US Bank - retention trust account	2,269,756		2,269,756	N/A *
Local Agency Investment Fund (LAIF) Proposition 1B TSGP grant funds	<u>5,216,762</u>		<u>5,216,762</u>	0.50%
Total Cash - Restricted for Capital Support	<u>7,486,518</u>	<u>-</u>	<u>7,486,518</u>	
Investments - Working Capital				
Local Agency Investment Fund (LAIF) San Diego County Investment Pool		28,371,243 28,551,725	28,371,243 28,551,725	0.50%
Total Investments - Working Capital	<u>-</u>	<u>56,922,968</u>	<u>56,922,968</u>	
Investments - Restricted for Debt Service				
US Bank - Treasury Strips - market value (Par value \$39,474,000)	37,194,456	-	37,194,456	
Rabobank - Payment Undertaking Agreement	<u>83,556,240</u>	<u>-</u>	<u>83,556,240</u>	7.69%
Total Investments Restricted for Debt Service	<u>120,750,696</u>	<u>-</u>	<u>120,750,696</u>	
Total cash and investments	<u>\$ 134,728,158</u>	<u>\$ 71,991,060</u>	<u>\$ 206,719,218</u>	

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



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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.

November 18, 2010

SUBJECT:

MTS: REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM AMENDMENT

RECOMMENDATION:

That the Board of Directors forward a recommendation to the San Diego Association of Governments' (SANDAG's) Board of Directors to adopt Resolution No. 10-25 (Attachment A) approving the amendment of the Regional Transportation Improvement Program (RTIP) to remove the Transportation Development Credits and add the newly awarded Federal Transit Administration (FTA) Clean Fuels Grant in accordance with the fiscal year 2011 Capital Improvement Program recommendations.

Budget Impact

Removing the Transportation Development Credits from the RTIP has no budgetary impact on the Capital Improvement Program. The FTA Clean Fuels Grant Program award will result in a \$1,564,522 increase in the funding for Capital Improvement Program 11280 (MTS CNG Fuel Station Upgrades).

DISCUSSION:

On July 15, 2010, the MTS Board approved the use of the newly implemented Federal Highway Administration (FHWA) Transportation Development Credits as a form of local match for some Federal Transit Administration (FTA) projects. Although this program does not increase the amount of funding received, it was intended to provide for greater funding flexibility within the Capital Improvement Program.

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As of October 26, 2010, the California Department of Transportation (Caltrans) has yet to reach an agreement with the FTA on how the Transportation Development Credits will be tracked and recorded. As a result, neither entity can guarantee the availability of the credits as a form of local match for the federal funds currently programmed in the approved RTIP. The unknown status of the Transportation Development Credits is prohibiting the completion of the federal grant application for the FY 2011 Capital Improvement Program.

On November 4, 2010, the FTA awarded \$1,564,522 from the Clean Fuels Grant Program for the replacement of the existing compressed natural gas fuel compressors at the South Bay Maintenance Facility location (Capital Improvement Program 11280). This grant award is a result of a competitive FTA grant program to help fund environmentally sustainable transit projects around the United States.

In order to move forward with the FY 2011 Capital Improvement Program grant process, MTS staff recommends that the Transportation Development Credits be removed and the newly awarded FTA Clean Fuels Grant be added to the FY 2010 RTIP. These recommended adjustments to the RTIP would allow MTS to complete the pending and newly awarded federal grant applications in a more appropriate time line.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Lisa Fowler, 619.557.4510, lisa.fowler@sdmts.com

NOV18-10.9.RTIP AMDMT REMOVE TDC.LFOWLER.doc

Attachment: A. Resolution No. 10-25

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 10-25

Resolution Approving Fiscal Year 2010
Regional Transportation Improvement Program Amendment

WHEREAS, MTS staff has analyzed removing the Transportation Development Credits from the Regional Transportation Improvement Program and found that removing the Transportation Development Credits from the Regional Transportation Improvement Program is in the best interest of MTS, so that the FY 2011 federal grant application for the FY 2011 Capital Improvement Program can be completed; NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board of Directors forward a recommendation to the San Diego Association of Governments Board of Directors to request approval of the FY 2010 Regional Transportation Improvement Program to no longer include the Federal Highway Administration Transportation Development Credits as a form of local match for Federal Transit Administration projects. Removing the Transportation Development Credits from the Regional Transportation Improvement Program has no budgetary impact on the capital improvement program.

PASSED AND ADOPTED by the Board of Directors this _____ day of November 2010 by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

Chairperson
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

Clerk of the Board
San Diego Metropolitan Transit System

Office of the General Counsel
San Diego Metropolitan Transit System



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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.

LEG 430

November 18, 2010

SUBJECT:

MTS: SEMIANNUAL UNIFORM REPORT OF DISADVANTAGED BUSINESS
ENTERPRISE AWARDS OR COMMITMENTS AND PAYMENTS

RECOMMENDATION:

That the Board of Directors receive the Semiannual Uniform Report of Disadvantaged Business Enterprise (DBE) Awards or Commitments and Payments (Attachment A).

Budget Impact

None.

DISCUSSION:

As a Federal Transit Administration (FTA) grantee, MTS complies with the federal regulations set forth in Title 49 of the Code of Federal Regulations Part 26 regarding participation by DBEs in the U.S. Department of Transportation (DOT) Program. The DBE regulations require FTA grantees to prepare DBE goals based upon the number of ready, willing, and able DBE-certified contractors available to bid on certain categories of MTS capital projects. The second component of the DBE regulations requires MTS to prepare a triennial DBE program. The program outlines how MTS ensures that DBE contractors have an equal opportunity to receive and participate in DOT-assisted contracts.

The goals of the program are:

1. to ensure nondiscrimination in the award and administration of DOT-assisted contracts;
2. to create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. to ensure that the DBE program is narrowly tailored in accordance with applicable law;
4. to ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
5. to help remove barriers to the participation of DBEs in DOT-assisted contracts;
6. to assist the development of firms that can compete successfully in the marketplace outside of the DBE program; and
7. to provide appropriate flexibility to recipients of federal financial assistance in establishing and providing opportunities for DBEs.

The FTA also recommends that grantees perform a disparity study to analyze the actual utilization of minority- and women-owned contractors, the current market conditions, and any barriers to participation in FTA-funded contracts on a regular basis (generally every 5 to 10 years). In April of this year, the Board received the results of the study and adopted a new three-year goal that includes participation from DBEs and other business groups, such as Minority-Owned Business Enterprises (MBE), Women-Owned Business Enterprises (WBE), Veteran-Owned Business Enterprises (VDBE), and Certified Small Business Enterprises (SBE). The overall goal for participation by all of these groups is 12.6%; however, *MTS may only count certified DBE participation on federally funded contracts when submitting its semiannual DBE reports to the FTA.*

Original Fiscal Year 2010 DBE Goals

DBE goals are developed in accordance with federal regulations set forth in Title 49 of the Code of Federal Regulations Part 26, Participation by DBE in the U.S. Department of Transportation Program. Goals for FY 10 were developed by MTS's outside consultant, Gonzalez-White Consulting Services, and were originally approved by the Board at its September 24, 2009, meeting.

The following MTS projects were eligible for participation in DBE goal-setting:

MTS FTA FY09-10 BUDGETED CONTRACTS		
PROJECT NO.	PROJECT DESCRIPTION	FY09-10 BUDGET
MINOR CONSTRUCTION		
11183	SDTI Cross Tie Procurement	224 000
11213	SDTC KMD Building Improvements	106 000
11253	MCS South Bay Division Gas Detection System	120 000
11255	Broadway Wye Switch Machines	600 000
11260	Training Center Rehab	4 500
11273	El Cajon Transit Center	38 900
	Total Construction	1,093,400
PROFESSIONAL, SCIENTIFIC AND TECHNICAL SERVICES		
11165	LRV Paint and Body Rehab	440 000
11184	Bus Video Cameras	1,122 200
11192	IT Elipse Financial System	280 000
11206	Rail Profile Grinding	280 000
11214	LRV HVAC Overhaul	1 420 000
11219	LRV Propulsion Components	227 200
11241	IT Network Infrastructure	40 000
11254	LRV Brake Overhaul	280 000
11263	Signal Event Recorder Upgrade	62 400
11274	Haslop Module for Planning Hastus Program	62 800
11275	LRV Traction Motor Disconnects	220 000
11276	SDTI Ticket Vending Equipment (TVM)	400 000
	Total Services	4,834,600
WHOLESALE DURABLE GOODS		
11162	Organizational Desklaps	176 200
11167	LRV Tires	392 800
11250	CVT 40 FT CNG BUSES (2)	62 500
11251	LRV Gearbox Overhaul parts	1 200 000
11240	SDTC Support Equipment	84 500
11252	LRV Blower Motor Overhaul	80 000
	Total Wholesale Durable Goods	1,996,000
	Total Budgeted Contracts FY09-10	7,924,000

The original FTA DBE FY 10 goals were as follows:

<u>Category</u>	<u>Proposed Goal</u>
▪ Construction/Special Trades	0.77 percent
▪ Services	0.85 percent
▪ Durable Goods	<u>0.10 percent</u>

Total Goal: 1.72%

These goals were based upon total budgeted expenditures of \$1,093,400 for construction contracts, \$4,834,600 for service contracts, and \$1,996,000 for durable goods. By way of comparison, the FY 09 FTA DBE goals were .45 percent for construction based upon budgeted expenditures of \$427,200, 1.06 percent for services based upon budgeted expenditures of \$2,616,600, and .15 percent for durable goods based upon budgeted expenditures of \$636,600.

On March 5, 2010, the FTA issued revisions for 49 C.F.R. § 26.45(e) and (f), which now require grantees to submit DBE goals every three years rather than annually. Based upon these new regulations, the Board adopted the revised DBE goal that was the result of the MTS Disparity Study for a three-year period consistent with the new FTA regulations. The new FTA DBE goal is 12.6% and remains in effect through June 30, 2012.

Summary of Semiannual DBE Report Findings

The FTA semiannual reporting period runs from April 1, 2010, through September 30, 2010. There were a total of 160 contracts that were entered into during the reporting period, and 85 contracts that were completed during the reporting period. The following table summarizes the participation of certified business entities:

	CONTRACTS EXECUTED	AMOUNT
Total Contracts	160	\$226,072,414
DBE Contracts	3	\$ 100,000
MBE Contracts	2	\$ 64,261
WBE Contracts	2	\$ 2,856,987
VDBE Contracts	1	\$ 74,059
SBE Contracts	5	\$ 744,951
TOTAL BE Participation:		\$3,840,258¹
Percentage of BE Participation:		1.65%²

DBE	MBE	WBE	VDBE	SBE	Amount
Auriga	Auriga			Auriga	12,000
CDA			Dick Miller, Inc.	Dick Miller, Inc.	53,000
					74,059
				Electro Specialty	658,892
		Kobey Corporation			2,831,987
	Neal Electric				52,261
Opper & Varco					35,000
		Sohagi Law Group			25,000
TOTAL					\$3,742,199

	CONTRACTS COMPLETED	AMOUNT
Total Contracts	85	8,343,061
DBE Contracts	1	\$12,000
MBE Contracts	2	\$341,210
WBE Contracts	1	\$186,000
VDBE Contracts	0	0
SBE Contracts	2	\$90,949
TOTAL BE Participation:		\$630,1593
Percentage of BE Participation		3.94%⁴

¹ Includes participation for each group, which results in some double counting of contract participation. For example, Auriga's participation is counted for DBE, MBE, and SBE.

² Percentage of BE participation calculated by taking total value of BE contracts (\$3,742,199) and dividing it by total value of all contracts in reporting period (\$226,072,414).

³ Includes participation for each group, which results in some double counting of contract participation. For example, Auriga's participation is counted for DBE, MBE, and SBE.

⁴ Percentage of BE participation calculated by taking total value of BE contracts (\$329,210) and dividing it by total value of all contracts in reporting period (\$8,343,061).

DBE	MBE	WBE	VDBE	SBE	Amount
Auriga	Auriga			Auriga	12,000
				Electro Specialty	78,949
		Kobey Corporation			186,000
	Neal Electric				52,261
TOTAL					\$329,210

For FTA reporting purposes, MTS may only count participation from vendors that are registered as DBEs doing business in the State of California whose contracts were awarded during the reporting period. A list of the contracts eligible for participation is set forth above.

Counting only federally funded contracts and certified DBEs, MTS had the following participation statistics:

	CONTRACTS EXECUTED	AMOUNT
Total FTA Contracts	37	\$170,218,393
DBE Contracts	1	\$12,000
TOTAL DBE Participation:		\$12,000
Percentage of DBE Participation:		.007%

	CONTRACTS COMPLETED	AMOUNT
Total FTA Contracts	22	\$19,397,031
DBE Contracts	1	\$12,000
TOTAL DBE Participation:		\$12,000
Percentage of DBE Participation:		.06%

The second semiannual report was submitted by MTS to the California Department of Transportation's (Caltrans') program representative and the FTA on October 22, 2010, for the reporting period of April 1, 2010, to September 30, 2010 (Attachment A). Staff is requesting that the Board review and receive the first semiannual FTA report for federal fiscal year 10/11.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tiffany Lorenzen, 619.557.4512, tiffany.lorenzen@sdmts.com

NOV18-10.10.SEMIANNUAL DBE REPORT.TLOREN.doc

Attachment: A. Semiannual FTA DBE Report 4/1/10 - 9/30/10

DISADVANTAGED BUSINESS ENTERPRISE PROGRAM REPORTING FORM

ACTUAL PAYMENTS (Vendor Payment Record)

Att. A,
AI 10,
11/18/10

All subrecipients of the Federal Transit Administration Federally-funded Caltrans Division of Mass Transportation administered programs under Sections 5310, 5311, ARRA 5311, 5316 and 5317 must report ALL DBE contracting opportunities.

A. Subrecipient: San Diego Metropolitan Transit System

B. DBE Liaison Officer Name and Phone #: Tiffany Lorenzen 619.557.4512

C. Date: October 15, 2010

D. ☐ Report due April 15 for the period October 1 to March 31 ☒ Report due October 15 for the period April 1 to September 30

E.	F.	G.	H.	I.	J.	K.	L.	M.	N.
Identify Grant Program Section (5310, 5311, ARRA 5311, 5316, 5317)	Caltrans Agreement Number	Caltrans Agreement Amount	Contractor/ Subcontractor/Vendor	Type of Contract	DBE Y/N	If yes, Identify Ethnicity & Gender	DBE Cert Number http://www.dot.ca.gov/hq/bep/fin_d_certified.htm	Contract/ Subcontract Amount	Local Share
			BRODING BATTERY WARHOUSE	Materials	N			\$271,460.00	
			Michelin North America	Materials	N			\$93,712.00	
			Fire Hawk Fire Safety	Services	N			\$31,483.00	
Medi-Cal	n/a		First Transit	Services	N			\$4,234,950.00	
			Motorola	Services	Y			\$737,846.00	
Medi-Cal	n/a		First Transit	Services	Y			\$6,588,485.00	
5316	n/a - FTA Grant		Giro, Inc.	Services	N			\$2,784.00	
			A to Z Enterprises	Services	N			\$71,300.00	
			Neal Electric	Construction	N			\$52,261.00	
			Dapco Technology	Services	N			\$22,400.00	
TSGP	n/a		Electro Specialty Systems	Services	N			-\$7,583.00	
TSGP	n/a		Electro Specialty Systems	Services	N			\$86,531.00	
			Auriga Corporation	Services	Y	Asian Americ	31943	\$12,000.00	
5307	n/a		Altec Industries	Materials	N			\$264,938.00	
			Heritage Security Services	Services	N			\$100,000.00	
			Sloan Electric	Construction	N			\$32,000.00	
			United Transmission Exchange	Materials	N			\$2,331,854.00	
5307, 5309	n/a		Sloan Electric	Materials	N			\$356,198.00	
			Ikon Office Solutions	Services	N			\$6,950.00	
			NMS Management	Services	N			\$897,575.00	
			Cummins California Pacific	Materials	N			\$3,145,591.00	
			Washington Infrastructure Services	Services	N			\$40,296.00	
				Sub-Total Number of Yes DBE's	1		Sub-Total Amount of Yes DBE's	\$12,000.00	
				Sub-Total Number of No DBE's	20		Sub-Total Amount of No DBE's	\$19,385,031.00	
				GRAND TOTAL	21		GRAND TOTAL	\$19,397,031.00	\$0.00

Ethnicity and Gender Legend:

- 1) Black American 2) Hispanic American
- 3) Native American 4) Subcont. Asian American
- 5) Asian-Pacific American 6) Women



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490
(619) 231-1466 • FAX (619) 234-3407

Agenda

Item No. 11

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

November 18, 2010

SUBJECT:

MTS: BRAKE AND AXLE-RELATED ITEMS - CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute multiple five-year contracts in response to MTS Doc. No. B0533.0-10 (in substantially the same format as Attachments A-F) to the following contractors that were the lowest responsive, responsible bidders in their respective groups for brake and axle-related items.

1. Truck Trailer Transit/Axle Tech - Group A (Brake and Planetary Kits) MTS Doc. No. B0545.0-11 (Attachment A);
2. Mohawk Mfg. & Supply Co. - Group B (Bendix Air Brake Parts) MTS Doc. No. B0546.0-11 (Attachment B);
3. San Diego Friction Products, Inc. (Wetmore's) - Group C (Brake Drums and Rotors) MTS Doc. No. B0547.0-11 (Attachment C);
4. North American Bus Industries - Group D (Brake Linings and Disc Brake Pads) MTS Doc. No. B0548.0-11 (Attachment D);
5. New Flyer Industries, Inc. - Group E (Shocks) MTS Doc. No. B0549.0-11 (Attachment E);
6. Neopart, LLC - Group F (Air Suspension) MTS Doc. No. B0550.0-11 (Attachment F).

Budget Impact

Funds for these contracts are allocated under the MTS Bus Maintenance budget (312/322-54510), which uses 80% federal funds and 20% local funds.

1. Truck Trailer Transit/Axle Tech - Group A (Brake and Planetary Kits) at a total contract amount not to exceed \$249,209.43;
2. Mohawk Mfg. & Supply Co. - Group B (Bendix Air Brake Parts) at a total contract amount not to exceed \$109,764.04;
3. San Diego Friction Products, Inc. (Wetmore's) for Group C (Brake Drums and Rotors) at a total contract amount not to exceed \$222,045.32;
4. North American Bus Industries - Group D (Brake Linings and Disc Brake Pads) at a total contract amount not to exceed \$202,838.76;
5. New Flyer Industries, Inc. - Group E (Shocks) at a total contract amount not to exceed \$178,378.44;
6. Neopart, LLC - Group F (Air Suspension) at a total contract amount not to exceed \$124,892.42.

DISCUSSION:

MTS Policy No. 52 governing procurement of goods and services requires a formal competitive bid process for procurements exceeding \$100,000.

All of the brake and axle-related items specified in Invitation for Bids (MTS Doc. No. B0533.0-10) are used by the MTS Bus Maintenance Department to make bus repairs and are inventoried at both MTS Bus operating divisions (IAD/KMD). This solicitation was divided into six separate groups or parts categories to stimulate as much competition as possible:

1. Group A - Brake and Planetary Kits
2. Group B - Bendix Air Brake Parts
3. Group C - Brake Drums and Rotors
4. Group D - Brake Lining and Disc Brake Pads
5. Group E - Shocks
6. Group F - Air Suspension

Participants were allowed to bid on all groups, a combination of groups, or a single group. Bidders were asked to provide pricing for each part group in its entirety. The solicitation required that bid prices be fixed for the five-year period of the contract. The Maintenance Department's estimated annual usage was the multiplier used to evaluate and award the contract, but its actual usage may be more or less than estimated. Each contract is for a five-year period.

On August 13, 2010, MTS issued an Invitation for Bids to interested parties for brake and axle-related items for a five-year period. Bids were opened on September 29, 2010, and the following summarizes the results for each group (see Bid Summary – Attachment G).

1. Group A – Brake and Planetary Kits

Five bids were received for this group of which three were found technically nonresponsive. NABI did not bid this group in its entirety and did not meet the Buy America requirements. New Flyer Industries rescinded its bid due to a clerical error. MCI's bid was missing various required forms and did not meet the Buy America requirements. Truck Trailer Transit/Axle Tech is the lowest responsive, responsible bidder at \$249,209.43.

2. Group B – Bendix Air Brake Parts

Ten bids were received for this group of which four did not meet the Buy America requirements; therefore, the bids were found to be nonresponsive. Mohawk Mfg. is the lowest responsive, responsible bidder at \$109,764.04.

3. Group C – Brake Drums and Rotors

Ten bids were received for this group of which three bids were found nonresponsive due to missing forms or not meeting the Buy America requirements. San Diego Friction Products, Inc. is the lowest responsive, responsible bidder at \$222,045.32.

4. Group D – Brake Linings and Disc Brake Pads

This group received a total of nine bids. None of the nine bids met the Buy America requirements. MTS has requested a general waiver according to 49 C.F.R., Section 661.7 (c). Under the provision of Section 165(b)(4) of the Act, the Administrator may waive the general requirements if the Administrator finds that the materials for which a waiver is requested are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality. Therefore, under this provision the Group D, Brake Linings and Disc Brake Pads qualifies for a general waiver from the Federal Transit Administration (FTA). North American Bus Industries (NABI) is the lowest bidder at \$202,838.76.

MTS has applied for the general waiver from the FTA and expects to receive approval of this waiver in the next few weeks. Therefore, staff is requesting approval of this contract award for Group D contingent upon the receipt of an FTA-approved waiver.

5. Group E - Shocks

Six bids were received for this group of which three bids were found nonresponsive due to missing forms and not bidding this group in its entirety. The remaining three bids did not meet the Buy America requirements.


Therefore, MTS has requested a general waiver according to 49 C.F.R., Section 661.7 (c). Under the provision of Section 165(b)(4) of the Act, the Administrator may waive the general requirements if the Administrator finds that the materials for which a waiver is requested are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality. Therefore, under this provision the Group E, Shocks qualifies for a general waiver from the FTA. New Flyer Industries is the lowest bidder at \$178,378.44.

MTS has applied for the general waiver from the FTA and expects to receive approval of this waiver in the next few weeks. Therefore, staff is requesting approval of this contract award for Group E contingent upon the receipt of an FTA-approved waiver.

6. Group F – Air Suspension

This group received nine bids. Three of the nine bids were found nonresponsive and did not meet the Buy America requirements. The remaining six bids meet the Buy America requirements. Neopart LLC is the lowest responsive, responsible bidder in this group at \$124,892.42.

Therefore, pursuant to MTS policy, staff recommends award of contracts to the above-mentioned contractors.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Ray Thompson, 619.238.0100, Ext. 6504, ray.thompson@sdmts.com

Attachments: A. MTS Doc. No. B0545.0-11 – Truck Trailer Transit/Axle Tech
B. MTS Doc. No. B0546.0-11 – Mohawk Mfg. & Supply Co.
C. MTS Doc. No. B0547.0-11 – San Diego Friction Products (Wetmore's)
D. MTS Doc. No. B0548.0-11 – North American Bus Industries (NABI)
E. MTS Doc. No. B0549.0-11 – New Flyer Industries CANADA
F. MTS Doc. No. B0550.0-11 – Neopart, LLC
G. Bid Summary

STANDARD PROCUREMENT AGREEMENT

DRAFT

B0545.0-11
 CONTRACT NUMBER
 OPS 960.2
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2010, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Truck Trailer Transit, A Division of Axle Tech Address: 1400 Rochester Road

Form of Business: Corporation Troy, MI 48083
 (Corporation, partnership, sole proprietor, etc.)

Telephone: 248-658-7255

Authorized person to sign contracts: Kent Fairless Sales Manager - Transit
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Provide brake and planetary kits (Group A) to MTS Bus as stipulated in MTS's Invitation for Bids (IFB) for the Brake and Axle-Related Items IFB, MTS Doc. No. B0533.0-10; including MTS's Responses to Written Questions and Clarifications/RFAs, Addenda 1, 2, 3, 4, and 5; and in accordance with the Standard Procurement Agreement, including the Standard Conditions Procurement, Federal Requirements, Safety Department's SOP (SAF-016), and Truck Trailer Transit/Axle Tech International's Bid Proposal dated 9/29/10. If there are inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract:

1. MTS's Brake and Axle-Related Items IFB, MTS's Responses to Written Questions/Clarifications, Addenda 1, 2, 3, 4, and 5, and Truck Trailer Transit/Axle Tech International's Bid Proposal dated 9/29/10.
2. Standard Procurement Agreement (including the Standard Conditions Procurement) and Federal Requirements.

The total cost of this contract shall not exceed \$249,209.43. Payment terms shall be net 30 days from invoice approval date. This contract shall remain in effect for five full years (December 1, 2010, through November 30, 2015).

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____ Signature
By: _____ Office of General Counsel	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$249,209.43	312/322-54510	11-16

By: _____ Date
 Chief Financial Officer

STANDARD PROCUREMENT AGREEMENT

DRAFT

B0546.0-11
 CONTRACT NUMBER
 OPS 960.2
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2010, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Mohawk Mfg. & Supply Co. Address: 7200 N. Oak Park Ave.

Form of Business: Corporation Niles, IL 60714
 (Corporation, partnership, sole proprietor, etc.)

Telephone: 800.323.7652

Authorized person to sign contracts: Thomas J. Brown Marketing Manager
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Provide Bendix air brake parts (Group B) to MTS Bus as stipulated in MTS's Invitation for Bids (IFB) for the Brake and Axle-Related Items IFB, MTS Doc. No. B0533.0-10; including MTS's Responses to Written Questions and Clarifications/RFAs, Addenda 1, 2, 3, 4, and 5; and in accordance with the Standard Procurement Agreement, including the Standard Conditions Procurement, Federal Requirements, Safety Department's SOP (SAF-016), and Mohawk Mfg.'s Bid Proposal dated 9/29/10. If there are inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract:

1. MTS's Brake and Axle-Related Items IFB, MTS's Responses to Written Questions/Clarifications, Addenda 1, 2, 3, 4, and 5, and Mohawk Mfg.'s Bid Proposal dated 9/29/10.
2. Standard Procurement Agreement (including the Standard Conditions Procurement) and Federal Requirements.

The total cost of this contract shall not exceed \$109,764.04. Payment terms shall be net 30 days from invoice approval date. This contract shall remain in effect for five full years (December 1, 2010, through November 30, 2015).

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____ Signature
By: _____ Office of General Counsel	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$109,764.04	312/322-54510	11-16

By: _____ Date
 Chief Financial Officer

STANDARD PROCUREMENT AGREEMENT

DRAFT

B0547.0-11
 CONTRACT NUMBER
 OPS 960.2
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2010, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: San Diego Friction Products, Inc.Address: 455 16th Street

Form of Business: Corporation
 (Corporation, partnership, sole proprietor, etc.)

San Diego, CA 92101

Telephone: 619.232.9164

Authorized person to sign contracts: Elden J. Woldt President
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Provide brake drums and rotors (Group C) to MTS Bus as stipulated in MTS's Invitation for Bids (IFB) for the Brake and Axle-Related Items IFB, MTS Doc. No. B0533.0-10; including MTS's Responses to Written Questions and Clarifications/RFAs, Addenda 1, 2, 3, 4, and 5; and in accordance with the Standard Procurement Agreement, including the Standard Conditions Procurement, Federal Requirements, Safety Department's SOP (SAF-016), and San Diego Friction's Bid Proposal dated 9/29/10. If there are inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract:

1. MTS's Brake and Axle-Related Items IFB, MTS's Responses to Written Questions/Clarifications, Addenda 1, 2, 3, 4, and 5, and San Diego Friction's Bid Proposal dated 9/29/10.
2. Standard Procurement Agreement (including the Standard Conditions Procurement) and Federal Requirements.

The total cost of this contract shall not exceed \$222,045.32. Payment terms shall be net 30 days from invoice approval date. This contract shall remain in effect for five full years (December 1, 2010, through November 30, 2015).

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____ Signature
By: _____ Office of General Counsel	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$222,045.32	312/322-54510	11-16

By: _____
 Chief Financial Officer Date

STANDARD PROCUREMENT AGREEMENT

DRAFT

B0548.0-11
 CONTRACT NUMBER
 OPS 960.2
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2010, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: North American Bus Industries Address: 1275 South Houk Road
 Form of Business: Corporation Delaware, OH 43015
 (Corporation, partnership, sole proprietor, etc.)
 Telephone: 740.368.7934

Authorized person to sign contracts: Mary Stacklin Contract Analyst
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Provide brake linings and disc brake pads (Group D) to MTS Bus as stipulated in MTS's Invitation for Bids (IFB) for the Brake and Axle-Related Items IFB, MTS Doc. No. B0533.0-10; including MTS's Responses to Written Questions and Clarifications/RFAs, Addenda 1, 2, 3, 4, and 5; and in accordance with the Standard Procurement Agreement, including the Standard Conditions Procurement, Federal Requirements, Safety Department's SOP (SAF-016), and North American Bus Industries' Bid Proposal dated 9/29/10. If there are inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract:

1. MTS's Brake and Axle-Related Items IFB, MTS's Responses to Written Questions/Clarifications, Addenda 1, 2, 3, 4, and 5, and North American Bus Industries' Bid Proposal dated 9/29/10.
2. Standard Procurement Agreement (including the Standard Conditions Procurement) and Federal Requirements.

The total cost of this contract shall not exceed \$202,838.76. Payment terms shall be net 30 days from invoice approval date. This contract shall remain in effect for five full years (December 1, 2010, through November 30, 2015).

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____ Signature
By: _____ Office of General Counsel	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$202,838.76	312/322-54510	11-16

By: _____ Date
 Chief Financial Officer

STANDARD PROCUREMENT AGREEMENT

DRAFT

B0549.0-11
 CONTRACT NUMBER
 OPS 960.2
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2010, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: New Flyer Industries CanadaAddress: 25 DeBaets Street

Form of Business: Corporation
 (Corporation, partnership, sole proprietor, etc.)

Winnipeg, MB R2J4G5 CANADA

Telephone: 800.665.2637

Authorized person to sign contracts: Paul Smith President and C.E.O.
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Provide shocks (Group E) to MTS Bus as stipulated in MTS's Invitation for Bids (IFB) for the Brake and Axle-Related Items IFB, MTS Doc. No. B0533.0-10; including MTS's Responses to Written Questions and Clarifications/RFAs, Addenda 1, 2, 3, 4, and 5; and in accordance with the Standard Procurement Agreement, including the Standard Conditions Procurement, Federal Requirements, Safety Department's SOP (SAF-016), and New Flyer Industries' Bid Proposal dated 9/29/10. If there are inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract:

1. MTS's Brake and Axle-Related Items IFB, MTS's Responses to Written Questions/Clarifications, Addenda 1, 2, 3, 4, and 5, and New Flyer Industries' Bid Proposal dated 9/29/10.
2. Standard Procurement Agreement (including the Standard Conditions Procurement) and Federal Requirements.

The total cost of this contract shall not exceed \$178,378.44. Payment terms shall be net 30 days from invoice approval date. This contract shall remain in effect for five full years (December 1, 2010, through November 30, 2015).

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____
By: _____ Office of General Counsel	Signature
	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$178,378.44	312/322-54510	11-16

By: _____
 Chief Financial Officer Date

STANDARD PROCUREMENT AGREEMENT

DRAFT

B0550.0-11
 CONTRACT NUMBER
 OPS 960.2
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2010, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Neopart, LLCAddress: 5051 Horseshoe Pk.

Form of Business: Corporation
 (Corporation, partnership, sole proprietor, etc.)

Honeybrook, PA 19344

Telephone: 610.518.7575

Authorized person to sign contracts: P. Gendall President
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Provide air suspension (Group F) to MTS Bus as stipulated in MTS's Invitation for Bids (IFB) for the Brake and Axle-Related Items IFB, MTS Doc. No. B0533.0-10; including MTS's Responses to Written Questions and Clarifications/RFAs, Addenda 1, 2, 3, 4, and 5; and in accordance with the Standard Procurement Agreement, including the Standard Conditions Procurement, Federal Requirements, Safety Department's SOP (SAF-016), and Neopart, LLC's Bid Proposal dated 9/29/10. If there are inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract:

1. MTS's Brake and Axle-Related Items IFB, MTS's Responses to Written Questions/Clarifications, Addenda 1, 2, 3, 4, and 5, and Neopart, LLC's Bid Proposal dated 9/29/10.
2. Standard Procurement Agreement (including the Standard Conditions Procurement) and Federal Requirements.

The total cost of this contract shall not exceed \$124,892.42. Payment terms shall be net 30 days from invoice approval date. This contract shall remain in effect for five full years (December 1, 2010, through November 30, 2015).

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____ Signature
By: _____ Office of General Counsel	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$124,892.42	312/322-54510	11-16

By: _____
 Chief Financial Officer Date



Att. G, AI 11, 11/18/10

Purchasing Department
1255 Imperial Ave., Suite 1000
San Diego, CA 92101
619.231.1466 FAX 619.696.7084

BID SUMMARY

BRAKE AND AXLE RELATED ITEMS IFB MTS DOC. NO. B0533.0-10

GROUP A - Brake & Planetary Kits		
COMPANY NAME	BID AMOUNT	Meets Buy America Requirements
North American Bus Industries (NABI)	\$ 56,704.59	N
New Flyer Industries	\$ 178,805.91	Y
Truck Trailer Transit/Axle Tech	\$ 249,209.43	Y
American Moving Parts	\$ 284,862.58	Y
MCI	\$ 636,370.15	N

GROUP A

- Truck Trailer Transit/Axle Tech is the lowest responsive, responsible bidder in this group.
- North American Bus Industries (NABI) did not bid this group in its entirety; therefore, it was found "non-responsive."
- New Flyer Industries rescinded its bid in this group due to a clerical error; therefore, it was found "non-responsive."
- MCI was missing various forms and did not meet the Buy America requirements in this group; therefore, it was found "non-responsive."

GROUP B - Bendix Air Brake Parts		
COMPANY NAME	BID AMOUNT	Meets Buy America Requirements
Mohawk Mfg. & Supply Co.	\$ 109,764.04	Y
SD Friction Products	\$ 179,495.91	Y
E-W Truck	\$ 197,661.61	Y
American Moving Parts	\$ 202,468.85	Y
Gillig	\$ 230,572.08	N
North American Bus Industries (NABI)	\$ 242,665.57	N
Muncie	\$ 293,601.95	Y
Neopart, LLC	\$ 298,809.06	N
New Flyer Industries	\$ 299,989.38	N
Pecks Heavy Friction	\$ 347,254.74	Y



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.

GROUP B

- Mohawk Mfg. & Supply Co. is the lowest responsive, responsible bidder in this group.
- Gillig, Neopart, and New Flyer Industries did not meet the Buy America requirements in this group; therefore, the bids were found "non-responsive."
- North American Bus Industries (NABI) did not bid this group in its entirety and did not meet the Buy America requirements; therefore, its bid was found "non-responsive."
- MCI was missing various forms; therefore, its bid was found "non-responsive."

GROUP C - Brake Drums and Rotors		
COMPANY NAME	BID AMOUNT	Meets Buy America Requirements
New Flyer Industries	\$ 185,025.02	N
SD Friction Products	\$ 222,045.32	Y
MCI	\$ 242,143.78	Y
Neopart, LLC	\$ 249,095.52	Y
Gillig	\$ 252,534.74	Y
American Moving Parts	\$ 262,046.61	Y
Muncie	\$ 314,687.27	Y
Pecks Heavy Friction	\$ 339,292.44	Y
North American Bus Industries (NABI)	\$ 341,771.02	Y
E-W Truck	\$ 368,085.53	Y

GROUP C

- **SD Friction Products** is the lowest responsive, responsible bidder in this group.
- New Flyer Industries did not meet the Buy America requirements in this group; therefore, its bid was found "non-responsive."
- MCI was missing various forms; therefore, its bid was found "non-responsive."
- E-W Truck did not submit the correct bid forms; therefore, its bid was found "non-responsive."

GROUP D - Brake Linings and Disc Brake Pads		
COMPANY NAME	BID AMOUNT	Meets Buy America Requirements
North American Bus Industries (NABI)	\$ 202,838.76	N
San Diego Friction Products-Wetmore's	\$ 214,169.71	N
New Flyer Industries	\$ 233,138.58	N
Gillig	\$ 235,784.79	N
American Moving Parts	\$ 243,250.59	N
Pecks Heavy Friction	\$ 251,112.67	N
Neopart, LLC	\$ 259,140.92	N
MCI	\$ 247,227.26	N
Muncie	\$ 280,703.65	N

GROUP D

- None of the nine bidders in this group meet the Buy America requirements. MTS submitted a general waiver according to 49 C.F.R. Section 661.7 (c). Under the provision of Section 165(b)(4) of the Act, this group qualifies for a general waiver. **Contract award to North American Bus Industries (NABI), who is the lowest bidder in this group, is contingent upon receipt of an FTA approved waiver.**

GROUP E - Shocks		
COMPANY NAME	BID AMOUNT	Meets Buy America Requirements
SD Friction Products	\$ 30,659.82	N
American Moving Parts	\$ 35,895.66	N
New Flyer Industries	\$ 178,378.44	N
North American Bus Industries (NABI)	\$ 209,467.29	N
Muncie	\$ 244,041.80	N
MCI	\$ 261,401.89	N

GROUP E

- None of the bidders in this group meet the Buy America requirements. MTS submitted a general waiver according to 49 C.F.R. Section 661.7 (c). Under the provision of Section 165(b)(4) of the Act, this group qualifies for a general waiver. **Contract award to New Flyer Industries, who is the lowest bidder in this group, is contingent upon receipt of an FTA approved waiver.**
- SD Friction and American Moving Parts did not bid this group in its entirety; therefore, the bids were both found "non-responsive."
- MCI was missing various forms; therefore, its bid was found "non-responsive."

GROUP F – Air Suspension		
COMPANY NAME	BID AMOUNT	Meets Buy America Requirements
North American Bus Industries (NABI)	\$ 115,576.02	N
Neopart, LLC	\$ 124,892.42	Y
Mohawk Mfg. & Supply Co.	\$ 126,624.51	Y
Muncie	\$ 131,973.35	Y
New Flyer Industries	\$ 136,718.33	Y
Gillig	\$ 140,907.38	N
SD Friction Products	\$ 150,723.49	Y
MCI	\$ 158,642.98	N
Pecks Heavy Friction	\$ 308,975.72	Y

GROUP F

- **Neopart, LLC is the lowest responsive, responsible bidder in this group.**
- North American Bus Industries (NABI), Gillig and MCI did not meet the Buy America requirements in this group; therefore, the bids were found "non-responsive."



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Agenda

Item No. 12

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

November 18, 2010

SUBJECT:

MTS: PAYROLL AND HUMAN RESOURCES INFORMATION SYSTEM – CONTRACT
AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1355.0-11 (in substantially the same form as Attachment A) with Automatic Data Processing (ADP) Incorporated to provide payroll and human resources services.

Budget Impact

The contract with ADP covering initial implementation and 5 years of payroll and human resource services would not exceed \$1,938,895 (MTS General Services [902 53910]).

ADP Contact Estimated Annual Budget Impact	
Implementation	\$ 285,475
Year 1	\$ 330,684
Year 2	\$ 330,684
Year 3	\$ 330,684
Year 4	\$ 330,684
Year 5	\$ 330,684
TOTAL BASE CONTRACT	\$ 1,938,895

DISCUSSION:

Background

A Request for Proposals (RFP) to provide payroll processing and a human resources information system was issued on March 1, 2007. On April 10, 2007, two proposals were received in response to the RFP (ADP and Ingentra HR Services). The Procurement Department reviewed the two proposals for responsiveness and responsibility and presented them to an evaluation committee consisting of representatives from the MTS Information Technology, Finance, Payroll, Human Resources, and Procurement Departments who rated all of the proposals received.

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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.

Utilizing careful consideration, the evaluation committee conducted several rounds of oral interviews and system demonstrations and performed a final rating on the two firms.

The evaluation criteria were scored on four components, and their respective rates are:

- | | | |
|----|---|-----|
| 1. | Qualifications and Technical Experience | 20% |
| 2. | Staffing, Project Organization, and Management Plan | 20% |
| 3. | Work Plan, Business Solution, and Implementation Plan | 35% |
| 4. | Cost and Price | 25% |

The Procurement Department then prepared a cost summary and awarded contract G1063.0-07 to Ingentra HR Services in June 2007 (see pages 4 and 5 of Attachment B).

The 5-year payroll and human resource services contract with Ingentra was not to exceed \$696,196 (MTS General Services [902 53910]).

Ingentra Contract Estimated Annual Budget Impact	
Year 1	\$ 189,500
Year 2	\$ 124,750
Year 3	\$ 124,750
Year 4	\$ 128,598
Year 5	\$ 128,598
TOTAL BASE CONTRACT	
	\$ 696,196

Since 2007, Ingentra HR Services has been unsuccessful in implementing the payroll and human resources system and notified MTS in July 2010, it was no longer in business. MTS Procurement staff then cancelled the Ingentra contract and is now seeking to enter into a contract with ADP (which was the second responsive bidder) to provide payroll and human resources services for MTS consistent with MTS Policy No. 52 (Procurement of Goods and Services).

After conscientious calculation and deliberation, the selection committee proposed that ADP, Inc. provide payroll processing and human resources information system services for MTS as outlined in the revised RFP's Scope of Work dated November 1, 2010. Staff recommends that the service commence on January 1, 2011, for implementation and go live in July 2011. The contract would be for five years once implementation is completed.

A detailed memorandum explaining the cost increases from ADP's original bid price in 2007 to its current proposed rates is included as Attachment C.


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Stevan White, 619.238.0100, Ext. 6412, stevan.white@sdmts.com

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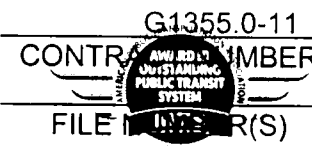
Attachments: A. MTS Doc. No. B0539.0-11
B. MTS Agenda Item No. 8 dated 6/14/07
C. Detailed Cost Comparison



Metropolitan Transit System

STANDARD SERVICES AGREEMENT

1255 Imperial Avenue, Suite 1000
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DRAFT

THIS AGREEMENT is entered into this _____ day of _____ 2010 ("Effective Date"), in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: ADP, Inc.Address: 5800 Windward Parkway,Form of Business: Corporation
(Corporation, partnership, sole proprietor, etc.)Alpharetta, GA 30005

Telephone: _____

Authorized person to sign contracts: Marvin M. Peden Senior Vice President, Field Services
Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Provide integrated payroll and HRIS solutions for up to five years for MTS and its subsidiaries as specified in the Scope of Work and Annex Z; and in accordance with the Standard Services Agreement, Standard Conditions Services, Scope of Work, Cost Proposal, Contractor's Addendum, and attached Annexes (hereinafter "Contract Documents"). If there are any inconsistencies in the Contract Documents, the following order of precedence will govern the interpretation of this contract.

1. Standard Services Agreement, Standard Conditions Services, Contractor's Addendum, Cost Proposal; and
2. Attached Annexes.

This contract shall remain in effect for a five year term. The term of the base contract shall be January 1, 2011, through July 31, 2016. MTS shall have the option to extend the contract for six additional one month periods in order to facilitate the wind down of the contract at the pricing identified on the Contractor's Cost Proposal.

Compensation for this Agreement will be per the negotiated rates as stated in the Cost Proposal.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM	CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer	Firm: _____
Approved as to form:	By: _____
By: _____ Office of General Counsel	Signature
	Title: _____

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$ _____		

By: _____
Chief Financial Officer Date

(____ total pages, each bearing contract number)

SA-SERVICES REVISED (REV 05-09)
DATE



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Agenda

Item No. 8

Joint Meeting of the Board of Directors for
 Metropolitan Transit System,
 San Diego Transit Corporation, and
 San Diego Trolley, Inc.

CIP 11192

June 14, 2007

SUBJECT:

MTS: PAYROLL AND HUMAN RESOURCES INFORMATION SYSTEM – CONTRACT
 AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to award a contract (MTS Doc. No. G1063.0-07, in substantially the same format as Attachment A) to Ingentra HR Services, Inc. for payroll processing and a Human Resources information system.

Budget Impact

Estimated Annual Budget Impact	
Year 1	\$ 189,500
Year 2	\$ 124,750
Year 3	\$ 124,750
Year 4	\$ 128,598
Year 5	\$ 128,598
TOTAL BASE CONTRACT	\$ 696,196

DISCUSSION:

A Request for Proposals (RFP) to provide payroll processing and a Human Resources information system was issued on March 1, 2007. Proposals were due on April 10, 2007, and two firms responded with responsive proposals (ADP and Ingentra HR Services). The Procurement Department reviewed the two proposals for responsiveness and responsibility and then prepared a bid summary.



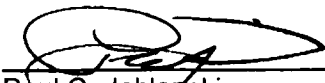
Metropolitan Transit System (MTS) is a California public agency and is comprised of San Diego Transit Corporation and San Diego Trolley, Inc. nonprofit public benefit corporations, in cooperation with Chula Vista Transit and National City Transit. MTS is the taxicab administrator for eight cities and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

An evaluation committee consisting of representatives from the MTS Information Technology, Finance, Payroll, Human Resources, and Procurement Departments rated all of the proposals received (see Attachment B). Utilizing careful consideration, the evaluation committee conducted several rounds of oral interviews and system demonstrations and performed a final rating on all vendors who submitted a proposal.

The evaluation criteria were scored on four components, and their respective rates are:

- | | | |
|----|---|-----|
| 1. | Qualifications and Technical Experience | 20% |
| 2. | Staffing, Project Organization, and Management Plan | 20% |
| 3. | Work Plan, Business Solution, and Implementation Plan | 35% |
| 4. | Cost and Price | 25% |

After conscientious calculation and deliberation, the selection committee proposed that Ingentra HR Services, Inc. provide payroll processing and Human Resources information system services for MTS as outlined in the RFP's Scope of Work. Staff recommends that the service commence on July 1, 2007. The contract would be awarded for five years with five one-year renewal options to be exercised solely at the discretion of MTS.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Michele Giovinazzo, 619.238.0100, Ext. 6412, Michele.giovinazzo@sdmts.com

JUNE14-07.8.PAYROLL HR INFO SYSTEM.BCalmES.doc

Attachment: A. MTS Doc. No. G1063.0-07
B. Memo dated 6/7/07 re: Evaluation Process **(Board Only)**

STANDARD SERVICES AGREEMENT

Doc. No. G1063.0-07
CONTRACT NUMBER

DRAFT

CIP 11192
FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____, 2007, in the state of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Ingentra HR Services, Inc. Address: 425 Oser AvenueForm of Business: Corporation Hauppauge, NY 11788-0815
(Corporation, partnership, sole proprietor, etc.)Telephone: (866) 486-2642Authorized person to sign contracts: Al Cipoletti President
Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Provide a payroll processing system and Human Resource information system (HRIS) as specified in MTS's Request for Proposals (RFP) No. G1063.0-07 for a Payroll and Human Resources Information System, including Addendum No. 1; MTS's Responses to Questions/Clarifications; and in accordance with the Standard Services Agreement, Standard Conditions Services, Federal Requirements, Scope of Work, and Ingentra HR Services, Inc.'s Proposal dated April 10, 2007. Billing rates shall be in accordance with the MTS-approved Contractor Cost Proposal. If there are any conflicts between the Standard Services Agreement, Standard Conditions Services, Scope of Work, Cost Proposal, and, where applicable, Federal Requirements, the following order of precedence shall apply:

1. MTS's RFP G1063.0-07 for a Payroll and Human Resources Information System, Addendum No. 1, and MTS's Responses to Questions/Clarifications.
2. Standard Services Agreement, Standard Conditions Services, and Federal Requirements.
3. Ingentra HR Services, Inc.'s Proposal dated April 10, 2007, in response to RFP G1063.0-07.

This contract shall remain in effect for a five-year term with five one-year options, which are exercisable at the sole discretion of MTS. The total cost of this Agreement shall not exceed \$696,196 for the five-year base period without the express written consent of MTS.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM CONTRACTOR AUTHORIZATION

By: _____ Firm: _____
Chief Executive OfficerApproved as to form: By: _____
SignatureBy: _____ Title: _____
Office of General Counsel

AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$696,196.00	CIP 11192 (IT Elipse Financial System)	07

By: _____ Date: _____
Chief Financial Officer



1255 Imperial Avenue, Suite 1000
San Diego, CA 92101-7490

Memorandum

DATE: June 7, 2007

CIP 11192

TO: Paul C. Jablonski

FROM: Ben Calmes

SUBJECT: RFP G1063.0-07 FOR PAYROLL AND HUMAN RESOURCES INFORMATION SYSTEM
EVALUATION PROCESS

In accordance with Policy No. 52, Procurement of Goods and Services, a Request for Proposals (RFP) was developed, sent out, and posted for the procurement of a payroll and Human Resources information system and related outsourced services. A committee consisting of representatives from MTS Finance and Payroll, Human Resources, Information Technology, and Procurement Departments rated all proposals received. Utilizing careful consideration, the committee conducted three rounds of system demonstrations and oral interviews including live on-site meetings with proposers and "webinars" and performed two ratings on all vendors who submitted a proposal.

For the demonstration and interview meetings, specific questions were developed based on each proposal. The first demonstration sessions and oral conferences lasted approximately four hours each. The demos/interviews were followed by two webinar teleconferences of three-hour duration each that delved further into the specific needs of MTS function areas and the proposed systems. A third and final interview process, lasting approximately three hours for each vendor, was conducted to obtain answers from each vendor to specific areas of interest by Human Resources and Payroll.

Each meeting conducted with the vendors was followed by a private panel discussion and an airing of confidential opinions. At the end of the third and final interview, the panel once again scored and ranked the proposed systems.

Proposers were contacted to submit a Best and Final Offer (BAFO) as outlined in the RFP process. Both vendors submitted a response before the due date.

The services requested include, but are not limited to, completely outsourced payroll processing and Human Resources information processing services as defined in the scope of work created jointly by representatives from the Finance, Payroll, Human Resources, and Information Technology Departments.



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

The evaluation criteria were scored on four weighed components. Those components and their weighting were: (1) Qualifications and Technical Expertise of the firm (20%); (2) Staffing, Project Organization, and Management Plan (20%); (3) Work Plan, Business Solution, and Implementation Plan (35%); and (4) Cost and Price (25%).

The two rated proposals were from ADP and Ingentra HR Services (Ingentra). Scores within each category were also placed in ranked order. Ingentra ranked top in all average evaluation categories except for Qualifications and Technical Expertise of the Firm where Ingentra and ADP scored even. Broken down per evaluation committee member and evaluation criteria, Ingentra was calculated to have 17 top rankings, followed by ADP with 3 top rankings.

The Cost and Price category counted toward 25% of the overall evaluation criteria. The implementation costs in Ingentra's proposal totaled \$58,000 with annual processing costs for the life of the contract averaging \$131,325. ADP proposed implementation costs of \$120,000 not including customizations and add-ons that would be required to satisfy the requirements of the scope of work. ADP's average annual processing fees were proposed at \$166,406.

After conscientious calculation and deliberation, the evaluation committee (with concurrence from the Procurement Department) recommends award to Ingentra to provide the outsourced payroll processing and Human Resources information system services for MTS as outlined in the RFP scope of work.

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Memorandum

DATE: November 2, 2010

TO: Paul Jablonski

FROM: Stevan White

SUBJECT: DOC. NO. G1355.0-11 WITH ADP FOR PAYROLL AND HUMAN RESOURCES INFORMATION SYSTEM

MTS Doc. No. G1355.0-11 calls for a change from the original contract (MTS Doc. No. G1063.0-07) award amount of \$696,196 in 2007 to \$1,938,895. As discussed in the agenda item, the previous contract (G1063.0-07) was with a different vendor (Ingentra) that was unable to perform. ADP was the other proposer in that Request for Proposals (RFP) process. ADP's original proposal contained higher costs than those presented by Ingentra. Those costs, as detailed in the memo dated June 7, 2007, from Ben Calmes and attached to the original agenda item, were presented as \$120,000 for implementation plus an annual processing fee of \$166,406. After more careful analysis of the proposal costs from ADP's response in 2007, it appears that those costs as presented did not include a large variety of customizations and add-on application modules that were required to satisfy the requirements presented at the time by MTS in the 2007 RFP. When all of those costs are accounted for and tabulated, the true costs presented in ADP's 2007 proposal (and compared with the current ADP contract proposal) are as follows:

	<u>Previous RFP</u>	<u>Current Contract</u>
Implementation	\$ 226,790	\$ 285,475
Year 1 processing	\$ 295,039	\$ 330,684
Year 2 processing	\$ 295,039	\$ 330,684
Year 3 processing	\$ 295,039	\$ 330,684
Year 4 processing	\$ 295,039	\$ 330,684
Year 5 processing	\$ 295,039	\$ 330,684
TOTAL:	\$1,701,985	\$1,938,895

The proposed current contract with ADP includes pricing for an optional, sophisticated, integrated, time- and labor-capture system called Enterprise eTime, which was not included in the original ADP RFP. As part of the current contract negotiation process, MTS took the opportunity to more closely detail and document specific requirements for human resources and payroll. In order to meet these more stringent requirements, ADP felt it necessary to present a solution based on Enterprise eTime. While MTS has included this pricing in the current contract (and obtained a one-year pricing guarantee for this module), staff is planning to initially implement a more basic module (NexTrak) in an effort to be more cost-conscious. MTS will only exercise the Enterprise eTime option should the NexTrak option prove



inadequate due to operational necessity. This could come about due to nonsupport or obsolescence of the current existing time-capture system, changes in union contracts requiring different data collection and processing, or future government regulations. The Enterprise eTime option would only be implemented after specific approval of the Chief Executive Officer. The costs for this time-capture system are \$99,850 of the \$285,475 in implementation expenses and \$95,625 of the \$330,684 in annual processing costs. Taking this component of the costs out, the expected costs would compare as follows:

	<u>Previous RFP</u>	<u>Current Expected</u>
Implementation	\$ 226,790	\$ 185,625
Year 1 processing	\$ 295,039	\$ 235,059
Year 2 processing	\$ 295,039	\$ 235,059
Year 3 processing	\$ 295,039	\$ 235,059
Year 4 processing	\$ 295,039	\$ 235,059
Year 5 processing	\$ 295,039	\$ 235,059
TOTAL:	\$1,701,985	\$1,360,920

As this shows, when like functionality is compared, the expected costs are less than the previous costs ADP submitted in the original 2007 RFP.

NOV18-10.12.AttC.COST
ESTIMATE ADP.SWHITE.doc



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(619) 231-1466 • FAX (619) 234-3407

Agenda

Item No. 30

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

November 18, 2010

SUBJECT:

MTS: HOSTED TEXT MESSAGING SYSTEM – CONTRACT AWARD (DEVIN BRAUN)

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1326.0-10 (in substantially the same form as Attachment A) with Deeplocal, Inc. for the procurement of a hosted text messaging system, including a vanity short messaging service (SMS) short code with a one-year base and 2 two-year options.

Budget Impact

This would be a service contract with a revenue component. Deeplocal would sell targeted advertising to pay for the operating costs of the service. If all options were exercised, revenues are estimated to be \$250,000 based on actual usage and advertising sales, but they could be higher or lower. MTS would receive 30% of the revenue generated by advertising.

There would be an annual cost of \$18,000 for leasing the vanity SMS short code plus \$2,500 in the first year for the initial setup of the short code. If all of the options are exercised, the short code would cost \$92,500 over the life of the five-year contract and would be charged to 661-53910000 (Outside Services).

Deeplocal would assume all risk for advertising sales and ongoing system operating costs except for the SMS short code lease. It is anticipated that MTS's share of the revenues would cover some or all of the SMS short code cost.

DISCUSSION:

Background

The Executive Committee received a report on July 9, 2009, regarding the benefits of providing real-time arrival information to passengers through text messages. Currently, according to the CTIA-The Wireless Association, 93% of the total U.S. population has a cell phone, and there are 173.2 billion text messages sent monthly. This technology is cheap, fast, and available on almost every cell phone, which makes it a good candidate for delivering real-time arrival information to our passengers.

Procurement

On June 2, 2010, MTS issued a Request for Proposals (RFP) under MTS Doc. No. G1326.0-10 for the purchase of a Hosted Text Messaging System. On July 20, 2010, four proposals were received. An evaluation panel composed of MTS Procurement, Marketing, Planning, Information Technology, and Finance staffs deemed all four proposers to be responsive.

Three proposers were determined to be in the competitive range and were invited for an interview to answer the evaluation panel's questions and demonstrate specifics of their solutions. The evaluation panel then asked two proposers (Deeplocal and NextBus) to find cost savings, where appropriate, and to tender a Best and Final Offer (BAFO). MIS Sciences was not asked to submit a BAFO because as a result of the interview, the panel decided the proposed solution wasn't desirable as it wasn't tailored to meet MTS's needs. Finally, the evaluation panel took the responses to the RFP, the interviews, and the BAFOs into account and scored the proposals based on the following criteria:

1)	Qualifications of the Firm or Individual	20%
2)	Work Plan	30%
3)	Cost and Price	50%

After the final evaluation, the evaluation panel determined that Deeplocal, Inc. was the proposer with the best overall score. Deeplocal was also the only proposer to offer MTS a potential revenue stream from the text messaging program. Deeplocal's product, called Route Shout, offers text messaging, two iPhone applications, an Android application, and geographically targeted advertising. The advertisements would strictly adhere to MTS Board Policy No. 21 (MTS Revenue-Generating Display Advertising, Concessions, and Merchandise).

Staff will also update the Board on MTS's partnership with Google.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Devin Braun, 619.557.4916, Devin.Braun@sdmts.com

NOV18-10.30.TEXT MSG CONTRACT AWARD.DBRAUN.doc

Attachments: A Draft MTS Doc. No. G1326.0-10
B. Hosted Text Messaging Project Selection Criteria

DRAFT

STANDARD SERVICES AGREEMENT

G1326.0-10
CONTRACT NUMBER

FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2010, in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Deeplocal, Inc. Address: 6101 Penn Avenue, Suite 401

Form of Business: Corporation Pittsburg, PA 15206
 (Corporation, partnership, sole proprietor, etc.)

Telephone: 412.362.0201

Authorized person to sign contracts: Tim White VP Sales and Service
 Name Title

The attached Standard Conditions are part of this agreement. The Contractor agrees to furnish to MTS services and materials, as follows:

Provide a hosted text messaging system for up to five years for MTS as specified in MTS's Request for Proposals (RFP) MTS Doc. No. G1326.0-10; including Addenda, Responses to Approved Equals/Clarifications; and in accordance with the Standard Services Agreement, Standard Conditions Services, Scope of Work, and Hosted Text Messaging System proposal (hereinafter "Contract Documents"). If there are any inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract.

1. MTS's Hosted Text Messaging System Request for Proposals, Addendum, Responses to Approved Equals/Clarifications, MTS Safety Program, and Contractor's Bid.
2. Standard Services Agreement, including the Standard Conditions Services.

This contract shall remain in effect for a one-year base term with 2 two-year options. The term of the base contract shall be December 1, 2010, through November 30, 2011. MTS shall have the sole discretion to exercise option years at the prices set forth in the Contractor's Cost Proposal. Compensation will be per the negotiated rates as stated in the Best and Final Offer (BAFO) document for pricing with the Private Vanity Short Code. The Private Vanity Short Code will be procured by Deeplocal on behalf of MTS but will belong to MTS and will be assignable by MTS to any contractor it chooses at the conclusion of this contract. All records pertaining to any revenue generated that is associated with this agreement will be provided on a quarterly basis and as demanded by MTS.

SAN DIEGO METROPOLITAN TRANSIT SYSTEM		CONTRACTOR AUTHORIZATION
By: _____ Chief Executive Officer		Firm: _____
Approved as to form:		By: _____ Signature
By: _____ Office of General Counsel		Title: _____
AMOUNT ENCUMBERED	BUDGET ITEM	FISCAL YEAR
\$92,500	661-53910000	2011

By: _____ Date _____
 Chief Financial Officer

The selection for the Hosted Text Messaging project was based on the criteria listed below:

1. Qualifications of the Firm and Personnel (20 points)
2. Work Plan (30 points)
3. Cost and Price (50 points)

Based on the evaluation criteria and the consolidated scores of the evaluation panel, the scores resulted in the ranking of the firms as listed below. The difference was a very wide margin. Much of the difference resulted from the significantly higher cost proposed by NextBus. Although the panel tried to negotiate a better price, NextBus insisted on including many additional features outside of the scope of this project and included those costs in its proposal. Since price was 50% of the score, the difference in cost put NextBus at a disadvantage. Deeplocal also proposed potential revenue from advertising that it will solicit on MTS's behalf, which will lower its cost even further.

<u>Ranking</u>	<u>Points</u>
1. Deep Local	87
2. NextBus	51

BAFO PRICING PRIVATE VANITY CODE

CONTRACT YEAR	NEXTBUS	DEEPLocal
Contract Year 1 total:	\$ 160,484.00	\$ 20,500.00
Option 1 – NCTD Contract Year 1:	\$ 55,300.00	\$ -
Option 2 - Contract Years 2 - 3:	\$ 129,000.00	\$ 36,000.00
Option 3 – NCTD Contract Years 2 - 3:	\$ 30,600.00	\$ -
Option 4 - Contract Years 4 - 5:	\$ 129,000.00	\$ 36,000.00
Option 5 - NCTD Contract Years 4 – 5:	\$ 30,600.00	\$ -
GRAND TOTAL FOR 5-YEAR CONTRACT:	\$ 534,984.00	\$ 92,500.00



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(619) 231-1466 • FAX (619) 234-3407

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.

SRTP 835

November 18, 2010

SUBJECT:

MTS: REGIONAL TRANSPORTATION PLAN REVENUE-CONSTRAINED
SCENARIOS (CAROLINA GREGOR OF SANDAG)

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

Based on revenue projections through 2050, San Diego Association of Governments (SANDAG) staff has developed various scenarios for the Regional Transportation Plan using prioritized project lists and other factors. The Revenue-Constrained Transportation Network Scenarios attempt to build and operate as much of the Unconstrained Transportation Network as possible given revenue availability and flexibility and project priorities. SANDAG staff will present these scenarios to the Board for discussion and comments.

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

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, sharon.cooney@sdmts.com

NOV18-10.45.RTP.CGREGOR SANDAG.doc

1255 Imperial Avenue, Suite 1000, San Diego, CA 92101-7490 • (619) 231-1466 • 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.



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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.

November 18, 2010

SUBJECT:

MTS: CATENARY REPLACEMENT PROJECT (FRED BYLE AND SHARON COONEY)

RECOMMENDATION:

That the Board of Directors receive a report for information and provide comments.

Budget Impact

None.

DISCUSSION:

Replacement of the overhead contact wire on the Trolley Blue Line commenced on October 29. Staff will update the Board on progress and special-service operations during the weekend closures.

Sharon Cooney for

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, sharon.cooney@sdmts.com

NOV18-10.46.CATENARY.COONEY.doc



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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.

November 18, 2010

SUBJECT:

MTS: OPERATIONS BUDGET STATUS REPORT FOR SEPTEMBER 2010
(MIKE THOMPSON)

RECOMMENDATION:

That the Board of Directors receive a report on MTS's operations budget status for September 2010.

Budget Impact

None at this time.

DISCUSSION:

This report summarizes MTS's operating results for September 2010 compared to the approved fiscal year 2011 budget. Attachment A-1 combines the operations, administration, and other activities results for September 2010. Attachment A-2 details the September 2010 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 Attachment A-10 provides September 2010 results for MTS's other activities (Taxicab/San Diego and Arizona Eastern Railway Company/debt service).

MTS NET-OPERATING SUBSIDY RESULTS

As indicated within Attachment A-1, the year-to-date September 2010 MTS net-operating subsidy unfavorable variance totaled \$764,000 (-2.7%). Operations produced

a \$1,408,000 (-5.0%) unfavorable variance, and the administrative/other activities areas were favorable by \$644,000.

MTS COMBINED RESULTS

Revenues

Year-to-date combined revenues through September 2010 were \$24,481,000 compared to the year-to-date budget of \$24,973,000, which represents a \$492,000 (-2.0%) negative variance. This is primarily due to unfavorable variance within passenger revenue.

Expenses

Year-to-date combined expenses through September 2010 were \$53,057,000 compared to the year-to-date budget of \$52,786,000, which resulted in a \$271,000 (-0.5%) unfavorable variance.

Personnel Costs. Year-to-date personnel-related costs totaled \$26,584,000 compared to a year-to-date budgetary figure of \$26,379,000 producing an unfavorable variance of \$205,000 (-0.8%). This is primarily due to unfavorable year-to-date variances within transit service operations due to pension costs. As presented to the Board previously, the transit pension rate is 22.71% versus a budgetary assumption of 17%, and this will continue to cause a variance until the budget is amended at midyear.

Outside Services and Purchased Transportation. Total outside services for the first three months of the fiscal year totaled \$17,602,000 compared to a budget of \$17,546,000, which resulted in a year-to-date unfavorable variance of \$57,000 (-0.3%). This is primarily due to purchased transportation unfavorable variances within paratransit operations.

Materials and Supplies. Total year-to-date materials and supplies expenses totaled \$1,852,000 compared to a budgetary figure of \$1,768,000, resulting in an unfavorable expense variance of \$84,000 (-4.8%). This is primarily due to materials and supplies unfavorable variances within rail operations.

Energy. Total year-to-date energy costs were \$5,573,000 compared to the budget of \$5,553,000 resulting in a year-to-date unfavorable variance of \$19,000 (-0.3%). The unfavorable variance was due primarily to higher traction power costs affected by critical-peak pricing during the month of September. Year-to-date diesel prices averaged \$2.388 per gallon compared to the budgetary rate of \$2.600 per gallon. Year-to-date compressed natural gas prices averaged \$0.912 per therm compared to the budgetary rate of \$0.941 per therm.

Risk Management. Total year-to-date expenses for risk management were \$915,000 compared to the year-to-date budget of \$1,033,000, which resulted in a favorable variance totaling \$118,000 (11.4%).

General and Administrative. Year-to-date general and administrative costs, including vehicle and facilities leases, were \$24,000 (-4.7%) unfavorable to budget, totaling \$531,000 through September 2010 compared to a year-to-date budget of \$507,000.

YEAR-TO-DATE SUMMARY

The September 2010 year-to-date net-operating subsidy totaled an unfavorable variance of 764,000 (-2.7%). These factors include unfavorable variances in passenger revenue, materials and supplies, personnel costs, and outside services partially offset by favorable variances in other operating revenue and risk management.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Mike Thompson, 619.557.4557, mike.thompson@sdmts.com

NOV18-10.47.OPS BUDGET SEPT.MTHOMPSON.doc

Attachment: A. Comparison to Budget

**MTS
CONSOLIDATED**

**COMPARISON TO BUDGET - FISCAL YEAR 2011
SEPTEMBER 30, 2010
(in \$000's)**

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 22,845	\$ 23,350	\$ (505)	-2.2%
Other Revenue	1,635	1,622	13	0.8%
Total Operating Revenue	\$ 24,481	\$ 24,973	\$ (492)	-2.0%
Personnel costs	\$ 26,584	\$ 26,379	\$ (205)	-0.8%
Outside services	17,602	17,546	(57)	-0.3%
Transit operations funding	-	-	-	-
Materials and supplies	1,852	1,768	(84)	-4.8%
Energy	5,573	5,553	(19)	-0.3%
Risk management	915	1,033	118	11.4%
General & administrative	383	323	(60)	-18.4%
Vehicle/facility leases	148	184	36	19.4%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	(0)	(0)	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 53,057	\$ 52,786	\$ (271)	-0.5%
Operating income (loss)	\$ (28,577)	\$ (27,813)	\$ (764)	-2.7%
Total public support and nonoperating revenues	(671)	(729)	58	-7.9%
Income (loss) before capital contributions	\$ (29,248)	\$ (28,542)	\$ (706)	2.5%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
CONSOLIDATED OPERATIONS
COMPARISON TO BUDGET - FISCAL YEAR 2011
SEPTEMBER 30, 2010
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 22,845	\$ 23,350	\$ (505)	-2.2%
Other Revenue	99	196	(98)	-49.8%
Total Operating Revenue	\$ 22,944	\$ 23,547	\$ (603)	-2.6%
Personnel costs	\$ 23,498	\$ 22,957	\$ (541)	-2.4%
Outside services	15,378	15,110	(268)	-1.8%
Transit operations funding	-	-	-	-
Materials and supplies	1,850	1,762	(88)	-5.0%
Energy	5,484	5,372	(112)	-2.1%
Risk management	796	944	148	15.7%
General & administrative	67	77	10	13.0%
Vehicle/facility leases	111	157	46	29.2%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	5,304	5,304	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 52,489	\$ 51,684	\$ (805)	-1.6%
Operating income (loss)	\$ (29,545)	\$ (28,138)	\$ (1,408)	-5.0%
Total public support and nonoperating revenues	212	155	58	37.3%
Income (loss) before capital contributions	\$ (29,333)	\$ (27,983)	\$ (1,350)	4.8%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
TRANSIT SERVICES (SAN DIEGO TRANSIT CORPORATION)
COMPARISON TO BUDGET - FISCAL YEAR 2011
SEPTEMBER 30, 2010
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 6,613	\$ 6,945	\$ (332)	-4.8%
Other Revenue	4	15	(11)	-71.1%
Total Operating Revenue	\$ 6,617	\$ 6,960	\$ (342)	-4.9%
Personnel costs	\$ 15,572	\$ 15,022	\$ (550)	-3.7%
Outside services	473	463	(10)	-2.1%
Transit operations funding	-	-	-	-
Materials and supplies	915	1,046	132	12.6%
Energy	1,341	1,364	23	1.7%
Risk management	342	429	87	20.3%
General & administrative	25	33	8	24.0%
Vehicle/facility leases	56	64	9	13.3%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	1,842	1,842	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 20,565	\$ 20,264	\$ (302)	-1.5%
Operating income (loss)	\$ (13,948)	\$ (13,304)	\$ (644)	-4.8%
Total public support and nonoperating revenues	(610)	(668)	58	-8.6%
Income (loss) before capital contributions	\$ (14,558)	\$ (13,972)	\$ (586)	4.2%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
RAIL OPERATIONS (SAN DIEGO TROLLEY, INCORPORATED)
COMPARISON TO BUDGET - FISCAL YEAR 2011
SEPTEMBER 30, 2010
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 9,734	\$ 9,445	\$ 289	3.1%
Other Revenue	94	181	(87)	-48.0%
Total Operating Revenue	\$ 9,828	\$ 9,626	\$ 202	2.1%
Personnel costs	\$ 7,551	\$ 7,524	\$ (28)	-0.4%
Outside services	780	832	52	6.3%
Transit operations funding	-	-	-	-
Materials and supplies	935	711	(224)	-31.6%
Energy	2,318	2,212	(106)	-4.8%
Risk management	454	515	61	11.9%
General & administrative	41	41	1	1.5%
Vehicle/facility leases	41	53	12	22.1%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	3,091	3,091	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 15,210	\$ 14,978	\$ (233)	-1.6%
Operating income (loss)	\$ (5,382)	\$ (5,352)	\$ (30)	-0.6%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (5,382)	\$ (5,352)	\$ (30)	0.6%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
MULTIMODAL OPERATIONS (FIXED ROUTE)
COMPARISON TO BUDGET - FISCAL YEAR 2011
SEPTEMBER 30, 2010
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 5,398	\$ 5,720	\$ (322)	-5.6%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 5,398	\$ 5,720	\$ (322)	-5.6%
Personnel costs	\$ 67	\$ 83	\$ 17	19.9%
Outside services	9,851	9,840	(12)	-0.1%
Transit operations funding	-	-	-	-
Materials and supplies	-	4	4	-
Energy	1,266	1,292	26	2.0%
Risk management	-	-	-	-
General & administrative	0	1	1	99.3%
Vehicle/facility leases	15	40	26	63.6%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	252	252	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 11,450	\$ 11,512	\$ 62	0.5%
Operating income (loss)	\$ (6,052)	\$ (5,792)	\$ (260)	-4.5%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (6,052)	\$ (5,792)	\$ (260)	4.5%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
MULTIMODAL OPERATIONS (PARATRANSIT)
COMPARISON TO BUDGET - FISCAL YEAR 2011
SEPTEMBER 30, 2010
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 474	\$ 403	\$ 71	17.5%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 474	\$ 403	\$ 71	17.5%
Personnel costs	\$ 29	\$ 42	\$ 13	31.0%
Outside services	2,698	2,374	(325)	-13.7%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	496	417	(79)	-18.9%
Risk management	-	-	-	-
General & administrative	1	1	0	14.0%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	88	88	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 3,312	\$ 2,922	\$ (390)	-13.3%
Operating income (loss)	\$ (2,838)	\$ (2,519)	\$ (319)	-12.7%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (2,838)	\$ (2,519)	\$ (319)	12.7%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
CONSOLIDATED CHULA VISTA TRANSIT OPERATIONS
COMPARISON TO BUDGET - FISCAL YEAR 2011
SEPTEMBER 30, 2010
(in \$000's)

	YEAR TO DATE			%
	ACTUAL	BUDGET	VARIANCE	VARIANCE
Passenger Revenue	\$ 626	\$ 838	\$ (212)	-25.3%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 626	\$ 838	\$ (212)	-25.3%
Personnel costs	\$ 90	\$ 97	\$ 7	7.2%
Outside services	1,385	1,411	26	1.8%
Transit operations funding	-	-	-	-
Materials and supplies	1	1	1	60.1%
Energy	63	87	24	27.6%
Risk management	-	-	-	-
General & administrative	0	1	0	20.6%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	32	32	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 1,572	\$ 1,630	\$ 58	3.5%
Operating income (loss)	\$ (946)	\$ (792)	\$ (154)	-19.4%
Total public support and nonoperating revenues	788	788	-	0.0%
Income (loss) before capital contributions	\$ (157)	\$ (3)	\$ (154)	4498.8%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
CORONADO FERRY
COMPARISON TO BUDGET - FISCAL YEAR 2011
SEPTEMBER 30, 2010
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Personnel costs	\$ -	\$ -	\$ -	-
Outside services	35	35	-	0.0%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	-	-	-	-
Risk management	-	-	-	-
General & administrative	-	-	-	-
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	-	-	-	-
Depreciation	-	-	-	-
Total Operating Expenses	\$ 35	\$ 35	\$ -	0.0%
Operating income (loss)	\$ (35)	\$ (35)	\$ -	0.0%
Total public support and nonoperating revenues	34	34	-	0.0%
Income (loss) before capital contributions	\$ (1)	\$ (1)	\$ -	0.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
ADMINISTRATION
CONSOLIDATED
COMPARISON TO BUDGET - FISCAL YEAR 2011
SEPTEMBER 30, 2010
(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	1,415	1,320	95	7.2%
Total Operating Revenue	\$ 1,415	\$ 1,320	\$ 95	7.2%
Personnel costs	\$ 2,944	\$ 3,259	\$ 316	9.7%
Outside services	2,182	2,388	206	8.6%
Transit operations funding	-	-	-	-
Materials and supplies	1	5	4	77.8%
Energy	87	178	91	51.0%
Risk management	111	81	(30)	-37.7%
General & administrative	289	220	(69)	-31.2%
Vehicle/facility leases	37	27	(10)	-37.9%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	(5,325)	(5,325)	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 326	\$ 833	\$ 507	60.9%
Operating income (loss)	\$ 1,089	\$ 487	\$ 602	-123.8%
Total public support and nonoperating revenues	(883)	(883)	0	0.0%
Income (loss) before capital contributions	\$ 206	\$ (397)	\$ 602	-151.9%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OTHER ACTIVITIES

CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2011

SEPTEMBER 30, 2010

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	121	106	15	14.1%
Total Operating Revenue	\$ 121	\$ 106	\$ 15	14.1%
Personnel costs	\$ 142	\$ 163	\$ 21	12.6%
Outside services	42	47	5	11.2%
Transit operations funding	-	-	-	-
Materials and supplies	0	1	0	36.4%
Energy	2	3	1	45.0%
Risk management	8	8	(0)	-0.3%
General & administrative	27	26	(1)	-3.0%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	21	21	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 242	\$ 268	\$ 27	9.9%
Operating income (loss)	\$ (120)	\$ (162)	\$ 42	25.7%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (120)	\$ (162)	\$ 42	-25.7%



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Agenda

Item No. 62

Chief Executive Officer's Report

ADM 121.7

November 18, 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 October 20, 2010, through November 8, 2010.

H:\Agenda Item 62 (45, Then 61)\2010\AI 62 11-04-10.Docx

EXPENSE CONTRACTS

Doc #	Organization	Subject	Amount	Day
G1139.9-08	TROVILLION, INVEISS & DEMAKIS	LEGAL SERVICES - WORKERS COMP	\$50,000.00	10/21/2010
G1080.8-07	LAW OFFICES OF MICHAEL E. RIPL	LEGAL SERVICES - GENERAL & TORT LIABILIT	\$45,000.00	10/25/2010
G1248.1-09	SANDAG	AMEND TO COMPASS CARD INTERIM AGREEMENT	\$0.00	10/25/2010
G1334.1-11	THE SOHAGI LAW GROUP, PLC	LEGAL SERVICES - APPELLATE WORK/ENVIONRM	\$50,000.00	10/25/2010
L0996.0-11	NINYO & MOORE	ROE PERMIT SANDAG CIP 12100030 BLUE LINE	\$0.00	10/25/2010
L0997.0-11	PACIFIC DRILLING CO	ROE PERMIT SANDAG CIP 12100030	\$0.00	10/25/2010
L7044.0-11	DAVID EVANS & ASSOCIATES	ROE PERMIT SANDAG CIP 1201505	\$0.00	10/25/2010
L7045.0-11	THE KLEINFELDER GROUP INC	ROE PERMIT SANDAG CIP 1201505	\$0.00	10/25/2010
PWL125.2-10	ELECTRO SPECIALTY SYSTEMS	CONTRACT AMEND 2 FOR ADD FIBER OPTIC	\$15,625.39	10/25/2010
S200-11-468	NINYO & MOORE	ROE PERMIT SANDAG CIP 1220001 TO 25 ORAN	\$0.00	10/25/2010
S200-11-469	PACIFIC DRILLING CO	ROE PERMIT SANDAG CIP 120001 TO 25	\$0.00	10/25/2010
G0930.5-04	SANDAG	AMEND TO MASTER MEMO RE PROPERTY TRANSFE	\$0.00	10/28/2010
G1356.0-11	HOLIDAY BOWL	HOLIDAY BOWL AND POINSETTIA BOWL ADV 10	\$1,175.00	10/28/2010
L0975.1-11	NMS MANAGEMENT	ADD JANITORIAL SVCS TO BLDG C/LRV MAINT	\$15,475.68	10/28/2010
L0993.0-11	ETIC ENGINEERING	ROE PERMIT H ST TRANSIT STA SOIL STUDY	\$0.00	10/28/2010
L5245.0-11	MIKE MATI	LEASE AGREEMENT	\$1,750.00	10/28/2010
L5246.0-11	A-1 ALL AMERICAN ROOFING CO	RE-ROOF 9805 PROSPECT AVE. SANTEE, CA	\$25,817.00	10/28/2010
L6643.0-11	CITY OF SAN DIEGO	JROE PERMIT CITY SD SLIT REMOVAL SORRENT	\$500.00	10/28/2010
G1348.0-11	COX MEDIA	PURCHASE 15 & 30 SECOND TV AD SPOTS	\$50,000.00	11/1/2010
L0994.0-11	CASCADE DRILLING	ROE PERMIT DRILLING H ST TRANSIT STA	\$0.00	11/1/2010

REVENUE CONTRACTS

Doc #	Organization	Subject	Amount	Day
L0991.0-11	GREEN HORIZONS LANDSCAPE	C ST SAFETY ENHANCE PROJECT CCDC	(\$500.00)	11/4/2010
L6646.0-11	PROJECT DESIGN CONSULTANTS	JROE PERMIT NCTD GENERAL LAND SURVEY	(\$500.00)	11/4/2010
M6680.0-11	DARK STRANGER PRODUCTIONS, LCC	ROE PERMIT TO SHOOT SHORT FILM ON SDSU	(\$605.00)	11/4/2010
M6683.0-11	SDGE	ROE PERMIT OH CROSS AREA REPLACE I8 & AL	(\$1,700.00)	11/4/2010

PURCHASE ORDERS

DATE	Organization	Subject	AMOUNT
10/21/2010	IKON OFFICE SOLUTIONS INC	1 YR MAINT RENEWAL	\$3,870.00
10/25/2010	LOS ANGELES COUNTY METRO	STAND ALONE VALIDATORS	\$60,000.00
10/25/2010	VISIBLE INK	TROLLEY RENEWAL A-FRAME SHUTTLE	\$1,223.50
11/1/2010	PRESSNET EXPRESS	DAY PASS CLASSROOM, FLYER, GUIDE AN	\$946.13
11/1/2010	PRESSNET EXPRESS	4/C TROLLEY RENEWAL FLYERS	\$598.13
11/1/2010	ELECTRO SPECIALY SYSTEMS	PARKING LOT LIGHTING REPAIRS AND EL	\$860.00
11/1/2010	AZTEC SPORTS PROPERTIES LLC	SDSU MARKETING & SPONSORSHIP 1YR	\$17,500.00
11/1/2010	SIEMENS INDUSTRY INC	LRV TIRE KITS U-2 SD-100	\$95,265.00
11/1/2010	RUSH PRESS	BUS-CARDS CRIME STOPPERS	\$1,190.81
11/1/2010	TRANSIT INFO PRODUCTS	BUS HOLDERS RCH-22 FOR MURPH EX	\$1,159.60
11/1/2010	IKON OFFICE SOLUTIONS INC	KOFAX CAPTURE AND OCR SOFTWARE	\$13,780.00