

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

January 13, 2011

MINUTES

A. ROLL CALL

Chairman Mathis called the Executive Committee meeting to order at 9:01 a.m. A roll call sheet listing Executive Committee member attendance is attached.

Chairman Mathis gave an overview of the Executive Committee member changes and welcomed Al Ovrom, City of Coronado, Council President Tony Young representing the City of San Diego, and John Minto of Santee to the Executive Committee.

B. APPROVAL OF MINUTES

Mr. Young moved for approval of the minutes of the November 4, 2010, MTS Executive Committee meeting. Mr. Minto seconded the motion, and the vote was 5 to 0 in favor.

C. COMMITTEE DISCUSSION ITEMS

1. MTS: Appointment of San Diego Association of Governments Transportation Committee Representative and Alternate

Sharon Cooney, Chief of Staff, outlined the parameters of Policy No. 22 that pertain to the Executive Committee's appointments to the San Diego Association of Governments (SANDAG) Transportation Committee.

Action Taken

Chairman Mathis requested nominations from the floor for the Executive Committee representative on the SANDAG Transportation Committee. Mr. Roberts moved to nominate Chairman Mathis. The vote was 4 to 0 in favor, with Chairman Mathis abstaining.

Chairman Mathis requested nominations from the floor for the Alternate Executive Committee representative on the SANDAG Transportation Committee. Mr. Roberts moved to nominate Mr. Ovrom. The vote was 4 to 0 in favor, with Mr. Ovrom abstaining.

2. MTS: Trolley Rehabilitation Project Update

John Haggerty of SANDAG gave the Executive Committee a presentation on the trolley rehabilitation activities and retrofitting of the trolley system for low-floor vehicle operation. He first discussed the Blue and Orange Lines improvement corridor progress update that he provided to the Independent Taxpayer Oversight Committee (ITOC) yesterday. He then

talked about planned corridor improvements as well as additional corridor improvements that need to be performed. Mr. Haggerty briefly explained the proposed funding and the next steps for recommending a budget increase and funding revisions.

Ms. Lightner asked if the money from the state was guaranteed. Mr. Jablonski stated that the funds are part of the bond packages that were passed, such as Proposition 1B and 30% of funds (close to \$50 million) is in hand already. Mr. Haggerty stated that the money has been committed and the program is multifaceted so if funding is not given on time, it will slow the schedule. Ms. Cooney stated that the Federal Transit Administration has allowed for a Letter of No Prejudice, which means that the state has agreed to backfill any up-front funding with TransNet money when the funds become available.

Mr. Mathis wanted to know if the low-floor vehicle operation schedule will be adhered to considering the major track upgrades that still need to be performed. Mr. Jablonski responded that the schedule is not "out of whack" as of yet.

Mr. Roberts questioned if the additional TransNet funds would affect other projects funded by TransNet money. Mr. Haggerty responded that preliminary forecasting does not show other projects being negatively impacted, but that until the fall budget review is conducted, it is not known for sure.

Mr. Haggerty provided the Committee with a presentation regarding low-floor station concepts for the downtown stations. He explained the station rehabilitation features for the America Plaza, Civic Center, and Fifth Avenue stations. He then wanted feedback from the Committee regarding renderings of Shelter Concept A for the downtown stations, specifically their preference for 35-foot-long steel columns or concrete columns. Feedback from the Committee indicated preference for the 35-foot-long concrete columns. Mr. Haggerty then briefly explained the conceptual paving features for City College, Park & Market, and the 12th & Imperial Transit Center station upgrades.

Action Taken

Ms. Lightner moved to receive a report for information and provide comments. Mr. Roberts seconded the motion, and the vote was 5 to 0 in favor.

3. MTS: Salary Range Adjustments

Mr. Jablonski explained that salary range adjustments were presented to the Board in the Fall and direction was given to provide the Board with additional information. He explained that salary ranges for management employees have not been analyzed since January 2005 when the Board unified the previously separate salary ranges for MTS, San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI).

Jeff Stumbo, Director of Human Resources, stated that many organizational changes have occurred at MTS, and positions and responsibilities have been restructured, titles and reporting relationships have been modified, and over 20% of management positions have been frozen or eliminated. He explained the goals of the salary range recommendations, provided a brief history of MTS salary ranges, outlined the compensation policy, and talked about costly turnover issues. He then discussed the results from the salary survey that was

conducted with comparable transit agencies, such as Seattle, Charlotte, North County Transit District (NCTD), Dallas, and Los Angeles.

Mr. Stumbo explained the fiscal impact of the salary range adjustments if approved and restated that the recommendation to the Board will be to approve the range changes and the movement of certain positions within the ranges.

Ms. Lightner stated that she has not had a chance to review the materials and does not want to approve or disapprove the item. She asked how many employees will receive a new salary range.

Mr. Ovrom commented upon the presentation and made suggestions to clarify certain points.

Mr. Jablonski mentioned that it is difficult to conduct business in 2010 and 2011 when the salary structure in place is over six years old and was created when the organization looked very different. He explained that the organization is trying to bring the salary structure in line with the current market wages. He further explained that the organization is remiss in not making any changes to the salary ranges during the past six years and proposed that this analysis needs to be done annually in conjunction with budget development.

Ms. Lightner would like staff to add the proposed new grade range next to their current range and to illustrate if a position has been eliminated or newly created.

Mr. Minto stated that many positions in the MTS organization involve public safety and that maintaining an experienced staff is crucial. He also stated that it is important to create an organization that is loyal to its employees so that employees will have loyalty towards the organization in return.

Action Taken

Mr. Minto moved to forward a recommendation to the Board of Directors to approve the proposed modifications to MTS salary ranges and positions within the MTS salary ranges with comments provided to staff. Mr. Ovrom seconded the motion, the vote was 4 to 0 in favor, and Ms. Lightner recused.

4. MTS: Interstate 15 Mid-City BRT Stations

Dennis Desmond, Senior Transportation Planner, provided the Executive Committee with an update on the Interstate 15 (I-15) Mid-City bus rapid transit (BRT) corridor. He explained that the I-15 BRT corridor between Escondido and downtown San Diego will include two stations on I-15 in the Mid-City area, at University Avenue and El Cajon Boulevard. He provided a brief background of the project and talked about the three remaining design alternatives that have been narrowed down. Mr. Desmond stated that Alternative 1 has median stations with center platforms, and buses crossover at each end of Mid-City corridor in bus-only lanes, Alternative 2 has median stations with side platforms, and buses would stay on right side in bus-only lanes, and Alternative 4 has ramp stations constructed on freeway on-ramps, and buses would run in mixed-flow or on shoulders. He stated that Alternative 3 was eliminated as a viable option. Mr. Desmond then talked about the costs

and issues associated with each alternative and the next steps for the project, including a public hearing on January 26, 2011.

Mr. Roberts wanted to know if there is one alternative that would be preferable for future rail. Mr. Desmond stated that the 2050 Regional Transportation Plan does have rail in this corridor, and this is something that will need to be looked at further; however, Alternative 2 would be the most likely alternative for adding a rail line.

Action Taken

Mr. Roberts moved to receive an update on the status of planning for the Mid-City stations on the Interstate 15 (I-15) bus rapid transit (BRT) corridor. Mr. Ovrom seconded the motion, and the vote was 5 to 0 in favor.

5. MTS: Master Concessionaire Services Contract Update

Wayne Terry, Chief Operating Officer of Rail, gave the Executive Committee an update on the Master Concessionaire Services contract. He mentioned that the old agreement provided MTS with a 25% rent split, the new contract will provide MTS with a rent split of 50% for the first five years, 57% years six and seven and 62% years eight and nine. He stated that income from the rent split was about \$3,000 per month and is now up to \$13,500 per month, and future income could be much greater taking advantage of some upcoming opportunities.

Mr. Terry showed a picture of an improved kiosk at the Fashion Valley station, a rendering of a future A-Mart at the San Ysidro Transit Center, and a photograph of an existing Cricket kiosk at the San Ysidro Transit Center and the El Cajon Transit Center. He also provided the Committee with renderings of additional proposed Cricket kiosk locations at Santee Town Center, Old Town Transit Center, and the 12th & Imperial Transit Center. Mr. Terry explained that Cricket has identified five locations on the system which they are interested in pursuing now, and ten locations systemwide. Mr. Jablonski stated that the highest volume Cricket store in the city is the one located at the San Ysidro Transit Center. Mr. Roberts wanted to know their revenue. Mr. Terry stated the annual revenue is \$22,000 for the high-volume locations and \$17,000 for the lower-volume locations.

Mr. Minto wanted to know if the agreement was already worked out with the Santee Town Center. Mr. Terry explained that the kiosk is located on MTS property, but that the shopping center would be made aware.

Mr. Roberts wanted to know the length of the agreement with Cricket. Mr. Terry responded that our agreement is through 2015 but that the contract included a termination clause. Mr. Roberts mentioned that the Cricket kiosk does not enrich the travel experience, and he is concerned with having a kiosk at the Old Town Transit Center because of the amount of patrons who use that station. Mr. Jablonski stated that the Cricket location will be on hold until more experience is gained and directed the General Counsel to confirm that the contracts include a termination for convenience clause in the event that any of the locations become a problem. Mr. Mathis also directed staff to take a look at the trash on trolley cars culminating from the stores.

Action Taken

Mr. Ovrom moved to receive a report for information. Mr. Minto seconded the motion, and the vote was 5 to 0 in favor.

6. MTS: 2011 State and Federal Legislative Programs

Sharon Cooney, Chief of Staff, waived the reading of a report on 2010 legislative activities and presented a report to the Executive Committee on the 2011 federal legislative program. Ms. Cooney explained the 2011 federal legislative priorities and mentioned that there have not been any changes since last year. She explained that the priority for 2011 is the reauthorization of the Surface Transportation Act scheduled to end on March 4, 2011. She stated that the earliest the Act would be approved is September 2011, and the concern is funding with a new fiscal conservatism in the House as there is not a lot of interest in spending money on this Act.

Ms. Cooney then discussed federal funding priorities including the Mid-Coast trolley extension, bus replacement vehicles and bus maintenance facilities, and Blue Line station improvements. She also discussed state legislative priorities and the goal to oppose loss of funding.

Mr. Ovrom wanted to know if there was anything in the Governor's budget that would either support or oppose transit funding. Ms. Cooney stated that she has done a thorough review of the budget, and she has not seen strong support for either side but the good news was that the Governor did not take away transit funding in the first draft.

Action Taken

Ms. Lightner moved to: (1) receive a report on 2010 legislative and intergovernmental activities; and (2) review staff recommendations for state and federal legislative programs and forward a recommendation to the Board of Directors for approval. Mr. Minto seconded the motion, and the vote was 5 to 0 in favor.

The Executive Committee convened to Closed Session at 11:36 a.m.

7. **MTS: CLOSED SESSION – PUBLIC EMPLOYEE PERFORMANCE EVALUATION CHIEF EXECUTIVE OFFICER Pursuant to California Government Code Section 54957**

The Executive Committee reconvened to Open Session at 11:59 a.m.

Oral Report of Final Actions Taken in Closed Session

Karen Landers, MTS General Counsel, reported the following: the Executive Committee received a report from Mr. Stumbo and direction was given to staff.

8. **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: Karen Landers, General Counsel; Tim Allison, Manager of Real Estate Assets;

Negotiating Parties: RV Investment CA, LLC, RV Investment CA, LLC II;

Under Negotiation: Price and Terms of Payment

Agenda Item C-8 was removed from the Agenda prior to the meeting.

D. REVIEW OF DRAFT JANUARY 20, 2011, JOINT BOARD AGENDA

Recommended Consent Items

6. MTS: Federal Transit Administration 5311 Program of Projects

Action would adopt Resolution No. 11-1 authorizing the use of \$235,296 of Federal Transit Administration (FTA) Section 5311 funds for operating assistance in nonurbanized areas.

7. MTS: Fiscal Year 2011 Revised Transportation Development Act Article 4.0 Claim

Action would adopt Resolution No. 11-2 approving the revised fiscal year (FY) 2011 Transportation Development Act (TDA) Article 4.0 claim.

8. MTS: Investment Report - November 2010

Action would receive a report for information.

9. MTS: New Flyer Buses - Contract Amendment

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1101.7-07 with New Flyer of America, Inc. to purchase 26 40-foot, low-floor, compressed natural gas (CNG) transit buses.

10. MTS: Security Fiber-Optic Cable Project MOU and Miscellaneous Fund Transfers

Action would: (1) approve MTS Doc. No. G1367.0-11, which is a Memorandum of Understanding (MOU) with the San Diego Association of Governments (SANDAG) to design, manage, and build a fiberoptic infrastructure project on San Diego Trolley, Inc.'s (SDTI's) Green and Orange Lines; (2) forward a request to SANDAG to transfer funds from the Substation Standardization Project (Capital Improvement Project [CIP] 1142100) to the Broadway Wye Project (CIP 1142800); and (3) forward a request to SANDAG to create a new capital project (CIP 1144500 Grantville Feeder Replacement) to replace feeder cables at the Grantville Substation and transfer funds from the Substation Standardization Project (CIP 1142100) to this new project.

11. MTS: Uniform Service - Contract Award

Action would authorize the CEO to execute MTS Doc. No. G1322.0-10 for a five-year contract with Prudential Overall Supply for uniform services.

Recommended Consent Items

There was no additional discussion of the recommended Consent Items.

E. REVIEW OF SANDAG TRANSPORTATION COMMITTEE AGENDA

There was no SANDAG Transportation Committee agenda discussion.

F. COMMITTEE MEMBER COMMUNICATIONS AND OTHER BUSINESS

There were no Committee Member communications.

G. PUBLIC COMMENTS

There were no public comments.

H. NEXT MEETING DATE

The next Executive Committee meeting is scheduled for February 10, 2011, at 9:00 a.m. in the Executive Committee Conference Room.

I. ADJOURNMENT

Chairman Mathis adjourned the meeting at 12:01 p.m.



Chairman

Attachment: A. Roll Call Sheet

**EXECUTIVE COMMITTEE
METROPOLITAN TRANSIT SYSTEM**

ROLL CALL

MEETING OF (DATE) 1-13-11

CALL TO ORDER (TIME) 9:01 AM

RECESS

RECONVENE

CLOSED SESSION 11:36 AM

RECONVENE

ADJOURN 12:01 PM

BOARD MEMBER (Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
YOUNG <input checked="" type="checkbox"/> (Lightner) <input checked="" type="checkbox"/>		Young left at 9:17 AM Lightner left at 11:35 AM
MATHIS <input checked="" type="checkbox"/>		
OVROM <input checked="" type="checkbox"/> (Janney) <input type="checkbox"/>		
ROBERTS <input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		
MINTO <input checked="" type="checkbox"/> (Cunningham) <input type="checkbox"/>		
Transportation Committee Representative (Mathis)		

SIGNED BY OFFICE OF THE CLERK OF THE BOARD:

Valerie Vizkeloti

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL:

Mark Gause