



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.

June 10, 2010

9:00 a.m.

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

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### ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes - May 27, 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.

Approve

Please turn off cell phones and pagers  
during the meeting

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

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



## CONSENT ITEMS

- |     |   |                    |
|-----|---|--------------------|
| 6.  | <u>MTS: Take One Printing Services - Contract Award</u><br>Action would authorize the CEO to execute MTS Doc. No. G1298.0-10 with AAA Printing for Take One printing services for a base period of five years with two 1-year options.                              | Approve            |
| 7.  | <u>MTS: Bucket Truck Equipment Vehicles - Contract Award</u><br>Action would authorize the CEO to execute MTS Doc. No. L0963.0-10 with Altec Industries to purchase up to two bucket truck equipment vehicles.  | Approve            |
| 8.  | <u>MTS: Railroad Timber Crossties - Contract Award</u><br>Action would authorize the CEO to execute a three-year contract (MTS Doc. No. L0950.0-10) with Pacific Wood Preserving Companies to procure railroad timber crossties for San Diego Trolley, Inc. (SDTI). | Approve            |
| 9.  | <u>MTS: Increased Authorization for Legal Services - Oppen &amp; Varco, LLP</u><br>Action would authorize the CEO to execute MTS Doc. No. G1165.3-08 with Oppen & Varco, LLP for legal services and ratify prior amendments entered into under the CEO's authority. | Approve/<br>Ratify |
| 10. | <u>This number not used</u>   |                    |
| 11. | <u>MTS: Fiscal Year 2011 Transportation Development Act (TDA) Claim</u><br>Action would adopt Resolution Nos. 10-13, 10-14, and 10-15 approving fiscal year (FY) 2011 Transportation Development Act (TDA) Article 4.0, 4.5, and 8.0 claims.                        | Approve            |

## CLOSED SESSION

- |     |   |                    |
|-----|---|--------------------|
| 24. | a. <u>MTS: CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to California Government Code Section 54956.9(a) Metropolitan Transit System v. San Diego State University (Case No. 37-2007-00083692-CU-WM-CTL)</u> | Possible<br>Action |
|-----|---|--------------------|

### Oral Report of Final Actions Taken in Closed Session

## NOTICED PUBLIC HEARINGS

- |     |  |         |
|-----|--|---------|
| 25. | <u>MTS: FY 2011 Budget - Public Hearing and Adoption (Larry Marinesi)</u><br>Action would: (1) hold a public hearing, receive testimony, and review and comment on the fiscal year 2011 budget information presented in this report; (2) enact Resolution No. 10-12 adopting the operating and capital budget for MTS and the operating budgets for San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), MTS Contract Services, Chula Vista Transit, and the Coronado Ferry; and (3) approve the use of \$7.9 million in TransNet 1 carryover funds in the FY 2010 operating budget, which would replace one-time funds used to balance the amended budget and shift \$7.9 million of Transportation Development Act (TDA) funding back into the Capital Improvement Program. | Approve |
|-----|--|---------|

## DISCUSSION ITEMS

30. MTS: Compressed Natural Gas (CNG) Station Capital Improvement Upgrades and Operating and Maintenance Agreement (Claire Spielberg) Approve  
Action would authorize the CEO to award to Trillium USA, LLC (doing business as California Trillium Company): (1) MTS Doc. No. PWB127.0-10 for capital improvement upgrades to the MTS-owned CNG fueling facilities; and (2) MTS Doc. B0522.0-09 for a ten-year follow-on operations and maintenance service agreement.

## REPORT ITEMS

None.

60. Chairman's Report Information
61. Audit Oversight Committee Chairman's Report Information
62. Chief Executive Officer's Report Information
63. Board Member Communications
64. Additional Public Comments Not on the Agenda  
If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this agenda, additional speakers will be taken at this time. If you have a report to present, please furnish a copy to the Clerk of the Board. Subjects of previous hearings or agenda items may not again be addressed under Public Comments.
65. Next Meeting Date: June 24, 2010
66. Adjournment

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

May 27, 2010

MTS  
1255 Imperial Avenue, Suite 1000, San Diego

DRAFT MINUTES

**FINANCE WORKSHOP**

1. Roll Call

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

2. MTS: Fiscal Year 2011 Operating Budget (Larry Marinesi)

Larry Marinesi, Budget Manager of MTS, gave a PowerPoint presentation beginning with a fiscal year 2010 budget recap. He stated that the original projected shortfall was \$19.7 million, which was driven by the TransNet/TDA reduction of \$14.4 million. He stated \$13.6 million in one-time funds have been used to balance the FY 2010 budget. He reviewed the use of one-time funds, service reductions, and the refinancing of the POB with a Dexia loan. Mr. Marinesi mentioned that the projected reserve balance as of June 30, 2010, is \$21.7 million equating to 10% of the operating budget. He stated that MTS is on target to achieve a balanced amended budget.

Mr. Marinesi recapped the fiscal year 2011 budget. He explained that as of March 2010, SANDAG is projecting a 1.87% increase in sales tax revenue, which equates to a \$768,000 increase in subsidy revenue. He added that due to the recovering economy, it is anticipated that there will be a growth in ridership of 2.1%. He reviewed projections for advertising, service reductions, interest expense reductions due to the variable POB refinance, and preliminary energy assumptions that resulted in a preliminary projected shortfall of \$10.1 million. At that time, the Board provided direction to use \$8.2 million from capital improvement project (CIP) monies that resulted in a \$1.9 million shortfall.

Budgetary assumptions have been refined and present a balanced budget. Mr. Marinesi stated that the updated assumptions include \$861,000 in revenue enhancements, primarily in passenger revenues, and \$1.1 million in cost reductions primarily driven by updates in CNG costs. He stated that the updated assumptions total \$1.9 million, and budget adjustments total \$10.1 million, which was previously projected as the operating deficit. These adjustments result in a balanced budget for FY 2011.

Mr. Marinesi reviewed the details of the fiscal year 2011 budget stating that fare revenues are projected to be 3.3% higher, and other operating revenues are projected to drop by \$226,000 primarily due to advertising revenues and interest income reductions. He stated that on the

subsidy side, federal dollars are projected to drop by \$5.9 million because ARRA funds will not be received in fiscal year 2011. He stated that TDA and TransNet are increasing by \$768,000 in the upcoming fiscal year. The reserve balance is projected to be \$22 million by the end of fiscal year 2011, and no reserves will be used for the upcoming fiscal year. He stated that the total decrease in revenue is projected to be \$11.5 million compared to fiscal year 2010.

Mr. Marinesi stated that fiscal year 2011 expenses are projected to total \$219 million, which is a \$11.5 million, or 5%, reduction over fiscal year 2010. He pointed out that the fiscal year 2011 energy costs have been reduced by \$3.7 million primarily driven by a reduction of compressed natural gas. The cost per therm is projected to decrease by \$0.349 or -27% due to a facility maintenance negotiated procurement and a reduction in San Diego Gas and Electric's transportation costs. He added that there is a \$700,000 savings in traction power through the Direct Access Electricity Program.

Mr. Marinesi presented graphs that project the average cost of CNG to be \$0.94, diesel at \$2.60, and gasoline at \$2.80. He also reviewed the cost per penny of fuel stating that if the CNG price per term increased by a penny, the impact would be \$74,000 on operations on an annual basis. He also reviewed the budgeted cost per mile and the historical energy rates for the past four fiscal years.

Mr. Marinesi stated that the fiscal year 2011 budget is balanced. He reviewed the total combined revenues that are projected to decrease by \$11.5 million and total expenses projected to decrease by \$11.5 million. He provided projected revenue statistics, including revenue miles and hours, total miles and hours, and passenger boarding.

Mr. Marinesi provided a five-year financial forecast through fiscal year 2015. He pointed out that in fiscal year 2011, one-time funds of \$8.2 million were used to balance the budget. He stated that in future years, the one-time funds are not recurring sources of funding, which presents fiscal operational concerns in the upcoming four fiscal years. Operating deficits are projected between \$11 million and \$15.6 million over the upcoming four fiscal years.

Mr. Marinesi reviewed next steps for the fiscal year 2011 budget.

6/10/10 MTS Public Hearing and Board Adoption  
6/18/10 San Diego Association of Governments (SANDAG) Transportation  
Committee - Transit Operating Budget Approval

Mr. Ewin commented that Mr. Marinesi had done an excellent job capturing current and future financial concerns in his budget report. He requested that future budget reports also consider these ongoing operational concerns as it provides an opportunity to use them as benchmark indicators to measure performance for fiscal year 2011.

Mr. Gloria commented to the issue of TransNet funds given from SANDAG and felt that Board members advocated for the funds for usage of enhancing rider services, not being held for future reserves. Ms. Lightner also expressed concern for the \$7.9 million in TransNet funds from SANDAG and those funds going into capital projects and expending the funds versus putting the funds into reserves for future use. She felt that advocating efforts to SANDAG for the funds were to help with operations.

Mr. Jablonski explained that the funds to plug the deficit were originally taken out of capital reserves and it makes sense to position the funds back into capital. He explained that roughly

25% of projects are funded and 75% are unfunded, which equates to roughly \$36 million unfunded projects. We are trying not to gut our capital program and balance both sides of the equation. Mr. Jablonski explained further that the \$7.9 million TransNet funds from SANDAG are in fact going towards operations. A case was made to SANDAG earlier in the year that MTS would be facing a budget deficit. If MTS does not receive the TransNet money, other projects would be cut. An additional problem MTS is facing is the issue of state funding. MTS could receive \$16 million in state funding for the 2011 fiscal year and, if that is the case, it will cover the \$8.2 million deficit and provide us with a surplus.

Mr. Mathis commented that MTS is anticipating significant shortfalls of funding for future years and in an effort to stay ahead of financial problems, we are trying to position ourselves to ensure we can absorb cuts.

Action Taken

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

3. Public Comments

None.

4. Adjournment

Chairman Rindone adjourned the Finance Workshop at 9:03 a.m.

**BOARD MEETING**

1. Roll Call

Chairman Mathis called the Board meeting to order at 9:03 a.m. A roll call sheet listing Board member attendance is attached.

2. Approval of Minutes

Ms. Emerald moved to approve the minutes of the May 13, 2010, MTS Board of Directors meeting. Mr. Van Deventer seconded the motion, and the vote was 12 to 0 in favor.

3. Public Comments

*Derek Turbine:* Mr. Turbine is a Chula Vista resident and the business development manager for Seal Beach, a California based company, Clean Energy; the MTS CNG fuel provider since 2002. He is speaking today in protest of Agenda Item No. 30 - the proposed award to Trillium USA, LLC. MTS and Clean Energy had a 5-year contract, which ended in 2007 and since then, Clean Energy has continued to provide services on a monthly basis. Clean Energy believes that it will provide MTS an actual savings of \$2.7 million and has all of the qualifications and demonstrated experience.

CONSENT ITEMS

6. MTS: Radio Communication Support Services - Contract Award

Action would authorize the CEO to execute MTS Doc. No. L0947.0-10 with Day Wireless Systems for radio communication support services for a five-year period.

7. MTS: Investment Report - March 2010

Action would receive a report for information.

8. MTS: Motorola Regional Transit Management System - Contract Amendment

Action would: (1) ratify MTS Doc. No. G0867.9-03 with Motorola as executed by the CEO at a cost of \$25,466.51; (2) authorize the CEO to execute MTS Doc. No. G0867.10-03 to the Motorola Regional Transit Management System (RTMS) contract to fund the Service Support Agreement; and (3) authorize the CEO to execute MTS Doc. No. G0868.5-03 with North County Transit District (NCTD) for a Fund Transfer Agreement.

9. SDTC: Leased Bus Tires and Related Services - Contract Award

Action would authorize the CEO to execute MTS Doc. No. B0530.0-10 with Goodyear Tire and Rubber Company to lease bus tires on a tire-mile basis, including all related tire services. The resulting contract would be for a three-year base period with 2 one-year options.

Action on Recommended Consent Items

Mr. Van Deventer moved to approve Consent Agenda Item Nos. 6, 7, 8, and 9. Mr. Ewin seconded the motion, and the vote was 12 to 0 in favor.

CLOSED SESSION:

24. Closed Session Items

**The Board convened to Closed Session at 9:42 a.m.**

a. MTS: CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to California Government Code 54956.9 (a) Metropolitan Transit System v. San Diego State University (Case No. 37-2007-00083692-CU-WM-CTL)

b. MTS: CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code Section 54956.8  
Properties: 1313 National Avenue, San Diego, California (Assessor Parcel No. 535-612-01); 1344 National Avenue, San Diego, California (Assessor Parcel No. 535-613-04)  
Agency Negotiators: Tiffany Lorenzen, General Counsel; Tim Allison, Manager of Real Estate Assets  
Negotiating Parties: George Davis Trust; ISD Triangle LLC  
Under Negotiation: Price and Terms of Payment

**The Board reconvened to open session at 10:28 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 staff.
- b. The Board received a report and gave direction to the agency negotiators.

NOTICED PUBLIC HEARINGS

25. There were no noticed public hearings.

DISCUSSION ITEMS

30. MTS: Compressed Natural Gas (CNG) Station Capital Improvement Upgrades and Operating and Maintenance Agreement (Claire Spielberg)

This discussion item has been postponed and will go through a protest resolution process. Once that it complete, the item will come back to the Board for discussion.

Action Taken

No action was taken on this item.

REPORT ITEMS

45. MTS: Trolley Rehabilitation Project Update (John Haggerty of SANDAG)

John Haggerty of SANDAG gave a PowerPoint presentation on the Orange and Blue Line Trolley Rehabilitation Project. He explained that the Green Line extension stations, the Orange Line, and downtown stations will undergo an eight-inch platform lift. The Blue Line stations will undergo an 8-inch lift but will require complete reconstruction of the stations to accommodate growing ridership on buses and trolleys in the area. The Green Line extension will begin operations in January 2012, the Orange Line following in July 2012, and the Blue Line will start operations in June 2013. The total projected cost for the Trolley Rehabilitation Project is estimated at \$619 million. Charts showing design, construction, and vehicle status were provided.

Mr. Haggerty reviewed the design elements of the proposed Green Line extension stations as well as proposed station upgrades for the Blue Line. Design elements of the proposed stations take into account the architectural elements in the station's vicinity. The proposed stations at Washington Street, Middletown, and County Center/Little Italy will include four shelters each station with a single row of columns in the back, a barrel roof design allowing for an open feel at the platforms, and brick or brick-like paving. The Orange Line will terminate at Santa Fe Depot. The Santa Fe Depot station shelter or paving will not be changed; the station itself will be extended to accommodate the new low-floor vehicles. The Seaport Village Station currently is concrete, and the proposal is to have a shelter slightly wider than the proposed County Center Station with the same open shelter design concept including mast and stays to give a more nautical theme. Again, the proposed station paving will be brick or brick-like, and there will be additional signing for enhanced way-finding. One element of the design criteria for the shelters are a larger awning that will go from the back of the station and up to the yellow tacking warning strip on ground to provide more coverage.



The Convention Center Station proposal includes beams that have been changed, and the color scheme is different to tie into the Convention Center in the background. A concrete similar to crushed granite will be used to gain a 2-inch lift. The proposed Gaslamp Station has design elements that mirror the entry-way monument, including a barrel-vaulted roof with barrel gable and filigree column caps. The barrel gable will provide additional room for station identity, and the proposed station paving will be brick paving to match the existing paving. The 12<sup>th</sup> and Imperial Transit Center proposed shelter will include a grey and red color scheme to match colors already in the area. Some additional shelter will be needed for this new operating plan, so the proposal is to have two shelters on this platform and to replace paving with concrete to maintain the look and feel of the surrounding buildings.

Mr. Haggerty reviewed the design station goals for the Blue Line corridor and presented an example of the typical station layout. The stations on the Blue Line will consist of a standard shelter design; small, large, and transit centers costing, \$100,000, \$150,000, and \$275,000, respectively. He explained the Blue Line transit center shelter design approach, considered the bus-to-trolley transfer across the plaza platform and the concern to provide enough shade for patrons. The small and large shelters will have a double-barrel roof with an upper wing on the bus side. They will have an open look and feel to them with a barrel-vault arched roof, metal shelters with a metal roof, and an arch screen will provide visibility for enhanced security. The transit center shelter design includes a double-barrel shelter roof with an upper wing to accommodate buses. A low-floor system improvement program schedule summary chart was provided to the Board.

#### Action Taken

Mr. Cunningham made a motion to receive the report and authorize the Executive Committee to take the lead on project oversight. Mr. Selby seconded the motion, and the vote was 11 to 0 in favor.

#### 46. MTS: Operations Budget Status Report for April 2010 (Mike Thompson)

Mike Thompson, Assistant Budget Manager for MTS, gave a brief report on the budget status for April 2010. Mr. Thompson reported that fare revenue is ahead of budget by \$811,000 leading to an overall operating variance of \$788,000 with ridership higher than projected causing a \$1.6 million variance. Average fares are lower than budget balancing to \$800,000 positive variance. He reported that operating expenses are unfavorable with a large driver being personnel costs on the transit side resulting from the change in service structure that took place in February; costs are expected to even out as the fiscal year continues. CNG and diesel costs are favorable compared to projected budget rates. Mr. Thompson concluded that combined, operations are favorable by \$180,000 while administration and other activities are unfavorable by \$197,000 due to interest and advertising leading to a total combined net operating variance of \$14,00 unfavorable or 0.4%.

#### Action Taken

Mr. Cunningham moved to receive the report. Mr. Van Deventer seconded the motion, and the vote was 11 to 0 in favor.

60. Chairman's Report

Chairman Mathis made no report.

61. Audit Oversight Committee Chairman's Report

Mr. Ewin, Chairman of the Audit Oversight Committee, reported that an Audit Oversight Committee meeting will take place prior to the Executive Committee meeting on June 17, 2010.

62. Chief Executive Officer's Report

Mr. Jablonski reported that last Tuesday and Wednesday, he was in Sacramento for a California Transit Association (CTA) Executive Committee meeting and a spring legislative conference, and most of the discussions revolved around state funding. The CTA Fall Conference will be taking place in San Diego in September, and he is in the process of negotiating a 1-day rate and all Board members will be invited. More details will be provided as the date approaches.

63. Board Member Communications

Ms. Lightner commented that the SuperLoop is opening on Judicial Drive, and she was heading off to a ribbon-cutting ceremony.

64. Additional Public Comments on Items Not on the Agenda

There were no additional public comments.

65. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, June 10, 2010.

66. Adjournment

Chairman Mathis adjourned the meeting at 11:02 a.m.

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Chairperson  
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

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

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Office of the General Counsel  
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

H:\Minutes - Executive Committee, Board, and Committees\Minutes - 2010\MINUTES - Board 05-27-10 DRAFT.docx

METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS  
ROLL CALL

MEETING OF (DATE): May 27, 2010

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

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

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

CLOSED SESSION: 9:42 a.m.

RECONVENE: 10:28 a.m.

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

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

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

ADJOURN: 11:01 a.m.

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
CUNNINGHAM	<input checked="" type="checkbox"/> (Boyack) <input type="checkbox"/>		
EWIN	<input checked="" type="checkbox"/> (Allan) <input type="checkbox"/>		
EMERALD	<input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/>	9:12 a.m.	
GLORIA	<input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/>		
JANNEY	<input type="checkbox"/> (Bragg) <input type="checkbox"/>		x
LIGHTNER	<input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/>	9:04 a.m.	11:00 a.m.
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input checked="" type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
OVROM	<input checked="" type="checkbox"/> (Denny) <input type="checkbox"/>		
RINDONE	<input checked="" type="checkbox"/> (Castaneda) <input type="checkbox"/>		
ROBERTS	<input type="checkbox"/> (Cox) <input type="checkbox"/>		x
RYAN	<input type="checkbox"/> (B. Jones) <input type="checkbox"/>		x
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"/>		10:43 a.m.

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD

*Valerie Yizkeleti*

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL

*[Signature]*



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.

S RTP 830.4

June 10, 2010

### SUBJECT:

MTS: TAKE ONE PRINTING SERVICES – CONTRACT AWARD

### RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1298.0-10 (in substantially the same format as Attachment A) with AAA Printing Company for Take One printing services for a base period of five years with two 1-year options.

#### Budget Impact

The five-year contract period would begin on July 1, 2010, and end on June 30, 2015. There are two 1-year options that could extend the contract up to June 30, 2017. The funding for each printing varies depending on the subject of the Take One, but funding sources are anticipated to be federal, state, and local. A total amount of \$631,456.33 would be encumbered over the seven-year period. This is a maximum contract amount—MTS anticipates that the actual value of printing services to be procured under this contract would be lower than the maximum.

### DISCUSSION:

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



On February 19, 2010, MTS issued an Invitation for Bids (IFB) to interested parties for printing and delivery services for Take One notices. MTS prints Take One notices to place on board buses and trolleys approximately six to ten times per year. These flyers announce upcoming service changes, public hearings, special events, and other information of passenger interest. Because of their wide distribution on board all of our vehicles, these notices remain a primary method of communicating important information to our passengers.

A total of seven (7) sealed bids were received on April 7, 2010 (see Bid Summary – Attachment B) – three responsive bids and four nonresponsive bids. AAA Printing Company was the lowest responsive, responsible bidder for the five-year base period with two 1-year options at \$631,456.33; therefore, pursuant to MTS policy, staff recommends award of MTS Doc. No. G1298.0-10 to AAA Printing Company.

  
\_\_\_\_\_  
Paul C. Jablonski  
Chief Executive Officer

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

JUN10-10.6.TAKEONEPRINTING DDESMOND.doc

Attachments: A. Draft MTS Doc. No. G1298.0-10  
B. Bid Summary

## STANDARD PROCUREMENT AGREEMENT

**DRAFT**

G1298.0-10  
 CONTRACT NUMBER  
 SRTP 830.4  
 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: AAA Printing Company. Address: 1315 Broadway

Form of Business: Corporation El Cajon, CA 92021  
 (Corporation, partnership, sole proprietor, etc.)

Telephone: 619-447-7468

Authorized person to sign contracts: David Bueltel Owner  
 Name Title

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

Provide delivery and printing services for Take One Notices as stipulated in MTS's Invitation for Bids (IFB) for Printing and Delivery Services for Take One Notices, MTS Doc. No. G1298.0-10; including MTS's Responses to Written Questions/Clarifications; and in accordance with the Standard Procurement Agreement, including the Standard Conditions Procurement, Federal Requirements, Safety Department's SOP (SAF-016), and AAA Printing Company's Bid Proposal dated 4/6/10. If there are inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract:

1. MTS's Printing and Delivery Services for Take One Notices IFB, MTS's Responses to Written Questions/Clarifications, and AAA Printing Company's Bid Proposal dated 4/6/10.
2. Standard Procurement Agreement, including the Standard Conditions Procurement, and Federal Requirements.

This contract shall be for a five-year base period with two 1-year options effective July 1, 2010, through June 30, 2017. The total contract amount shall not exceed \$631,456.33.

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
\$ 77,556.04 – Year 1		
\$ 81,429.46 – Year 2		
\$ 85,505.51 – Year 3		
\$ 89,780.79 – Year 4		
\$ 94,269.82 – Year 5		
\$ 98,983.33 – Year 6 (Option Yr. I)		
\$103,931.38 – Year 7 (Option Yr. II)		
<b>\$631,456.33 – Years 1 to 7</b>	<b>50451-53740</b>	<b>11-17</b>

By: \_\_\_\_\_ Date  
 Chief Financial Officer



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

## BID SUMMARY

MTS IFB NO. G1298.0-10

### Printing and Delivery Services for Take One Notices

COMPANY NAME	BID AMOUNT
<b>ABG Marketing &amp; Business Communications **</b> 3810 Wabash Drive Mira Loma, CA 91752	\$ 411,157.98
<b>RanRoy Printing Company **</b> 4650 Overland Avenue San Diego, CA 92123	\$ 598,920.06
<b>AAA Printing Company *</b> 1315 Broadway El Cajon, CA 92021	\$ <b>631,456.33</b>
<b>Diego &amp; Son Printing</b> 2104 National Ave. San Diego, CA 92113	\$ 637,446.23
<b>The Gates Group</b> 4928 Naples Street San Diego, CA 92110	\$ 669,127.97
<b>Sir Speedy Printing **</b> 3517 Main Street, Suite 303 Chula Vista, CA 91911	\$ 993,572.63
<b>Allegra Print and Imaging **</b> 7515 Metropolitan Drive, Suite 405. San Diego, CA 92108	\$ 1,650,152.57

\* Lowest responsive, responsible bidder

\*\* Nonresponsive bidders

JUNE10-10.6.AttB.BID SUMMARY  
 TAKE ONE PRINTING.DDESMOND.doc



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.



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## Agenda

Item No. 7

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

CIP 11224

June 10, 2010

### SUBJECT:

MTS: BUCKET TRUCK EQUIPMENT VEHICLES – CONTRACT AWARD

### RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L0963.0-10 (in substantially the same format as Attachment A) with Altec Industries to purchase up to two bucket truck equipment vehicles.

#### Budget Impact

This project would be federally funded under CIP 11224 (Catenary Inspection/Work Platform Truck) for a total of \$381,918.

### DISCUSSION:

On September 10, 2009, The National Joint Powers Alliance (NJPA) awarded a contract to Altec Industries for landscaping and grounds-related equipment, accessories, and supplies. NJPA is a governmental agency under the enabling authority outlined in the Minnesota Statute 123A.21, which allows cooperative procurement services to its members from government, education, and nonprofit agencies nationwide and to piggyback onto its contracts.

NJPA advertised and competitively solicited this contract as an Invitation for Bids (IFB) under IFB No. 081209. Two bids were received for the bucket truck equipment vehicle, and Altec Industries was awarded a contract.

San Diego Trolley, Inc.'s (SDTI's) existing bucket trucks do not meet the 2010 California Emissions Standards. Due to the age and mileage of these vehicles (1992 and 1994 with over 150,000 miles each), they cannot be modified in their current configuration. The





cost to reconfigure these trucks is comparable to buying a new vehicle; therefore, reconfiguration would not be a cost-effective approach for MTS. After reviewing the base pricing offered on the NJPA contract and pricing for the option items, it was determined that Altec Industries' price is fair and reasonable (see Cost Analysis – Attachment B).

In order to meet the new Environmental Protection Agency standards, staff is requesting Board approval of MTS Doc. No. L0963.0-10 to piggyback on NJPA's Contract No. 081209-ALT to purchase one new bucket truck vehicle with hi-rail equipment from Altec Industries with an option to purchase one additional identical bucket truck at the same price (\$190,959 each) for a total contract amount of \$381,918.

  
\_\_\_\_\_  
Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Fred Byle, 619.595.4937, [fred.byle@sdmts.com](mailto:fred.byle@sdmts.com)

JUNE10-10.7.BUCKET TRUCK CONTRACT AWARD.CAQUINO.doc

Attachments: A. Draft MTS Doc. No. L0963.0-10  
B. Cost Analysis

## STANDARD PROCUREMENT AGREEMENT

**DRAFT**

L0963.0-10  
CONTRACT NUMBER  
CIP 11224-1300  
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: Altec Industries, Inc.Address: 325 Industrial WayForm of Business: Corporation  
(Corporation, partnership, sole proprietor, etc.)Dixon, CA 95620Telephone: 916-799-0658

Authorized person to sign contracts: Mark Baer Senior Account 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 one (1) bucket truck equipment vehicle, Altec TA50 mounted on International 4300 Chassis per MTS specifications, including hi-rail equipment with an option to purchase one (1) additional identical bucket truck exercisable at MTS's discretion; piggybacking on the National Joint Powers Alliance (NJPA) No. 081209-ALT, including all terms and conditions of the contract; and in accordance with the Standard Procurement Agreement, including the Standard Conditions Procurement, Federal Requirements, Safety Department's Standard Operating Procedure (SAF 016-03), and Altec Industries' revised quote received on May 13, 2010.

Price includes equipment vehicle with hi-rail, California sales tax (8.75%), "exempt" license, California tire fee, delivery, and industry standard manufacturer's warranty (12 months or 12,000 miles parts and labor) at \$190,959 each. Payment terms shall be net 30 days from invoice date. Delivery for the first bucket truck shall be completed within 180-210 days upon receipt of purchase order/contract.

The additional bucket truck shall be exercisable at MTS's discretion per MTS requirements and upon available funding. MTS shall notify Altec in writing 30-60 days in advance for the option to purchase one (1) additional bucket truck. Delivery for the second bucket truck shall be completed within 180-210 days upon receipt of advanced written notice from MTS.

Vehicle shall be delivered to: **San Diego Trolley, Inc. (SDTI)**  
 1341 Commercial Street  
 San Diego, CA 92113  
 Attn: Fred Byle (619) 595-4937

The registered owner will be: **San Diego Metropolitan Transit System (MTS)**  
 1255 Imperial Avenue, Suite 1000  
 San Diego, CA 92101

Total expenditures for this contract shall not exceed **\$381,918.**

This contract is subject to a financial assistance agreement between MTS and the U.S. Department of Transportation.

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
\$381,918	CIP 11224-1300	11

By: \_\_\_\_\_  
Chief Financial Officer

Date



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

Att. B, AI 7, 6/10/10

**ATTACHMENT B**

**COST ANALYSIS**

**MTS DOC. NO. L0963.0-10  
BUCKET TRUCK EQUIPMENT VEHICLES**

BUCKET TRUCK EQUIPMENT VEHICLE		
COMPANY NAME	MODEL / DESCRIPTION	NJPA #081209 (Base Price)
Atec Industries, Inc. * 325 Industrial Way Dixon, CA 95620	TA50, Articulated Telescopic Aerial Device with Material Handling	\$ 137,254.00 *
Federal Contracts Corp. (FCC) 13797 N. Nebraska Ave. Tampa, FL 33613	TL50P, Articulated Telescopic Aerial Device	\$ 142,576.09

\* Based on the NJPA base pricing above, Altec Industries was the lowest bidder for the standard bucket truck.

**OPTION ITEMS:**

	NJPA IFB 081209 (Altec Quote to MTS)	Altec Industries List Price
LTC – Lower Tool Kit (one on each side) **	\$ 1,100 (\$550 ea x 2)	\$ 1,426 (\$713 ea x 2)

\*\* Based on the comparison between the NJPA contract price and the list price above, staff has determined that price is fair and reasonable.

	NJPA IFB 081209 2011 Model Year (new emission chassis)	NJPA IFB 081209 2010 Model Year (Pre-emission chassis)
International 4300 SBA 4x2 Chassis ***	\$ 66,470	\$ 59,706
Difference	\$ 6,764	

\*\*\* The table above reflects the NJPA contract price difference between the 2010 model year and the 2011 model year chassis. In lieu of a standard chassis and based on MTS requirements, Altec provided a quote for the 2011 model year (new emission chassis). The price difference of \$6,764 was added to the base price of the bucket truck above.

HI-RAIL EQUIPMENT ( > )	ALTEC INDUSTRIES QUOTE TO MTS	DMF Quote to South Eastern PA Transit Authority	Dion International (Per MTS Doc. No. L0874.0- 09, LRV Hi-Rail Vehicle)
DMF Railgear-RW1420 and frame extensions to accommodate rail gear	\$ 23,680	\$ 24,097	\$ 26,000

> Based on the price comparison above for the optional hi-rail equipment, staff has determined that Altec's pricing is fair and reasonable.

(Note: Pricing above excludes CA sales tax 8.75% (\$15,009) and freight (\$4,420). The cost for each bucket truck is in the amount of \$190,959 each, for a total contract amount of \$381,918).



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## Agenda

Item No. 8

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

CIP 11183-0200

June 10, 2010

### SUBJECT:

MTS: RAILROAD TIMBER CROSSTIES - CONTRACT AWARD

### RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute a three-year contract (MTS Doc. No. L0950.0-10 – Attachment A) with Pacific Wood Preserving Companies to procure railroad timber crossties for San Diego Trolley, Inc. (SDTI).

#### Budget Impact

A total not to exceed \$194,400.27 would come from Capital Improvement Project (CIP) 11183-0200 (Railroad Timber Crossties), which uses federal funds (80 percent federal and 20 percent local).

- 2011 \$67,140.06
- 2012 \$65,149.98
- 2013 \$62,110.23

### DISCUSSION:

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

On March 23, 2010, MTS solicited an Invitation for Bids to procure railroad timber crossties for a three-year period and opened the bids on May 4, 2010. Two responsive bids were received (see Bid Summary – Attachment B), and Pacific Wood Preserving Companies was the lowest responsive, responsible bidder for the three-year period.



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Therefore, pursuant to MTS policy, staff recommends award of MTS Doc. No. L0950.0-10 to Pacific Wood Preserving Companies in the amount of \$194,400.27.



---

Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Marco Yniguez, 619.557.4576, [marco.yniguez@sdmts.com](mailto:marco.yniguez@sdmts.com)

JUNE10-10.8.TIMBER CROSSTIES.MYNIGUEZ.doc

Attachments: A. MTS Doc. No. L0950.0-10  
B. Bid Summary

# DRAFT

Att. A, AI 8, 6/10/10

## STANDARD PROCUREMENT AGREEMENT

L0950.0-10  
CONTRACT NUMBER  
OPS 970.4  
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: Pacific Wood Preserving Companies Address: P.O. Box 968

Form of Business: Corporation Eloy, Arizona 85231

(corporation, partnership, sole proprietor, etc.)

Telephone: (520) 466-7801

Authorized person to sign contracts: Robert K. Schuh Industrial Sales  
Name Title

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

Provide railroad timber crossties, as stipulated in MTS's Invitation for Bids (IFB) for Railroad Timber Crossties, MTS Doc. No. L0950.0-10; in accordance with the Standard Procurement Agreement, the Standard Conditions Procurement, Federal Requirements, Safety Department's Standard Operating Procedures (SAF-016), and Pacific Wood Preserving Companies' bid proposal dated May 4, 2010. If there are any inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of this contract:

1. MTS Railroad Timber Crossties IFB and Pacific Wood Preserving Companies' bid proposal dated May 4, 2010.
2. Standard Procurement Agreement, including the Standard Conditions Procurement and Federal Requirements.

This contract shall remain in effect for three years effective July 1, 2010, through June 30, 2013.

The total amount of this contract shall not exceed \$194,400.27, including California sales tax and freight, without prior written approval from MTS.

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
\$67,140.06 Year 1		
\$65,149.98 Year 2		
<u>\$62,110.23 Year 3</u>		
\$194,400.27 Total	CIP 11183-0200	11 – 13
By: _____ Chief Financial Officer	Date	

( \_\_\_\_ total pages, each bearing contract number)

<b>CONTRACT YEAR</b>	<b><i>B &amp; B Diversified Materials</i></b>	<b><i>Pacific Wood Preserving</i></b>	<b><i>A &amp; K Railroad Materials / Bridgewell</i></b>
CONTRACT YEAR 1 TOTAL:	\$ 72,084.71	\$ 67,140.06	\$
CONTRACT YEAR 2 TOTAL	\$ 69,908.44	\$ 65,149.98	\$
CONTRACT YEAR 3 TOTAL:	\$ 66,676.43	\$ 62,110.23	\$
<b>GRAND TOTAL – BASIS OF AWARD</b>	<b>\$ 208,669.57</b>	<b>\$ 194,400.27</b>	<b>No Bid</b>





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## Agenda

Item No. 9

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

LEG 490 (PC 50121)

June 10, 2010

### SUBJECT:

MTS: INCREASED AUTHORIZATION FOR LEGAL SERVICES – OPPER & VARCO, LLP

### RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1165.3-08 (in substantially the same form as Attachment A) with Oppen & Varco, LLP for legal services and ratify prior amendments entered into under the CEO's authority.

#### Budget Impact

Not to exceed \$35,000 for Oppen & Varco, LLP. The recommended amounts should be contained within the 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.



Opper & Varco, LLP are currently under contract with the Agencies for \$100,000. Attorney Richard Opper has successfully assisted the Agencies in a number of environmental liability matters. Pending invoices for two open matters along with past billings are anticipated to exceed current contract authority.

The CEO has approved contracts up to the \$100,000 authority level. Staff is requesting Board approval of MTS Doc. No. G1165.3.08 for legal services with Opper & Varco, LLP and ratification of prior contracts/amendments entered into under the CEO's authority.



Paul G. Jablonski  
Chief Executive Officer

Key Staff Contact: James Dow, 619.557.4562, [jim.dow@sdmts.com](mailto:jim.dow@sdmts.com)

JUNE10-10.9.LEGAL SERVICES OPPER VARCO.JDOW.doc

Attachment: A. MTS Doc. No. G1165.3-08

June 10, 2010

MTS Doc. No. G1165.3-08  
LEG 490 (PC 50121)

Mr. Richard Oppen  
Oppen & Varco, LLP  
225 Broadway, Suite 1900  
San Diego, CA 92101

Dear Mr. Oppen:

Subject: AMENDMENT NO. 3 TO MTS DOC. NO. G1165.0-08: LEGAL SERVICES –  
ENVIRONMENTAL LAW

This letter will serve as Amendment No. 3 to MTS Doc. No. G1165.0-08. This contract amendment authorizes additional costs not to exceed \$35,000 for professional services. The total value of this contract, including this amendment, is \$135,000. 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

\_\_\_\_\_  
Mr. Richard Oppen  
Oppen & Varco, LLP

Date: \_\_\_\_\_

JUNE10-10.9.AttA.OPPEN VARCO LEGAL  
SVCS G11653.0-08.JDOW.doc



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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.

June 10, 2010

# This number not used.

JUNE10-10.10.NO NOT USED.doc

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## 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.

FIN 340.2

June 10, 2010

SUBJECT:

MTS: FISCAL YEAR 2011 TRANSPORTATION DEVELOPMENT ACT (TDA) CLAIM

RECOMMENDATION:


That the MTS Board of Directors adopt Resolution Nos. 10-13 (Attachment A), 10-14 (Attachment B), and 10-15 (Attachment C) approving fiscal year (FY) 2011 Transportation Development Act (TDA) Article 4.0, 4.5, and 8.0 claims.

Budget Impact

The FY 11 TDA claims would result in the approval of \$56,316,741 in TDA Article 4.0 funds, \$3,198,045 in Article 4.5 funds, and \$456,248 in Article 8.0 funds for MTS. Article 4.0 provides authority for claiming funds for general transit operations and capital. Article 4.5 funds are set aside by the San Diego Association of Governments (SANDAG) for Americans with Disabilities Act (ADA) Access services. Article 8.0 funds are used for the ferry/commuter express.

DISCUSSION:

On February 26, 2010, SANDAG estimated a total of \$97,182,395 of TDA funds available for the region based on the San Diego County Auditor's sales tax projections. A total of \$61,971,709 is estimated to be allocated to MTS less regional planning/capital project and transferred functions. As a result, MTS is expected to receive a net amount of \$59,971,034 in TDA for FY 2011; \$53,551,399 of the claim amount would be utilized for operating activities under the Article 4.0, 4.5, and 8.0 guidelines, and \$6,419,635 would be used to fund the Capital Improvement Program.

  
Paul C. Jablonski  
Chief Executive Officer

Key Staff Contact: Lisa Fowler, 619.557.4510, [lisa.fowler@sdmts.com](mailto:lisa.fowler@sdmts.com)

JUNE10-10.11.FY 11 TDA CLAIM.LFOWLER.doc

Attachments: A. Resolution No. 10-13  
B. Resolution No. 10-14  
C. Resolution No. 10-15

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SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 10-13

Resolution Approving Fiscal Year 2011 Transportation Development Act

WHEREAS, effective August 10, 2000, the MTS-area consolidated Transportation Development Act (TDA) claim process provides that MTS will be responsible for submitting a single claim for each article of the TDA for all MTS operators; and

WHEREAS, consistent with the intent of consolidating all transit funding for MTS-area operators, the San Diego Association of Governments (SANDAG) approved MTS's FY 2011 TDA claim, and

WHEREAS, MTS and SANDAG Boards must approve any alternate use of said balances differing from that for which they were originally claimed; and

WHEREAS, MTS and SANDAG staffs have analyzed this amendment and found it to be warranted pursuant to Section 6659 of Title 21 of the California Code of Regulations (CCR); NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board of Directors does hereby approve the FY 2011 TDA Article 4.0 MTS TDA claim of \$56,316,741; \$49,897,106 of the 4.0 TDA claim will be used for operating activities, and the remaining \$6,419,635 will be used to fund capital.

PASSED AND ADOPTED by the Board of Directors this \_\_\_\_\_ day of June 2010 by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

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Chairperson  
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

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Clerk of the Board  
San Diego Metropolitan Transit System

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Office of the General Counsel  
San Diego Metropolitan Transit System

JUNE10-10.11.AttA.RESO 10-13.TDA 4.0 CLAIM.LFOWLER.doc

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 10-14

Resolution Approving Fiscal Year 2011 Transportation Development Act

WHEREAS, effective August 10, 2000, the MTS-area consolidated Transportation Development Act (TDA) claim process provides that MTS will be responsible for submitting a single claim for each article of the TDA for all MTS operators; and

WHEREAS, consistent with the intent of consolidating all transit funding for MTS-area operators, the San Diego Association of Governments (SANDAG) approved MTS's FY 2011 TDA claim, and

WHEREAS, MTS and SANDAG Boards must approve any alternate use of said balances differing from that for which they were originally claimed; and

WHEREAS, MTS and SANDAG staffs have analyzed this amendment and found it to be warranted pursuant to Section 6659 of Title 21 of the California Code of Regulations (CCR); NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board of Directors does hereby approve the FY 2011 TDA Article 4.5 of \$3,198,045. The allocation will be used to fund the MTS Access/CTS Paratransit services.

PASSED AND ADOPTED by the Board of Directors this \_\_\_\_\_ day of June 2010 by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:



---

Chairperson  
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

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Clerk of the Board  
San Diego Metropolitan Transit System

---

Office of the General Counsel  
San Diego Metropolitan Transit System

JUNE10-10.11.AttB.RESO 10-14.TDA 4.5 CLAIM.LFOWLER.doc

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

RESOLUTION NO. 10-15

Resolution Approving Fiscal Year 2011 Transportation Development Act

WHEREAS, effective August 10, 2000, the MTS-area consolidated Transportation Development Act (TDA) claim process provides that MTS will be responsible for submitting a single claim for each article of the TDA for all MTS operators; and

WHEREAS, consistent with the intent of consolidating all transit funding for MTS-area operators, the San Diego Association of Governments (SANDAG) approved MTS's FY 2011 TDA claim, and

WHEREAS, MTS and SANDAG Boards must approve any alternate use of said balances differing from that for which they were originally claimed; and

WHEREAS, MTS and SANDAG staffs have analyzed this amendment and found it to be warranted pursuant to Section 6659 of Title 21 of the California Code of Regulations (CCR); NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED that the MTS Board of Directors does hereby approve the FY 2011 TDA Article 8.0 of \$456,248. The allocation will be used to fund the ferry/commuter express services.

PASSED AND ADOPTED by the Board of Directors this \_\_\_\_\_ day of June 2010, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

---

Chairperson  
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

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Clerk of the Board  
San Diego Metropolitan Transit System

---

Office of the General Counsel  
San Diego Metropolitan Transit System

JUNE10-10.11.AttC.RESO 10-15.TDA 8.0 CLAIM.LFOWLER.doc



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## Agenda

Item No. **25**

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

FIN 310

June 10, 2010

**SUBJECT:**

MTS: FY 2011 BUDGET - PUBLIC HEARING AND ADOPTION (LARRY MARINESI)

**RECOMMENDATION:**

That the Board of Directors:

1. hold a public hearing, receive testimony, and review and comment on the fiscal year 2011 budget information (Attachment A) presented in this report;
2. enact Resolution No. 10-12 (Attachment B) adopting the operating and capital budget for MTS and the operating budgets for San Diego Transit Corporation (SDTC), San Diego Trolley, Inc. (SDTI), MTS Contract Services, Chula Vista Transit, and the Coronado Ferry; and
3. approve the use of \$7.9 million TransNet 1 carryover funds in the FY 2010 operating budget, which would replace one-time funds used to balance the amended budget and shift \$7.9 million of Transportation Development Act (TDA) funding back into the Capital Improvement Program.

Budget Impact

Action would establish the fiscal year 2011 budget.



## DISCUSSION:

### Summary

During the FY 2011 budgetary process, staff presented the Budget Development Committee (BDC), Executive Committee (EC) and MTS Board of Directors (Board) with a variety of issues and policy decisions.

In early March, staff reviewed preliminary subsidy revenue projections, projected ridership growth, and other revenue assumptions. Staff reported on the impact of service adjustments implemented in February 2010 and the interest expense savings realized by the pay down of the variable pension debt. In consolidating all forecasts, staff presented a projected budget shortfall of \$10.1 million. The Board provided guidance in using \$8.2 million in one-time funds, which resulted in a preliminary \$1.9 million shortfall.

In May, staff updated budgetary assumptions for revenue and expenses and presented a draft balanced budget to the MTS Board of Directors.

### FY 2011 Overview

The fiscal year 2011 total budgeted revenue is projected at \$219,326,000, and total projected expenses are budgeted at \$219,326,000 resulting in a balanced budget for fiscal year 2011.

### FY 2011 Revenue

Please refer to Section 3.01 through Section 3.06 for a summary of fiscal year 2011 budgeted revenues. Section 3.02 provides a written detail of fiscal year 2011 operating revenues. Section 9 provides a detailed description of the funding sources and their distribution within the organization.

### FY 2011 Expenses

Please refer to Section 2 for consolidated functional budgets, Section 4 for detailed operations budgets, Section 5 for detailed administrative budgets, Section 6 for detailed other activities budgets, and Section 7 for detailed debt-service budgets.

### FY 2011 Other Information

Section 10 provides detail on our five-year forecast and operating statistics.

### Five-Year Forecast

Section 10.01 provides the latest look at MTS's five-year operating projection through FY 2015. Passenger revenues are projected to increase by approximately 2% over the next four years. Early sales tax projections for FY 12 show a slight increase of approximately 1%, which impacts MTS's TDA and TransNet subsidy revenue. Expenses are projected to

increase by approximately 2.5% over the following four fiscal years primarily due to expected continued operating expense increases, including energy costs.

The MTS FY 11 operating budget closing strategy includes the utilization of one-time funds, including \$5 million in TDA capital funds and \$3.2 million in compressed natural gas credits that previously have been used in the capital budget. Since these one-time funds are removed beginning in FY 12, MTS's projected deficits range from \$11 million in FY 12 to \$15.6 million in FY 15.



Paul C. Jablonski  
Chief Executive Officer

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

JUNE10-10.25.FY 11 BUDGET.MTHOMPSON.doc

Attachments: A. Proposed FY 2011 Budget  
B. Resolution No. 10-12

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

Resolution No. 10-12

Resolution Approving the Fiscal Year 2011 Budget

WHEREAS, MTS staff has coordinated with the staffs of San Diego Transit Corporation, San Diego Trolley, Inc., MTS Contract Services, Chula Vista Transit, and Coronado Ferry (hereafter referred to as MTS Operators) throughout the budget preparation process to ensure consistent budget assumptions; and

WHEREAS, the budgets have been prepared using the budget assumptions approved by the \*MTS Board of Directors; NOW THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the San Diego Metropolitan Transit System Board of Directors, hereinafter "Board," as follows:

1. That the Budget for fiscal year (FY) 2011, on file with the Clerk of the Board, is hereby adopted (including MTS, San Diego Transit Corporation [SDTC], San Diego Trolley, Inc. [SDTI], Chula Vista Transit, and Coronado Ferry); and

2. That the Chief Executive Officer is authorized to transfer appropriate amounts up to \$100,000 between object accounts, so long as the total amount authorized to be spent for an object account by the FY 10 Budget is not exceeded by more than \$100,000, the total amount authorized to be spent by the FY 10 Budget is not exceeded, and all such transfers are reported to the Board of Directors in the monthly Budget Monitoring Report; and

3. That the Chief Executive Officer is authorized to approve expenditures up to a maximum of \$100,000; and

4. That the check-signing authority on behalf of the Board shall be governed by MTS Policy No. 41, Signature Authority; and

5. That the annual lease and debt-service payments are included in the FY 2011 Budget as set forth in Section 7.01; and

6. That the MTS Budget establishes absolute spending limits, and that the budgeted expenditures cannot be exceeded without prior written approval of the MTS Board of Directors; and

7. That any budget variances will be reported to the MTS Board of Directors; and

8. That MTS is authorized to withhold monthly subsidy payments to those operators who do not provide the information according to an established schedule; and

9. That the position schedules of MTS, SDTC, and SDTI as contained in the FY 2011 budget are approved; and

PASSED AND ADOPTED, by the Board this \_\_\_\_\_ day of \_\_\_\_\_ 2010 by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAINING:

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Chairman  
San Diego Metropolitan Transit System

Filed by:

Approved as to form:

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Clerk of the Board  
San Diego Metropolitan Transit System

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Office of the General Counsel  
San Diego Metropolitan Transit System

JUNE10-10.25.AttB.RESO 10-12.  
FY 11 BUDGET.MTHOMPSON.doc





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

SANDAG CIP 1115700  
MTS CIP 11280

June 10, 2010

### SUBJECT:

MTS: COMPRESSED NATURAL GAS (CNG) STATION CAPITAL IMPROVEMENT  
UPGRADES AND OPERATING AND MAINTENANCE AGREEMENT  
(CLAIRE SPIELBERG)

### RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to award to Trillium USA, LLC (doing business as California Trillium Company):

1. MTS Doc. No. PWB127.0-10 for capital improvement upgrades to the MTS-owned CNG fueling facilities; and
2. MTS Doc. B0522.0-09 for a ten-year follow-on operations and maintenance service agreement.

#### Budget Impact

MTS Doc. No. PWB127.0-10 for capital improvement upgrades to the MTS-owned CNG fueling facilities would total \$5,688,922.50, and MTS Doc. B0522.0-09 for a ten-year follow-on operations and maintenance service agreement is estimated at \$8,998,084.49. The total cost for this contract is estimated at \$14,687,006.99.

Partial funding for the capital improvements would be allocated under SANDAG fiscal year (FY) 08/09 CIP No. 1115700 (Gemini Compressor Upgrades) in the amount of \$520,000.00. Funding for the remaining capital upgrade work shall be allocated under MTS FY 11 CIP No. 11280. Funding for the ten-year operations and maintenance agreement would be allocated under MTS Project Code 54120 (CNG Fuel and Fuel-Related Expenses). The projected FY 11 costs for the operations and maintenance service agreement would be \$2,396,168.00 less than FY 10.



## DISCUSSION:

On September 3, 2009, and in accordance with Section 4.3.2.1, Advertising and Publicizing Solicitations, of the Best Practices Procurement Manual (Procurement Manual), MTS provided for full and open competition by publicizing and publicly advertising a Request for Proposals (RFP) (MTS Doc No. B0522.0-09) for CNG fueling facilities upgrade and maintenance in three newspapers of general circulation. The RFP was publicized in the San Diego Union-Tribune on September 3, 2009, The San Diego Daily Transcript on September 3, 2009, and La Prensa on September 4, 2009.

Included in the RFP content and in accordance with the requirements outlined in FTA Circular 4220.1F, Chapter VI, Paragraph 7, Evaluations and the Procurement Manual, Chapter 4, Section 4.5.2, Evaluation of Proposals, MTS staff selected a total of four independently rated evaluation criteria. The evaluation criteria consisted of the following "evaluation factors" and are listed in their relative order of importance:

1. Operations and Maintenance Technical Approach
2. Capital Improvement Technical Approach
3. Contractor Qualifications, References, and Project Team
4. Cost Proposal and Company Financial Solvency

MTS developed a point-scale system for rating contractor proposals against the evaluation factors identified above. For technical proposals, the appropriate point rating would be assigned to each evaluation factor consistent with the narrative evaluation of strengths, weaknesses, and risks. For cost proposals, the maximum points would be given for the lowest-priced proposal. All other cost proposals would then be rated based on their cost relative to the lowest cost proposal.

On January 7, 2010, a total of two proposals were received in response to the RFP (MTS Doc. No. B0522.0-09) from Clean Energy and Trillium USA LLC. A compliant review of the proposals was conducted by the MTS Procurement Department to ensure that all required forms and submittals were included in the proposals. Based on this review, each proposal was determined to be in compliance with the submittal requirements of the RFP.

On January 13, 2010, the Evaluation Panel reconvened to discuss specific strengths and weaknesses of the proposals received. Each Evaluation Panel member was given an opportunity to talk about each firm's proposal and provide supporting justification and rationale on their evaluation remarks and scoring decisions. The agenda at this meeting included the following topics of discussion.

- Strengths and weaknesses of the proposals received
- Identifying and discussing areas of risk/issues
- Consensus on the scoring of technical proposals
- Evaluation of cost and price proposal
- Developing a competitive range and developing questions for contractors
- Determining interview dates and times

Based on the Evaluation Panel findings, the Evaluation Panel determined each proposer to be within the competitive range. This determination was based on each

proposer offering a solution that had a reasonable chance of being selected for award; provided clarifications to specific issues could be rectified. In order to identify and clarify certain risks and other issues related to each proposer's technical approach, costs, ambiguities, or weaknesses in their proposal, the Evaluation Panel determined discussion with each proposer would be appropriate.

The Evaluation Panel held oral presentations and discussions with Trillium USA, LLC on February 5, 2010, and with Clean Energy on February 6, 2010. Following those discussions (on February 16, 2010), the Evaluation Panel met to deliberate, discuss, and come to a consensus on which direction MTS would take with each proposer based on their proposed solutions and the knowledge gained from discussions with each firm. In order to make this determination, the Evaluation Panel went over each firm's technical proposal, the responses given during interview/discussions, and the value-added additive alternatives proposed (if any).

On February 19, 2010, in accordance to Section 4.5.5.1 of the Procurement Manual, a request for revised proposal letter was sent to Clean Energy and Trillium USA, LLC requesting each firm to submit revised proposals and interim pricing. The goal for MTS in requesting revised proposals from each firm was to channel the creativity and competitiveness of each proposer's proposed solution and allow each proposer an opportunity to produce the most innovative and advantageous proposal for MTS. The content of each letter identified MTS's desired approach to manifold all compressors and encouraged each firm to propose optional capital improvements that would meet both the current and future fueling demands in the most efficient and economical manner.

On March 4, 2010, revised proposals and interim pricing were received from Clean Energy and Trillium USA, LLC prior to the deadline for submitting revised proposals. This same day, the contract officer issued copies of the revised proposals to the Evaluation Panel. The contract officer instructed the Evaluation Panel on proper proposal evaluations and reviewed the evaluation criteria annotated in the RFP.

On March 5, 2010, the Evaluation Panel reconvened to discuss specific strengths and weaknesses of the revised proposals received. Each Evaluation Panel member was given an opportunity to talk about each firm's revised proposal and provide supporting justification and rationale on their interpretation of the revised proposals. Based on each proposal containing some underlying issues relating to direct and indirect labor support, quality of equipment and installation, and assumptions of risk, the Evaluation Panel determined that rescoring technical proposals prior to negotiations would not provide for a fair evaluation. The Evaluation Panel determined scoring of revised technical proposals would be conducted after final negotiations with each firm.

On March 19, 2010, an Invitation to Negotiations letter was sent to Clean Energy and Trillium USA, LLC. The negotiations were scheduled with Trillium USA, LLC on Wednesday, April 7, 2010, and with Clean Energy on Thursday, April 8, 2010. In addition, a cost breakdown of operations and maintenance services was requested from each proposer. Upon the completion of each negotiation meeting, all outstanding assumptions and issues were clarified with each proposer. Based on this meeting, Proposers were informed of the Evaluation Panel's pricing concerns and were notified of areas where their proposed equipment or operations and maintenance costs should be reduced.

On April 12, 2010, in accordance with section 4.5.5.2 of the Procurement Manual, a best and final offer letter was sent to Clean Energy and Trillium USA, LLC. Each letter contained specific information directed to each proposer's proposed approach. All Proposers were asked to review areas of their pricing where discounts could be offered and to submit their best and final offer by 3:00 p.m. on April 23, 2010. Clean Energy and Trillium USA, LLC submitted their best and final offer prior to the deadline.

At the conclusion of the final negotiation meetings, the Evaluation Panel met to discuss and debrief the topics covered during the negotiation meetings. The contract officer allowed the Evaluation Panel two weeks to conclude its evaluations of the revised technical proposals. The contract officer requested Evaluation Panel members review the revised technical proposal, use their notes as needed, and turn in their completed evaluation score sheet no later than Friday, April 23, 2010, at 5:00 p.m. to the contract officer. In addition, the contract officer reiterated the instructions of proper proposal evaluations and reviewed the evaluation criteria annotated in the RFP.

Based on the evaluations of each firm's technical proposal, past performance, discussions, negotiations, and evaluation of price, MTS staff has determined that Trillium USA, LLC (doing business as California Trillium Company) submitted a proposed approach that represents the most advantageous method of fulfilling MTS's needs. Analysis of cost/price and tradeoff considerations of qualitative technical factors to include examination of the market, indicated the pricing submitted by Trillium USA, LLC, represents the best overall value to MTS.

Therefore, staff is recommending that the Board of Directors authorize the CEO to award to Trillium USA, LLC (doing business as California Trillium Company) (1) MTS Doc. No. PWB127.0-10 for capital improvement upgrades to the MTS-owned CNG fueling facilities; and (2) MTS Doc. B0522.0-09 for a ten-year follow-on operations and maintenance service agreement.



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Paul C. Jablonski  
Chief Executive Officer

Key Staff Contacts: Claire Spielberg, (619) 238-0100 ext. 6400, [claire.spielberg@sdmts.com](mailto:claire.spielberg@sdmts.com)  
Frank Toth, (619) 238-0100 ext. 6494, [frank.toth@sdmts.com](mailto:frank.toth@sdmts.com)

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Attachments: A. Draft MTS Doc. No. PWB127.0-10  
B. Draft MTS Doc. No. B0522.0-09  
C. BAFO Pricing Summary

## STANDARD CONSTRUCTION AGREEMENT

DRAFT

PWB127.0-10  
 CONTRACT NUMBER  
 CIP 11280  
 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: California Trillium Company Address: 2150 South 1300 East, Suite 450

Form of Business: Corporation Salt Lake City, UT 84106  
 (Corporation, partnership, sole proprietor, etc.)

Telephone: 800-920-1166

Authorized person to sign contracts: Mark R. Barton President  
 Name Title

The contractor shall provide all skilled labor, tools, equipment, accessories, transportation, and supervision needed to properly provide, install, and construct all capital improvements required for the Imperial Avenue Division, Kearny Mesa Division, and South Bay Maintenance Facility compressed natural gas (CNG) fueling facilities as stipulated in MTS's Request for Proposals (RFP) (MTS Doc. No B0522.0-09); including all addenda, Responses to Approved Equals/Clarifications, prevailing wage requirements, as stipulated by the California Labor Code and the Davis-Bacon Act; and in accordance with the Standard Construction Agreement, including the Standard Conditions for Construction, MTS's Safety Program, Federal Requirements, and California Trillium Company's Proposal (hereinafter "Contract Documents"). If there are any inconsistencies between the Contract Documents, the following order of precedence will govern the interpretation of the contract.

1. MTS CNG Fueling Facilities Upgrade and Maintenance Request for Proposals (MTS Doc. No. B0522.0-09), Addenda, Responses to Approved Equals/Clarifications, MTS Safety Program, and California Trillium Company's Proposal.
2. Standard Construction Agreement, including the Standard Conditions for Construction, and Federal Requirements.

All work performed under this contract shall be completed within 365 days from contract execution. The total amount of this contract shall not exceed \$5,688,922.50.

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
\$5,688,922.50	CIP 11280	FYs 10-12

By: \_\_\_\_\_ Date  
 Chief Financial Officer

DRAFT

Att. B, AI 30, 6/10/10

STANDARD SERVICES AGREEMENT

B0522.0-09

Contract Number

CIP 11280

File Number

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: California Trillium Company.

Address: 2150 South 1300 East, Suite 450

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

Salt Lake City, UT 84106

Telephone: 800-920-1166

Authorized person to sign contracts: Mark R. Barton  
Name

President  
Title

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

Provide compressed natural gas (CNG) fueling facilities operations and maintenance services for ten years for MTS's Imperial Avenue Division, Kearny Mesa Division, and South Bay Maintenance Facility locations, as specified in MTS's Request for Proposals (RFP), MTS Doc. No. B0522.0-09; including Addenda, Responses to Approved Equals/Clarifications; and in accordance with the Standard Services Agreement, Standard Conditions Services, Federal Requirements, Safety Department Standard Operating Procedures (SAF016-03), and California Trillium Company's 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 CNG Fueling Facilities Upgrade and Maintenance Request for Proposals (MTS Doc. No. B0522.0-09), Addenda, Responses to Approved Equals/Clarifications, MTS Safety Program, and Contractor's Proposal.
  2. Standard Services Agreement, including the Standard Conditions Services, and Federal Requirements.
- This contract shall remain in effect for a ten-year base term. The contract period of performance shall be from July 1, 2010 through June 30, 2020. Compensation will be per the negotiated operations and maintenance rates as stipulated in the California Trillium Company's Best and Final Offer.

**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

\$8,998,084.49

54120

FY 10

By: \_\_\_\_\_  
Chief Financial Officer  
(\_\_\_\_ total pages, each bearing contract number)

Date

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CAL TRILLIUM.CNG FUELING.JMILLER.doc

Proposer:		Trillium USA Company dba California Trillium Company										
Line # 1		PRICE SCHEDULE-1: O&M Costs for CNG Fueling Systems at Imperial Avenue, South Bay Maintenance Facility and the Kearny Mesa Division										
1-A	Schedule of Possible Throughput Levels of CNG Dispensed Monthly	Therms per month	425,000	475,000	525,000	575,000	625,000	675,000	725,000			
1-B	Weight factor for likelihood of encountering listed throughput level	100%	4%	12%	18%	25%	22%	13%	6%			
1-C	Operation & Maintenance costs for all CNG systems	\$/Therm	0.180	0.170	0.163	0.159	0.155	0.151	0.146			
1-D	Extended cost at each monthly throughput level (Contractor's comprehensive costs for CNG O&M services)	\$/month	\$ 76,500	\$ 80,750	\$ 85,575	\$ 91,425	\$ 96,875	\$ 101,925	\$ 105,850			
1-E	Weighted Average Monthly Throughput	Therms/Month	581,000									
1-F	Weighted average cost for O&M services across all throughput levels	\$/Therm	\$ 0.1592									
1-G	Average annual cost for O&M services (weighted likely throughput levels over 10-year term)	\$/year	\$ 1,109,803									
1-H	NPV of projected cost of CNG O&M services at IAD, SBMF, & KMD for 10-year base-contract period.	\$/contract	\$8,998,084									
Proposer:		Clean Energy										
Line # 1		PRICE SCHEDULE-1: O&M Costs for CNG Fueling Systems at Imperial Avenue, South Bay Maintenance Facility and the Kearny Mesa Division										
1-A	Schedule of Possible Throughput Levels of CNG Dispensed Monthly	Therms per month	425,000	475,000	525,000	575,000	625,000	675,000	725,000			
1-B	Weight factor for likelihood of encountering listed throughput level	100%	4%	12%	18%	25%	22%	13%	6%			
1-C	Operation & Maintenance costs for all CNG systems	\$/Therm	0.122	0.117	0.113	0.110	0.108	0.107	0.105			
1-D	Extended cost at each monthly throughput level (Contractor's comprehensive costs for CNG O&M services)	\$/month	\$ 51,850	\$ 55,575	\$ 59,325	\$ 63,250	\$ 67,500	\$ 72,225	\$ 76,125			
1-E	Weighted Average Monthly Throughput	Therms/Month	581,000									
1-F	Weighted average cost for O&M services across all throughput levels	\$/Therm	\$ 0.1107									
1-G	Average annual cost for O&M services (weighted likely throughput levels over 10-year term)	\$/year	\$ 772,010									
1-H	NPV of projected cost of CNG O&M services at IAD, SBMF, & KMD for 10-year base-contract period.	\$/contract	\$6,259,316									



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

## Agenda

Item No. 62

Chief Executive Officer's Report

ADM 121.7

June 10, 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 May 19, 2010, through June 1, 2010.

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**EXPENSE CONTRACTS**

<b>Doc #</b>	<b>Organization</b>	<b>Subject</b>	<b>Amount</b>	<b>Day</b>
G1111.15-07	WHEATLEY BINGHAM & BAKER	LEGAL SVCS-GENERAL & TORT LIABILITY	\$95,000.00	5/24/2010
L0965.0-10	NINYO & MOORE	ROE PERMIT SANDAG CIP 1210001 - GEOTECH	\$0.00	5/24/2010
L6635.0-10	PB AMERICAS INC	ROE PERMIT JOINT BIO FIELD SURVEY MID CO	\$0.00	5/24/2010
G1325.0-10	RAEL & LETSON	GASB 45 ACTUARIAL REPORT	\$75,500.00	5/28/2010
L0968.0-10	COMPETITOR GROUP	ROE PERMIT ROCK N ROLL MARATHON	\$0.00	5/28/2010

**REVENUE CONTRACTS**

<b>Doc #</b>	<b>Organization</b>	<b>Subject</b>	<b>Amount</b>	<b>Day</b>
L0966.0-10	CABRILLO NATIONAL MONUMENT	ROE PERMIT 33RD AMERICA'S FINE MARATHON	(\$500.00)	5/28/2010

**PURCHASE ORDERS**

<b>DATE</b>	<b>Organization</b>	<b>Subject</b>	<b>AMOUNT</b>
5/24/2010	HELIX MECHANICAL	R/R COMPRESSOR & REVERSING VIVE	\$2,029.73
5/24/2010	AZTEC FENCE CO	LOWER/RAISE FENCE ON 70TH	\$2,725.00
5/24/2010	AEP CALIFORNIA LLC	GPS NAVIGATION SYSTEM, KENWOOD	\$2,354.06
5/24/2010	SAN DIEGO CITYBEAT	ONE FULL PAGE AD	\$625.00
5/24/2010	ARTISTIC VISUALS	PHOTOGRAPHY SVCS SCHOLARSHIP	\$735.00
5/24/2010	ASSOCIATED POSTERS INC	2010 AMIGOS EN CONCIERTO BUS KINGS	\$593.75
5/24/2010	EHMCKE SHEET METAL CORP	FABRICATE 3 TURNSTILE COVERS	\$6,720.00
5/28/2010	CDW GOVERNMENT INC	THREE YR 8X5XNBD GOLD SUPPORT	\$7,949.00
5/28/2010	BORDEAUX PRINTERS INC	MTS TROLLEY POCKET GUIDE	\$2,957.95

**WORK ORDERS**

<b>Doc #</b>	<b>Organization</b>	<b>Subject</b>	<b>Amount</b>	<b>Day</b>
G1245.0-09.04	KIMLEY HORN & ASSOCIATES	ENGINEERING SVCS SAN YSIDRO SWMPP	\$12,500.00	5/28/2010