



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

Agenda

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

April 15, 2010

Executive Conference Room
9:00 a.m.

	ACTION RECOMMENDED
A. ROLL CALL	
B. APPROVAL OF MINUTES - March 18, 2010	Approve
C. COMMITTEE DISCUSSION ITEMS	
1. <u>MTS: Trolley Rehabilitation Project Update (Wayne Terry and John Haggerty of SANDAG)</u> Action would receive a report for information and provide comments.	Receive
2. <u>MTS: Master Concessionaire Services - Contract Award (Wayne Terry)</u> Action would forward a recommendation to the Board of Directors to authorize the CEO to execute MTS Doc. No. L0901.0-10 with The Kobey Corporation for Master Concessionaire Services, Option 2, for a 9-year base period (including option years).	Approve
3. <u>MTS: CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code Section 54956.8</u> <u>Properties:</u> 1313 National Avenue, San Diego, California (Assessor Parcel No. 535-612-01; 1344 National Avenue, San Diego, California (Assessor Parcel No. 535-613-04) <u>Agency Negotiators:</u> Tiffany Lorenzen, General Counsel; and Tim Allison, Manager of Real Estate Assets <u>Negotiating Parties:</u> George Davis Trust; ISD Triangle LLC <u>Under Negotiation:</u> Price and Terms of Payment	Possible Action

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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.

4. 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

Possible
Action

D. REVIEW OF DRAFT APRIL 22, 2010, JOINT BOARD AGENDA

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

Review of SANDAG Transportation Committee Agenda and discussion regarding any items pertaining to MTS, San Diego Transit Corporation, or San Diego Trolley, Inc. Relevant excerpts will be provided during the meeting.

Possible
Action

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

G. PUBLIC COMMENTS

H. NEXT MEETING DATE: May 6, 2010

I. ADJOURNMENT

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

MINUTES

March 18, 2010

MTS
1255 Imperial Avenue, Suite 1000, San Diego

A. ROLL CALL

Chairman Mathis called the meeting to order at 8:00 a.m. A roll call sheet listing Executive Committee member attendance is attached.

B. APPROVAL OF MINUTES

Mr. Rindone moved for approval of the minutes of the March 4, 2010, Executive Committee meeting. Mr. Selby seconded the motion, and the vote was 5 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

1. MTS - Blue and Orange Line Improvement Project

John Haggerty of SANDAG gave a PowerPoint presentation on the low floor station concepts for the Green Line extension. He introduced the design team, which includes Gary Hitesman, Architect, Estrada Land Planning; Eric Adams and Dave Ragland, project managers, SANDAG; and Jim Neal, Project Manager, Parsons-Brinckerhoff.

Mr. Haggerty stated that the Green Line extension concepts are from Washington Street to 12th & Imperial, Bayside. Mr. Jablonski pointed out that all of the stations south of Old Town to 12th & Imperial will be affected, and the primary objective is to get 2 additional inches on the platforms to accommodate the low-floor cars.

Mr. Haggerty reviewed station design objectives and concepts and presented various shelter options for members to review. He added that feedback from members is encouraged. He stated that a cantilevered design is preferred to minimize obstructions on the platform to provide more mobility. He added that both manufactured (off-the-shelf designs) and project-specific designs are being considered.

Mr. Haggerty presented several manufactured and specific-design options, cost and characteristics: ♦ flag-pole, ♦ Phoenix/Sacramento sail, ♦ barrel vault, ♦ manufactured standard, ♦ manufactured special, ♦ rustic curve, ♦ cantilever and ♦ bus type. He also presented several surfacing options and examples that included brick pavers, interlock concrete pavers, unit pavers and Lithocrete. He reviewed cost per square foot and characteristics of the paving options. He included visual

simulations of the individual stations beginning with Washington Street. Mr. Jablonski shared examples of other shelters and roof designs.

Members provided input and gave recommendations as follows:

- Consideration should be given to the maintenance of the surface options; i.e., concrete vs. brick
- Suggestion to look at map at La Jolla Shores that is made of Lithocrete, that is already in need of repair
- Stainless finishes can be difficult to repair and maintain if etched
- Flagpole design can be difficult to access for painting and maintenance
- Consideration should be given to the orientation of the platform and the angle of the sun, which may dictate one shelter design and roof angle over another
- The amount of shelter provided from the elements is a function of the depth, height and orientation of the shelter
- Flagpole design adds to the number of existing poles
- Request to prepare criteria that includes cost per unit, standard of cover, and maintenance projections for a comparative analysis
- The emphasis should be on background architecture for design that will fit calmly into the context of the area
- People care less about color in paving surfaces than how smooth the surface is for wheelchairs or strollers
- Paving considerations should include ease of maintenance
- Painted surfaces should be considered vs. galvanized metal
- Columns are favored to support the cantilever at a smaller incline
- Trees should not be removed to install shelters
- Solar shelters are a good idea
- The example from New Delhi is a good, simplistic design that provides a lot of shade
- Standardized design would provide way-finder function to the public
- Consistency in design and color will provide commonality for identity
- Consistency in design will provide for better maintenance cost
- Consideration should be given to how many surfaces are accessible or need paint
- It is important to keep the options open for some of the stations that have a theme
- Cantilever design is favored (simplistic lines with the least amount of surface that could be easily maintained)

Mr. Haggerty stated that the next presentation will provide more focused renderings that take member comments and recommendations into consideration before final design of the surfacing and shelters.

Public Speaker – Clive Richard pointed out that the style of shelter with tinted glass would let the light in and keep the heat and sun out. In response to his question, Mr. Mathis confirmed that Bayside will continue to be a single track. He also requested that surfaces be smooth for wheelchairs or strollers.

Action Taken

Mr. Selby moved to receive the report with direction to staff. Mr. Rindone seconded the motion, and the vote was 5 to 0 in favor.

2. MTS: Certification of Eligibility for Discounted Fare Media

Sharon Cooney gave a PowerPoint presentation on the certification of eligibility for discounted fare media. She pointed out that the transition to Compass Card will take place soon, and staff would like to take advantage of that to certify eligibility discounted passes for seniors, disabled, Medicare recipients, and youth. She described the current process and the reason to re-evaluate the process.

Ms. Cooney reviewed the revisions to the certification process under the Compass Card, including renewals, lost MTS IDs, or new requests. She added that new application forms to streamline the process are being created. She stated that a separate section will be on the form for disabilities that will require a doctor's certification of eligibility. She pointed out that details are being worked out by MTS for agencies that do not have a doctor on staff to certify eligibility.

Members discussed issues related to social service agencies having the ability to certify and the requirement for them to meet certain standards.

Action Taken

Mr. Selby moved to receive the report. Mr. Rindone seconded the motion, and the vote was 5 to 0 in favor.

D. REVIEW OF DRAFT MARCH 25, 2010, BOARD AGENDA

Recommended 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.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

Ms. Cooney pointed out an update on the agenda regarding the Mid Coast Corridor.

G. PUBLIC COMMENTS (Taken out of order)

Lorraine Leighton had a comment related to the disabled identification verification. She stated that she has a document that indicates guidelines that she will give to Sharon Cooney.

C3. CLOSED SESSION (Taken out of order)

MTS: CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to California Government Code Section 54956.8 Property: 1313 National Avenue, San Diego, California (Assessor Parcel No. 535-612-01; Agency Negotiators: Tiffany Lorenzen, General Counsel, Tim Allison, Manager of Real Estate Assets; Negotiating Parties: George Davis Trust; Under Negotiation: Price and Terms of Payment

Tiffany Lorenzen, MTS General Counsel, reported the following:

The Executive Committee received a report on agenda item C.3 and gave direction to the agency negotiators.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

None.

H. NEXT MEETING DATE: April 1, 2010

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 10:42 a.m.

Chairman

**EXECUTIVE COMMITTEE
METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

MEETING OF (DATE) March 18, 2010

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

RECESS None

RECONVENE ---

CLOSED SESSION 10:06 a.m.

RECONVENE 10:42 a.m.

ADJOURN 10:42 a.m.

BOARD MEMBER (Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
LIGHTNER <input checked="" type="checkbox"/> (Young) <input type="checkbox"/>		
MATHIS <input checked="" type="checkbox"/>		
Imperial Beach Rotated to Chula Vista		
RINDONE (VC) <input checked="" type="checkbox"/> (Young - CPT) <input type="checkbox"/>		
ROBERTS <input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		
SELBY <input checked="" type="checkbox"/> (Ryan) <input type="checkbox"/>		
Transportation Committee Rep Slot (Mathis)		

SIGNED BY OFFICE OF THE CLERK OF THE BOARD

Vicki Rogers

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL:

Jeffrey



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Agenda

Item No. C1

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

OPS 970.2

April 15, 2010

SUBJECT:

MTS: TROLLEY REHABILITATION PROJECT UPDATE (WAYNE TERRY AND JOHN HAGGERTY OF SANDAG)

RECOMMENDATION:

That the Executive Committee receive a report for information and provide comments.

Budget Impact

None.

DISCUSSION:

The San Diego Association of Governments (SANDAG) is continuing to provide project management and design services for the program of projects to upgrade the Blue Line rail infrastructure and prepare the entire trolley system for low-floor vehicle operations. The design and construction is proceeding rapidly in stages.

The initial stage of the program delivers rail infrastructure on the Blue Line needed to facilitate the major reconstruction of stations and track. This initial work provides the operational flexibility needed to maintain a consistent level of service during the major reconstruction to follow. The next stage of work reconstructs stations from Washington Street to San Ysidro on the Blue Line and downtown to La Mesa on the Orange Line to provide the eight-inch-high platforms needed for the new low-floor vehicles. The final stages will include extensive rail and track rehabilitation on the Blue Line south of the 12th and Imperial Transfer Station to bring the rail into a state of good repair. SANDAG and

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MTS are working to parallel design and construction activities for all three stages to the extent possible.

Design for the reconstruction of all of the Blue and Orange Line stations to accommodate low-floor vehicles is underway, and staff will provide an update on this work.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Wayne Terry, 619.595.4906, wayne.terry@sdmts.com

APRIL15-10.C1.TROLLEY.SCOONEY.doc



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Agenda

Item No. C2

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

OPS 970.6

April 15, 2010

SUBJECT:

MTS: MASTER CONCESSIONAIRE SERVICES - CONTRACT AWARD
(WAYNE TERRY)

RECOMMENDATION:

That the Executive Committee forward a recommendation to the Board of Directors to authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L0901.0-10 (in substantially the same format as Attachment A) with The Kobey Corporation for Master Concessionaire Services, Option 2, for a 9-year base period (including option years).

Budget Impact

This would be a revenue-generating contract. MTS's revenue would be based on a percentage split of the monthly rent/lease rate.

DISCUSSION:

MTS Policy No. 52 governing procurement of goods and services requires a formal competitive bid process for procurements exceeding \$100,000. The current MTS master concessionaire services contract will expire in June 2010.

On October 2, 2009, MTS issued a Request for Proposals (RFP) for master concessionaire services for up to a 9-year period (5-year base with two 2-year options) to secure a multiyear contract that provides oversight and outreach to the business community for revenue-generating business activities at trolley stations. The

RFP was advertised and mailed to nine firms. MTS believes that the concessionaire program can be enhanced by implementing new and uniform concession facilities at existing locations as well as other potential locations, which will generate higher revenue for MTS. As part of this agreement, the installation and maintenance of the facilities at designated trolley stations and transit centers would be at no cost to MTS.

On November 24, 2009, MTS received one proposal. The proposal was found to meet the minimum requirements established in the RFP and was deemed responsive and responsible. The proposal consisted of two options:

- Option 1: A 5-year base period with two 2-year options. Of the rents collected and the advertising revenue from kiosks, MTS would receive 40% for the base period years 1-5, 45% for years 6 and 7, and 50% for years 8 and 9.
- Option 2: A 9-year base period (including option years). Of rents collected and the advertising revenue from kiosks, MTS would receive 50% for years 1-5, 57% for years 6 and 7, and 62% for years 8 and 9. This option would allow Kobey Corporation to offer up to 9-year agreements to lessees maximizing the potential rental rate at each location.

The proposal was evaluated by a committee consisting of representatives from MTS Rail, Finance, Marketing, and Procurement Departments, and the San Diego Association of Governments (SANDAG). While considering the primary objectives of the RFP, the committee evaluated the proposal using the following five criteria and their relative weights of importance:

1.	Qualifications and Experience of the Firm or Individual	10 Points
2.	Staffing, Firm Organization, and Management Plan	10 Points
3.	Proposed Methodology and Work Plan	20 Points
4.	Concession Facilities Design	10 Points
5.	Cost/Compensation, Financial Benefit	50 Points
		Total: 100 Points

This process resulted in the following scoring:

Proposer's Scoring	Total Score (Total Possible Score: 100)
The Kobey Corporation 3350 Sports Arena Blvd. Suite K, San Diego, CA 92110	84.20

It was the unanimous finding of the evaluation committee that the proposal submitted by The Kobey Corporation represented the best value to the MTS. This finding was based on the procurement objectives, the evaluation criterion contained in the RFP, and a consideration of both technical and price factors.

The Kobey Corporation's proposal was the best combination of a clear understanding of the scope of work, highly knowledgeable and experienced management team, and financial approach that MTS staff believes would provide the best service and value for MTS. Therefore, the negotiation committee is recommending MTS Board approval of MTS Doc. No. L0901.0-10 for The Kobey Corporation master concessionaire services.



Paul C. Jablonski
Chief Executive Officer

Staff Contact: Wayne Terry, 619.595.4906, wayne.terry@sdmts.com

APRIL15-10.C2.KOBEY CONCESSIONAIRE AWARD.WTERRY.doc

Attachment: A. Draft MTS Doc. No. L0901.0-10

STANDARD SERVICES AGREEMENT

DRAFT

L0901.0-10
 CONTRACT NUMBER
 OPS 970.6
 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: The Kobey CorporationAddress: 3350 Sports Arena Blvd., Suite K

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

San Diego, CA 92110Telephone: 619.523.2700

Authorized person to sign contracts: Charles Pretto Vice 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 master concessionaire services, including ticket fare media sales as stipulated in MTS's Request for Proposals (RFP) for Master Concessionaire Services, MTS Doc. No. L0901.0-10; including Addenda A and B; and in accordance with the Standard Services Agreement, including the Standard Conditions Services, Federal Requirements, Kobey Corporation's original proposal dated 11/24/09, and Best and Final Offer (BAFO) dated 3/26/10 (BAFO Option 1 or 2 – contingent upon Board approval) herein after referred to as "the Contract Documents." If there are inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract:

1. MTS's Master Concessionaire Services RFP, Addenda A and B, Kobey Corporation's original proposal dated 11/24/09, and BAFO dated 3/26/10.
2. Standard Services Agreement, including the Standard Conditions Services, and Federal Requirements.

This contract shall remain in effect for up to a 9-year period (five base years with two 2-year options), effective May 1, 2010, through April 30, 2019. Total revenue for this contract (including options) is estimated to be \$2,831,987.20.

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
\$2,831,987.20	50901-42990	10-19

By: _____
 Chief Financial Officer

COST SUMMARY

MASTER CONCESSIONAIRE SERVICES RFP
MTS DOC. NO. L0901.0-10

PROPOSER: THE KOBAY CORPORATION

* OPTION 1: A 5-year base period with two 2-year options

COST PROPOSAL – OPTION 1 *		
MTS %	CONTRACT YEAR	TOTAL
40%	YEAR 1	\$187,320.00
40%	YEAR 2	\$211,741.20
40%	YEAR 3	\$218,619.04
40%	YEAR 4	\$225,177.61
40%	YEAR 5	\$231,932.94
45%	OPTION YEAR I (YEAR 6)	\$268,752.29
45%	OPTION YEAR I (YEAR 7)	\$276,814.86
50%	OPTION YEAR II (YEAR 8)	\$316,799.23
50%	OPTION YEAR II (YEAR 9)	\$326,303.20
GRAND TOTAL FOR UP TO NINE (9) YEARS		\$2,263,460.35

** OPTION 2: A 9-year base period (including option years)

COST PROPOSAL – OPTION 2 **		
MTS %	CONTRACT YEAR	TOTAL
50%	YEAR 1	\$234,150.00
50%	YEAR 2	\$264,676.50
50%	YEAR 3	\$273,273.80
50%	YEAR 4	\$281,472.01
50%	YEAR 5	\$289,916.17
57%	OPTION YEAR I (YEAR 6)	\$340,419.57
57%	OPTION YEAR I (YEAR 7)	\$350,632.15
62%	OPTION YEAR II (YEAR 8)	\$392,831.04
62%	OPTION YEAR II (YEAR 9)	\$404,615.97
GRAND TOTAL FOR NINE (9) YEARS		\$2,831,987.20



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DRAFT

Agenda

JOINT MEETING OF THE BOARD OF DIRECTORS

for the

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

April 22, 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 (ADLs) 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 the Minutes - March 25, 2010
3. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.

Please turn off cell phones and pagers
during the meeting

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CONSENT ITEMS

- | | | |
|-----|---|---------|
| 6. | <u>MTS: Rail Noise-Suppression Lubricant - Contract Award</u>
Action would authorize the CEO to execute MTS Doc. No. L0954.0-10 with Neleco, Inc. to purchase Synco SuperLube Rail Noise-Suppression Lubricant for a five-year term with two 1-year options. | Approve |
| 7. | <u>MTS: Internal Audit Report - Taxicab Administration</u>
Action would receive an internal audit report on Taxicab Administration procedures. | Receive |
| 8. | <u>MTS: Investment Report - February 2010</u>
Action would receive a report for information. | Receive |
| 9. | <u>MTS: Increased Authorization for Legal Services - Trovillion Inveiss Ponticello & Demakis, APC</u>
Action would authorize the CEO to execute MTS Doc. No. G1139.8-08 with Trovillion Inveiss Ponticello & Demakis, APC for legal services and ratify prior amendments entered into under the CEO's authority. | Approve |
| 10. | <u>MTS: Semiannual Uniform Report of DBE 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: Federal Transit Administration 5311 Program of Projects</u>
Action would approve Resolution No. 10-7 authorizing the use of \$235,296 of FTA Section 5311 funds for operating assistance in nonurbanized areas. | Approve |
| 12. | <u>MTS: Increased Authorization for Legal Services - Law Offices of Michael E. Ripley</u>
Action would authorize the CEO to execute MTS Doc. No. G1080.7-07 with the Law Offices of Michael E. Ripley for legal services and ratify prior amendments entered into under the CEO's authority. | Approve |

CLOSED SESSION

- | | | | |
|-----|----|---|--------------------|
| 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 | Possible
Action |
|-----|----|---|--------------------|

Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

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

DISCUSSION ITEMS

- | | | |
|-----|---|--------------------|
| 30. | <u>MTS: Master Concessionaire Services - Contract Approval (Wayne Terry)</u>
Action would authorize the CEO to execute MTS Doc. No. L0901.0-10 with The Kobey Corporation for Master Concessionaire Services, Option 2, for a 9-year base period (including option years). | Approve |
| 31. | <u>MTS: Siemens Light Rail Vehicle Procurement - Contract Amendment (Tiffany Lorenzen and Wayne Terry)</u>
Action would: (1) authorize the CEO to execute MTS Doc. No. L0914.3-10 for a change in supplier for interior passenger lighting and destination signs and installation of zip-in windows; and (2) ratify MTS Doc. No. L0914.1-10 (company name change for Siemens) and MTS Doc. No. L0914.2-10 (allocation of spare parts inventory). | Approve/
Ratify |

REPORT ITEMS

- | | | |
|-----|---|-------------|
| 45. | <u>MTS: Security Report (Bill Burke)</u>
Action would receive a report for information. | Receive |
| 46. | <u>MTS: Compass Card Update (James Dreisbach-Towle of SANDAG)</u>
Action would receive a report for information. | Receive |
| 47. | <u>MTS: Operations Budget Status Report for February 2010 (Mike Thompson)</u>
Action would receive a report for information. | Receive |
| 60. | <u>Chairman's Report</u> | Information |
| 61. | <u>Audit Oversight Committee Chairman's Report</u> | Information |
| 62. | <u>Chief Executive Officer's Report</u> | Information |
| 63. | <u>Board Member Communications</u> | |
| 64. | <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. | |
| 65. | <u>Next Meeting Date:</u> May 13, 2010 | |
| 66. | <u>Adjournment</u> | |



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Agenda

Item No. 6

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

OPS 970.6

**Draft for
Executive Committee
Review Date: 4/15/10**

April 22, 2010

Subject:

MTS: RAIL NOISE-SUPPRESSION LUBRICANT – CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L0954.0-10 (Attachment B) with Neleco, Inc. to purchase Synco SuperLube Rail Noise-Suppression Lubricant for a five-year term with two 1-year options.

Budget Impact

The total not-to-exceed amount would be \$716,053.50. This contract would use 80% federal and 20% local funding.

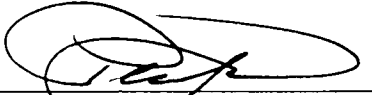
DISCUSSION:

Background

MTS Policy No. 52 (Procurement of Goods and Services) requires a formal competitive bid process for procurement of goods and services exceeding \$100,000.00. MTS solicited to purchase rail noise-suppression lubricant for San Diego Trolley, Inc. (SDTI). Rail noise-suppression lubricant serves not only to increase the life expectancy of the rail but also to suppress noise throughout the populated business and residential corridors of SDTI. Usage has been established and the contract is based on the usage history.

On January 14, 2010, MTS issued an Invitation for Bids (IFB) to interested parties for the purchase of rail noise-suppression lubricant. Two bids were received; however, one bid was deemed nonresponsive since the product being offered did not meet the Service-Proven Requirements stated in the bid requirements. The second bid received from Neleco, Inc., the current supplier of rail noise-suppression lubricant, is being recommended for award.

Therefore, staff recommends that the Board authorize the CEO to execute MTS Doc. No. L0954.0-10 for Synco SuperLube Rail Noise-Suppression Lubricant to Neleco, Inc.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contacts: Fred Byle, 619.595.4937, fred.byle@sdmts.com
Sandra Overton, 619.557.4572, sandra.overton@sdmts.com

APRIL22-10.6.NELECO LUBE CONTRACT.SOVERTON.doc

Attachments: A. Letter Regarding Nonresponsive Product
B. Draft MTS Doc. No. L0954.0-10



Att. A, AI 6, 4/22/10

Metropolitan Transit System

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



March 18, 2010

Jeff Lopes
Western States Oil Co.
2709 Teagarden Street
San Leandro CA 94577

Subject: Metropolitan Transit System (MTS) Invitation for Bid (IFB) – Rail Noise
Suppression Lubricant
MTS Doc. No. L0938.0-10

Dear Mr. Lopes:

Thank you for your bid in response to Invitation for Bid (IFB) MTS Document Number L0938.1-10 for Rail Noise Suppression Lubricant.

After review of your bid submittal, the bid from Western States Oil will not be accepted due to the following reason:

The product being offered does not meet the requirements stated in the Service Proven Compliance Section as defined in Section 5.7, page 33 of the IFB.

Clarification was requested from you on March 16, 2010 regarding the references provided in your bid on the Designation of Experience form. The information you provided was reviewed and evaluated.

The Service Proven Compliance Section requires that the product being offered in the bid be in use at three (3) Transit Agencies within the United States for the past five (5) years at each Agency. The Agencies must be of similar operation as the San Diego Trolley, Inc. (SDTI), i.e.: similar in rail and wheel profiles, curves, grades, etc.

In the overview of the IFB, in Section 5.0, on page 32, it is also clearly stated that SDTI is a Light Rail Vehicle System.

In your response to question # 5, sent to you post bid opening, the references provided are both heavy and light rail, with Trimet in Portland, Oregon, being the only light rail Agency. The other Agencies you referenced appear to be heavy rail. Use of this product in a heavy rail application does not conform to the requirements of the bid.

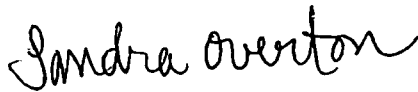
In addition, as stated in your clarification response to question #7, the product offered in the bid is being used by the referenced Agencies for three (3) to seven (7) years. However, you did not state the exact time frame each Agency used your product.



The only valid light rail reference for the product offered in the bid, Whitmore EP1 Bio Rail, was in use at Trimet in Portland, Oregon. When contacted, a Trimet procurement officer stated that the Whitmore Bio Rail product was only utilized during the period of June 2007 to June 2008 and was subsequently discontinued. Thus, since five (5) years of use is required, this reference has been disallowed.

Since you have not demonstrated that your product meets the Service Proven Compliance Section in this solicitation, your bid is hereby rejected.

Sincerely,

A handwritten signature in cursive script that reads "Sandra Overton".

Sandra Overton
Contract Officer

STANDARD PROCUREMENT AGREEMENT

DRAFT

L0954.0-10
 CONTRACT NUMBER
 OPS 970.6
 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, a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Neleco, Inc. Address: 675 VFW Parkway, MS 334
Chestnut Hill, MA 02467
 Form of Business: Corporation
 (Corporation, partnership, sole proprietor, etc.) Telephone: 781.341.5050
 Authorized person to sign contracts: Paul E. R. DiBenedetti 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 Synco SuperLube Noise Suppression Rail Lubricant, Part No. 47-41040-5, in accordance with the Neleco, Inc., pricing dated March 10, 2010, the Standard Procurement Agreement, the Standard Conditions Procurement, and the Federal Requirements. If there are any inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract:

1. Neleco, Inc, pricing dated March 10, 2010, Standard Procurement Agreement, including the Standard Conditions Procurement and Federal Requirements.

This contract shall remain in effect for three years effective May 1, 2010, through June 30, 2013, with two 1-year options exercisable at MTS's sole discretion.

The total amount of this contract shall not exceed \$716,053.50, including California sales tax, without written approval from 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
\$423,563.85 Base Years (May 1, 2010 – June 30, 2013)		
\$144,019.80 Option Year 1 (May 1, 2013 - April 30, 2014)		
\$148,469.85 Option Year 2 (May 1, 2014 – June 30, 2015)		
\$716,053.50 Total	37054310	Fiscal Years 10-14

By: _____ Chief Financial Officer Date _____

APRIL22-10.6.A11B.NELECO L0954.0-10.SOVERTON.DOC

(____ total pages, each bearing contract number)



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Agenda

Item No. 7

JOINT MEETING OF THE BOARD OF DIRECTORS
for the

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

April 22, 2010

LEG 492

**Draft for
Executive Committee
Review Date: 4/15/10**

SUBJECT:

MTS: INTERNAL AUDIT REPORT - TAXICAB ADMINISTRATION

RECOMMENDATION:

That the Board of Directors receive an internal audit report on Taxicab Administration procedures.

Budget Impact

None.

DISCUSSION:

During December 2009, the MTS Internal Auditor performed a review of the Taxicab Administration procedures and internal controls. As a result of this review, three recommendations were made for management's consideration. Management has reviewed the recommendations and is taking action to address the issues noted.

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

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Mark Abbey, 619.557.4573, mark.abbey@sdmts.com

APRIL22-10.7.TAXICAB AUDIT.MABBEY.doc

Attachment: A. Taxicab Administration Audit Report

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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Att. A, AI 7, 4/22/10

Memorandum

DATE: March 17, 2010

LEG 492 (PC 50121)

TO: John Scott

FROM: Mark Abbey

SUBJECT: AUDIT REPORT: TAXICAB ADMINISTRATION

EXECUTIVE SUMMARY

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

Audit Objectives and Scope

The objective of the audit was to review the adequacy of internal controls over Taxicab Administration's processes at MTS.

The audit included a review of controls over incoming revenues and a general review over procedures followed by Taxicab Administration personnel with respect to vehicle inspections, issuing permits, monitoring compliance with administrative and operational regulations, and investigating customer complaints.

Observations and Recommendations

The taxicab administrative process is generally carried out in an effective manner. To further improve internal controls and other issues, the following recommendations are offered for management's consideration:

1. Develop new software to support the inspection scheduling process.
2. Automate the complaint process.
3. Maintain an audit trail in support of the reconciliation of data between the new Taxicab Administration system and the old AS400 system and taxicab manual files.

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

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

BACKGROUND

All persons engaging in the business of operating for-hire vehicles in the cities of El Cajon, Imperial Beach, La Mesa, Lemon Grove, National City, Poway, San Diego, and Santee, and the unincorporated area of San Diego County within MTS's area of jurisdiction must obtain an operating permit from MTS. There are a limited number of permits available.

When applying for a non-City of San Diego permit, the applicant is required to pay a \$3,000 permit fee as well other applicable fees. For City of San Diego permit transfers, a \$1,750 fee is charged. In addition to this, annual regulatory fees are billed out to permit holders with the current fee set at \$450 per vehicle.

The Taxicab Administration is responsible for determining owner eligibility for permits, vehicle inspections, issuing permits, monitoring compliance with administrative and operational regulations, and investigating customer complaints.

Various other fees are charged to permit holders, including vehicle inspection fees, transfer fees, taxicab stand fees, and other charges.

Under California State Public Utilities Code section 120266, taxicab regulatory activities administered by MTS must generate full-cost recovery. Fees are established and revised annually with the goal of generating full-cost recovery.

DETAILED OBSERVATIONS

1.0 Scheduling Taxicab Inspections

Taxicab inspectors are required to schedule and perform over 1,500 inspections annually. These inspections must be coordinated with taxicab companies. Efforts are made to ensure that taxicab companies do not have too many inspections at the same time. The scheduling process used to be performed by the AS400 software. Since the program is no longer used, the inspections are scheduled manually. This process is time-consuming and inefficient.

A new Taxicab Administration program has been developed by the MTS IT Department, and it is scheduled to go on line in 2010. The new program has an Inspection module; however, the program does not yet have the capability to perform the scheduling feature required by the Taxicab Administration inspectors.

I support the rapid development of a new inspection-scheduling feature, and I believe this project should be prioritized in order to eliminate the current inefficient manual process.

Recommendation

Develop new software to support the inspection-scheduling process.

Management Response

This software is now under development. Taxicab and IT staffs are in the review and acceptance phase of the project.

1.1 Automation of the Complaint Process

One of the Regulatory Analysts handles all of the complaint calls that are received from dissatisfied taxicab customers. These calls are logged manually and followed up by the Regulatory Analyst. Monthly statistics can be compiled manually on the number and type of complaints received.

There is currently no automated method available for producing complaint statistical reports or an automated method for staff to read complaints online.

The MTS Bus Division utilizes an automated system for logging customer complaints. It may prove beneficial for the Taxicab Administration to consider utilizing this same system or to develop something similar within the new taxicab program for logging and tracking taxicab complaints.

Recommendation

Automate the complaint process.

Management Response

Taxicab Administration staff has contacted SDTC and IT staffs, and we are currently discussing a "best-fit" solution.

1.2 Conversion to the New Taxicab Administration Program

A new Taxicab Administration program has been developed by the MTS IT Department, and online implementation is planned 2010. One of the necessary tasks during the transition from the AS400 software is the accurate migration of the data from the AS400 to the new database. Information, such as permits, taxicab information on insurance, inspections, vehicle information, ownership, etc., all must match both the AS400 system and the taxicab files.

Taxicab staff has been reconciling the data in the new system back to the AS400 data and the hard-copy files.

An audit trail needs to be maintained in support of this reconciliation process. The audit trail would support any future external audit queries and ensure the integrity of the data in the new system.

Recommendation

Maintain an audit trail in support of the reconciliation of data between the new Taxicab Administration system and the old AS400 system and taxicab manual files.

Management Response

Each Regulatory Analyst has a written log related to their individual alphas, which corresponds to an individual permit holder. Each of the staff pulled the file, reviewed it, and matched and edited the information transferred from the AS400 to the new system. Each of these logs will be placed and retained in Taxicab Administration files.

M-FINAL.TAXICAB 09.MABBEY.doc

cc: Paul Jablonski
Tiffany Lorenzen
Cliff Telfer



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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.

April 22, 2010

FIN 305

**Draft for
Executive Committee
Review Date: 4/15/10**

SUBJECT:

MTS: INVESTMENT REPORT – FEBRUARY 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 February 2010. 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 balance in restricted cash and investments has decreased by \$2.5 million due to liquidation of one retention trust account.

The unrestricted investments in the second column reports the working capital for MTS operations for employee payroll and vendors' goods and services. The balance in unrestricted cash and equivalents has decreased by \$30.8 million in February largely due to payment of outstanding liabilities related to completed projects, payment of annual insurance premiums, and transfers totaling \$17 million to short-term investment accounts.

During February, \$12.5 million was transferred to the San Diego County Investment Pool, and \$4.5 million was transferred to the Local Agency Investment Fund account.

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



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Linda Musengo, 619.557.4531, Linda.Musengo@sdmts.com

APRIL22-10.8.INVESTMT RPT FEB.LMUSENGO.doc

Attachment: A. Investment Report

**San Diego Metropolitan Transit System
Investment Report
February 28, 2010**

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	Average rate of return
Cash and Cash Equivalents				
Bank of America - concentration sweep account	<u>\$ 1,209,485</u>	<u>\$ 15,624,290</u>	<u>\$ 16,833,775</u>	0.00%
Total Cash and Cash Equivalents	<u>1,209,485</u>	<u>15,624,290</u>	<u>16,833,775</u>	
Cash - Restricted for Capital Support				
US Bank - retention trust account	205,200		205,200	N/A *
Local Agency Investment Fund (LAIF) Proposition 1B TSGP grant funds	<u>2,683,459</u>		<u>2,683,459</u>	0.56%
Total Cash - Restricted for Capital Support	<u>2,888,659</u>	<u>-</u>	<u>2,888,659</u>	
Investments - Working Capital				
Local Agency Investment Fund (LAIF)		18,065,749	18,065,749	0.56%
Bank of New York Money Market POB interest	<u>-</u>	<u>40</u>	<u>40</u>	
Total Investments - Working Capital	<u>-</u>	<u>18,065,789</u>	<u>18,065,789</u>	
Investments - Restricted for Debt Service				
US Bank - Treasury Strips - market value (Par value \$39,474,000)	34,594,826	-	34,594,826	
Rabobank - Payment Undertaking Agreement	<u>84,951,545</u>	<u>-</u>	<u>84,951,545</u>	7.69%
Total Investments Restricted for Debt Service	<u>119,546,371</u>	<u>-</u>	<u>119,546,371</u>	
Total cash and investments	<u>\$ 123,644,515</u>	<u>\$ 33,690,079</u>	<u>\$ 157,334,594</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

LEG 490

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

April 22, 2010

**Draft for
Executive Committee
Review Date: 4/15/10**

SUBJECT:

MTS: INCREASED AUTHORIZATION FOR LEGAL SERVICES – TROVILLION
INVEISS PONTICELLO & DEMAKIS, APC

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1139.8-08 (in substantially the same form as Attachment A) with Trovillion Inveiss Ponticello & Demakis, APC for legal services and ratify prior amendments entered into under the CEO's authority.

Budget Impact

Not to exceed \$55,000 for Trovillion Inveiss Ponticello & Demakis, APC. The recommended amounts would be contained within fiscal year 2010/2011 budgets.

DISCUSSION:

On January 18, 2007, the Board approved a list of qualified attorneys for general liability and workers' compensation for use by MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) (hereinafter referred to as the Agencies) staffs on an as-needed basis. Thereafter, MTS began to contract with approved attorneys for various amounts depending upon current and anticipated needs.

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000. All attorneys listed have multiple cases that are scheduled to proceed to trial, and the total cost of their legal services will exceed the CEO's authority.

Trovillion Inveiss Ponticello & Demakis, APC is currently under contract with the Agencies for \$200,000. Attorneys at Trovillion Inveiss Ponticello & Demakis, APC have successfully defended the Agencies in a number of workers' compensation matters. Pending invoices for recent and current services are anticipated to exceed current contract authority due to legal defense costs.

The CEO has approved contracts up to the \$100,000 authority level. Staff is requesting Board approval of MTS Doc. No. G1139.8-08 with Trovillion Inveiss Ponticello & Demakis, APC for legal services and ratification of prior contracts/amendments entered into under the CEO's authority.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: James Dow, 619.557.4562, jim.dow@sdmts.com

APRIL22-10.9.LEGAL SVCS TROVILLION.JDOW.doc

Attachment: A. MTS Doc. No. G1139.8-08

DRAFT

April 22, 2010

MTS Doc. No. G1139.8-08
LEG 491 (PC 50633)

Ms. Nicole Demakis
Trovillion, Inveiss & Demakis, APC
1010 Second Avenue, 16th Floor
San Diego, CA 92101-4906

Dear Ms. Demakis:

Subject: AMENDMENT NO. 8 TO MTS DOC. NO. G1139.0-08: LEGAL SERVICES – WORKERS' COMPENSATION

This letter will serve as Amendment No. 8 to MTS Doc. No. G1139.0-08. This contract amendment authorizes additional costs not to exceed \$55,000 for professional services. The total value of this contract, including this amendment, is \$255,000. Additional authorization is contingent upon MTS approval.

If you agree with the above, please sign below, and return the document marked "Original" to the Contracts Specialist at MTS. The other copy is for your records.

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

Nicole Demakis
Trovillion, Inveiss & Demakis, APC

APRIL22-10.9.AttA.LEGAL SVCS
G1139.8-08.JDOW.doc

Date: _____



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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 (PC 50121)

April 22, 2010

**Draft for
Executive Committee
Review Date: 4/15/10**

SUBJECT:

MTS: SEMIANNUAL UNIFORM REPORT OF DBE 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.

Budget Impact

None.

DISCUSSION:

History

The Federal Transit Administration's (FTA's) DBE Program was originally created to ensure nondiscrimination in the award and administration of Department of Transportation- (DOT)-assisted contracts. The DBE Program required that on all federally funded contracts, a contract-specific DBE goal be established and met by the successful bidder. In order to qualify as a DBE, a company has to be certified by the grantee or designated state agency. Award of all federally funded contracts was conditioned upon meeting the DBE goal. If a firm was unable to meet the DBE goal, the firm was required to demonstrate that it made a good-faith effort to find a DBE subcontractor.

In 2005, the Ninth Circuit Court of Appeals published an opinion specifying that the State of Washington's contract-specific goal for a paving contract was unconstitutional. On December 21, 2005, in response to the Ninth Circuit's ruling, the nine states affected by the decision (Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, and Washington) were required by DOT to submit proof of discrimination in their respective contracting opportunities. The California Department of Transportation (Caltrans) took the lead for gathering this evidence for all transportation agencies within California. In order to comply with the Ninth Circuit ruling, Caltrans then issued a directive that all federal transportation assistance subrecipients would implement a DBE Race-Neutral Program until a comprehensive state-wide disparity study was completed. The Caltrans study has been completed and approved by the Federal Highway Administration (FHWA). Contracts funded with FHWA monies are required to have certain DBE goals; however, MTS currently has no FHWA funding in its budget. Caltrans is still awaiting approval from the FTA—once approval has been obtained, MTS may need to modify its current DBE goals.

In summary, the DBE Program has changed from a contract-specific program (wherein goals are set for each federally funded contract) to a DBE availability program (DBE goals are set for the year and attainment is monitored). During this time, MTS will continue to comply with all DBE requirements.

DBE participation is based on the goals that were approved by the Board during October of 2009. After the completion of the MTS Disparity Study, the Board voted to modify the goals based upon the study. The new triennial aspirational goal is 12.6%. Upon the completion of the next semiannual report, staff will present the results of the six-month survey that includes data on noncertified DBE, women-owned, and minority-owned firms consistent with the results of the Disparity Study.

Second Semiannual Report for October 1, 2009, to March 30, 2009

MTS is a subrecipient of FTA funds and, as such, must report on DBE participation in its contracting opportunities. Twice yearly, subrecipients must submit a completed Awards/Commitments and Actual Payments spreadsheet.

The DBE reporting methodology is set by federal statute; MTS may only count participation from vendors who 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 included with this agenda item (Attachment A). The second semiannual report was submitted by MTS to the California Department of Transportation's (Caltrans') program representative and the FTA on April 6, 2010, for the reporting period of October 1, 2009, to March 30, 2009 (Attachment B). Staff is requesting that the Board review and receive the second semiannual report for federal fiscal year 10.

DBE Outreach Events for October 1, 2009, to March 30, 2010

During this reporting period MTS staff participated in the following outreach events:

1. MTS is a member of the Small Business Transportation Resource Center operated by the Office of Small and Disadvantaged Business Utilization Regional Partnership Division of the United States Department of Transportation. Staff

participated in three conference calls and workshops about doing business with transportation agencies in California.

2. Conducted the public hearing on the DBE Disparity Study and followed up with each of the vendors who spoke regarding doing business with MTS.
3. DBE Consultant Teresa Gonzalez-White participated in several MTS prebid meetings to offer advice and answer questions about becoming a certified DBE.



Paul C. Jablonski
Chief Executive Officer

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

APRIL22-10.10.UNIFORM DBE RPT.TLOREN.doc

Attachments: A. List of Contracts Available for DBE Participation
B. Semiannual DBE Report

MTS FTA FY 09-10 BUDGETED CONTRACTS		
PROJECT NO.	PROJECT DESCRIPTION	FY 09-10 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	Hastop 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 Desktops	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 FY 09-10	7,924,000

DISADVANTAGED BUSINESS ENTERPRISE PROGRAM REPORTING FORM

AWARDS/COMMITMENTS (Vendor Selected)

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: April 6, 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. Identify Grant Program Section (5310, 5311, ARRA 5311, 5316, 5317)	F. Standard Agreement #	G. Standard Agreement Amount	H. Contractor/Subcontractor/Vendor	I. Type of Contract	J. DBE Y/N	K. If yes, Identify Ethnicity & Gender	L. DBE Cert Number http://www.dot.ca.gov/hq/bep/find_certified.htm	M. Contract/ Subcontract Amount
5309	CA-05-0233	356198	Sloan Electromechanical Services	Services	N			356198
5309	CA-90-Y748	2177244	Hi-Tech Enterprises	Materials	N			2177244
5307, 5309	CA-90-Y748, CA-05-0240	12010	The Business Cleaning Company	Services	N			12010
5307	CA-90-Y748	2975	EF Enterprises	Services	N			2975
5309	CA-05-0240	100000	Heritage Security Services	Services	N			100000
5309	CA-05-240	113768	Prudential Overall	Materials	N			113768
5309	CA-05-240	93357	Sperry Rail Service	Services	N			93357
5307	CA-90-Y748	13256	Southcoast Heating & Air Conditioning	Services	N			13256
5307	CA-90-Y748	140000	Best Best & Krieger	Services	N			140000
				Sub-Total Number of Yes DBE's	0		Sub-Total Amount of Yes DBE's	\$0.00
				Sub-Total Number of No DBE's	9		Amount of No DBE's	\$3,008,808.00
				GRAND TOTAL	9		GRAND TOTAL	\$3,008,808.00

B-1

Ethnicity and Gender Legend:

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

DISADVANTAGED BUSINESS ENTERPRISE PROGRAM REPORTING FORM

ACTUAL PAYMENTS (Vendor Payment Record)

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

C. Date: April 6, 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. Identify Grant Program Section (5310, 5311, ARRA 5311, 5316, 5317)	F. Standard Agreement #	G. Standard Agreement Amount	H. Contractor/Subcontractor/Vendor	I. Type of Contract	J. DBE Y/N	K. If yes, Identify Ethnicity & Gender	L. DBE Cert Number http://www.dot.ca.gov/hq/bep/find_certified.htm	M. Contract/Subcontract Amount
5309	CA-05-0240	112814	Neleco, Inc.	Materials	N			\$112,814.00
5307	CA-90-Y677	3171485	RAM Industrial	Services	N			\$3,171,485.00
5307	CA-90-Y748	32328	Allied Weed Control	Services	N			\$32,328.00
5307	CA-90-Y677	49898	Western Pump	Materials	N			\$49,898.00
5307	CA-90-Y748	90000	Brenco Operating	Materials	N			\$90,000.00
5307	CA-90-Y748	26400	Tri-Signal Inc.	Services	N			\$26,400.00
5307	CA-90-Y748	61254	Southcoast	Services	N			\$61,254.00
5307	CA-90-Y748	93862	AAA Printing	Services	N			\$93,862.00
5311	469886	348349	Creative Bus Sales	Materials	N			\$348,349.00
5307	CA-90-Y677	10380	Creative Bus Sales	Materials	N			\$10,380.00
5307	CA-90-Y474	14982	Solona Technologies	Materials	N			\$14,982.00
				Sub-Total Number of Yes DBE's	0		Sub-Total Amount of Yes DBE's	
				Sub-Total Number of No DBE's	11		Sub-Total Amount of No DBE's	\$4,011,752.00
				GRAND TOTAL	11		GRAND TOTAL	\$4,011,752.00

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.

April 22, 2010

OPS 950.7 (PC 50451)

**Draft for
Executive Committee
Review Date: 4/15/10**

SUBJECT:

MTS: FEDERAL TRANSIT ADMINISTRATION 5311 PROGRAM OF PROJECTS

RECOMMENDATION:

That the Board of Directors approve Resolution No. 10-7, (Attachment A) authorizing the use of \$235,296 of FTA Section 5311 funds for operating assistance in nonurbanized areas.

Budget Impact

None at this time.

DISCUSSION:

The Federal Transit Administration (FTA) provides funds for capital and operating assistance to agencies providing rural transportation through the Section 5311 Nonurbanized Area Formula Program. These funds do not come directly to the region but are apportioned to the states. On behalf of the state, the California Department of Transportation (Caltrans) in turn reapportions the funds to the region based solely on the regional rural population as a share of the state total rural population. San Diego Association of Governments (SANDAG) allocates the funds to both North County Transit District and MTS based on the relative rural population in each service area. As shown within Attachment A, FTA 5311 funding would provide \$235,296 in operating assistance for MTS.

Recommendation

Grant requirements include submission of a resolution by the Board of Directors authorizing their submittal and project programming. Therefore, staff recommends that the Board approve, by resolution (Attachment A), submission of a grant application and project programming. Caltrans requires that the San Diego Association of Governments certify that it would amend the Regional Transportation Improvement Program in the event of a grant award.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Nancy Dall, 619.557.4537, nancy.dall@sdmts.com

APRIL22-10.11.FTA 5311.NDALL.doc

Attachment: A. Resolution No. 10-7

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 10-7

Resolution Authorizing Federal Funding Under FTA Section 5311
with the California Department of Transportation

WHEREAS, the U.S. Department of Transportation is authorized to make grants to states through the Federal Transit Administration (FTA) to support capital and operating assistance projects for nonurbanized public transit services under Section 5311 of the Federal Transit Act; and

WHEREAS, the California Department of Transportation has been designated by the Governor of the State of California to administer Section 5311 grants for public transportation projects; and

WHEREAS, MTS desires to apply for said financial assistance to operate rural transit service in San Diego County; and

WHEREAS, MTS has, to the maximum extent feasible, coordinated and consulted with other transportation providers and users in the region, including consultation with San Diego County Health and Human Services; NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that MTS does hereby authorize the Chief Executive Officer, or designated representative, to file and execute any actions necessary on behalf of MTS with the California Department of Transportation to aid in the financing of operating or capital assistance projects pursuant to Section 5311 of the Federal Transit Act of 1964, as amended.

1. General Counsel, or designated representative, is authorized to execute and file all assurances or any other documents required by the California Department of Transportation.

2. The Chief Financial Officer, or designated representative, is authorized to provide additional information as the California Department of Transportation may require in connection with the application for Section 5311 projects.

PASSED AND ADOPTED, by the Board of Directors this _____ day of ____ 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

APRIL22-10.11.AltA.RESO 10-7.NDALL.doc



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

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.

LEG 491 (PC 50633)

April 22, 2010

**Draft for
Executive Committee
Review Date: 4/15/10**

SUBJECT:

MTS: INCREASED AUTHORIZATION FOR LEGAL SERVICES – LAW OFFICES OF
MICHAEL E. RIPLEY

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1080.7-07 (in substantially the same form as Attachment A) with the Law Offices of Michael E. Ripley for legal services and ratify prior amendments entered into under the CEO's authority.

Budget Impact

Not to exceed \$55,000 for the Law Offices of Michael E. Ripley. The recommended amounts would be contained within fiscal year 2010/2011 budgets.

DISCUSSION:

On January 18, 2007, the Board approved a list of qualified attorneys for general liability and workers' compensation for use by MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) (hereinafter referred to as the Agencies) staffs on an as-needed basis. Thereafter, MTS began to contract with approved attorneys for various amounts depending upon current and anticipated needs.

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000. All attorneys listed have multiple cases that are scheduled to proceed to trial, and the total cost of their legal services will exceed the CEO's authority.

The Law Offices of Michael E. Ripley is currently under contract with the Agencies for \$255,000. Michael E. Ripley has successfully defended the Agencies in a number of tort liability matters. Pending invoices for recent and current services are anticipated to exceed current contract authority due to legal defense costs.

The CEO has approved contracts up to the \$100,000 authority level. Staff is requesting Board approval of MTS Doc. No. G1080.7-07 with the Law Offices of Michael E. Ripley for legal services and ratification of prior contracts/amendments entered into under the CEO's authority.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: James Dow, 619.557.4562, jim.dow@sdmts.com

APRIL22-10.LEGAL SVCS MICHAEL RIPLEY.JDOW

Attachment: A. MTS Doc. No. G1080.7-07

DRAFT

April 22, 2010

MTS Doc. No. G1080.7-07
LEG 491 (PC 50633)

Mr. Michael Ripley
Law Offices of Michael E. Ripley
12520 High Bluff Drive, Suite 360
San Diego, CA 92130

Dear Mr. Ripley:

Subject: AMENDMENT NO. 7 TO MTS DOC. NO. G1080.0-07: LEGAL SERVICES – GENERAL
LIABILITY

This letter will serve as Amendment No. 7 to MTS Doc. No. G1080.0-07. This contract amendment authorizes additional costs not to exceed \$55,000 for professional services. The total value of this contract, including this amendment, is \$310,000. Additional authorization is contingent upon MTS approval.

If you agree with the above, please sign below, and return the document marked "Original" to the Contracts Specialist at MTS. The other copy is for your records.

Sincerely,

Accepted:

Paul C. Jablonski
Chief Executive Officer

Michael Ripley
Law Offices of Michael E. Ripley

APRIL22-10.12.AttA.RIPLEY LEGAL
SVCS G1080.7-07.JDOW.doc

Date: _____