



05-11-11 P03:48 IN

Metropolitan Transit System

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.

May 12, 2011

9:00 a.m.

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

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

ACTION RECOMMENDED

1. Roll Call
2. Approval of Minutes - April 28, 2011 Approve
3. Public Comments - Limited to five speakers with three minutes per speaker. Others will be heard after Board Discussion items. If you have a report to present, please give your copies to the Clerk of the Board.

Please turn off cell phones
during the meeting



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

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

CONSENT ITEMS

6. MTS: San Diego and Arizona Eastern (SD&AE) Railway Company Quarterly Reports and Ratification of Actions Taken by the SD&AE Board of Directors at its meeting on April 19, 2011 Receive/
Ratify
Action would: (1) receive the San Diego and Imperial Valley Railroad (SD&IV), Pacific Southwest Railway Museum Association (Museum), and Carrizo Gorge Railway, Inc. (Carrizo) quarterly reports; and (2) ratify actions taken by the San Diego and Arizona Eastern (SD&AE) Railway Company Board of Directors at its meeting on April 19, 2011.
7. MTS: Unallocated Transportation Development Act Funds for Transit-Related Projects Approve
Action would approve the use of \$140,335.67 in unallocated Transportation Development Act (TDA) funds currently held by the County of San Diego for transit-related expenses for the City of El Cajon.
8. MTS: Proposed Revisions to MTS Policy No. 43 - Bus Stop and Minor Reroute Procedure (Denis Desmond) Approve
Action would approve the proposed revisions to MTS Policy No. 43 - Bus Stop and Minor Reroute Procedure.

CLOSED SESSION

24. a. MTS: CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code Section 54956.8 Possible
Action
Property: 1313 National Avenue, San Diego, California (Assessor Parcel No. 535-612-01; Agency Negotiators: Karen Landers, General Counsel; Tim Allison, Manager of Real Estate Assets; Negotiating Parties: Greyhound Lines, Inc.; Under Negotiation: Price and Terms of Payment
- Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

30. MTS: Memorandum of Understanding for the Transfer of Funds to Support the Integrated Corridor Management System (ICMS) Project (Devin Braun) Approve
Action would authorize the CEO to execute MTS Doc. No. G1390.0-11 with the San Diego Association of Governments (SANDAG) for reimbursement to MTS for expenses related to support, time, and materials expended in the design, implementation, operations, and evaluation of the Integrated Corridor Management System (ICMS) Project over an 18-month period.

REPORT ITEMS

45. MTS: Service Performance Monitoring Report for January - March 2011 (Devin Braun) Receive
Action would receive a report for information.
46. MTS: Operations Budget Status Report for March 2011 (Mike Thompson) Receive
Action would receive the MTS operations budget status report for March 2011.

- | | | |
|-----|---|-------------|
| 60. | <u>Chairman's Report</u> | Information |
| 61. | <u>Audit Oversight Committee Chairman's Report</u> | Information |
| 62. | <u>Chief Executive Officer's Report</u> | Information |
| 63. | <u>Board Member Communications</u> | |
| 64. | <u>Additional Public Comments Not on the Agenda</u>
If the limit of 5 speakers is exceeded under No. 3 (Public Comments) on this agenda, additional speakers will be taken at this time. If you have a report to present, please furnish a copy to the Clerk of the Board. Subjects of previous hearings or agenda items may not again be addressed under Public Comments. | |
| 65. | <u>Next Meeting Date:</u> May 26, 2011 - 9:00 a.m. Finance Workshop | |
| 66. | <u>Adjournment</u> | |

METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE): May 12, 2011

CALL TO ORDER (TIME): 9:03 AM

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:05 AM

RECONVENE: 9:18 AM

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 9:50 AM

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
CASTANEDA	<input checked="" type="checkbox"/> (Rindone) <input type="checkbox"/>	9:07 AM	
CUNNINGHAM	<input checked="" type="checkbox"/> (Mullin) <input type="checkbox"/>		
EWIN	<input checked="" type="checkbox"/> (Sterling) <input type="checkbox"/>		
EMERALD	<input type="checkbox"/> (Faulconer) <input type="checkbox"/>		
ENGLAND	<input checked="" type="checkbox"/> (Gastil) <input type="checkbox"/>	9:10 AM	
GLORIA	<input type="checkbox"/> (Faulconer) <input type="checkbox"/>		
JANNEY	<input type="checkbox"/> (Bragg) <input checked="" type="checkbox"/>		
LIGHTNER	<input type="checkbox"/> (Faulconer) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input checked="" type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
MINTO	<input checked="" type="checkbox"/> (McNelis) <input type="checkbox"/>		
OVROM	<input checked="" type="checkbox"/> (Denny) <input type="checkbox"/>		
ROBERTS	<input checked="" type="checkbox"/> (Cox) <input type="checkbox"/>		
VAN DEVENTER	<input checked="" type="checkbox"/> (Zarate) <input type="checkbox"/>		
YOUNG	<input type="checkbox"/> (Faulconer) <input type="checkbox"/>		

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

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL: Paul Landis

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

1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

April 28, 2011

MINUTES

FINANCE WORKSHOP

1. Roll Call

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

2. MTS: FY 2012 Budget Development

Mike Thompson, Budget Manager, gave the Board a presentation on the fiscal year 2012 budget development. He talked about the revenue assumptions for subsidy, passenger trends, and passenger fares. He explained that revenue projections for the fiscal year 2012 budget total \$232,834. He then discussed the expense assumptions for personnel, energy, energy trends, and outside projections. He explained that the expense projections for the fiscal year 2012 budget total \$232,834 creating a balanced budget.

Discussion ensued regarding energy usage savings and renewable energy. Mr. Young requested that staff report to the Board in June with alternative energy efforts.

Action Taken

Mr. Cunningham moved to receive a report on MTS's projected FY 2012 operating budget. Mr. Ovrom seconded the motion, and the vote was 12 to 0 in favor.

3. Public Comments

There were no public comments.

4. Adjournment

Chairman Mathis adjourned the Finance Workshop at 9:30 a.m.

BOARD MEETING

5. a. Roll Call

Chairman Mathis called the Board meeting to order at 9:30 a.m. A roll call sheet listing Board member attendance is attached.

b. Approval of Minutes

Mr. Van Deventer moved to approve the minutes of the March 24, 2011, MTS Board of Directors meeting. Mr. McClellan seconded the motion, and the vote was 12 to 0 in favor.

c. Public Comments

Mikail Hussein – Mr. Hussein is the President of the United Taxi Workers of San Diego (UTWSD). He stated that taxi drivers often work 12 hours a day to earn a living for their families. He explained that lease holders are raising the lease cost, and in addition to rising gas prices, the drivers are earning less than ever before. UTWSD is requesting that MTS regulate the lease prices that owners pass on to the drivers. Mr. Hussein also explained that when drivers are issued tickets for conditions of the taxi, that cost is supposed to be covered by the lease holders as stated in Ordinance No. 11. However, many lease holders pass the responsibility of fixing the taxi onto the drivers, and the UTWSD is requesting that MTS enforce owners to fix the vehicles.

CONSENT ITEMS:

6. MTS: SD 100 & S70 Brake Rehabilitation - Contract Award

Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1021.0-11 with Knorr Brake Corporation (Knorr) for a two-year base period with 3 one-year options.

7. MTS: Batteries for Automobiles and Buses - Contract Amendment

Action would: (1) ratify Option Year One of MTS Doc. No. B0481.0-07 with Broding's Battery Warehouse to purchase batteries for buses and automobiles and (2) authorize the CEO to execute MTS Doc. No. B0481.1-07 with Broding's Battery Warehouse for the continued procurement of automotive and bus batteries.

8. MTS: Investment Report - February 2011

Action would receive a report for information.

9. MTS: Capital Improvement Program (CIP) Funds Transfer

Action would authorize the transfer of \$325,000 from the FY 12 apportionment of the MTS Rail Profile Grinding Project (CIP 11206) and \$1,283 from the MTS Miscellaneous Capital Project (CIP 11200) to the SANDAG Station Platform Retrofit Project (1095400),

the Mission Valley West LRT Extension Project (1041600), and the Santee LRT Extension Project (1040300).

10. MTS: Increased Authorization for Legal Services - Law Offices of Michael E. Ripley

Action would authorize the CEO to execute MTS Doc. No. G1080.10-07 with the Law Offices of Michael E. Ripley for legal services and ratify prior amendments entered into under the CEO's authority.

11. MTS: Unallocated Transportation Development Act Funds for Transit-Related Projects

Action would approve the use of unallocated Transportation Development Act (TDA) funds currently held by the County of San Diego (County) for a new service agreement for the City of Santee's Clock Tower.

12. MTS: California Energy Commission Funding of Compressed Natural Gas Station Improvements

Action would approve Resolution No. 11-4 authorizing the use of \$186,148 in California Energy Commission funds for improvements to MTS's compressed natural gas station, which is used to fuel the MTS fleet.

13. MTS: Init USA, Inc. Rural Bus Automatic Passenger Counters - Contract Amendment

Action would: (1) authorize the CEO to execute MTS Doc. No. L0912.2-10 with Init USA, Inc. for the purchase and installation of automatic passenger counters (APC) hardware, software, tax, and support services for eight rural buses; and (2) ratify MTS Doc. No. L0912.1-10, which was previously executed under the CEO's authority in the amount of \$15,616.05 for changes in the components and optional quantities of the Trolley APC Project.

14. MTS: Increased Authorization for Legal Services - McDougal Love Eckis Smith Boehmer & Foley, APC

Action would authorize the CEO to execute MTS Doc. No. G1067.14-07 with McDougal Love Eckis Smith Boehmer & Foley, APC for legal services and ratify prior amendments entered into under the CEO's authority.

Action on Recommended Consent Items

Mr. McClellan moved to approve Consent Agenda Item Nos. 6, 7, 8, 9, 10, 11, 12, 13, and 14.
Mr. Ovrom seconded the motion, and the vote was 12 to 0 in favor.

CLOSED SESSION:

24. a. SDTC: CLOSED SESSION - CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to California Government Code Section 54957.6;
Agency-Designated Representative - Jeff Stumbo;

Employee Organization - International Brotherhood of Electrical Workers, Local Union 465

b. MTS: CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION

Pursuant to California Government Code section 54956.9(a): Emanuel McCray v. MTS et al. (Claim No. 37-2010-00097606-CU-PA-CTL)

Oral Report of Final Actions Taken in Closed Session

Karen Landers, General Counsel, reported the following:

- a. The Board voted 13 to 0 in favor, with two members absent, to ratify the agreement with the IBEW, Local 465, and to adopt Resolution 11-5, which provides pension benefits on a pretax basis.
- b. The Board received a report on the status of the *McCray v. MTS et al.* litigation and gave directions to staff and outside counsel.

NOTICED PUBLIC HEARINGS:

25. None.

DISCUSSION ITEMS:

30. None.

REPORT ITEMS:

45. MTS: I-15 Mid-City Bus Rapid Transit (BRT) Station Update

Denis Desmond, Senior Transportation Planner, gave the Board an update on the Interstate 15 Mid-City bus rapid transit (BRT) stations. He introduced Gustavo Dallardo, I-15 Corridor Manager with Caltrans and Barrow Emerson, a Senior Transportation Planner from the San Diego Association of Governments (SANDAG). Mr. Dallardo provided the Board with a history of BRT stations and an overview of the public comments received during the public hearing. He then talked about the preferred alternative, Alternative 1, and advantages of that alternative. He explained the procedure for transit transfers and talked about the next steps of the project. Mr. Dallardo stated that the environmental document should be finalized by the middle of 2011.

Mr. Gloria commented that he is pleased to see this project being planned for a community that relies heavily on public transit. He wanted to know if only ticketed passengers would be able to access the pedestrian station platforms and whether MTS was willing to take on the costs for maintenance and security of the BRT stations. Mr. Desmond responded that Compass Card readers should be installed at the BRT station platforms and anticipates that only ticketed passengers will be able to access the platforms. He also mentioned that MTS is receiving funding through TransNet for maintenance and security of the BRT stations.

Mr. Cunningham questioned if MTS has the existing fleet to service the BRT. Mr. Desmond responded that MTS does have existing fleet.

Mr. Minto wanted a time line for the BRT stations getting under construction and how long the construction build would take. Mr. Emerson responded that the project will probably be ready for construction bid in 2 years, and the construction itself will take another 2 years.

Action Taken

Mr. Cunningham 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. Ms. Emerald seconded the motion, and the vote was 13 to 0 in favor.

46. MTS: Compass Card Implementation

James Dreisbach-Towle of SANDAG gave the Board a brief report on the Compass Card implementation. He explained that the Compass Card program was initiated as an automated fare collection project, which included MTS and the North County Transit District (NCTD), implemented by SANDAG to allow for a central-operating system. He explained that in May of 2009, "premium" paper monthly pass users were converted to Compass Cards that have radio frequency identification chips (RFID) and are read when a user "taps" on a validating machine located on the trolley platforms and on buses. He explained that code enforcement officers have been equipped with handheld readers allowing them to read cards to ensure that passengers have valid fares.

Mr. Dreisbach-Towle explained that the premium riders were a good pilot group to start with because 95% of premium customers purchased monthly passes. He stated that SANDAG has partnered with Vons to sell Compass Cards as well as seven other retail locations, and a call center, providing customer service, has been set up by calling 511 Monday through Saturday. He mentioned that a web program has also been established wherein customers can download their monthly pass fare to their Compass Card and even have the option to automatically reload their fare monthly. He also briefly explained an employer program that has been implemented and stated that currently 30 medium-to-large employers are enrolled in the program with very positive feedback received from employers.

Sharon Cooney, Chief of Staff, explained that MTS is currently working to convert social service agencies to the Compass Card, which has been challenging as these agencies have very fluid riders that can vary from month-to-month or even from week-to-week. She stated that MTS is also working to convert Senior/Disabled/Medicare riders to the Compass Card, which is also a challenge but should be highly successful and a benefit to the customer. Ms. Cooney then explained that a pilot to convert day passes from paper to Compass Cards took place a couple weeks ago at the San Ysidro Transit Center. This particular location was chosen because there has been a problem with fraudulent resale of day passes. She explained that the goal is to incentivize riders not to give their day passes away by charging them \$2 for the initial card. She explained that the Compass Cards were free of charge for one week. Compass Cards are now

sold through ticket vending machines at the San Ysidro location with hopes of selling Compass Cards at all trolley station ticket vending machines in the near future.

Mr. Ewin cautioned that keeping medical information could be a new level of risk. Ms. Cooney assured Mr. Ewin that reduced fare applications are locked and secured and only a small few have access to the information.

Mr. Minto asked if Compass Cards have a serial number similar to that of a credit card which can be tracked in case they are stolen. Mr. Dreisbach-Towle stated that Compass Cards are tracked by serial numbers and can be turned off if needed. He explained that if the Compass Card has been registered by the consumer through SANDAG, then the product on it can be transferred to a new or replacement Compass Card.

Mr. Castaneda wanted to know if MTS was planning to charge a fee for paper smart cards. Mr. Jablonski stated that only the bus drivers will have a need to sell paper fare, and a premium of \$7 will be charged to eliminate the fraud aspect of paper day passes.

Action Taken

Mr. McClellan moved to receive a status report on development and implementation of the Compass Card fare system. Mr. Castaneda seconded the motion, and the vote was 11 to 0 in favor.

47. MTS: Semiannual Uniform Report of Disadvantaged Business Enterprise Awards or Commitments and Payments

Ms. Landers presented the Board with a semiannual report on disadvantaged business enterprise (DBE) awards or commitment and payments. She explained that from October 2010 through March 2011, 52 contracts and purchase orders were executed with no certified DBE participation. She then explained why there has not been DBE participation and what MTS can do to increase DBE participation. Ms. Landers also talked about reevaluating DBE goals and provided a DBE goal analysis. She stated that she will be reviewing the DBE program and will report back to the Board of Directors within 90 days.

Mr. Minto feels that a workshop would benefit small businesses to compete for MTS bids. Ms. Landers stated that she is willing to hold a workshop to introduce more businesses to our bid processes.

Mr. Gloria wanted to know if there would be any ramifications from the Federal Transit Administration (FTA) for not meeting the DBE goals. Ms. Landers explained that the FTA will expect the agency to report their good faith efforts and provide a corrective action plan.

Mr. Young stated that the same conversation has been taking place since 2002 and it is obvious that MTS does not do a good job getting small businesses involved and feels that smaller contracts could be given so that small businesses could bid on MTS projects. Mr. Young expressed his opinion that the General Counsel should not be the person tasked with this program and that a staff member who deals specifically with contracts should work on the DBE program. He also expressed that there is a shared

database that houses DBE's that are qualified contractors to handle the contracts that are provided by MTS.

Mr. Ewin commented that he would like to work and collaborate with Mr. Young to get more involvement in the DBE program.

Mr. Castaneda would like to be part of the dialogue on how we can encourage small business owners to become more involved.

Action Taken

Mr. McClellan moved to receive the Semiannual Uniform Report of Disadvantaged Business Enterprise (DBE) Awards or Commitments and Payments. Mr. Castaneda seconded the motion, and the vote was 10 to 0 in favor.

48. SDTC: Copley Park Bus Division

Claire Spielberg, Chief Operating Officer of Transit, introduced Jim Byrne, Director of Transportation, and Elliot Hurwitz, Contract Services Administrator, whom gave the Board an update on the Copley Park bus division. They talked about the ADA Paratransit contract award and the Minibus contract award. They also gave an overview of the Copley Park division and the phases of the renovations underway at the facility. They provided the Board with a time line of events and explained that the ADA operations should begin in the middle of May.

Mr. Byrne and Mr. Hurwitz explained that economies of scale were identified as staff worked with First Transit. They talked about the projected ADA and Minibus cost savings by combining these two operations, and stated that the projected savings over the life of these 2 contracts will be approximately \$11 million.

Action Taken

Mr. Cunningham moved to receive a report for information. Mr. Ovrom seconded the motion, and the vote was 9 to 0 in favor.

49. MTS: Operations Budget Status Report - February 2011

A motion was made to receive a report without a staff presentation.

Action Taken

Mr. Castaneda moved to receive a report on MTS's operations budget status for February 2011. Ms. England seconded the motion, and the vote was 9 to 0 in favor.

50. MTS: Update on MTS GO! Texting Project

Mr. Devin Braun, Senior Transportation Planner, provided the Board with an update on the "MTS Go!" next arrivals stop information via text message. He explained that the system works on all common cell phone carriers, works for any bus stop or trolley station and the official roll out date is June 1. He explained that 286 people have signed up as

beta testers and there have been positive test comments. Mr. Braun explained that to get the next arrival time for a bus at a particular stop passengers simply send a text to "GOMTS" or 46687 with the bus stop id, and within 10 seconds next stop arrival message is returned via text message.

Action Taken

Mr. Cunningham moved to receive a report for information. Mr. McClellan seconded the motion, and the vote was 9 to 0 in favor.

60. Chairman's Report

There was no Chairman's report.

61. Audit Oversight Committee Chairman's Report

Mr. Ewin reported that the auditors will be on-site next week and are awaiting an entry letter.

62. Chief Executive Officer's Report

Mr. Jablonski explained that MTS has put together an annual report publication that highlights the positive partnership between MTS and the University of California, San Diego. Each Board member received a copy at their seat.

63. Board Member Communications

There was no Board member communication.

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, May 12, 2011 at 9:00 a.m.


66. Adjournment

Chairman Mathis adjourned the meeting at 11:40 a.m.



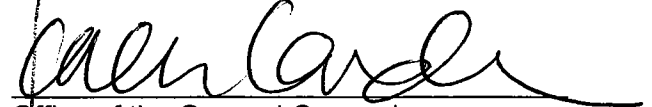
Chairperson
San Diego Metropolitan Transit System

Filed by:



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

Approved as to form:



Office of the General Counsel
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

h:\minutes - executive committee, board, and committees\minutes - 2010\minutes - board 4-28-11 final.docx

METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE): April 28, 2011

CALL TO ORDER (TIME): 9:30 AM

RECESS: _____

RECONVENE: _____

CLOSED SESSION: 9:35 AM

RECONVENE: 10:00 AM

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 11:40 AM

BOARD MEMBER	(Alternate)	PRESENT (TIME ARRIVED)	ABSENT (TIME LEFT)
CASTANEDA	<input checked="" type="checkbox"/> (Rindone) <input type="checkbox"/>		
CUNNINGHAM	<input checked="" type="checkbox"/> (Mullin) <input type="checkbox"/>		
EWIN	<input checked="" type="checkbox"/> (Sterling) <input type="checkbox"/>		
EMERALD	<input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/>		
ENGLAND	<input checked="" type="checkbox"/> (Gastil) <input type="checkbox"/>	9:35 AM	
GLORIA	<input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/>		
JANNEY	<input checked="" type="checkbox"/> (Bragg) <input type="checkbox"/>		11:26 AM
LIGHTNER	<input type="checkbox"/> (Faulconer) <input type="checkbox"/>		
MATHIS	<input checked="" type="checkbox"/> (Vacant) <input type="checkbox"/>		
MCCLELLAN	<input checked="" type="checkbox"/> (Hanson-Cox) <input type="checkbox"/>		
MINTO	<input checked="" type="checkbox"/> (McNelis) <input type="checkbox"/>		
OVROM	<input checked="" type="checkbox"/> (Denny) <input type="checkbox"/>		
ROBERTS	<input type="checkbox"/> (Cox) <input type="checkbox"/>		
VAN DEVENTER	<input checked="" type="checkbox"/> (Zarate) <input type="checkbox"/>		11:20 AM
YOUNG	<input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/>		11:17 AM

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD:

Valerie Vizeletti

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL:

Edith Card



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

Agenda

Item No. 6

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

SDAE 710 (PC 50771)

May 12, 2011

SUBJECT:

MTS: SAN DIEGO AND ARIZONA EASTERN (SD&AE) RAILWAY COMPANY
QUARTERLY REPORTS AND RATIFICATION OF ACTIONS TAKEN BY THE SD&AE
BOARD OF DIRECTORS AT ITS MEETING ON APRIL 19, 2011

RECOMMENDATION:

That the Board of Directors:

1. receive the San Diego and Imperial Valley Railroad (SD&IV), Pacific Southwest Railway Museum Association (Museum), and Carrizo Gorge Railway, Inc. (Carrizo) quarterly reports (Attachment A); and
2. ratify actions taken by the San Diego and Arizona Eastern (SD&AE) Railway Company Board of Directors at its meeting on April 19, 2011 (Attachment A).

Budget Impact

None.

DISCUSSION:

Quarterly Reports

Pursuant to the Agreement for Operation of Freight Rail Services, SD&IV, Museum, and Carrizo have provided the attached quarterly reports of their operations during the first quarter of calendar year 2011 (Attachment A).

SD&AE Property Matters

Under its adopted policy for dealing with the SD&AE Railway, the MTS Board of Directors must review all property matters acted on by the SD&AE Board. At its meeting of April 19, 2011, the SD&AE Board approved the following licenses and permits:

- S200-10-459: Right of Entry Permit to Gryphon Detective Agency to film at the San Ysidro Trolley Station.



- S200-10-470: License to Imperial Valley Solar, LLC for an at-grade crossing west of Plaster City in Imperial County.
- S200-11-474: Right of Entry Permit to Bert W. Salas, Inc. for a construction crossing of the Imperial Beach bike path at 8th Street in Imperial Beach.
- S200-11-475: Right of Entry Permit to Erickson Air Crane to cross the Desert Line for the Sunrise Power Link construction in Jacumba.
- S200-11-476: Right of Entry Permit to Pullman Engineering to construct a sewer pipeline at 54th Street in the City of San Diego.
- S200-11-477: Right of Entry Permit to Golden State Boring and Pipe Jacking to construct a sewer pipeline at 54th Street, in the City of San Diego.
- S200-11-478: Right of Entry Permit to AirX Utility Surveyors for utility investigations at Lemon Grove Avenue in the City of Lemon Grove.
- S200-11-479: Right of Entry Permit to Haley and Aldrich, Inc. to access the right-of-way near Gunpowder Point at the Sweetwater Marsh in the City of Chula Vista.
- S200-11-480: Right of Entry Permit to Nautilus Environmental to access the right-of-way near Gunpowder Point at the Sweetwater Marsh in the City of Chula Vista.
- S200-11-481: Right of Entry Permit to SDG&E to construct the Sunrise Power Link in San Diego and Imperial Counties.
- S200-11-482: Right of Entry Permit to Par Electric Contractors, Inc. to construct the Sunrise Power link in San Diego and Imperial Counties.
- S200-11-483: Right of Entry Permit to the U.S. Department of the Navy for the Bay Bridge Run/Walk.
- S200-11-484: Right of Entry Permit to Ortiz Corporation to abandon a sewer pipeline near Euclid Avenue in the City of San Diego.
- S200-11-486: Right of Entry Permit to Aguirre Engineering, Inc. to perform surveys near Lemon Grove Avenue in the City of Lemon Grove.
- S200-11-488: Right of Entry Permit to Aguirre Engineering, Inc. to perform surveys for the South Line Freight Improvement Project.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Karen Landers, 619.557.4512, Karen.Landers@sdmts.com

MAY12-11.6.SDAE RPTS.KLANDERS

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



San Diego & Arizona Eastern
Railway Company

A Nevada Nonprofit
Corporation

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

BOARD OF DIRECTORS
Don Seil, Chairman
Bob Jones
Paul Jablonski

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

GENERAL COUNSEL
Karen Landers

AGENDA

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

(PC 50771)

April 19, 2011

9:00 a.m.

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

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

1. Approval of the Minutes of January 18, 2011 Approve
Action would approve the SD&AE Railway Company minutes of January 18, 2011.
2. Statement of Railway Finances (Tom Lynch) Receive
Action would receive a report for the quarter ended March 31, 2011.
3. Report on San Diego and Imperial Valley (SD&IV) Railroad Operations (Jose Ramos) Receive
Action would receive a report for information.
4. Report on Pacific Southwest Railway Museum (Diana Hyatt) Receive
Action would receive a report for information.
5. Report on the Desert Line (Armando Freire) Receive
Action would receive a report for information and a follow-up on the business plan for Desert Line operations.
6. Real Property Matters (Tim Allison)
 - a. Summary of SD&AE Documents Issued Since January 18, 2011 Receive
Action would receive a report for information.
 - b. License Agreement with Pattern Energy Group for At-Grade and Utility Crossings Approve
Action would approve issuing a license to Pattern Energy Group for proposed at-grade crossings, a utility crossing, and longitudinal utility occupation over SD&AE tracks located west of Ocotillo, from approximately mile post (MP) 113.5 to MP 119.3, in Imperial County.

- c. San Diego Unified Port District Fiber-Optic Connectivity Project Agreement Amendment Approve
Action would authorize the execution of an amendment to the Amended and Restated Use Agreement granting a license to the San Diego Unified Port District (Port) for fiber-optic installations.
- d. SDG&E Road-Crossing Easement Approve
Action would approve an easement to SDG&E for facilities access over an existing at-grade road crossing.
- e. CLOSED SESSION – CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to California Government Code Section 54956.8 Possible Action
Property: Assessor Parcel Nos. 667-020-52, 54, 60, & 70, San Diego, California
Agency Negotiators: Karen Landers, MTS General Counsel; Tim Allison, MTS Manager of Real Estate Assets
Negotiating Parties: U.S. General Services Administration
Under Negotiation: Price and Terms of Payment

7. Old Business

8. New Business

9. Public Comments

10. Next Meeting Date: July 19, 2011, at 9:00 a.m.

11. Adjournment

A-SDAE-APRIL19-11

DRAFT

MINUTES

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

January 18, 2011

A meeting of the Board of Directors of the San Diego & Arizona Eastern (SD&AE) Railway Company, a Nevada corporation, was held at 1255 Imperial Avenue, Suite 1000, San Diego, California 92101, on January 18, 2011, at 9:02 a.m.

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

MTS staff:

SD&IV staff:

Pacific Southwest Railway Museum:

Carrizo Gorge Railway, Inc. (Carrizo):

Burlington Northern Santa Fe (BNSF):

International Border Rail Institute:

Karen Landers, Tim Allison, Wayne Terry,

Linda Musengo

Matt Domen

Diana Hyatt

Armando Freire

John Hogemeier

Richard Borstadt

1. Approval of Minutes

Mr. Jablonski moved to approve the Minutes of the October 19, 2010, SD&AE Railway Board of Directors meeting. Mr. Seil seconded the motion, and it was unanimously approved.

2. Statement of Railway Finances

Linda Musengo reviewed the financial statement for the 4th quarter of 2010 (attached to the agenda item). Ms. Musengo noted that the lease income is down from last year because a lot of leases were converted to annual payments, which were collected in the second quarter last year and not amortized and correctly accounted for until the third quarter. Ms. Musengo added that she expects that the third quarter numbers will be more comparable. Tim Allison confirmed for Mr. Jablonski that lease income is actually increasing overall.

Mr. Allison also clarified for Mr. Jablonski that several billboard leases were modified, and there were decreases in construction and municipal-type projects through utility companies or the cities, which reduced the number of right of entry permits.

Action Taken

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

3. Report on SD&IV Operations

Matt Domen reviewed the report of activities for the 4th quarter of 2010 (attached to the agenda item). In response to Mr. Jablonski, Mr. Domen stated that he is optimistic about business in 2011. He reported that there have been meetings recently to look at future business into

Mexico. Armando Freire also responded to Mr. Jablonski's question regarding potential northbound business for Carrizo stating that discussions are underway regarding moving gas from Ensenada in addition to other possible new business.

Mr. Domen reported that the new GenSet locomotives purchased with the 2009 grant funding are working great. He stated that there has been a 30% improvement in fuel savings, the locomotives are quiet, clean, and dependable, and the crews love them. He added that there have been no failures on the main line.

Mr. Jablonski asked about delays caused by the Blue Line Project overhead wire work on the weekends. Mr. Domen responded that there have been several delays and some have extended past the originally scheduled times. He explained that trains are running about 5 to 9 miles a night against current traffic resulting in anywhere from 7 to 14 road crossings where trains have to stop and drop the gates; this affects the staging areas, and over time, large costs are incurred. Mr. Domen added that last Sunday night, the northbound Blue Line trip was not operated due to expanded contractor activity. Palomar Siding (a big customer) was unable to get onto the line at all (and may not be able to get on until Thursday). He added that business is halted sometimes for 2 to 3 days at a time. Per Mr. Jablonski's suggestion, SD&IV and SDTI staffs will meet to discuss resolving the issues—Wayne Terry will follow up.

Action Taken

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

4. Report on Pacific Southwest Railway Museum Operations

Diana Hyatt reviewed the 4th quarter of 2010 report (attached to the agenda item). Ms. Hyatt stated that "The Christmas Train" delivered gifts to children in Tecate, which was coordinated by Margaret Coval; however, the Museum was not able to provide a train this year. Ms. Hyatt also announced that Roger Chalberg passed away.

Mr. Allison reminded the operators that if contractors are hired to work on SD&AE property, they must have a right of entry permit to cover indemnity and insurance.

Action Taken

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

5. Report on the Desert Line

Armando Freire reported that there have been no operations on the Desert Line. He stated that the sand belt in Campo Depot was removed by its owner, Superior Ready Mix, and the tracks were restored.

Mr. Freire reported that Carrizo's recent issues have been resolved, and business is back on track. He has been working with Ms. Hyatt on maintenance, dispatch, and weed abatement, and they will continue to work together on upcoming projects.

Mr. Freire stated that Carrizo can now concentrate on increasing business. He discussed potential business and is hopeful that it will improve significantly during 2011.

Mr. Freire informed the Board that Carrizo has been running all-day Saturday trains between Tijuana and Tecate to show that the trains are operational and to encourage business.

In regard to progress on Tunnel 3 on the Desert Line, Mr. Freire stated that Mexico has stated that it will put \$70 million into redoing the whole line, which would include Tunnel 3, and Carrizo is waiting on further action regarding that project. Mr. Jablonski requested an update at the next meeting regarding a business plan for restoring operations on the Desert Line. Mr. Freire responded that he has a business proposal, but the fact is that money is the issue. (An update will be given at the next meeting.) Mr. Freire added that he has been working to build business south of the border.

Action Taken

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

6. Real Property Matters

a. Summary of SD&AE Documents Issued Since October 19, 2010

Mr. Allison reported that the documents issued since October 19, 2010 (described below), have been processed by staff.

- S200-10-432: Easement to the City of San Diego for a sewer pipeline at 54th Street in the City of San Diego.
- S200-10-461: Right of Entry Permit to American Asphalt South, Inc. for a construction lay-down yard at the Baltimore Wye in the City of La Mesa.
- S200-11-462: Right of Entry Permit to Diamond Environmental Services to construct a temporary fence at the Baltimore Wye in the City of La Mesa.
- S200-11-464: Right of Entry Permit to Nasland Engineering for field surveying north of Coronado Avenue in the City of San Diego.
- S200-11-465: Easement to San Diego Gas and Electric for overhead electrical lines west of Plaster City in Imperial County.
- S200-11-466: Easement to San Diego Gas and Electric for overhead electrical lines west of Ocotillo in Imperial County.
- S200-11-467: Easement to San Diego Gas and Electric for overhead electrical lines east of Jacumba in San Diego County.
- S200-11-468: Right of Entry Permit to Ninyo and Moore, Inc. for geotechnical studies along the Orange line in the cities of San Diego, Lemon Grove, and La Mesa.

- S200-11-471: Right of Entry Permit to Hugo Alonso Inc. for building construction in San Ysidro.

Action Taken

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

b. Easement with SDG&E for At-Grade and Underground Utility Crossings

Mr. Allison explained that SDG&E is building a substation in Chula Vista. The SD&AE Board previously approved a number of licenses for this project to move forward. SDG&E is now requesting nonrevocable easements based on California Public Utilities Commission requirements.

In response to Mr. Jablonski's question as to why one access point is not enough, Mr. Allison stated that SDG&E needs an emergency access. He clarified that the crossing would be built out by SDG&E to SD&AE and American Railway Engineering Maintenance-of-Way Association standards.

Action Taken

Mr. Jablonski moved to approve issuing easements to San Diego Gas and Electric (SDG&E) for at-grade and underground utility crossings over SDG&E tracks located south of L Street in Chula Vista on the Coronado Branch Line. Mr. Seil seconded the motion, and it was unanimously approved.

c. Easements for At-Grade Crossings West of Jacumba

Mr. Allison explained that the U.S. Department of Homeland Security (DHS) is requesting permanent easements in Jacumba and Campo to access its border fence. Mr. Allison clarified that the cost for the easements would be market value (approximately \$2k).

In response to questions from the Board, Mr. Allison clarified that:

- any future activity requiring new gates, etc. would be the responsibility of DHS in addition to maintenance of the crossings;
- the easement would be exclusive to DHS;
- in addition to DHS, land owners also access the crossings; and
- access to others could be given in the future.

Board members added the following stipulations:

1. maximize revenue opportunities;
2. ensure maintenance responsibility and set clear costs; and
3. require timely reimbursement for any work completed.

Action Taken

Mr. Jablonski moved to approve issuing easements to the United States Department of Homeland Security (DHS) for at-grade crossings over SD&AE tracks located west of Jacumba in San Diego County. Mr. Seil seconded the motion, and it was unanimously approved.

7. Old Business

There was no old business.

8. New Business

There was no new business.

9. Public Comments

There were no public comments.

10. Next Meeting Date

The next meeting of the SD&AE Railway Company Board of Directors is on Tuesday, April 19, 2011, at 9:00 a.m.

11. Adjournment

The meeting was adjourned at 9:38 a.m.

President

Legal Counsel

JGardetto/
SDAE Minutes 1-18-11.doc

Agenda

Item No. 2

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

SDAE 710.1 (PC 50771)

April 19, 2011

SUBJECT:

STATEMENT OF RAILWAY FINANCES

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors receive a report for the quarter ended March 31, 2011.

Budget Impact

None.

DISCUSSION:

Attached are results for the third quarter (Q3) of FY 2011 and 2010. The current quarter results show a large increase in revenue as \$38,187 of SD&IV freight fee was recorded this quarter. This once-a-year fee typically comes in either the third or fourth quarter (it was in the fourth quarter in FY 2010). This brings revenue to \$78,897 for the quarter and \$147,515 for the year to date. Overall expenses are \$26,586 for the quarter and \$86,400 for the year to date. These expenses are tracking similar to the previous quarters of this fiscal year as well as FY 2010. This brings the net income to \$52,311 for the quarter and \$61,114 for the year to date.

The reserve balance bringing forward the ending FY 2010 balance and adding year to date net income is attached.

Attachment: SD&AE Financial Report Q3 2011

SD&AE Railway Company Board Meeting
AI 2, 4/19/11**San Diego Metropolitan Transit System**
SD&AE Operating Statement FY2011 and FY2010**As of March 31, 2011**

	FY 2011		FY 2010	
	Q3	YTD	Q3	YTD
Revenue				
Right of entry permits	\$ 21,370	\$ 39,070	\$ 8,500	\$47,519
Lease income	19,340	70,257	819	70,031
SD&IV 1% freight fee	38,187	38,187	-	-
Total revenue	78,897	147,515	9,319	117,550
Expense				
Personnel costs	18,746	61,256	19,540	68,608
Outside services	-	260	5,147	23,167
Energy costs	-	-	-	-
Risk management	7,771	24,318	8,403	25,376
Misc operating expenses	70	567	25	1,586
Depreciation	-	-	-	-
Total expense	26,586	86,400	33,115	118,737
Net income/(loss)	\$ 52,311	\$ 61,114	\$(23,796)	\$ (1,187)
Reserve balance 2010 - final	\$ 890,173			
Allocated interest earnings - estimated	2,400			
Operating profit (loss) final	61,114			
Improvement expense 2011	-			
Reserve balance 2011- estimated	\$ 953,687			

Agenda

Item No. 3

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

SDAE 710.1 (PC 50771)

April 19, 2011

SUBJECT:

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

RECOMMENDATION:

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

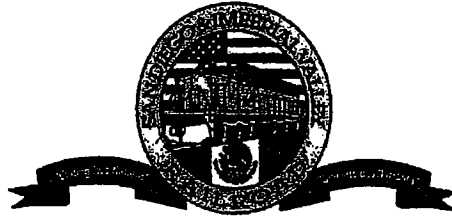
Budget Impact

None.

DISCUSSION:

An oral report will be given during the meeting.

Attachment: Periodic Report for the 1st Quarter of 2011



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

April 7, 2011

Periodic Report

In accordance with Section 20 of the Agreement for Operational Freight Service and Control through Management of the San Diego and Arizona Eastern Railway Company; activities of interest for the 1st Quarter of 2011 are listed as follows:

1. **Labor**
At the end of March 31, 2011 the San Diego & Imperial Railroad had 11 employees:
 - 1 General Manager
 - 1 Asst. General Manager
 - 1 Asst. Trainmaster
 - 1 Manager - Marketing & Sales
 - 1 Office Manager
 - 1 Mechanical Officer
 - 1 Roadmaster
 - 1 Maintenance of Way Employee
 - 2 Train Service Employees
 - 1 Utility Employee
2. **Marketing**
Volume in the 1st quarter of 2011 was slightly lower than the same time frame in 2010. Bridge traffic to Mexico was down to previous year by approximately the same percent. LPG's into Mexico were down by nearly 10% to last year, while plastics were up by nearly 20%.
3. **Reportable Injuries/Environmental**
Days through year to date, March 31, 2011, there were no FRA Reportable injuries or environmental incidents on the SDIV Railroad.
Days FRA Reportable Injury Free: 4202

4. Summary of Freight

	2011	2010	2009
Total rail carloads that moved by SDIY Rail Service in the quarter.	1418	1501	1530
Total railroad carloads Terminating/Originating Mexico in the quarter.	1167	1208	1210
Total railroad carloads Terminating/Originating El Cajon, San Diego, National City, San Ysidro, California in the quarter.	251	293	320
Total customers directly served by SDIY in the quarter	11	11	12
Regional Truck trips that SDIY Railroad Service replaced in the quarter	4821	5103	5202

Respectfully,

Don Seil
General Manager

Agenda

Item No. 4

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

SDAE 710.1 (PC 50771)

April 19, 2011

SUBJECT:

REPORT ON PACIFIC SOUTHWEST RAILWAY MUSEUM

RECOMMENDATION:

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

Budget Impact

None.

DISCUSSION:

A report will be presented during the meeting.

Attachment: First Quarter Report for 2011



Pacific Southwest Railway Museum

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

April 8, 2011

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

Re: First Quarter 2011

Dear SD&AE Board:

During the first quarter of 2011, the Pacific Southwest Railway Museum carried 924 passengers with no FRA reportable accidents or injuries. Total income from SD&AE property for first quarter 2011 was \$19,192; a check for \$383.84 will be forwarded under separate cover. By comparison, PSRM carried 1,006 passengers during the first quarter of 2010 and total income from SD&AE property for that quarter was \$17,150. The small decrease in passengers is attributable to the poor weather conditions and the fact that the Bunny Trains occurred within the first quarter of 2010 but will not take place until the second quarter in 2011.

In January, Rich Paulus, our Chief Operating Officer and I met with Armando Freire and Homero Walss of CZRY to discuss operating practices on our portion of the railroad. It was agreed that museum personnel shall write track warrants, under the supervision of Mr. Walss, until such time as CZRY resumes freight operations on the Desert Line.

Track maintenance and inspections by PSRM continue along the railroad right of way between Division and Miller Creek. In late February, our contracted weed sprayer applied weed killer and pre-emergent along the right of way between Division and MP 66.76 which was promptly followed by rain; a necessity to soak the pre-emergent into the soil. The replacement has been postponed as we wait for the ground to dry. But we now have allocated funds and established a prioritized plan of track repairs to complete for this year.

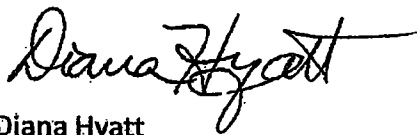
The PSRM board recently agreed that a more suitable walkway between the Campo Depot and the mainline track used for loading and unloading passengers was necessary. It was also determined that replacing the ties on the House Track in front of the Depot should be

performed before the walkway is installed. The tie replacement is scheduled to begin within the next two to three months and will have no effect on train operations. Once the section of House Track has been rebuilt, bricks will be installed from the existing brick walkway on the west side of the Campo Depot to the edge of the mainline track. Another aspect of this project will incorporate extensive grading around the Campo Depot and the installation of new drainage that will direct flood waters away from the historic structure.

Progress on the Campo Depot waiting room has been minimal during this quarter largely due to the extremely cold winter weather. The majority of the interior wood work is complete. The next step is the cutting and installation of floor tile followed by the installation of the ticket counter currently being fabricated by a carpenter.

On Sunday, January 9, 2011 the Christmas Train, also known as the Tres Reyes Tren took place in Tecate, B.C. Mexico. It was a well-attended event with support by many organizations in San Diego and Tecate. Unfortunately, the event organizers, volunteers and the Three Kings were unable to make a grand entrance and arrive by train to the stadium. Nevertheless, PSRM continues to support their efforts and looks forward to the day when we resume railroad operations into Mexico and can be active participants in this international philanthropy.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "Diana Hyatt", with a stylized flourish at the end.

Diana Hyatt
President

Agenda

Item No. 5

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

SDAE 710.1 (PC 50771)

April 19, 2011

SUBJECT:

REPORT ON THE DESERT LINE

RECOMMENDATION:

That the SD&AE Board of Directors receive a report for information and a follow-up on the business plan for Desert Line operations.

Budget Impact

None.

DISCUSSION:

A report will be presented during the meeting.

APRIL19-11.5.CARRIZO.1st QTR RPT

Attachment: First Quarter Report



Periodic Report

To The San Diego & Arizona Eastern Railway Company

First Quarter 2011

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

Accomplishments during First Quarter 2011

CONTENTS

FIRST QUARTER 2011 ACTIVITY

Appendix A- MOW Summary

Appendix B- Desert Line Freight Revenues Financial Summary

First Quarter 2011

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

Pursuant to reporting agreement, here is the summary of First Quarter activity for 2011.

I. Labor

As of March 31, 2011, Carrizo Gorge Railway has 6 employees to cover the railroad administration and operation in the U.S.

- 3 Administration
- 1 DSL & Engineer
- 1 Locomotive engineer
- 1 Track Inspector & Signals

II. Marketing

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

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

III. Desert Line

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

The principal activity took place in the desert line, we are in the process of doing clean out of hazardous products in Jacumba station, we are still continuing with the project.

IV. Reportable Injuries / Environmental Incidents

There were no reportable injuries in the first quarter of 2011.

There were no reportable accidents in the first quarter of 2011.

There were no environmental incidents in the first quarter of 2011.

V. Freight Activity

No freight activity in the 1st quarter of 2011 due to the embargo , we are still continuing to store empties, with a total amount of 52 GE cars located in the East end of the line as of this date.

MOW Sand carloads moved on the Desert Line	0
Revenue Sand carloads moved on the Desert Line	0
Revenue Freight carloads moved to/from Seeley Via interchange with UPRR, on the Desert Line	0
Non-Revenue Freight carloads moved from UPRR and USG, on the Desert Line	0
Revenue Freight carloads terminating/originating in Mexico to/from San Ysidro via interchange with SD&IV Railroad	0
Total overall second quarter 2011 Carloads Moved	0
Revenue Empties	0
Revenue Storage	52

VI. Mexican Railroad

Carrizo Gorge Railway is the rail freight operator for the State of Baja California, Mexico and continues to employ the following personnel dedicated to freight service south of the border.
Here is an update of Carrizo Gorge Railway, Inc. Mexico's Operation.

CURRENT MEXICO PERSONNEL

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

Appendix A M.O.W. SUMMARY

DESERT LINE

TRACK

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

Appendix B **FINANCIAL SUMMARY**

DESERT LINE

REVENUE FREIGHT HAULED

Railcar loads to/from UP Interchange, Seeley /Plaster City	0
Railcar loads revenue sand from Dixie (Plaster City) to Campo	0
Non-revenue Freight USG Cars	
Total	0

Track Use Fees:

Interchange freight to/from UPRR over the Desert Line

SD&AE / MTS 1% payment	70.20
SD&IV / Rail America payment 6.9 (52 Railcars Storage)	484.38

Revenue Sand from Dixie to Campo

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

Agenda

Item No. 6a

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

SDAE 710.1 (PC 50771)

April 19, 2011

SUBJECT:

SUMMARY OF SD&AE DOCUMENTS ISSUED SINCE JANUARY 18, 2011

RECOMMENDATION:

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

Budget Impact

None.

DISCUSSION:

Since the January 18, 2011, SD&AE Railway Company Board of Directors meeting, the documents described below have been processed by staff.

- S200-10-459: Right of Entry Permit to Gryphon Detective Agency to film at the San Ysidro Trolley Station.
- S200-10-470: License to Imperial Valley Solar, LLC for an at-grade crossing west of Plaster City in Imperial County.
- S200-11-474: Right of Entry Permit to Bert W. Salas, Inc. for a construction crossing of the Imperial Beach bike path at 8th Street in Imperial Beach.
- S200-11-475: Right of Entry Permit to Erickson Air Crane to cross the Desert Line for the Sunrise Power Link construction in Jacumba.
- S200-11-476: Right of Entry Permit to Pullman Engineering to construct a sewer pipeline at 54th Street in the City of San Diego.
- S200-11-477: Right of Entry Permit to Golden State Boring and Pipe Jacking to construct a sewer pipeline at 54th Street, in the City of San Diego.
- S200-11-478: Right of Entry Permit to AirX Utility Surveyors for utility investigations at Lemon Grove Avenue in the City of Lemon Grove.

- **S200-11-479:** Right of Entry Permit to Haley and Aldrich, Inc. to access the right-of-way near Gunpowder Point at the Sweetwater Marsh in the City of Chula Vista.
- **S200-11-480:** Right of Entry Permit to Nautilus Environmental to access the right-of-way near Gunpowder Point at the Sweetwater Marsh in the City of Chula Vista.
- **S200-11-481:** Right of Entry Permit to SDG&E to construct the Sunrise Power Link in San Diego and Imperial Counties.
- **S200-11-482:** Right of Entry Permit to Par Electric Contractors, Inc. to construct the Sunrise Power link in San Diego and Imperial Counties.
- **S200-11-483:** Right of Entry Permit to the U.S. Department of the Navy for the Bay Bridge Run/Walk.
- **S200-11-484:** Right of Entry Permit to Ortiz Corporation to abandon a sewer pipeline near Euclid Avenue in the City of San Diego.
- **S200-11-486:** Right of Entry Permit to Aguirre Engineering, Inc. to perform surveys near Lemon Grove Avenue in the City of Lemon Grove.
- **S200-11-488:** Right of Entry Permit to Aguirre Engineering, Inc. to perform surveys for the South Line Freight Improvement Project.

Agenda

Item No. 6b

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

SDAE 710.1 (PC 50771)

April 19, 2011

SUBJECT:

**LICENSE AGREEMENT WITH PATTERN ENERGY GROUP FOR AT-GRADE AND
UTILITY CROSSINGS**

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors approve issuing a license to Pattern Energy Group for proposed at-grade crossings, a utility crossing, and longitudinal utility occupation over SD&AE tracks located west of Ocotillo, from approximately mile post (MP) 113.5 to MP 119.3, in Imperial County.

Budget Impact

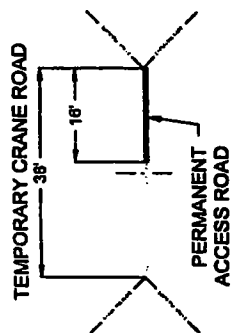
Yearly license fees would be credited to the SD&AE Reserve, and processing fees would be reimbursed to MTS.

DISCUSSION:

Pattern Energy Group represents a project to construct wind turbines west and in the vicinity of Ocotillo, in Imperial County, from approximately MP 113.5 to MP 119.3. Pattern Energy Group is requesting five at-grade crossings for road access to its facilities, a utility crossing, and a longitudinal, buried electrical line (as shown on Attachment 6b-2).

Pattern Energy Group also proposes to use the crossings for temporary construction access for oversized loads and the area of the longitudinal occupation for a temporary construction road.

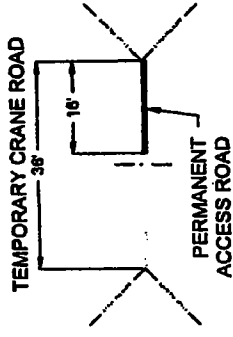
Attachment: Proposed Project (3 pages)



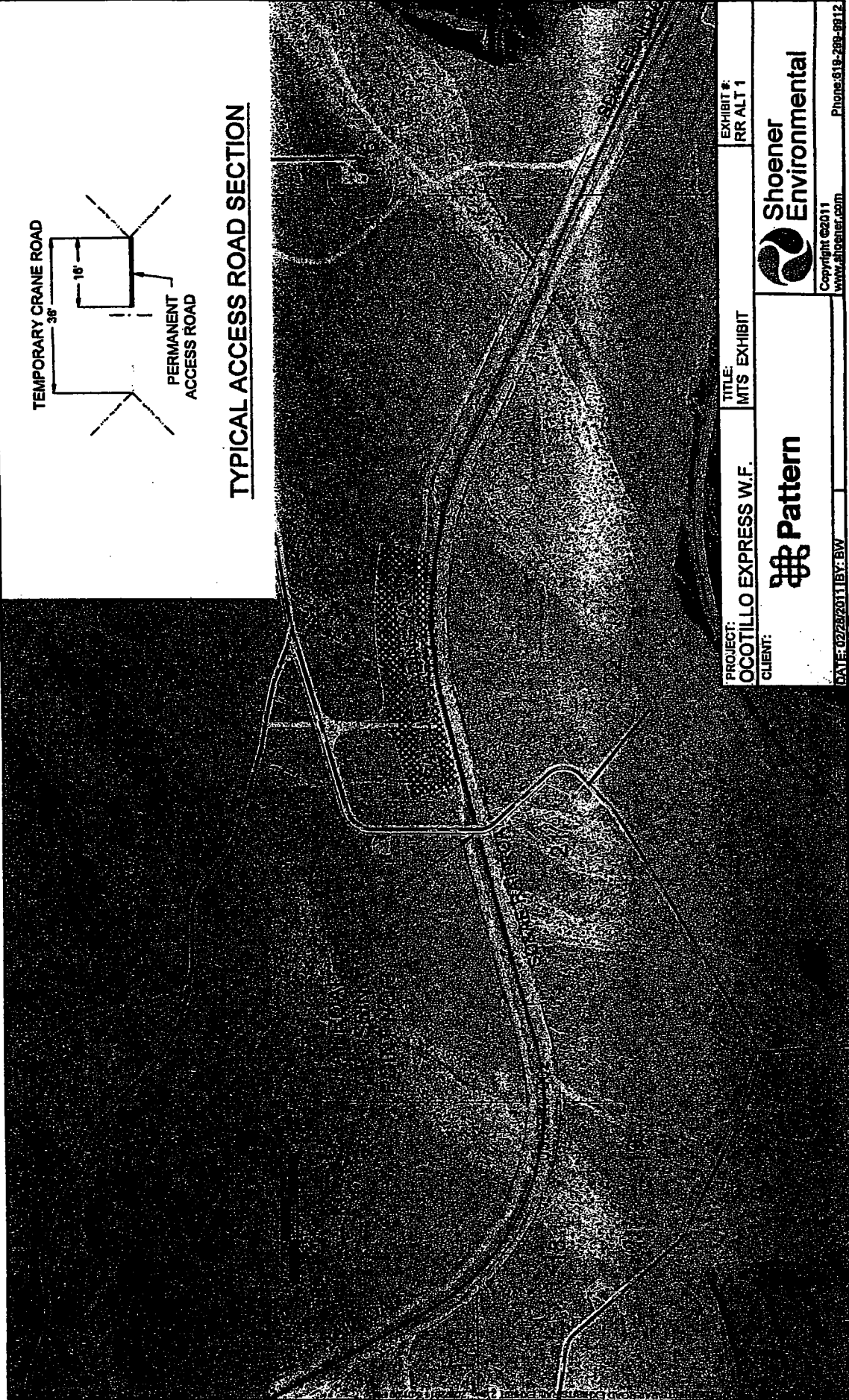
TYPICAL ACCESS ROAD SECTION





PROJECT: OCOTILLO EXPRESS W.F.	TITLE: MTS EXHIBIT	EXHIBIT #: RR ALT 1
CLIENT: Pattern		Shoener Environmental
DATE: 02/28/2011 BY: BW		Copyright ©2011 www.shoener.com Phone: 919-299-8912



TYPICAL ACCESS ROAD SECTION



PROJECT: OCOTILLO EXPRESS W.F.	TITLE: MTS EXHIBIT	EXHIBIT #: RR ALT 1
CLIENT:  Pattern	 Shoener Environmental	
DATE: 02/28/2011 BY: BW		Copyright ©2011 www.shoener.com Phone: 619-299-9912

Agenda

Item No. 6C

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

SDAE 710.1 (PC 50771)

April 19, 2011

SUBJECT:

**SAN DIEGO UNIFIED PORT DISTRICT FIBER-OPTIC CONNECTIVITY PROJECT
AGREEMENT AMENDMENT**

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors authorize the execution of an amendment to the Amended and Restated Use Agreement granting a license to the San Diego Unified Port District (Port) for fiber-optic installations.

Budget Impact

Unknown at this time (dependent upon the direction of the SD&AE Board).

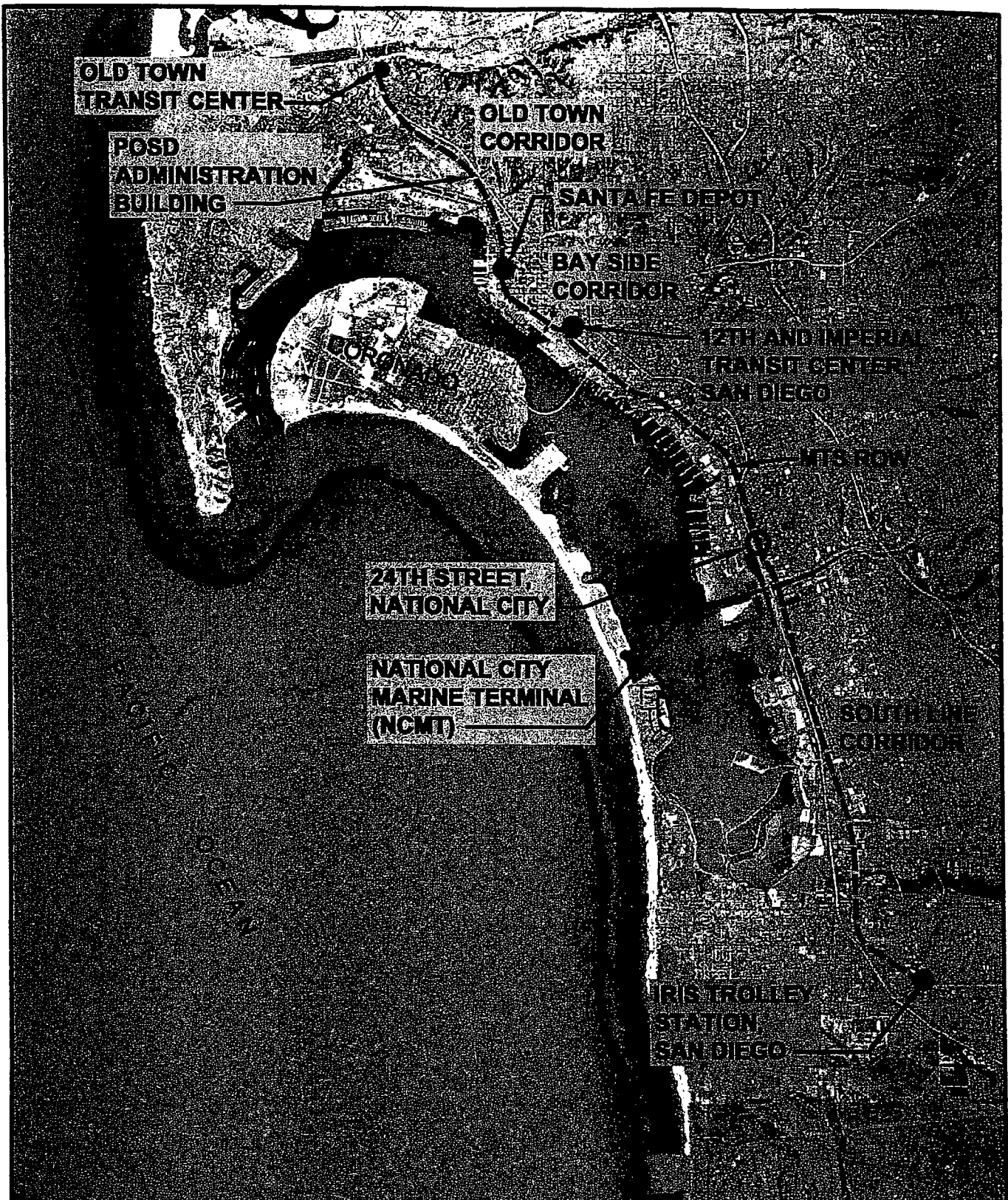
DISCUSSION:

The Port is developing a project known as the Port-Wide Fiber-Optic Connectivity Project. The Port would like to use SD&AE railroad right-of-way for the principle purpose of providing a regional network infrastructure for rapid transfer of security information and sensor data to participating regional government, state, and local public agencies that are members of the San Diego Security Network Consortium (SDSNC). The Port of San Diego plan includes installing fiber-optic cable along the MTS and SD&AE rail corridor by lashing cable to existing catenary poles.

The Port will build a security fiber-optic network that will make use of existing infrastructure to the maximum extent possible and provide the missing pieces needed to complete a fiber-optic loop around the San Diego Bay. SD&AE and MTS previously approved the installation of a fiber route that would extend from Old Town to 24th Street in National City in an Amended and Restated Use Agreement dated March 26, 2010. The Port proposes to continue the installation from 24th Street in National City to the Iris Avenue Trolley Station.

A benefit that MTS and SD&AE would receive by approving this amendment would be fiber-optic strands in this loop configuration that would provide full continuity to all members in the SDSNC network despite a break in the cable, which could easily occur during a natural disaster or terrorist attack.

Attachment: Project Schematic



P0265-1

AMENDMENT NO. 1 TO THE AMENDED AND RESTATED USE AGREEMENT

(PORT WIDE FIBER CONNECTIVITY PROJECT)

EXHIBIT A

Agenda

Item No. 6d

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

SDAE 710.1 (PC 50771)

April 19, 2011

SUBJECT:

SDG&E ROAD-CROSSING EASEMENT

RECOMMENDATION:

That the SD&AE Railway Company Board of Directors approve an easement to SDG&E for facilities access over an existing at-grade road crossing.

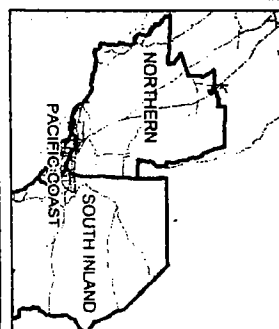
Budget Impact

Easement revenue would be at market rate, and support fees would be reimbursed to MTS.



















DISCUSSION:

SDG&E is constructing the Sunrise Powerlink and is requesting the use of an existing at-grade crossing near mile post (MP) 92.9 over Railroad Street in Jacumba. The use would be to access SDG&E's facilities, which are being constructed to the north of SD&AE right-of-way. The crossing location is shown on Attachment 6d-2.

Attachment: Crossing Location



Legend

-  City Point
-  Local Roads
-  Main Roads
-  Major Roads Shields
-  Major Roads
-  Highways
-  Major Highways
-  Water Body
-  Bay
-  Lake or Pond minor category unknown
-  Perennial Lake or Pond
-  Intermittent Lake or Pond
-  Reservoir, Major Category
-  Perennial Reservoir
-  Intermittent Reservoir
-  San Diego County Parcel
-  County Boundary
-  SDG&E 2008 West



Scale: 1:1,781

User: lmurphy Date: Jan 05 2011

SDG&E is providing this map to you as a courtesy. SDG&E makes no representations or warranties, whether expressed or implied, as to the accuracy, completeness, defensibility, completeness or any other standard or measure of quality or adequacy or as to its use or intended use. For any particular purpose, SDG&E disclaims all warranties, expressed or implied, including the warranty of fitness for a particular purpose. You are solely responsible for selecting this map to use and you are solely responsible for any consequences resulting from your use.

Confidential Closed Session Item

Agenda

Item No. 6e

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

SDAE 710.1 (PC 50771)

April 19, 2011

SUBJECT:

**CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS
PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54956.8**

**PROPERTY: ASSESSOR PARCEL NOS. 667-020-52, 54, 60, & 70, SAN DIEGO,
CALIFORNIA**

**AGENCY NEGOTIATORS: KAREN LANDERS, MTS GENERAL COUNSEL; TIM ALLISON,
MTS MANAGER OF REAL ESTATE ASSETS**

NEGOTIATING PARTIES: U.S. GENERAL SERVICES ADMINISTRATION

UNDER NEGOTIATION: PRICE AND TERMS OF PAYMENT



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

Agenda

Item No. 7

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

May 12, 2011

SUBJECT:

MTS: UNALLOCATED TRANSPORTATION DEVELOPMENT ACT FUNDS FOR
TRANSIT-RELATED PROJECTS

RECOMMENDATION:

That the Board of Directors approve the use of \$140,335.67 in unallocated Transportation Development Act (TDA) funds currently held by the County of San Diego for transit-related expenses for the City of El Cajon.

Budget Impact

The use of unallocated TDA funds set aside by the County of San Diego for transit-related projects in various jurisdictions would have no impact on MTS's operating or capital budgets. The total available unallocated TDA funds held for the benefit of the City of El Cajon would be reduced by \$140,335.67, which would result in a remaining balance of \$2,013,526 held by the County of San Diego for future transit-related projects (pending Board approval).

DISCUSSION:

On April 14, 2011, MTS received a request from the City of El Cajon for the use of \$140,335.67 in unallocated TDA funds held by the County of San Diego to reimburse the City of El Cajon for fiscal year 2009/2010 transit-related expenditures.

Paul C. Jablonski
Chief Executive Officer

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

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



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



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

Agenda

Item No. 8

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

May 12, 2011

SUBJECT:

MTS: PROPOSED REVISIONS TO MTS POLICY NO. 43 - BUS STOP AND MINOR
REROUTE PROCEDURE (DENIS DESMOND)

RECOMMENDATION:

That the Board of Directors approve the proposed revisions to MTS Policy No. 43 – Bus Stop and Minor Reroute Procedure (Attachment A).

Budget Impact

None.

DISCUSSION:

Background

MTS receives frequent requests for the installation and removal of bus stops and to alter the routing of bus routes. Such requests are typically received from the general public, community groups, property owners, developers, residents, and other agencies. The reasons for such requests vary but most are from consumers or groups desiring closer service, entities attempting to mitigate perceived impacts of a bus stop or route, or in response to a change in the environment due to new developments.

Often there are opposing ideas within the community, and MTS must determine how to balance requests with its need to provide consistent, reliable, and convenient transit service for its passengers. In the vast majority of instances, service requests are resolved at the service-planning staff level.

The purpose of Policy No. 43 is to establish a process so that evaluation of such requests is uniform. The policy was last updated in 2004 and, since that time, there have been significant organizational changes that warrant an update. The overall theme of the evaluation process is proposed to have only minor adjustments.



Updates

When Policy No. 43 was last updated, all planning functions had moved to the San Diego Association of Governments (SANDAG) as part of the agency consolidation. Routine service-planning tasks were awkwardly split between SANDAG and MTS with MTS Bus Operations handling day-to-day decisions (bus stops, schedule changes, etc.) among its operational duties. In 2005, service planning was reestablished at MTS. These proposed changes would formally move responsibility for the minor service-planning decision process from the bus operations division back to MTS Planning and Scheduling.

References to former entities, such as County Transit System, National City Transit, and the Bus Service Technical Committee, would be removed. Chula Vista Transit remains a separate operator; however, as a part of the MTS system, its service planning is handled at MTS.

Procedural Changes

The current Policy No. 43 holds that appeals will be handled by the Bus Services Technical Committee. This committee was originally made up of Operations, Marketing, and MTDB Planning staffs; however, due to a lack of agenda items, its primary functions were replaced over time by other groups, and this committee has not been convened for over six years. Because of the small number of bus stop and rerouting decisions that are formally appealed, it is proposed that these be reviewed and resolved directly by the Chief Executive Officer on a case-by-case basis.

The MTS Board of Directors is currently involved in the final step of appeals for a bus stop or rerouting request if the issue was not resolved to an individual's satisfaction at previous levels. This proposed change would allow the MTS Executive Committee to handle that last formal appeal step and render a final decision.

Title VI

Title VI of the Civil Rights Act of 1964 provides that no person shall be excluded from participation in, or denied the benefits of services on the basis of race, color, or national origin. While a Title VI analysis is not required for the minor adjustments covered by Policy No. 43, the proposed ordinance includes an informational section to reference Policy No. 42 (for major service changes) and Policy No. 48 (for MTS' Title VI process). The proposed revised Policy No. 43 is attached.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Denis Desmond, 619.515.0929, Denis.Desmond@sdmts.com

MAY12-11.8.POLICY43 BUSSTOPS DDESMOND

Attachment: A. Proposed Revisions to MTS Policy No. 43

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

Policies and Procedures

No. 43

SUBJECT:

Board Approval: 5/12/114/29/04

BUS STOP AND MINOR REROUTE PROCEDURE

PURPOSE:

To establish a procedure for evaluating and making decisions in regard to requests to add or remove bus stops and/or to make minor changes to existing bus routes.

BACKGROUND:

Definitions. Requests for bus stop changes include requests for new MTS stops or requests for removals of existing MTS stops. They also include requests for furniture or amenity changes, such as benches and shelters. ~~would involve only those requests that are satisfied with the current policy of San Diego Transit Corporation (SDTC), which is review the request and respond with a letter from the SDTC Chief Operating Officer-Bus.~~

Requests for minor reroutings are defined as any changes that would involve less than 45-25 percent of the route's total mileage.

Objective. The intent of this procedure is to allow minor service change requests to be handled simply and consistently, to permit flexibility with several tiers of review, and to allow the MTS Board of Directors to refer minor requests to this procedure without having to use its time in deliberation on such issues.

Contents. This policy establishes a systematic procedure to evaluate and rule on requests for minor changes to MTS bus stops and routings. ~~This procedure need only be followed for requests involving SDTC or MTS Contract Services routes. Bus stop and service requests for other operators in the Metropolitan Transit System (Chula Vista Transit, National City Transit, and San Diego County Transit System) would continue to be handled by their individual staffs and Boards.~~

PROCEDURES:

43.1 Procedure



The procedure would involve a maximum of three steps with the objective of resolving issues at the lowest level, whenever possible:

1. Staff Review. Requests for minor route and bus stop changes received by any department are forwarded to the appropriate Transportation Planner in the MTS Planning and Scheduling Department. The Planner works with MTS Bus Operations and/or MTS Contract Services and makes a recommendation to the MTS Director of Planning and Scheduling. A final decision is ~~SDTC staff would continue to respond to requests for bus stop changes that affect SDTC routes. This policy involves a review by SDTC staff and a response letter from the SDTC Chief Operating Officer-Bus, or designee. Bus stop change requests requiring further analysis by MTS, or those affecting MTS Contract Services routes and minor bus rerouting requests, would be reviewed by the MTS staff person in charge of the service area. A decision would be reached and reviewed with MTS's Director of Operations. This decision would then be passed along to the party requesting the change.~~
2. ~~Bus Service Technical Committee~~CEO Review. If, after the staff review, the party requesting the change wishes to pursue the issue further, the request would be passed along to the MTS Chief Executive Officer. Materials pertinent to the issue would be presented to the CEO, who would also review the earlier staff recommendation and decision. The CEO's final decision would be communicated to the party requesting the change and appealing the earlier staff decision. Bus Service Technical Committee. This Committee is composed of planning, marketing, and operations staff from MTS and SDTC to be appointed by the Chief Executive Officer. The requesting party would be permitted to appear before this Committee to state its case. This group would review the request and the findings of the previous staff analysis. The Committee would then make a finding and pass this along to the Chief Executive Officer for concurrence.
3. Board Review. As a final recourse and appeal mechanism, a request for a bus stop or minor reroute ~~would may~~ be brought to the MTS Board of Directors Executive Committee at a regularly scheduled public meeting. The Executive Committee would receive a report of the previous decisions and staff/CEO recommendations. The parties appealing are entitled to speak to the EC by filling out a public Request to Speak form for the agenda item. ~~joint Board of Directors for MTS and SDTC.~~ The decision of the Executive Committee ~~respective body involved~~ would be considered final.

43.2 Title VI

MTS is committed to ensuring that no person is excluded from participation in, or denied the benefits of its services on the basis of race, color, or national origin as protected by Title VI of the Civil Rights Act of 1964, as amended. This includes the planning of routes and bus stops.

1. Analysis. Changes covered by this Policy No. 43 are considered to be minor and would not undergo a Title VI analysis. Changes affecting more than 25% of a route's weekly in-service miles or hours are considered to be major and are covered by MTS Policy No. 42.
2. Complaints. Persons alleging violations of Title VI by MTS would follow the procedures outlined in MTS Policy No. 48.

TFL:pad:paw/sc/jg

~~POLICY 43. BUS STOP MINOR REROUTE PROCEDURES~~
4/29/04

Original Policy approved on 5/27/93.

Policy revised on 4/29/04.

Policy revised on 5/12/11.



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.

May 12, 2011

SUBJECT:

MTS: MEMORANDUM OF UNDERSTANDING FOR THE TRANSFER OF FUNDS TO
SUPPORT THE INTEGRATED CORRIDOR MANAGEMENT SYSTEM (ICMS)
PROJECT (DEVIN BRAUN)

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1390.0-11 (in substantially the same form as shown in Attachment A) with the San Diego Association of Governments (SANDAG) for reimbursement to MTS for expenses related to support, time, and materials expended in the design, implementation, operations, and evaluation of the Integrated Corridor Management System (ICMS) Project over an 18-month period.

Budget Impact

There would be no MTS budget impact. Through a grant with the Federal Highway Administration (FHWA), SANDAG would reimburse MTS for expenses of up to \$278,632. SANDAG will separately provide funding or purchase for MTS the equipment required to install the Regional Transit Management System (RTMS) on 26 commuter express buses, which operate in the Interstate 15 (I-15) corridor.

DISCUSSION:


ICMS is a project on the I-15 corridor to improve mobility, maximize system efficiency, and provide traveler choices along the corridor. SANDAG received a grant from the FHWA to study, plan, and implement the system. Cities along the I-15 corridor and agencies with services in the I-15 corridor are planning this incident-management system, which will coordinate the response to disruptions in traffic flow.



MTS's participation will allow travelers to choose alternate forms of transportation to their destination if freeway disruptions occur. Through the use of real-time passenger ridership information and traffic flows, MTS will be able to assist in moving commuters safely and efficiently during an incident.

SANDAG is also providing funding for the installation of the RTMS on all 26 commuter express buses, which operate on the I-15 corridor. The system will allow MTS supervisors to see real-time locations for all buses in the I-15 corridor, see the available capacity of buses in the corridor, interact with the drivers of the vehicles electronically, and provide real-time arrival information to passengers riding on these routes.

The project is currently in its development phase with operations expected to begin in 2012.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Devin Braun, 619.595.4916, devin.braun@sdmts.com

MAY12-11.30.SANDAG MOU TRANSFER FUNDS FOR ICMS.DBRAUN

Attachment: A. MTS Doc. No. G1390.0-11

**MEMORANDUM OF UNDERSTANDING #5001538
FOR PROJECT SUPPORT AND CONTRIBUTION BETWEEN SAN DIEGO ASSOCIATION
OF GOVERNMENTS AND METROPOLITAN TRANSIT SYSTEM**

Re: I-15 Integrated Corridor Management System Project

This Memorandum of Understanding ("MOU") is made and entered into effective as of this _____ day of _____, 2011, by and between the San Diego Association of Governments (hereinafter referred to as "SANDAG") and the Metropolitan Transit System (hereinafter referred to as "MTS"), in view of the following recitals, which are a substantive part of this AGREEMENT:

RECITALS

WHEREAS, MTS and SANDAG desire to improve mobility, maximize system efficiency, and provide traveler choices along the Interstate 15 (I-15) Corridor through the development of an Integrated Corridor Management System, referred to herein after as "ICM," and

WHEREAS, SANDAG has been awarded a federal grant, from the Federal Highway Administration (FHWA) for the purpose of undertaking the completion of the I-15 ICM Demonstration Project Stage Three, referred to herein as "PROJECT," and

WHEREAS, a Project Development Team (PDT) consisting of both MTS and SANDAG staffs with the support of PROJECT consultant teams will guide implementation of the PROJECT, and

WHEREAS, all obligations under this AGREEMENT are subject to the allocations of resources by the SANDAG Board of Directors and FHWA PROJECT funding award provisions, and

WHEREAS, the parties wish to establish funding amounts to be used for MTS staff support and equipment procurements needed for the completion of the PROJECT. This AGREEMENT defines the terms and conditions as required for the completion of the PROJECT.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

A. SANDAG AGREES:

1. To reimburse the costs for MTS for staff support related to the PROJECT for a total amount not to exceed \$278,632 for costs incurred through termination of this agreement, or the completion of PROJECT, whichever is earlier in time.
2. To provide for the acquisition and installation of Regional Transit Management System equipment on the 26 Express Route Buses that will participate in the PROJECT by either direct procurement or through execution of a separate MOU.

3. SANDAG shall reimburse MTS for PROJECT costs based on the following breakdowns:
 - a. Design and Implementation Phase of PROJECT - SANDAG will provide up to \$97,521 to MTS for 18 months of staff support services, including time and materials expended for participating in PDT and other ongoing PROJECT development-related support services.
 - b. Operations and Evaluation Phase of PROJECT – SANDAG will provide up to \$181,111 to MTS for 18 months of staff support services related to operations, system evaluations, and feedback through the completion of PROJECT.
4. Pursuant to the terms of the federal grant, SANDAG is permitted to invoice FHWA no more often than quarterly for the PROJECT. SANDAG shall reimburse MTS for all eligible, allowable, and reasonable service expenses on a quarterly basis pursuant to this MOU and subject to FHWA funding grant limitations and requirements.
5. Upon receipt of and verification of all costs described in an invoice, SANDAG agrees to make payment to MTS no later than fifteen (15) days from receipt of reimbursement from FHWA.
6. To defend, indemnify, and hold MTS, its Board of Directors, contract management, and staff or staff of an MTS contractor, agents, and member agencies harmless from any and all liability, claims, damages, or injuries to any person or property, including injury to SANDAG's employees, arising from or connected with SANDAG's performance of or failure to perform its obligations under this AGREEMENT. Neither MTS nor any officer thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by SANDAG under or in connection with any work, authority, or jurisdiction delegated to SANDAG under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, SANDAG shall fully defend, indemnify, and save harmless MTS, all officers, and employees from all claims, suits, or actions of every name, kind, and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by SANDAG under or in connection with any work, authority, or jurisdiction delegated to SANDAG under this AGREEMENT.

SANDAG PROJECT Point of Contact: Alex Estrella
Senior Transportation Planner
401 B Street, Suite 800
San Diego, CA 92101
(619) 699-1928
aes@sandag.org

B. MTS AGREES:

1. To provide staff participation, input, direction, and cooperation as required during the development and implementation of PROJECT and will not invoice SANDAG for these services in excess of the amounts described above.
2. The funding source passed through from SANDAG to MTS will be via the federal grant (FHWA, CFDA No. 20.200). Therefore, MTS shall be required to comply with the applicable terms and conditions of the federal grant, which is provided as an attachment to this MOU, and to cooperate with SANDAG by providing any information needed for reporting requirements imposed by the federal grant.

3. To provide staff support services that may include, but are not limited to:
 - a. Attend PROJECT meetings and conference calls as applicable;
 - b. Provide planning, technical, and operational coordination and guidance through review, and provide comments to overall PROJECT deliverables, reports, data, milestones during the design, implementation, and operations and maintenance PROJECT work efforts;
 - c. Serve as PROJECT lead for administrative, functional, and technical tasks for design, procurement, installation, and operation of Regional Transit Management System (RTMS) PROJECT equipment, including vehicle location and passenger counters as described above in Section A3.c; and
 - d. Utilize the RTMS to monitor and report on the performance of the equipped express-route buses/routes and to take into account data provided through the PROJECT.
4. MTS shall apply any funding provided under this AGREEMENT solely to PROJECT expenses for appropriate MTS support services for the completion of PROJECT. Funds provided under this AGREEMENT shall be used solely for the completion of PROJECT.
5. Any MTS expenses for PROJECT services above the maximum amount set forth in Section A1 will be the responsibility of MTS.
6. MTS shall appoint a lead staff member within 30 days of execution of this AGREEMENT to oversee and coordinate all aspects of PROJECT, including coordination of PROJECT deliverables, review, and oversight of MTS PROJECT expenditures and billings prior to submittal to SANDAG.
7. MTS shall provide itemized quarterly invoices to SANDAG, including but not limited to, documenting incurred MTS support services and expenses to be reimbursed under this AGREEMENT, and information regarding the date of support service/time period, staff name, number of hours, and any associated support expenses. MTS shall submit invoices within 15 calendar days of quarters ending March 31, June 30, September 30, and December 31.
8. MTS will coordinate with SANDAG on the appropriate project accounting documents for PROJECT expenses to facilitate FHWA funding grant reimbursement guidelines. The agreed process shall facilitate SANDAG billings to FHWA PROJECTS expenditures and shall be conducted in accordance with Generally Accepted Government Accounting Principles.
9. MTS's use of funding under this AGREEMENT for contracted services or equipment may be subject to federal grant requirements such as Disadvantaged Business Enterprise, Buy America, and prevailing wage requirements. MTS agrees to comply with all applicable pass-through obligations set forth in the federal grant.
10. That through PROJECT implementation and following completion of the PROJECT, MTS shall own, maintain, and operate the PROJECT equipment.
11. To defend, indemnify, and hold SANDAG, its Board of Directors, contract management and staff, agents, and member agencies harmless from any and all liability, claims, damages, or injuries to any person or property, including injury to MTS's employees, arising from or connected with

MTS's performance of or failure to perform its obligations under this AGREEMENT. MTS's liability under this section shall include, but not be limited to, any and all liability, claims, damages, or injuries to any person or property, including injury to MTS's employees, arising from or connected with the design, installation, and/or operation of equipment purchased by MTS pursuant to this MOU. Neither SANDAG nor any officer thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by MTS under or in connection with any work, authority, or jurisdiction delegated to MTS under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, MTS shall fully defend, indemnify, and save harmless SANDAG, all officers and employees from all claims, suits, or actions of every name, kind, and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by MTS under or in connection with any work, authority, or jurisdiction delegated to MTS under this AGREEMENT.

C. THE PARTIES MUTUALLY AGREE:

1. The completion of the PROJECT is a joint effort with mutual support and guidance from SANDAG and MTS.
2. That all obligations of SANDAG under the terms of this AGREEMENT are subject to the appropriation of the required resources by SANDAG and the approval of the SANDAG Board of Directors. MTS is not required to move forward on any aspect of this PROJECT until and unless the required SANDAG appropriations are made.
3. That all amounts charged to SANDAG by MTS for the PROJECT, including support expenses and overhead rates, must be reasonable and are subject to approval by SANDAG.
4. Any notice required or permitted under this MOU may be personally served on the other party, by the party giving notice, or may be served by certified mail, return receipt requested, to the following addresses:

For SANDAG
Attn: Office of General Counsel
401 B Street, Suite 800
San Diego, CA 92101

For MTS
Attn: Office of General Counsel
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

5. That unless it is amended by the parties in writing, this AGREEMENT shall terminate on June 30, 2014, or following the completion of the PROJECT, whichever is earlier in time. The indemnification provisions of this AGREEMENT shall survive termination of the AGREEMENT.
6. This AGREEMENT shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this AGREEMENT, the action shall be brought in a state or federal court situated in the County of San Diego, State of California.
7. All terms, conditions, and provisions hereof shall inure to and shall bind each of the parties hereto and each of their respective heirs, executors, administrators, successors, and assigns.

8. For purposes of this AGREEMENT, the relationship of the parties is that of independent entities and not as agents of each other or as joint venturers or partners. The parties shall maintain sole and exclusive control over their personnel, agents, consultants, and operations.
9. No alteration or variation of the terms of this AGREEMENT shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.

IN WITNESS WHEREOF, the Parties hereto have executed this AGREEMENT effective on the day and year first above written.

SAN DIEGO ASSOCIATION OF
GOVERNMENTS

METROPOLITAN TRANSIT SYSTEM

GARY L. GALLEGOS
Executive Director

PAUL C. JABLONSKI
Chief Executive Officer

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Office of General Counsel

Office of General Counsel

Attachment: Terms and Conditions of Federal Grant

MAY12-11.30.Atta.G1390.0-11.ICMS RTMS PROJ.DBRAUN

AMENDMENT TO COOPERATIVE AGREEMENT

1. **AMENDMENT NO.:** 5 **EFFECTIVE DATE:** DEC -3, 2009]

2. **PROCUREMENT REQUEST NO.:** 21-21-10014

3. **AMENDMENT OF AGREEMENT NO.:** DTFH61-06-H-00038

4. **ISSUED BY:** Federal Highway Administration
Office of Acquisition Management
1200 New Jersey Ave. S.E.
Room E66-328, HAAM-40F
Washington, D.C. 20590

5. **RECIPIENT:** San Diego Association of Governments (SANDAG)
401B Street Suite 800
San Diego, CA 92101

DUNS No. 073370843
TIN No. 95-2784997

6. ACCOUNTING AND APPROPRIATION DATA

15X0439060-0000-021J600615-2101-000000-25304-61000600 Increase \$8,688,602

7. DESCRIPTION OF AMENDMENT:

This amendment is issued to exercise the Government's option for Stage Three under the agreement in the amount of \$10,950,609 (\$8,688,602 Federal share, \$2,262,000 Recipient share). Accordingly, the agreement is amended as follows:

8. NAME AND TITLE OF SIGNER

N/A

9. NAME OF AGREEMENT OFFICER

Arlan Finfrock

10. RECIPIENT

Penie Wasson
(Signature of person authorized to sign)

11. FEDERAL HIGHWAY ADMINISTRATION

Arlan Finfrock
(Signature of Agreement Officer)

12. **DATE SIGNED:** N/A 1/25/10

13. **DATE SIGNED:** 12/3/2009

1. Page 1, Block No. 6. **Period of Performance.** Extend the period of performance as follows:

September 15, 2006 through April 08, 2013

2. Page 1, Block No. 7, **Total Amount.** Insert the following:

7. Total Amount	Government Share	Recipient Share	Total
Stage Three:	\$8,688,602	\$2,262,000	\$10,950,602

3. Page 1, Block No. 11 **Funds Obligated.** Revise as follows:

The total amount obligated to the agreement is \$9,083,602. The agreement is fully funded.

4. Page 11, **SECTION I – AGREEMENT DESCRIPTION**, Paragraph E. **STATEMENT OF WORK, Delineation of Tasks, OPTION ITEM Stage Three – Pioneer Demonstration Project,**

Insert the following:

Recipient's technical application dated May 28, 2009, responses to questions dated June 25, 2009, August 18, 2009 and September 4, 2009 are hereby incorporated in full text as Attachment A.

5. Page 12, **SECTION II – AWARD INFORMATION**, Paragraph A. **OBLIGATED FUNDING:**

Delete subparagraphs (1) and (2) in their entirety and insert the following:

Currently, Federal funds in the amount of \$9,083,602 are obligated to this agreement for the performance of Stage One, Stage Two and Stage Three. This agreement is fully funded.

6. Page 13, **SECTION II – AWARD INFORMATION**, Paragraph C. **NUMBER OF AWARDS ANTICIPATED:**

Delete this paragraph in its entirety.

7. Page 14, **SECTION II – AWARD INFORMATION**, Paragraph D. **PERIOD OF PERFORMANCE,**

Delete this paragraph in its entirety and insert the following:

The period of performance of this Cooperative Agreement (Stage One, Stage Two and Stage Three is from September 15, 2006 through April 08, 2013 except as otherwise provided under 49 CFR Part 18, Sections 18.43-18.44 "Enforcement" and "Termination for Convenience."

8. Page 16, **SECTION III – AWARD ADMINISTRATION INFORMATION**, Paragraph A. 5, AGREEMENT OFFICER'S TECHNICAL REPRESENTATIVE (AOTR):

Change the Agreement Officer's Technical Representative to Robert Sheehan, HOTM-1.

9. Page 16, **SECTION III – AWARD ADMINISTRATION INFORMATION** Paragraph A. 6, INDIRECT COSTS:

Delete this paragraph in its entirety and insert the following:

Indirect costs are allowable under this agreement as follows:

<i>Indirect Rate Type</i>	<i>Rate (%)</i>	<i>Base</i>	<i>Effective Date</i>
Fringe Benefit	69.77%	Base Salary	July 1, 2010
Overhead	55.41%	Base Salary+ Fringe Benefit	July 1, 2010

In the event the recipient determines the need to adjust the above listed rates, the recipient shall notify the FHWA of the planned adjustment and provide rationale for such adjustment. In the event such adjustment rates have not been audited by a Federal agency, the adjustment of rates must be pre-approved in writing by the Agreement Officer.

This Indirect Cost provision does not operate to waive the limitations on Federal funding provided in this document. The Recipient's audited final indirect costs are allowable only insofar as they do not cause the Recipient to exceed the total program funding available.

10. Page 20, **SECTION III – AWARD ADMINISTRATION INFORMATION**, Paragraph A. 20. SUBAWARDS,

Delete this paragraph in its entirety and insert the following:

Unless described in the application and funded in the approved award, the Recipient shall obtain prior written approval from the AO for the subrecipient, transfer, or contracting out of any work under this award. This provision does not apply to the purchase of supplies, material, equipment, or general support services.

11. Page 22, **SECTION III-AWARD ADMINISTRATION INFORMATION**, Paragraph B.4. **DELIVERABLES**,

Add the following deliverable schedule for Stage Three:

Task	Due Date
Stage Three Commencement	1/5/10
1. Project Management	
1.1. Project Management Plan (PMP)	
1.1.1. Draft PMP	1/28/10
1.1.2. Final PMP	3 weeks after USDOT review
1.2. Systems Engineering Management Plan (SEMP)	
1.2.1. Draft SEMP	2/22/10
1.2.2. Final SEMP	3 weeks after USDOT review
1.3. Quarterly Reports	Ongoing
1.4. Annual Reports	Ongoing
1.5. Final Project Report	
1.5.1. Draft Report	11/8/12 [1]
1.5.2. Final Report	1/8/13 [1]
2. Refinement of System Requirements	
2.1. Requirements Walkthrough [per 7/29/2009 clarification]	3/1/10-3/5/10
2.2. Revised System Requirements Specification (SyRS)	3/9/10
2.3. Revised Concept of Operations (ConOps)	3/15/10
3. System Design	
3.1. Preliminary Design (40%) [per 7/29/2009 clarification]	7/12/10
3.2. Critical Design (90%) [per 7/29/2009 clarification]	10/20/10
3.3. Final System Design Document (SDD)	12/3/10
4. System Build	
4.1.1. Operations Manuals	4/4/11
4.1.2. As-Built Design Diagrams for the System	4/12/11
5. System Test Planning Execution	
5.1. Test Plans	
5.1.1. Draft Test Plan	3/3/11 [2]
5.1.2. Final Test Plan	5/12/11

Task	Due Date
5.2. Test Readiness Reviews (TRR) [per 7/29/2009 clarification]	
5.2.1. System Test TRR	5/12/11
5.2.2. System Acceptance Test TRR	5/12/11 [3]
5.3. Test Reports	6/13/11
6. Training	
6.1. Training Plan (Final)	7/11/11
6.2. Training Manuals (Final)	7/11/11
7. System Operations and Maintenance	
7.1. Operations and Maintenance Plan (Final)	10/10/11
7.2. Reports as defined in Section III.A.3.1 for the O&M Period	Ongoing
8. Participation in the AMS of the System	
8.1. Pre-Deployment AMS Deliverables	
8.1.1. Pre-Deployment AMS Plan (Final)	5/13/10
8.1.2. Pre-Deployment Site Data Collection Plan (Final)	6/21/10
8.1.3. Pre-Deployment Site ("before") Site Data	12/17/10
8.2. Post-Deployment AMS Deliverables	
8.2.1. Post-Deployment AMS Plan (Final)	6/27/11
8.2.2. Post-Deployment Site Data Collection Plan (Final)	7/11/11
8.2.3. Post-Deployment ("after") Site Data	8/14/12
8.2.4. Post-Deployment AMS Transition Plan (Final)	9/28/12
9. Participation in the Evaluation of the System	
9.1. Data for Evaluation	10/29/12
9.2. Tools for Evaluation	10/29/12
9.3. Existing Survey Data	10/18/12
10. Participation in Outreach Programs	
10.1. Local Communications Plan for the Demonstration Project (Final)	11/2/12
10.2. Briefings on the Proposed Demonstration System to National Audiences	Ongoing
10.3. Participation in the final National ICM Conference	TBD

Notes:

[1] USDOT projected date based on the project end date.

[2] USDOT projected date based on the succeeding activity.

RECAP OF FUNDS

Base Award	15X0390050-0000-0213970100-2101000000-25305-61006600	\$195,000
Amendment No. 2	15X04390-0000-021J600615-2101-000000-25305-61006600	\$200,000
Amendment No. 3	15X04390-0000-021J600615-2101-000000-25305-61006600	(\$200,000)
Amendment No. 3	15X0439060-0000-021J600615-2101-000000-25305-61006600	\$200,000
Amendment No. 5	15X0439060-0000-021J600615-2101-000000-25304-61000600	\$8,688,602
	Total	\$9,083,602

Attachments

A. TECHNICAL APPLICATION

- A.1 Technical Application dated May 28, 2009
- A.2 Responses to Technical Questions dated June 25, 2009
- A.3 Responses to Technical Questions dated August 18, 2009
- A.4 Responses to Technical Questions dated September 4, 2009

B. APPROVED PROJECT BUDGET

- B.1 Approved Project Budget dated November 17, 2009

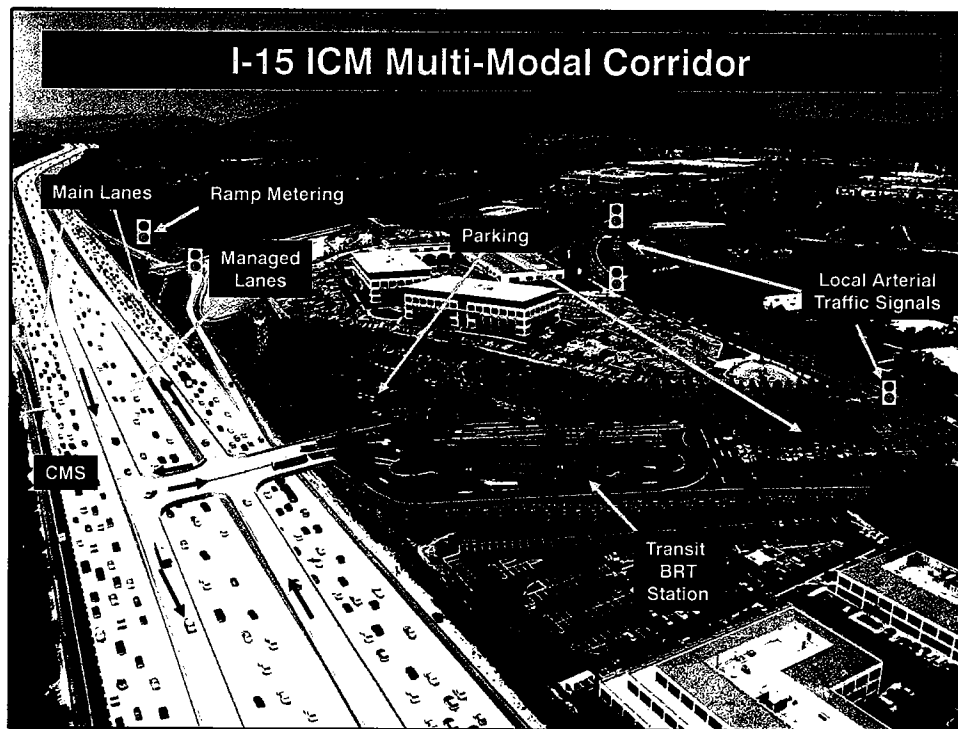
The exercise of this option results in an increase to the total amount of the cooperative agreement of \$10,950,602 (Federal share: \$8,688,602; non-Federal share \$2,262,000). Except as noted herein, all other terms and conditions remain unchanged and in full force and effect.

I-15 Integrated Corridor Management System (ICMS)

MTS Board of Directors Meeting
May 12, 2011



①



②

I-15 ICM Corridor Vision

- Multi-modal/agency corridor effort - I-15 will be managed collaboratively and cooperatively
- Provide Choices - corridor will give travelers the opportunity to make seamless and convenient shifts among modes.
- Maximize System Capacity - mobility for people, goods, and services.
- System Integration - enhancing current levels of existing interoperability between field elements and functional environments or systems

SANDAG

③

I-15 ICM Project Components

- Response Strategy System
 - Collect, analyze, network/operational conditions
 - Predict Throughput Network Breakdowns
 - Response Strategy/Strategies
- Virtual Corridor Management System
 - Strategy Validation Response
 - Validate Asset/System Management
 - Identify and Recommend Strategies

SANDAG

④

I-15 ICM Project Components

- Multi-Modal Interface/integration
 - Integration of ITS subsystems
 - ATMS-RAMS-Ramp Meters etc..
 - System Support/Management Services System (data store, life cycle support, system security)
- Deployment of supporting ICM infrastructure
 - AVL Transit Units
 - Arterial and Freeway Detection

SANDAG

5

MTS Benefits

- Regional Transit Management System installed on I-15 Premium Express Buses
- New tools to view conditions on the I-15 including freeway/arterial speeds, video cameras, incident locations
- Proactive incident notification
- Quicker travel times through the corridor during a major incident



6

6

Recommendation

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1390.0-11 (in substantially the same form as shown in Attachment A) with the San Diego Association of Governments (SANDAG) for reimbursement to MTS for expenses related to support, time, and materials expended in the design, implementation, operations, and evaluation of the Integrated Corridor Management System (ICMS) Project over an 18-month period.



7

7



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

Agenda

Item No. 45

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

SRTP 825

May 12, 2011

SUBJECT:

MTS: SERVICE PERFORMANCE MONITORING REPORT FOR JANUARY - MARCH
2011 (DEVIN BRAUN)

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

None.

DISCUSSION:

MTS Board Policy No. 42 establishes a process for evaluating existing transit services to achieve the objective of developing a customer-focused, competitive, integrated, and sustainable system. The policy states that services will be evaluated annually; however, this information is provided for FY 11 through the third quarter in order to see more recent data. The analysis will show any trends for the current fiscal year and help to track performance throughout the year.



Develop a Customer-Focused and Competitive System

The following measures of productivity and service quality are used to ensure that services are focused on providing competitive and attractive transportation that meets our customers' needs.

- **Total Passengers**

Route Categories	YTD FY 2010	YTD FY 2011	Chg. 10-11	% Chg. 10-11
Premium Express	207,760	218,934	11,174	5.4%
Express	1,628,071	1,571,071	(57,000)	-3.5%
Light Rail	22,750,414	23,449,389	698,975	3.1%
Urban Frequent	28,226,100	27,242,631	(983,469)	-3.5%
Urban Standard	8,458,994	9,515,677	1,056,683	12.5%
Circulator	623,578	599,113	(24,465)	-3.9%
Rural	19,021	26,433	7,412	39.0%
Demand-Responsive	261,795	266,488	4,693	1.8%
Total MTS Passengers	62,175,733	62,889,736	714,003	1.1%
Bus Ridership	39,163,524	39,173,859	10,335	0.0%

Fixed-route bus ridership is slightly up for the first nine months of FY 11 compared to the first nine months of FY 10. The largest percentage decrease is noted in the Circulator routes (-3.9%), which also had a decrease in service of 5.5% in the same period. The largest decrease in actual passenger ridership was on urban frequent routes, which is trailing FY 10 by 983,469 passengers (or -3.5%) partially due to a decrease in service of 8.4%. Overall ridership is up 1.1% over the same period in FY 10.

The increase in ridership can be partially attributed to a recovering economy and higher gas prices. Since November, on a monthly basis, MTS is seeing increases of 3%-9% over FY 10.

Rural ridership figures show a marked increase throughout this report; however, staff is investigating farebox counting issues and will provide a correction in the annual report.

- **Average Weekday Passengers**

Route Categories	YTD FY 2010	YTD FY 2011	Chg. 10-11	% Chg. 10-11
Premium Express	1,115	1,150	35	3.2%
Express	7,809	7,590	(220)	-2.8%
Light Rail	90,143	93,345	3,202	3.6%
Urban Frequent	120,959	119,471	(1,488)	-1.2%
Urban Standard	37,297	43,180	5,883	15.8%
Circulator	3,486	3,414	(72)	-2.1%
Rural	153	232	79	51.5%
Demand-Responsive	1,277	1,298	21	1.6%
Average Weekday Passengers	262,240	269,681	7,440	2.8%
Bus Passengers Only	170,820	175,037	4,218	2.5%

The total average weekday passenger statistics show how many passengers ride MTS on a typical weekday. For the first nine months of FY 11, average weekday ridership was up 7,440 riders per day or 2.8%. Looking at bus ridership alone shows an increase

of 4,218 passengers on weekdays for a 2.5% increase. Since November, average weekday ridership for the system has been up from 4%-7% each month from FY 10.

• **Passengers per Revenue Hour**

Route Categories	YTD FY 2010	YTD FY 2011	Chg. 10-11	% Chg. 10-11
Premium Express	23.1	20.3	(2.9)	-12.4%
Express	28.4	30.8	2.4	8.4%
Light Rail	198.1	187.0	(11.1)	-5.6%
Urban Frequent	34.1	35.9	1.8	5.3%
Urban Standard	25.2	28.0	2.8	11.0%
Circulator	15.7	15.7	0.0	0.2%
Rural	5.74	8.72	3.0	51.9%
Demand-Responsive	2.03	2.07	0.04	1.8%
System Riders per Rev. Hour	41.0	43.2	2.2	5.4%
Bus Riders per Rev. Hour	30.8	32.6	1.8	5.9%

Passengers per revenue hour describes how the revenue hours (in-service hours and layover hours) were added or removed related to ridership increases or decreases. Increasing riders per revenue hour shows the system is more efficient—carrying more passengers with the same number of vehicles. For the first nine months of FY 11, passengers per revenue hour were 43.2, which is a 2.2-riders-per-revenue-hour increase (or 5.4%). For fixed-route buses only, riders per revenue hour increased from 30.8 to 32.6, which is a rate change of 5.9%.

Premium Express routes had a large decrease in productivity, notably related to the addition of Route 830 (Murphy Canyon—Pacific Fleet—Naval Base San Diego), which has experienced low ridership. Urban standard routes showed an 11% increase, much higher than the increase in revenue hours of 1.4% that the routes experienced.

• **On-Time Performance**

Route Categories	Service Changes					
	June 09	Sept 09	Feb 10	June 10	Sept 10	Jan 11*
Premium Express	98.9%	99.3%	99.4%	100.0%	98.2%	98.2%
Express	81.3%	88.9%	83.5%	90.6%	84.1%	75.6%
Light Rail	95.9%	95.4%	93.6%	90.4%	90.3%	91.2%
Urban Frequent	85.6%	86.3%	84.7%	87.0%	84.8%	86.3%
Urban Standard	89.4%	89.8%	88.1%	90.3%	86.7%	85.5%
Circulator	89.4%	86.1%	85.8%	77.8%	79.9%	88.2%
Rural	N/A	N/A	N/A	N/A	N/A	N/A
Demand-Responsive	N/A	N/A	N/A	N/A	N/A	N/A
MTS System	88.2%	88.8%	87.1%	88.2%	85.8%	86.3%

On-time performance is calculated as departing within 5 minutes of the scheduled time.

On-time performance is measured by service change in order to realize the results of scheduling changes. Overall, on-time performance has remained around 85% to 88%.

REVISIONS TO PAGE 3 OF AI NO. 45 (5/12/11)

of 4,218 passengers on weekdays for a 2.5% increase. Since November, average weekday ridership for the system has been up from 4%-7% each month from FY 10.

• **Passengers per Revenue Hour**

Route Categories	YTD FY 2010	YTD FY 2011	Chg. 10-11	% Chg. 10-11
Premium Express	23.1	20.3	(2.9)	-12.4%
Express	28.4	30.8	2.4	8.4%
Light Rail	169.4	187.0	17.6	10.4%
Urban Frequent	34.1	35.9	1.8	5.3%
Urban Standard	25.2	28.0	2.8	11.0%
Circulator	15.7	15.7	0.0	0.2%
Rural	5.74	8.72	3.0	51.9%
Demand-Responsive	2.03	2.07	0.04	1.8%
System Riders per Rev. Hour	40.5	43.2	2.7	6.7%
Bus Riders per Rev. Hour	30.8	32.6	1.8	5.9%

Passengers per revenue hour describes how the revenue hours (in-service hours and layover hours) were added or removed related to ridership increases or decreases. Increasing riders per revenue hour shows the system is more efficient—carrying more passengers with the same number of vehicles. For the first nine months of FY 11, passengers per revenue hour were 43.2, which is a 2.7-riders-per-revenue-hour increase (or 6.7%). For fixed-route buses only, riders per revenue hour increased from 30.8 to 32.6, which is a rate change of 5.9%.

Premium Express routes had a large decrease in productivity, notably related to the addition of Route 830 (Murphy Canyon—Pacific Fleet—Naval Base San Diego), which has experienced low ridership. Urban standard routes showed an 11% increase, much higher than the increase in revenue hours of 1.4% that the routes experienced.

• **On-Time Performance**

Route Categories	Service Changes					
	June 09	Sept 09	Feb 10	June 10	Sept 10	Jan 11*
Premium Express	98.9%	99.3%	99.4%	100.0%	98.2%	98.2%
Express	81.3%	88.9%	83.5%	90.6%	84.1%	75.6%
Light Rail	95.9%	95.4%	93.6%	90.4%	90.3%	91.2%
Urban Frequent	85.6%	86.3%	84.7%	87.0%	84.8%	86.3%
Urban Standard	89.4%	89.8%	88.1%	90.3%	86.7%	85.5%
Circulator	89.4%	86.1%	85.8%	77.8%	79.9%	88.2%
Rural	N/A	N/A	N/A	N/A	N/A	N/A
Demand-Responsive	N/A	N/A	N/A	N/A	N/A	N/A
MTS System	88.2%	88.8%	87.1%	88.2%	85.8%	86.3%

On-time performance is calculated as departing within 5 minutes of the scheduled time.

On-time performance is measured by service change in order to realize the results of scheduling changes. Overall, on-time performance has remained around 85% to 88%.

MTS's goal for on-time performance is 85% for urban frequent routes and 90% for all other routes.

The on-time performance statistics for the January 2011 service change are not yet statistically significant. However, the current snapshot is shown for your information.

• Preventable Accidents per 100,000 Miles

Operator	FY 10	YTD FY 11	Chg 10-11
MTS Bus	1.73	1.64	(5.5%)
MTS Contract Services	1.00	1.02	2.1%
MTS Rail	0.01	0.00	(100.0)%

MTS Bus preventable accidents are slightly down for FY 11. Contracted services' rate of 1.02 per 100,000 miles is an increase of 2.1%. The trolley has had no preventable accidents this fiscal year-to-date, which is 100% lower than last year's figure of 1 preventable accident.

• Complaints per 100,000 Passengers

Operator	FY 10	YTD FY 11	Chg 10-11
MTS Bus	8.9	9.1	2.6%
MTS Contract Services FR	9.4	8.4	(10.9%)
MTS Rail	2.37	2.95	24.2%

Complaints per 100,000 passengers for MTS Bus are up 2.6% from the FY 10 rate while Contract Services are down 10.9%. The trolley complaints rate has increased by 24.2%. This is due in part to a change in the record-keeping system and will even out as SDTI continues to log complaints into the new central customer service management system.

Develop a Sustainable System

The following measures are used to ensure that transit resources are deployed as efficiently as possible and do not exceed budgetary constraints.

• In-Service Hours (weekly)

Operator	January/February		Difference	
	2010	2011	Number	Percent
MTS Bus	11,786	11,828	42	0.4%
MTS Contract Service Fixed-Route	12,796	12,899	103	0.8%
System	24,582	24,727	145	0.6%

Mostly due to minor restoration of some services on Sundays, weekly in-service hours have increased by 0.6%, or 145 per week.

- In-Service Miles (weekly)

Operator	January/February		Difference	
	2010	2011	Number	Percent
MTS Bus	157,458	158,608	1,150	0.9%
MTS Contract Service Fixed-Route	179,194	179,356	161	0.1%
System	336,652	337,964	1,311	0.4%

Mostly due to minor restoration of some services on Sundays, weekly in-service miles have increased by 0.4%, or 1,311 per week.

- Weekday Peak-Vehicle Requirement

Operator	Feb 10	Jan 11	Chg 10-11
MTS Bus	192	194	2
MTS Contract Services Fixed-Route	242	243	1
MTS Rail	94	94	0

The Weekday Peak-Vehicle Requirement shows the maximum number of vehicles that are on the road at any time in order to provide the levels of service that have been planned. There are several reasons why these change. MTS Bus had an overall increase of 2 vehicles, and Contracted Services had an increase of 1 vehicle. The increases can be attributed to additional buses required to maintain on-time performance.

- In-Service Speeds (mph)

Operator	Feb 10	Jan 11	Chg 10-11
MTS Bus	13.4	13.4	--
MTS Contract Services FR	14.0	13.9	(0.7%)

In-service speeds have remained very constant year-over-year. Contract services speeds are slightly higher than MTS Bus due to the suburban nature of a majority of the routes. However, as traffic in the region increases, schedulers add running time to the routes to make the routes more reliable with the side effect of causing the in-service speed to decrease.

- In-Service/Total Miles

Operator	Feb 10	Jan 11	Chg 10-11
MTS Bus	87.8%	87.6%	(0.21%)
MTS Contract Services FR	N/A	N/A	N/A
MTS Rail	N/A	N/A	N/A

In-service miles per total miles is only calculated for MTS Bus operations as the contractor is responsible for bus and driver assignments (run-cutting) for contract routes. MTS Bus ratios have been generally consistent over time with only a minor decrease in the ratio. MTS Rail does not incur out-of-service mileage.

- In-Service/Total Hours

Operator	Feb 10	Jan 11	Chg 10-11
MTS Bus	77.4%	77.0%	(0.56%)
MTS Contract Services Fixed-Route	N/A	N/A	N/A
MTS Rail	N/A	N/A	N/A

As with the mileage statistic, in-service hours per total hours can only be calculated for MTS Bus operations. Efficiency of scheduling has shown that the in-service to total-vehicle-hours ratio has remained practically steady over the two service periods reported for MTS Bus operations.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Devin Braun, 619.595.4916, devin.braun@sdmts.com

MAY12-11.45.SVC PERF JAN - MARCH.DBRAUN

FY 2011 Q1-Q3 Service Performance Monitoring Report

MTS Board of Directors Meeting
May 12, 2011



①

Evaluation Criteria Policy 42

CUSTOMER FOCUSED/COMPETITIVE		SUSTAINABLE	
PRODUCTIVITY	QUALITY	RESOURCES	EFFICIENCY
<ul style="list-style-type: none">• Total Passengers• Average Weekday Passengers• Passengers/ Revenue Hour• Passengers/ In Service Hour	<ul style="list-style-type: none">• Passenger Load Factor• On Time Performance• Accidents/ 100,000 Miles• Complaints/ 100,000 Passengers	<ul style="list-style-type: none">• In Service Miles• In Service Hours• Peak Vehicle Requirement	<ul style="list-style-type: none">• In Service Speeds• In Service/Total Miles• In Service/Total Hours• Farebox Recovery Ratio• Subsidy/ Passenger



②

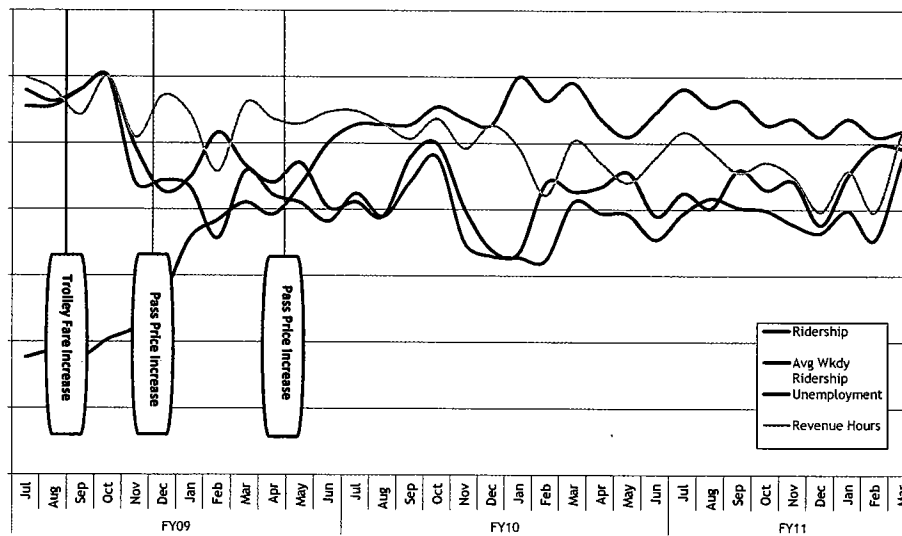
Total Passenger Ridership

Route Categories	YTD FY 10	YTD FY 11	Chg. 10-11	% Chg. 10-11	% Chg. Rev Hrs
Premium Express	207,760	218,934	11,174	5.4%	20.3%
Express	1,628,071	1,571,071	(57,000)	-3.5%	-11.0%
Light Rail	22,750,414	23,449,389	698,975	3.1%	-6.6%
Urban Frequent	28,226,100	27,242,631	(983,469)	-3.5%	-8.4%
Urban Standard	8,458,994	9,515,677	1,056,683	12.5%	1.4%
Circulator	623,578	599,113	(24,465)	-3.9%	-4.1%
Rural	19,021	26,433	7,412	39.0%	-8.5%
Demand-Responsive	261,795	266,488	4,693	1.8%	0.0%
Total MTS Passengers	62,175,733	62,889,736	714,003	1.1%	-5.2%
Bus Ridership Only	39,163,524	39,173,859	10,335	0.0%	-5.6%

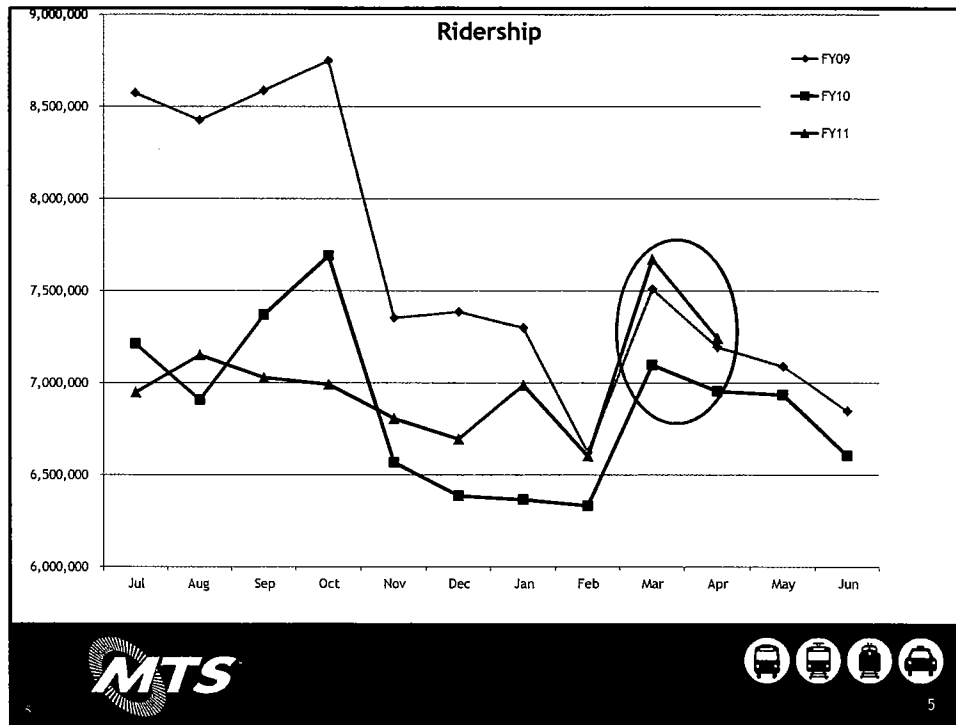


3

Ridership v. Unemployment FY09 - Present



4



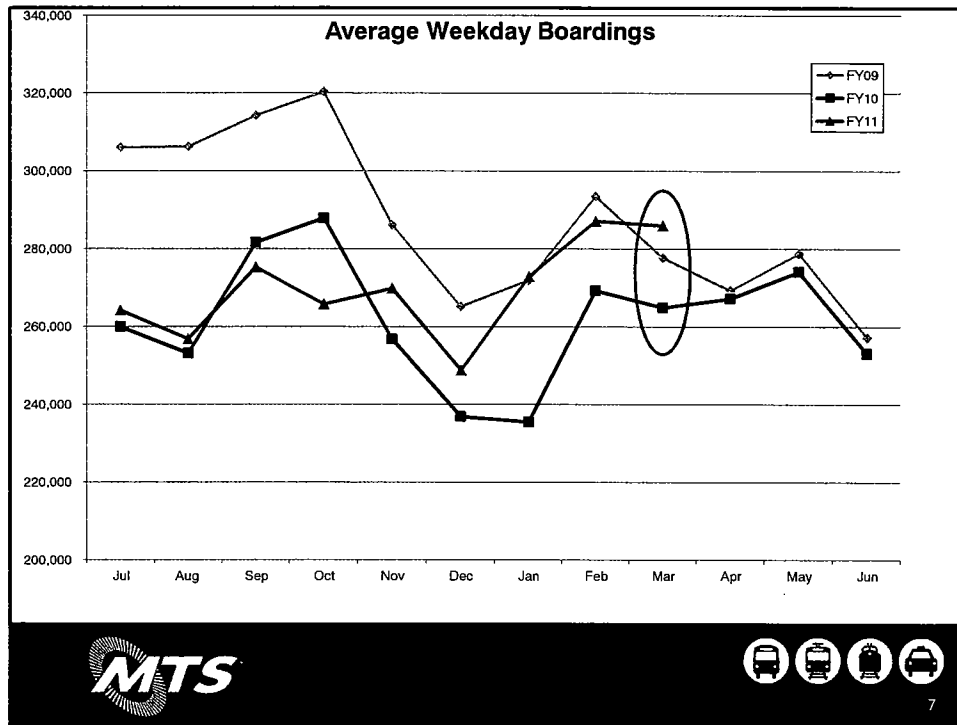
(6)

Average Weekday Passengers

Route Categories	YTD FY 2010	YTD FY 2011	Chg. 10-11	% Chg. 10-11	% Chg. Rev Hrs
Premium Express	1,115	1,150	35	3.2%	20.3%
Express	7,809	7,590	(220)	-2.8%	-11.0%
Light Rail	90,143	93,345	3,202	3.6%	-6.6%
Urban Frequent	120,959	119,471	(1,488)	-1.2%	-8.4%
Urban Standard	37,297	43,180	5,883	15.8%	1.4%
Circulator	3,486	3,414	(72)	-2.1%	-4.1%
Rural	153	232	79	51.5%	-8.5%
Demand-Responsive	1,277	1,298	21	1.6%	0.0%
Avg. Weekday Passengers	262,240	269,681	7,440	2.8%	-5.2%
Bus Passengers Only	170,820	175,037	4,218	2.5%	-5.6%



(6)



⑦

Passengers per Revenue Hour

Route Categories	YTD FY 2010	YTD FY 2011	Chg. 10-11	% Chg. 10-11	% Chg. Rev Hrs
Premium Express	23.1	20.3	(2.9)	-12.4%	20.3%
Express	28.4	30.8	2.4	8.4%	-11.0%
Light Rail	169.4	187.0	17.6	10.4%	-6.6%
Urban Frequent	34.1	35.9	1.8	5.3%	-8.4%
Urban Standard	25.2	28.0	2.8	11.0%	1.4%
Circulator	15.7	15.7	0.0	0.2%	-4.1%
Demand-Responsive	2.03	2.07	0.04	1.8%	0.0%
MTS System	40.5	43.2	2.7	6.7%	-5.2%
Bus Riders per Rev. Hour	30.8	32.6	1.8	5.9%	-5.6%



⑧

On-Time Performance

Service Change Periods						
Route Categories	June 09	Sept 09	Feb 10	June 10	Sept 10	Jan 11*
Premium Express	98.9%	99.3%	99.4%	100.0%	98.2%	98.2%
Express	81.3%	88.9%	83.5%	90.6%	84.1%	75.6%
Light Rail	95.9%	95.4%	93.6%	90.4%	90.3%	91.2%
Urban Frequent	85.6%	86.3%	84.7%	87.0%	84.8%	86.3%
Urban Standard	89.4%	89.8%	88.1%	90.3%	86.7%	85.5%
Circulator	89.4%	86.1%	85.8%	77.8%	79.9%	88.2%
Rural	N/A	N/A	N/A	N/A	N/A	N/A
Demand-Responsive	N/A	N/A	N/A	N/A	N/A	N/A
MTS System	88.2%	88.8%	87.1%	88.2%	85.8%	86.3%



9

Preventable Accidents per 100,000 Miles

Operator	FY 10	YTD FY 11	Chg 10-11
MTS Bus	1.73	1.64	(5.5%)
MTS Contract Services	1.00	1.02	2.1%
MTS Rail	0.01	0.00	(100.0)%



10
5

Complaints per 100,000 Passengers

Operator	FY 10	YTD FY 11	Chg 10-11
MTS Bus	8.9	9.1	2.6%
MTS Contract Services FR	9.4	8.4	(10.9%)
MTS Rail	2.37	2.95	24.2%



(11)

In-Service Miles (weekly)

Operator	January/February		Difference	
	2010	2011	Number	Percent
MTS Bus	157,458	158,608	1,150	0.9%
MTS Contract Service Fixed-Route	179,194	179,356	161	0.1%
System	336,652	337,964	1,311	0.4%

In-Service Hours (weekly)

Operator	January/February		Difference	
	2010	2011	Number	Percent
MTS Bus	11,786	11,828	42	0.4%
MTS Contract Service Fixed-Route	12,796	12,899	103	0.8%
System	24,582	24,727	145	0.6%



(12)

Weekday Peak Vehicle Requirement

Operator	Feb 10	Jan 11	Chg 10-11
MTS Bus	192	194	2
MTS Contract Services FR	242	243	1
MTS Rail	94	94	0



13



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

Agenda

Item No. 46

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

May 12, 2011

SUBJECT:

MTS: OPERATIONS BUDGET STATUS REPORT FOR MARCH 2011 (MIKE THOMPSON)

RECOMMENDATION:

That the Board of Directors receive the MTS operations budget status report for March 2011.

Budget Impact

None at this time.

DISCUSSION:

This report summarizes MTS's operating results for March 2011 compared to the amended fiscal year 2011 budget. Attachment A-1 combines the operations, administration, and other activities results for March 2011. Attachment A-2 details the March 2011 combined operations results, and Attachments A-3 to A-8 present budget comparisons for each MTS operation. Attachment A-9 details budget comparisons for MTS Administration, and Attachment A-10 provides March 2011 results for MTS's other activities (Taxicab/San Diego and Arizona Eastern Railway Company).

MTS NET-OPERATING SUBSIDY RESULTS

As indicated within Attachment A-1, the year-to-date March 2011 MTS net-operating income favorable variance totaled \$900,000 (0.9%). Operations produced a \$599,000 (0.6%) favorable variance, and the administrative/other activities areas were favorable by \$301,000.

MTS COMBINED RESULTS

Revenues

Year-to-date combined revenues through March 2011 were \$69,676,000 compared to the year-to-date amended budget of \$69,174,000, which represents a \$501,000 (0.7%) positive variance. This is primarily due to a favorable variance within passenger revenue.



Expenses

Year-to-date combined expenses through March 2011 were \$164,458,000 compared to the year-to-date amended budget of \$164,856,000, which resulted in a \$398,000 (0.2%) favorable variance.

Personnel Costs. Year-to-date personnel-related costs totaled \$85,375,000 compared to a year-to-date budgetary figure of \$85,781,000, which produced a favorable variance of \$406,000 (0.5%).

Outside Services and Purchased Transportation. Total outside services for the first nine months of the fiscal year totaled \$51,693,000 compared to a budget of \$51,945,000, which resulted in a year-to-date favorable variance of \$252,000 (0.5%).

Materials and Supplies. Total year-to-date materials and supplies expenses totaled \$5,730,000 compared to a budgetary figure of \$5,437,000, which resulted in an unfavorable expense variance of \$293,000 (-5.4%). This is primarily due to materials and supplies unfavorable variances within transit operations.

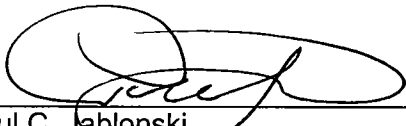
Energy. Total year-to-date energy costs were \$16,785,000 compared to the budget of \$16,734,000 resulting in a year-to-date unfavorable variance of \$51,000 (-0.3%). Year-to-date diesel prices averaged \$2.68 per gallon compared to the amended budgetary rate of \$2.60 per gallon. Year-to-date gasoline prices averaged \$3.15 per gallon compared to the amended budgetary rate of \$3.16 per gallon. Year-to-date compressed natural gas prices averaged \$0.928 per therm compared to the amended budgetary rate of \$0.937 per therm.

Risk Management. Total year-to-date expenses for risk management were \$2,956,000 compared to the year-to-date budget \$2,988,000 resulting in a favorable variance totaling \$32,000 (1.1%).

General and Administrative. Year-to-date general and administrative costs, including vehicle and facilities leases, were \$52,000 (2.7%) favorable to budget totaling \$1,834,000 through March 2011 compared to a year-to-date budget of \$1,886,000.

YEAR-TO-DATE SUMMARY

The March 2011 year-to-date net-operating income totaled a favorable variance of \$900,000 (0.9%). These factors include favorable variances in passenger revenue, personnel costs, outside services, and risk management costs partially offset by unfavorable variances in materials and supplies and expenses.



Paul C. Jablonski
Chief Executive Officer

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

MAY12-11.46.OPS BUDGET MARCH.MTHOMPSON

Attachment: A. Comparison to Budget

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

MTS

Att. A, AI 46, 5/12/11

CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2011

MARCH 31, 2011

(in \$000's)

	YTD YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 65,200	\$ 64,793	\$ 407	0.6%
Other Revenue	4,476	4,381	95	2.2%
Total Operating Revenue	\$ 69,676	\$ 69,174	\$ 501	0.7%
Personnel costs	\$ 85,375	\$ 85,781	\$ 406	0.5%
Outside services	51,693	51,945	252	0.5%
Transit operations funding	-	-	-	-
Materials and supplies	5,730	5,437	(293)	-5.4%
Energy	16,785	16,734	(51)	-0.3%
Risk management	2,956	2,988	32	1.1%
General & administrative	1,168	1,148	(19)	-1.7%
Vehicle/facility leases	666	737	71	9.6%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	86	86	(0)	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 164,458	\$ 164,856	\$ 398	0.2%
Operating income (loss)	\$ (94,782)	\$ (95,682)	\$ 900	0.9%
Total public support and nonoperating revenues	5,374	5,253	121	2.3%
Income (loss) before capital contributions	\$ (89,408)	\$ (90,429)	\$ 1,021	1.1%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

Att. A, AI 46, 5/12/11

CONSOLIDATED OPERATIONS

COMPARISON TO BUDGET - FISCAL YEAR 2011

MARCH 31, 2011

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 65,200	\$ 64,793	\$ 407	0.6%
Other Revenue	419	481	(62)	-12.9%
Total Operating Revenue	\$ 65,619	\$ 65,274	\$ 345	0.5%
Personnel costs	\$ 74,784	\$ 75,248	\$ 464	0.6%
Outside services	45,405	45,454	49	0.1%
Transit operations funding	-	-	-	-
Materials and supplies	5,714	5,424	(290)	-5.3%
Energy	16,308	16,245	(63)	-0.4%
Risk management	2,543	2,588	44	1.7%
General & administrative	223	201	(22)	-11.1%
Vehicle/facility leases	545	618	73	11.8%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	16,204	16,204	(0)	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 161,728	\$ 161,983	\$ 254	0.2%
Operating income (loss)	\$ (96,109)	\$ (96,709)	\$ 599	0.6%
Total public support and nonoperating revenues	6,223	6,162	61	1.0%
Income (loss) before capital contributions	\$ (89,886)	\$ (90,546)	\$ 660	0.7%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
TRANSIT SERVICES (SAN DIEGO TRANSIT CORPORATION)
COMPARISON TO BUDGET - FISCAL YEAR 2011
MARCH 31, 2011
(in \$000's)

Att. A, AI 46, 5/12/11

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 19,330	\$ 19,316	\$ 14	0.1%
Other Revenue	16	32	(15)	-49.1%
Total Operating Revenue	\$ 19,346	\$ 19,347	\$ (1)	0.0%
Personnel costs	\$ 51,864	\$ 51,960	\$ 96	0.2%
Outside services	1,386	1,362	(24)	-1.8%
Transit operations funding	-	-	-	-
Materials and supplies	3,278	3,086	(192)	-6.2%
Energy	4,115	4,154	39	0.9%
Risk management	1,196	1,225	29	2.3%
General & administrative	96	88	(9)	-9.8%
Vehicle/facility leases	171	174	3	1.5%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	5,777	5,777	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 67,882	\$ 67,824	\$ (58)	-0.1%
Operating income (loss)	\$ (48,536)	\$ (48,477)	\$ (59)	-0.1%
Total public support and nonoperating revenues	3,682	3,621	61	1.7%
Income (loss) before capital contributions	\$ (44,854)	\$ (44,856)	\$ 2	0.0%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
RAIL OPERATIONS (SAN DIEGO TROLLEY, INCORPORATED)
COMPARISON TO BUDGET - FISCAL YEAR 2011
MARCH 31, 2011
(in \$000's)

Att. A, AI 46, 5/12/11

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 26,403	\$ 26,150	\$ 253	1.0%
Other Revenue	403	449	(47)	-10.4%
Total Operating Revenue	\$ 26,805	\$ 26,599	\$ 206	0.8%
Personnel costs	\$ 22,062	\$ 22,401	\$ 339	1.5%
Outside services	2,605	2,548	(57)	-2.2%
Transit operations funding	-	-	-	-
Materials and supplies	2,432	2,335	(98)	-4.2%
Energy	6,271	6,333	61	1.0%
Risk management	1,340	1,359	19	1.4%
General & administrative	124	105	(19)	-18.3%
Vehicle/facility leases	132	141	9	6.4%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	9,319	9,319	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 44,285	\$ 44,540	\$ 255	0.6%
Operating income (loss)	\$ (17,480)	\$ (17,941)	\$ 461	2.6%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (17,480)	\$ (17,941)	\$ 461	2.6%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

Att. A, AI 46, 5/12/11

MULTIMODAL OPERATIONS (FIXED ROUTE)

COMPARISON TO BUDGET - FISCAL YEAR 2011

MARCH 31, 2011

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 16,016	\$ 15,882	\$ 134	0.8%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 16,016	\$ 15,882	\$ 134	0.8%
Personnel costs	\$ 257	\$ 251	\$ (6)	-2.4%
Outside services	29,460	29,482	22	0.1%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	4,093	3,958	(135)	-3.4%
Risk management	-	-	-	-
General & administrative	1	1	0	33.7%
Vehicle/facility leases	22	23	1	2.7%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	749	749	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 34,582	\$ 34,464	\$ (118)	-0.3%
Operating income (loss)	\$ (18,566)	\$ (18,582)	\$ 16	0.1%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (18,566)	\$ (18,582)	\$ 16	0.1%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OPERATIONS

Att. A, AI 46, 5/12/11

MULTIMODAL OPERATIONS (PARATRANSIT)

COMPARISON TO BUDGET - FISCAL YEAR 2011

MARCH 31, 2011

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 1,387	\$ 1,364	\$ 23	1.7%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 1,387	\$ 1,364	\$ 23	1.7%
Personnel costs	\$ 107	\$ 109	\$ 2	2.1%
Outside services	7,790	7,858	68	0.9%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	1,458	1,437	(21)	-1.4%
Risk management	8	-	(8)	-
General & administrative	2	5	3	55.7%
Vehicle/facility leases	219	280	61	21.6%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	265	265	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 9,848	\$ 9,953	\$ 105	1.1%
Operating income (loss)	\$ (8,461)	\$ (8,589)	\$ 128	1.5%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ (8,461)	\$ (8,589)	\$ 128	1.5%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM
OPERATIONS
CONSOLIDATED CHULA VISTA TRANSIT OPERATIONS
COMPARISON TO BUDGET - FISCAL YEAR 2011
MARCH 31, 2011
(in \$000's)

Att. A, AI 46, 5/12/11

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ 2,065	\$ 2,082	\$ (17)	-0.8%
Other Revenue	-	-	-	-
Total Operating Revenue	\$ 2,065	\$ 2,082	\$ (17)	-0.8%
Personnel costs	\$ 306	\$ 338	\$ 32	9.5%
Outside services	3,906	3,946	40	1.0%
Transit operations funding	-	-	-	-
Materials and supplies	4	4	(0)	-4.9%
Energy	372	363	(8)	-2.3%
Risk management	-	4	4	-
General & administrative	0	3	2	92.4%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	95	95	(0)	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 4,683	\$ 4,753	\$ 70	1.5%
Operating income (loss)	\$ (2,617)	\$ (2,671)	\$ 53	2.0%
Total public support and nonoperating revenues	2,437	2,437	-	0.0%
Income (loss) before capital contributions	\$ (181)	\$ (234)	\$ 53	22.8%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

**OPERATIONS
CORONADO FERRY**

Att. A, AI 46, 5/12/11

**COMPARISON TO BUDGET - FISCAL YEAR 2011
MARCH 31, 2011
(in \$000's)**

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	-	-	-	-
Total Operating Revenue	\$ -	\$ -	\$ -	-
Personnel costs	\$ -	\$ -	\$ -	-
Outside services	105	105	-	0.0%
Transit operations funding	-	-	-	-
Materials and supplies	-	-	-	-
Energy	-	-	-	-
Risk management	-	-	-	-
General & administrative	-	-	-	-
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	-	-	-	-
Depreciation	-	-	-	-
Total Operating Expenses	\$ 105	\$ 105	\$ -	0.0%
Operating income (loss)	\$ (105)	\$ (105)	\$ -	0.0%
Total public support and nonoperating revenues	105	139	(34)	-24.6%
Income (loss) before capital contributions	\$ 0	\$ 35	\$ (34)	98.6%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

**ADMINISTRATION
CONSOLIDATED**

Att. A, AI 46, 5/12/11

COMPARISON TO BUDGET - FISCAL YEAR 2011

MARCH 31, 2011

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	3,142	3,036	106	3.5%
Total Operating Revenue	\$ 3,142	\$ 3,036	\$ 106	3.5%
Personnel costs	\$ 10,126	\$ 10,055	\$ (71)	-0.7%
Outside services	6,199	6,383	184	2.9%
Transit operations funding	-	-	-	-
Materials and supplies	14	11	(3)	-25.9%
Energy	471	482	11	2.2%
Risk management	388	375	(13)	-3.6%
General & administrative	866	870	4	0.4%
Vehicle/facility leases	121	120	(2)	-1.5%
Amortization of net pension asset	-	-	-	-
Administrative Allocation	(16,181)	(16,181)	(0)	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 2,005	\$ 2,114	\$ 109	5.2%
Operating income (loss)	\$ 1,137	\$ 922	\$ 215	-23.3%
Total public support and nonoperating revenues	(849)	(909)	60	-6.6%
Income (loss) before capital contributions	\$ 288	\$ 13	\$ 275	-2067.4%

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

OTHER ACTIVITIES

Att. A, AI 46, 5/12/11

CONSOLIDATED

COMPARISON TO BUDGET - FISCAL YEAR 2011

MARCH 31, 2011

(in \$000's)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	% VARIANCE
Passenger Revenue	\$ -	\$ -	\$ -	-
Other Revenue	915	864	51	5.9%
Total Operating Revenue	\$ 915	\$ 864	\$ 51	5.9%
Personnel costs	\$ 465	\$ 478	\$ 14	2.8%
Outside services	89	108	20	18.0%
Transit operations funding	-	-	-	-
Materials and supplies	1	1	0	15.9%
Energy	6	8	2	21.6%
Risk management	24	25	1	3.7%
General & administrative	78	78	(1)	-1.1%
Vehicle/facility leases	-	-	-	-
Amortization of net pension asset	-	-	-	-
Administrative Allocation	62	62	-	0.0%
Depreciation	-	-	-	-
Total Operating Expenses	\$ 725	\$ 760	\$ 35	4.6%
Operating income (loss)	\$ 190	\$ 104	\$ 86	-82.1%
Total public support and nonoperating revenues	-	-	-	-
Income (loss) before capital contributions	\$ 190	\$ 104	\$ 86	-82.1%

Metropolitan Transit System FY 2011 - March 2011 Financial Review

MTS Board of Directors Meeting
May 12, 2011



1



COMBINED MTS TRANSIT OPERATORS COMPARISON TO BUDGET - MARCH 31, 2011 - FY 2011 (in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VAR
Fare Revenue	\$65,200	\$64,793	\$407	0.6%
Other Revenue	419	481	(62)	-12.9%
Total Operating Revenue	\$65,619	\$65,274	\$345	0.5%

Fare Revenue variance compared to Amended Budget

- Ridership: 1.7% higher than budget, \$1.1M variance
- Average Fares: -1.1% lower than budget, -\$741,000 variance

Fare Revenue comparison to Prior Year

- Ridership increased by 1.0%
- Average Fares decreased by -1.8%



2



COMBINED MTS TRANSIT OPERATORS
COMPARISON TO BUDGET - MARCH 31, 2011 - FY 2011
(in \$000's)

	ACTUAL	BUDGET	VARIANCE	% VAR
Personnel Costs	\$65,634	\$66,098	\$464	0.7%
Personnel Costs - Dexia	9,150	9,150	-	0.0%
Purchased Transportation	40,007	40,172	165	0.4%
Other Outside Services	5,398	5,282	(116)	-2.2%
Energy	16,308	16,245	(63)	-0.4%
Other Expenses	25,230	25,035	(195)	-0.8%
Total Expenses	\$161,728	\$161,983	\$254	0.2%

Personnel

- Rail operations: \$339K favorable variance

Other Outside Services

- Engines and Transmissions: \$97K unfavorable variance

Other Expenses

- Materials and Supplies: \$290K unfavorable variance



METROPOLITAN TRANSIT SYSTEM
COMPARISON TO BUDGET - MARCH 31, 2011 - FY 2011
TOTAL OPERATING REVENUE LESS EXPENSES (\$000's)

Combined Net Operating Variance

MTS Operating Revenue	\$ 345
MTS Operating Expenses	<u>254</u>
Combined MTS Operators	\$ 599
MTS Administration / Other Activities	<u>301</u>
Total Combined Net Operating Variance	\$ 900



METROPOLITAN TRANSIT SYSTEM
COMPARISON TO BUDGET - MARCH 31, 2011 - FY 2011
ON-GOING CONCERNS DASHBOARD

	FY11				Status
	Original Budget	Amended Budget	YTD Actual	Projection	
Sales Tax Subsidy Revenue	1.9%	6.0%	6.9%	6.0%	Y
Energy Prices					
CNG	0.941	0.937	0.928	0.937	Y
Diesel	2.600	2.600	2.675	2.670	
Gas	2.800	3.130	3.150	3.180	
Passenger Levels	82.6 M	82.6 M	62.8 M	84.6 M	G
State of California Budget	0	\$18.8 M	\$18.8 M	\$18.8 M	G

G Positive
Y Holding
R Negative



Metropolitan Transit System
FY 2011 - March 2011
Financial Review

MTS Board of Directors Meeting
 May 12, 2011





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

May 12, 2011

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 April 22, 2011, through May 3, 2011.

H:\Agenda Item 62 (45, then 61)\2010\AI 62 5-12-11.docx



EXPENSE CONTRACTS

Doc #	Organization	Subject	Amount	Day
G1162.10-08	LAW OFFICES OF MARK H BARBER	LEGAL SERVICES WORKERS COMP	\$40,000.00	4/25/2011
G1078.7-07	RYAN MERCALDO & WORTHINGTON	LEGAL SERVICES	\$70,000.00	4/27/2011
G1087.11-07	LIEBMAN, QUIGLEY, SHEPPARD & S	LEGAL SERVICES - GENERAL TORT	\$55,000.00	4/27/2011
G1067.14-07	MCDUGAL, LOVE, ECKIS, SMITH	LEGAL SERVICES - GENERAL & TORT LIABILIT	\$90,000.00	5/2/2011
G1080.10-07	LAW OFFICES OF MICHAEL RIPLEY	LEGAL SERVICES - GENERAL & TORT LIABILIT	\$55,000.00	5/2/2011

REVENUE CONTRACTS

Doc #	Organization	Subject	Amount	Day
B0562.0-11	QUALCOMM INCORPORATED	FUND EXTRA TRIPS ON ROUTE 921	(\$19,222.00)	4/25/2011
L1023.0-11	COMPETITOR GROUP - ROCK & ROLL	ROE PERMIT FOR ROCK AND ROLL MARATHON	\$0.00	4/26/2011
L6656.0-11	HP COMMUNICATIONS	JROE PERMIT - NEXTG NETWORKS FIBER CABLE	(\$500.00)	4/26/2011
L6658.0-11	PAR ELECTRIC	JROE PERMIT - SDGE POLE CONDUCTOR	(\$500.00)	4/26/2011
L7048.0-11	THE SALVATION ARMY	ROE PERMIT FOR DONATION BIN	\$0.00	4/26/2011
L6657.0-11	PAR ELECTRIC	JROE PERMIT SDGE POLE CONDUCTOR	(\$1,000.00)	4/27/2011
L6660.0-11	SDG&E	LICENSE - OVERHEAD ELECTRIC	(\$2,941.95)	4/27/2011
S200-11-489	TERRA PACIFIC CONSULTANTS	ROE PERMIT - GEOTECH SOIL STUDY	(\$1,000.00)	4/27/2011
G1357.1-11	SANDAG	CLARIFICATION FOR TERMS - GORDIAN	\$0.00	5/2/2011
S200-11-485	CITY OF LA MESA	ROE PERMIT FOR FLAG DAY	\$0.00	5/2/2011

PURCHASE ORDERS

DATE	Organization	Subject	AMOUNT
5/3/2011	DIMENSIONAL SILKSCREEN	BUS STOP SIGN MATERIAL	\$3,055.88
5/3/2011	MACMALL INC	ADOBE DESIGN	\$2,528.40
5/3/2011	SALVADOR BARAJAS	TRANSLATION SERVICES	\$3,000.00
5/3/2011	SAN DIEGO PADRES	PADRE TICKETS	\$4,000.00
5/3/2011	ARIZONA PACIFIC WOOD PRESERVIN	HARDWOOD TIES	\$17,948.10
5/3/2011	PHONE SUPPLEMENTS	WIRELESS HEADSET	\$509.25