

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

MINUTES

March 25, 2010  
MTS

1255 Imperial Avenue, Suite 1000, San Diego

1. Roll Call

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

2. Approval of Minutes

Mr. Van Deventer moved to approve the minutes of the March 11, 2010, MTS Board of Directors meeting. Mr. Ewin seconded the motion, and the vote was 9 to 0 in favor.

3. Public Comments

None.

CONSENT ITEMS

6. MTS: Auditing Services - Exercise of Contract Option Years

Action would authorize the CEO to exercise option years one, two, and three (MTS Doc. No. G1013.1-06) with Caporicci & Larson LLC for auditing services.

7. MTS: Transportation Development Act (TDA) Claim Amendment

Action would approve the revised MTS Transportation Development Act (TDA) capital claim Nos. 242, 258, 305, and 531 to fund FY 2010 operations.

8. MTS: Authorization for Use of Additional City of San Diego Billboard Reserve Funds

Action would authorize the use of additional funds from the City of San Diego Billboard Reserve Fund to the City of San Diego for support of the Encanto/62nd Street Trolley Station Mural Project.

9. MTS: Property Insurance Renewal

Action would authorize the CEO to renew the property insurance coverage for MTS, San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI) with the California State Association of Counties (CSAC) Property Insurance Program, effective March 31, 2010, through March 31, 2011, with a basic coverage deductible of \$25,000, \$100,000 for collision on buses and light rail vehicles, and \$1,500,000 on roads, bridges, and tunnels.

Action Taken

Ms. Lightner moved to approve Consent Agenda Item Nos. 6 through 9. Mr. Rindone seconded the motion, and the vote was 10 to 0 in favor.

CLOSED SESSION

Tiffany Lorenzen stated that the Ralph M. Brown Act specifies that the agency cannot have discussion on any item that is not posted on the agenda. She pointed out that an exception is as follows:

California Government Code § 54954.2(b)(2):

Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

Ms. Lorenzen stated that a matter came to the attention of the General Counsel and CEO on Tuesday, March 23, 2010, and the request is to add the following item to the agenda, Item 24.c:

24. c. MTS: CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION. Significant exposure to litigation pursuant to California Government Code § 54956.9(b); one potential case.

Ms. Lorenzen requested that the Chairman call for a vote. Mr. Mathis called for a motion to add the item to the agenda.

Action Taken

Mr. Van Deventer moved to add item 24.c. onto the agenda for the Closed Session. Mr. Janney seconded the motion, and the vote was 10 to 0 in favor.

24. a. SDTI: CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS Pursuant to California Government Code Section 54957.6 Agency-Designated Representative - Jeff Stumbo Employee Organization - International Brotherhood of Electrical Workers Local 465
- b. 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 No. 356-410-08, 356-410-09); Agency Negotiators: Tiffany Lorenzen, General Counsel; 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

Oral Report of Final Actions Taken in Closed Session

Ms. Tiffany Lorenzen, MTS General Counsel, reported the following:

- a. The Board received a report from the agency negotiators.
- b. The Board received a report and gave direction to the agency negotiators.
- c. The Board received a report from the General Counsel and the CEO.

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

30. MTS: Southern California Consortium Disadvantaged Business Enterprise (DBE) Disparity Study

Tiffany Lorenzen, General Counsel, stated that DBE disparity study briefing was last brought to the Board in the fall of 2009 and, since that time, the results have been published and there has been a public hearing. She introduced Dave Keen from BBC Research & Consulting.

Mr. Keen, BBC Research & Consulting, gave a PowerPoint briefing on the final disparity study. He reviewed the requirements of 49 CFR Part 26 regulations and the Federal DBE Program and gave a background summary. He stated that MTS was part of a consortium that conducted the disparity study that began in 2007, and the draft report was distributed in October 2009. He added that 174 MTS contracts and subcontracts were analyzed.

Mr. Keen reported that a 12.6% annual DBE participation goal could be considered if noncertified firms were included. He reviewed the type of participation that has been received from minority and women owned firms for years 2003 through 2007. He described some of the measures that could be taken to achieve the DBE goal.

Members discussed the 12.6% recommended goals, the methods for tracking certified and noncertified firms, the method for becoming a certified firm, and MTS DBE outreach.

Action Taken

Mr. Van Deventer moved to (1) receive the final Southern California Consortium DBE Disparity Study; and (2) adjust the current fiscal year 2010 goals from 1.72% to 12.6% and implement the goals through June 30, 2012, consistent with the new federal guidelines. Ms. Lightner seconded the motion, and the vote was 10 to 0 in favor.

REPORT ITEMS

46. MTS: Mid-Coast Corridor Transit Project (Taken out of order)

Leslie Blanda of SANDAG and Dennis Henderson of Parsons Brinkerhoff gave a PowerPoint briefing on the Mid-Coast Corridor Transit Project. Ms. Blanda stated that the project would

extend the transit service from Old Town Transit Center to University City to serve major activity centers at University of California San Diego, University Town Center, and downtown San Diego.

Ms. Blanda stated the project is a TransNet Early Action Project that was included in the original TransNet ordinance passed by San Diego voters in 1987 and remains uncompleted. She added that TransNet funding will provide \$600 million in capital funds, which would be used to leverage \$600 million in Federal Transit Administration (FTA) New Starts Program funds to make the project a reality. She described the FTA New Starts Program application and review process adding that the Mid-Coast Project is expected to compete well.

Ms. Blanda stated that at this point in the development, SANDAG and the FTA are preparing a Draft Supplemental Environmental Impact Statement/Subsequent Environmental Impact Report (DSEIS/SEIR) for the Mid-Coast Corridor Transit Project. She described the current development phase.

Mr. Henderson reviewed the purpose and need, and alternatives. He stated that the local preferred alternative is for light rail transit (LRT). He described the regional travel-demand model that was updated in accordance with FTA standards, reviewed ridership, the FTA cost-effectiveness indicator, and the evaluation alternatives summary that finds light rail to be more effective than bus rapid transit or commuter rail alternatives. He reviewed a map of the three LRT alternatives that are recommended for scoping.

Ms. Blanda presented a Google Earth flyover of the three recommended LRT alternatives of the project. Mr. Henderson gave a review of the New Starts process and described the materials that FTA requires for entry into preliminary engineering; the first date requires all information into the FTA by September 2010. Ms. Blanda reviewed the meeting dates prior to scoping that include anticipated approval of the alternatives by the SANDAG Board on April 23, 2010. She stated that the SANDAG Board and the FTA will make the final decision on the locally preferred alternative or alternatives for the draft environmental document in July 2010.

#### Action Taken

Mr. Rindone moved to receive the report. Ms. Emerald seconded the motion, and the vote was 10 to 0 in favor.

#### 45. SDTC: CNG-Hybrid Bus Demonstration Project

Claire Spielberg stated that this has been a successful partnership between MTS, ISE, and air quality agencies within the state and the San Diego region. She stated that this is the final report from an initial report that was brought to the Board in November 2006. She introduced Kevin Stone of ISE.

Mr. Stone provided a company overview of ISE, the prototype hybrid program, program milestones, vehicle support and test data, and financial summary. He stated that ISE is a San Diego-based company that designs and integrates energy storage and power electronic systems into a complete series hybrid system for heavy-duty vehicles and applications (mostly transit vehicles). He reviewed the goals of the company, team members, demonstration achievements, fuel economy that was 18% improvement over conventional CNG fleet, and operator feedback.

Mr. Stone reviewed the fuel economy data that resulted in an annualized savings close to \$9,000. He covered vehicle availability, an overview of vehicle downtime, the overall program budget and program costs. He stated that the project has been a successful partnership between a private company developing hybrid technology for buses, MTS bus operations, and air quality agencies.

Members discussed the success of the program and the benefits of using a local vendor.

Action Taken

Mr. Rindone moved to receive the report. Mr. Cunningham seconded the motion, and the vote was 8 to 0 in favor.

47. MTS: Operations Budget Status Report for January 2010

Mike Thompson, Assistant Budget Manager, gave a PowerPoint presentation on the year-to-date budget results through January 2010. He stated that January is the first month that financials are presented compared to the mid-year budget. He added that the numbers are close to budget as a result of the adopted budget, which was put into effect at the March 11, 2010 Board meeting.

Mr. Thompson reported that operating revenue was \$52.5 million, with a variance of 0.1%. He stated that operating expenses were at \$120.8 million, a variance of -0.1%. He added that the total variance is \$214,000 or -0.3%.

Action Taken

Mr. Ovrom moved to receive the report. Mr. Selby seconded the motion, and the vote was 8 to 0 in favor.

60. Chairman's Report

None.

61. Audit Oversight Committee Chairman's Report

Mr. Ewin reported that the draft minutes will be forwarded to the committee.

62. Chief Executive Officer's Report

None.

63. Board Member Communications

None.

64. Additional Public Comments Not on the Agenda

None.

65. Next Meeting Date

April 8, 2010.

66. Adjournment

The meeting adjourned at 11:20.



Chairperson  
San Diego Metropolitan Transit System

Filed by:



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

Approved as to form:



Office of the General Counsel  
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

VRogers/  
MINUTES - Board 3-25-10.doc

METROPOLITAN TRANSIT DEVELOPMENT BOARD  
ROLL CALL

MEETING OF (DATE): 3-25-10

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

RECESS: \_\_\_\_\_

RECONVENE: \_\_\_\_\_

CLOSED SESSION: 9:05 a.m.

RECONVENE: 10:04 a.m.

PUBLIC HEARING: \_\_\_\_\_

RECONVENE: \_\_\_\_\_

ORDINANCES ADOPTED: \_\_\_\_\_

ADJOURN: 11:20 p.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
CUNNINGHAM	<input checked="" type="checkbox"/> (Boyack) <input type="checkbox"/>	9:33 a.m.	
EWIN	<input checked="" type="checkbox"/> (Allan) <input type="checkbox"/>		
EMERALD	<input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/>		11:05 a.m.
GLORIA	<input type="checkbox"/> (Faulconer) <input type="checkbox"/>		
JANNEY	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>		11:09 a.m.
LIGHTNER	<input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
OVROM	<input checked="" type="checkbox"/> (Denny) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (Castaneda) <input type="checkbox"/>		
ROBERTS	<input type="checkbox"/> (Cox) <input type="checkbox"/>		
RYAN	<input type="checkbox"/> (B. Jones) <input type="checkbox"/>		
SELBY	<input checked="" type="checkbox"/> (England) <input type="checkbox"/>		
VAN DEVENTER	<input checked="" type="checkbox"/> (Zarate) <input type="checkbox"/>		
YOUNG	<input checked="" type="checkbox"/> (Emerald) <input type="checkbox"/>	9:33	10:00 a.m.

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

*J. L. Rogers*  
*G. Williams*