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Agenda

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

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 - December 8, 2011
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.
4. Elect Vice Chair, Chair Pro Tem, and Committee Appointments (Sharon Cooney) Elect
Action would: (1) elect a Vice Chair and a Chair Pro Tem for 2012; and (2) consider the nominating slate proposed by the Ad Hoc Nominating Committee for the appointment of representatives to MTS committees for 2012 and vote to appoint representatives to those committees.

Please SILENCE electronics
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. | <u>Investment Report - November 2011</u> Action would receive a report for information. | Receive |
| 7. | <u>Audit Report - The Transit Store</u> Action would receive an internal audit report on The Transit Store. | Receive |
| 8. | <u>Traction Power Substations for the San Diego Trolley, Inc. System - Contract Award</u> Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. L1032.0-12 with Siemens Industry, Inc. to procure 17 traction power substations with an option to purchase up to 17 additional traction power substations for the San Diego Trolley, Inc. (SDTI) system. | Approve |
| 9. | <u>Best Best & Krieger Legal Services - Contract Award</u> Action would authorize the CEO to execute MTS Doc. No. G1422.0-12 with Best Best & Krieger, LLP for legal services. | Approve |
| 10. | <u>Law Offices of Mark H. Barber Legal Services – Contract Award</u> Action would authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1426.0-12 with Law Offices of Mark H. Barber for legal services. | Approve |
| 11. | <u>Law Offices of Michael E. Ripley Legal Services - Contract Award</u> Action would authorize the CEO to execute MTS Doc. No. G1428.0-12 with Law Offices of Michael E. Ripley for legal services. | Approve |
| 12. | <u>Paul, Plevin, Sullivan & Connaughton, LLP Legal Services - Contract Award</u> Action would authorize the CEO to execute MTS Doc. No. G1430.0-12 with Paul, Plevin, Sullivan & Connaughton, LLP for legal services. | Approve |
| 13. | <u>Ryan, Mercaldo, & Worthington, LLP Legal Services - Contract Award</u> Action would authorize the CEO to execute MTS Doc. No. G1432.0-12 with Ryan, Mercaldo & Worthington, LLP for legal services. | Approve |
| 14. | <u>Wheatley, Bingham, & Baker LLP Legal Services - Contract Award</u> Action would authorize the CEO to execute MTS Doc. No. G1434.0-12 with Wheatley Bingham & Baker, LLP for legal services. | Approve |
| 15. | <u>Janitorial Services for MTS Buses and Light Rail Vehicle Fleet - Contract Amendment</u> Action would authorize the CEO to execute MTS Doc. No. G1387.1-11 with NMS Management, Inc. (NMS) to add a daily terminal cleaner at the San Ysidro Transit Center and add two 1-year options to the contract. | Approve |

CLOSED SESSION

24. a. CLOSED SESSION - CONFERENCE WITH REAL PROPERTY NEGOTIATORS Possible
Pursuant to California Government Code Section 54956.8 Action
Property: 2551 Commercial Street, San Diego, California (Assessor Parcel Nos. 535-
670-43, 44, 45, and 46)
Agency Negotiators: Paul Jablonski, Chief Executive Officer; Karen Landers,
General Counsel; and Tim Allison, Manager of Real Estate Assets
Negotiating Parties: Elisha Revocable Living Trust
Under Negotiation: Price and Terms of Payment
- Oral Report of Final Actions Taken in Closed Session

NOTICED PUBLIC HEARINGS

25. None.

DISCUSSION ITEMS

30. Compensation Study Results and Revised Salary Ranges (Jeff Stumbo) Approve
Action would: (1) receive a report from The Epler Company; and (2) approve the
proposed MTS Salary Ranges.
31. 2012 State and Federal Legislative Programs (Sharon Cooney) Approve
Action would approve staff recommendations for state and federal legislative
programs.
32. Amendments to Ordinance No. 4, An Ordinance Establishing a Metropolitan Transit
System Fare-Pricing Schedule, Ordinance No. 2, An Ordinance Requiring Proof of
Fare Payment by Passengers Using the San Diego Trolley, and Ordinance No. 13,
an Ordinance Regarding Prohibited Conduct Onboard Transit Vehicles and
Prohibited Actions on or About a Transit Facility, Trolley Station, or Bus Stop (Sharon
Cooney and Mark Thomsen) Approve
Action would: (1) read the title of Ordinance No. 4, An Ordinance Establishing a
Metropolitan Transit System Fare-Pricing Schedule, Ordinance No. 2, an Ordinance
Requiring Proof of Fare Payment By Passengers Using the San Diego Trolley, and
Ordinance No. 13, an Ordinance Regarding Prohibited Conduct Onboard Transit
Vehicles and Prohibited Actions on or About a Transit Facility, Trolley Station, or Bus
Stop; (2) waive further readings of the ordinances; (3) adopt the amended
ordinances; and (4) direct publication of an ordinance summary.

REPORT ITEMS

45. None.

- | | | |
|-----|---|-------------|
| 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> February 16, 2012 | |
| 66. | <u>Adjournment</u> | |

MEETING OF THE BOARD OF DIRECTORS FOR THE
METROPOLITAN TRANSIT SYSTEM (MTS)
1255 Imperial Avenue, Suite 1000
San Diego, CA 92101

December 8, 2011

DRAFT MINUTES

1. Roll Call

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

2. Approval of Minutes

Mr. Cunningham moved to approve the minutes of the November 10, 2011, MTS Board of Directors meeting. Mr. Young seconded the motion, and the vote was 9 to 0 in favor.

3. Public Comments

Susan Lesch – Ms. Lesch stated that she is a frequent rider from Clairemont. She stated that this is her third visit to request limiting cell phone use on the Bus and Trolley. She provided the Board with Metro Transit's Code of Conduct interior card used in Minneapolis which is attached to the final agenda material.

John L. Wood – He expressed his concerns with regards to Route 836 and 956. He stated that the bus and trolley do not coincide. He reported that the graffiti at Highway 94 Bridge needs to be removed.

Mikail Hussein – Mr. Hussein thanked MTS staff for a great outcome of the Taxicab elections. He talked about the two new members of the Taxicab Advisory Committee.

Rhonda Ciardetti – Ms. Ciardetti stated that on the last meeting she requested to be on the agenda to address the trolley noise near Loren Drive in La Mesa at the intersection of Severin and Amaya. She provided each member with a letter that she read a petition with 77 signatures and a map. The letter, petition, and map are attached to the final agenda material.

Chairman Mathis stated that the Public Utilities Commission (PUC) has looked into the issue and MTS is awaiting the report.

Peter Zschiesche – Mr. Zschiesche thanked staff for implementing the Taxicab elections. He stated that the two new members will be beneficial to the Taxicab Advisory Committee.

Special Announcements:

Paul Jablonski, Chief Executive Officer stated that MTS is involved in two holiday events. The first event is "Stuff the Bus" and supports the San Diego Food Bank. The event is being put on with coordination from Vons and North County Transit District. He stated that Saturday, December 10th there will be 10 buses at various Vons locations. MTS is also having a 7th annual bicycle program event next Thursday, December 15th at 10 a.m. at Cesar Chavez

Elementary (MTS employees adopted elementary school) to donate 110 bikes and helmets to first graders, and also provide gift certificates.

CONSENT ITEMS:

6. Bus Operator Uniforms Contract - Exercise Contract Option Years One and Two

Action would: (1) ratify MTS Doc. No. B0509.1-09 with Kingsbury Uniforms, Inc. for the addition of union patches for men's and women's polo shirts; (2) ratify MTS Doc. No. B0509.2-09 with Kingsbury Uniforms, Inc. for the addition/replacement of men's and women's polo shirts and oxfords uniform styles to better quality uniform garments at no additional cost to MTS; (3) ratify MTS Doc. No. B0509.3-09 with Kingsbury Uniforms, Inc. to give bus operators the option to buy a garrison belt; and (4) authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. B0509.4-09 with Kingsbury Uniforms, Inc. to exercise option years one and two for bus operator uniforms.

Ms. Rios asked what will happen to the current shirts with patches the drivers already have. Chairman Mathis stated that the patches will be added to the existing uniforms and patches. Chairman Mathis passed around a new Vintage Trolley patch for members to look at.

7. Federal Transit Administration 5311 Program of Projects

Action would approve Resolution No. 11-18 authorizing the use of \$234,837 of Federal Transit Administration (FTA) Section 5311 funds for operating assistance in nonurbanized areas.

8. Finalized Internal Audit Report on SDTC Revenue Management

Action would receive an internal audit report on San Diego Transit Corporation's (SDTC's) Revenue Management.

9. Siemens Light Rail Vehicle (LRV) Procurement - Contract Amendment

Action would authorize the CEO to execute MTS Doc. No. L0914.7-10, which would authorize Siemens to: (1) add an instructor's plug receptacle to the 57 LRVs being purchased; (2) add a front-end fender to the 57 LRVs; and (3) adjust the sales tax rate paid under the agreement.

10. Investment Report - October 2011

Action would receive a report for information.

11. Legal Services - Contract Award

Action would authorize the CEO or appropriate staff persons to execute contracts on an as-needed basis to attorneys and firms from the prequalified list for MTS and its subsidiaries.

12. Federal Transit Administration 5316 Grant Applications

Action would adopt Resolution No. 11-17 authorizing the CEO to submit Job Access and Reverse Commute (JARC) applications for fiscal years 2012 and 2013 for Federal Transit Administration (FTA) Section 5316 funding.

13. Taxicab Advisory Committee Member Election Results

Action would ratify the appointment of two new members of the Taxicab Committee as stated in the results of the Taxicab Advisory Committee (TAC) member election.

Chairman Mathis recognized and congratulated the two new members of the Taxicab Committee which are Mr. Berhanu Lemma and Mr. Hussein Nuur.

14. Discontinuance of Route 830 - Murphy Canyon Premium Express

Action would approve the discontinuance of Route 830.

15. Insurance Brokerage and Consultation Services - Contract Amendment

Action would authorize the CEO to enter into MTS Doc. No. G1035.2-07 with BB&T John Burnham Insurance Services to extend the existing insurance brokerage and consultation services contract (MTS Doc. No. G1035.1-07) for an additional six-month period.

16. State Transit Assistance (STA) Claims

Action would adopt Resolution No. 11-19 approving fiscal year (FY) 2012 State Transit Assistance (STA) claims.

17. Trapeze Software - Sole-Source Contract Award

Action would authorize the CEO to execute MTS Doc. No. B0569.0-12 with Trapeze Software Group, Inc. for INFO-IVR and ATIS Real-Time software and implementation services.

Action on Recommended Consent Items

Mr. McClellan moved to approve Consent Agenda Item Nos. 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17. Mr. Ewin seconded the motion, and the vote was 12 to 0 in favor. Mr. Young was out of the room.

CLOSED SESSION:

24. None.

NOTICED PUBLIC HEARINGS:

25. None.

DISCUSSION ITEMS:

30. Comprehensive Annual Financial Report (CAFR) (Tom Lynch)

Ernie Ewin, Chairman of the Audit Oversight Committee, stated that the final CAFR is complete; the action is to accept the report and provide comments. He addressed the Board about what questions the Board should be asking during different stages of the audit. He mentioned the four questions directed to the Board:

1. If the Board is satisfied that the process followed in preparing and auditing the financial statements was reasonably designed to produce accurate and reliable financial information?
2. Do you have reason to question the integrity or confidence of the members of management or outside auditors that would affect your ability to rely on the information that is being provided to you?
3. Do you know anything that would cause you to question the accuracy of the disclosures to the relevant portion of the financial statements that you've reviewed or would indicate that there may be risk that has not yet been identified?
4. In reviewing the relevant portion of the financial statements, are there any red flags that should be brought to the attention of management for which you would like further explanation even though this is the final report to which you may have actual knowledge which would lead you to believe that the financial statements contains some materially misleading information?

Mr. Ewin stated that these responsibilities lie here with the Board. He stated that this is the fifth time that this has been done as a formal process with an oversight committee and thanked members of the audit oversight committee and in advance the members of management who have performed their duties appropriately. He stated that if there are any questions, please ask so that it can be resolved.

Linda Musengo, Finance Manager stated that the Comprehensive Annual Financial Report (CAFR) for the years ending June 30, 2011, and 2010 has been presented to the Audit Oversight Committee, and the recommendation was that the CAFR be presented to the Board. Ms. Musengo introduced Gary M. Caporicci and Ken H. Pun of Caporicci & Larson to give the highlights of the CAFR.

Mr. Pun, CPA with Caporicci & Larson (C&L), gave a PowerPoint presentation on the scope of work for the audit performed by C&L that included the audit of MTS's financial statements and the reporting responsibility.

Mr. Pun gave an overview of MTS's management responsibilities, C&L's responsibilities, and summary of C&L's audit approach, which included year-to-year comparisons of specific account balances. He stated that the assessment determined that MTS is a low-risk auditee, which means that there is no need to test a high number of transactions in order to determine that the numbers and disclosures are accurate.

Mr. Pun reviewed C&L's unqualified audit opinion stating that financial statements are fairly presented in all material respects, significant accounting policies have been consistently applied, estimates are reasonable, and disclosures are properly reflected in the financial statements.

Mr. Pun stated that the audit resulted in no disagreements with management, no material errors or irregularities were discovered, and no significant deficiencies or material weaknesses were determined. He provided a brief overview of the financial statement sections of the audit that included the introductory, financial, and statistical sections.

Mr. Pun stated that compared to last year, the balance sheet is consistent. As of June 30, 2011, MTS has approximately \$1.5 billion in total assets and \$243 million in total liabilities with a net result of \$1.2 billion in net assets. He added that the total revenue is \$268 million and total operating expenses are \$299 million. He noted that there is a decrease in the net assets of \$4.2 million due to loss of TransNet funding.

Mr. Pun summarized statements of cash flow from operating activities, which were consistent with 2010. He reviewed cash flows from operating activities, noncapital financing activities, capital, related financing activities, and investing activities.

Gary M. Caporicci of Caporicci and Larson reported on the pension plan schedule of funding progress for MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC). He also noted that there is a significant change from prior year of the amortization of net pension asset and he also stated that the unfunded portion of pension plans will be considered a liability. He concluded his report with a review of the new Governmental Accounting Standards Board (GASB) pronouncements, the AICPA Auditing Standards Board, GASB Exposure Draft Pension Accounting and Financial Reporting. He explained the fundamental approach, liability recognition, actuarial assumptions, projection of future benefit payments, discount rate, attribution method, and measurement of plan assets, expense recognition, disclosures, and recognition.

Ms. Emerald requested the auditor to elaborate more on the GASB change. Mr. Caporicci responded that the unfunded portion of the pension plan is considered a liability.

Mr. Ewin asked are there any areas in the financial statements including the notes to which you believe we could be more explicit or transparent to provide more clarity to help better understand our financial statements. Mr. Caporicci responded none. Describe any situations on which you believe that management has attempted to circumvent the spirit of GAAP or has yet to comply with GAAP. Mr. Caporicci responded no situations at all. How would you compare the organization's financial reporting with that of comparable entities which you are familiar? Mr. Caporicci responded outstanding. Are there any questions we have not asked you or that have not been asked which you would like us to ask. Mr. Caporicci responded none.

Mr. Ewin stated that it is important to recognize that the MTS management team is not only looking at the day to day operations but is looking ahead of the curve. He stated that MTS has a number of obligations that it must deal with that are tied to LIBOR and to number of other indexes. Mr. Ewin explained LIBOR. He stated that he appreciates what management has done. He asked the Board to look at Roman numeral viii to see the Certificate of Achievement for Excellence in Financial Reporting and recognized the excellent staff that are on top of this and take it very seriously and the audit has proven that. Mr. Ewin asked the management staff do the financial statements contain deviation from GAAP. Ms. Musengo and Mr. Telfer both replied no. Are you satisfied that an appropriate audit was performed by the independent auditor? Ms. Musengo and Mr. Telfer both replied yes. Any questions that we should ask you that we haven't? Ms. Musengo and Mr. Telfer both replied no.

Mr. Castaneda asked if there is way that he could look at multiple years of past financial statements. Ms. Musengo directed the Board to look at the schedules on page 73 and 74 of the CAFR where it shows seven years of comparative data and that schedule will over time be expanded to a total of ten years and will be a rolling ten years that will be presented every year.

Mr. Mathis congratulated the member of management for an excellent report.

Mr. Roberts acknowledged the service of Ernie Ewin, Chairman of the Audit Oversight Committee. Mr. Mathis echoed Mr. Roberts comment.

Action Taken:

Mr. Roberts moved to receive a report on the CAFR. Ms. Emerald seconded the motion and the vote was 15 to 0 in favor.

31. FY 2011 Final Budget Comparison (Tom Lynch)

Tom Lynch, Controller, presented a Power Point to the Board of the FY 2011 final year-end budget comparison. He reported that on an overall basis operating income was \$544,000 positive to budget. MTS did not receive all its subsidy revenues as anticipated causing non-operating revenue to have unfavorable variance of \$656,000. He reported that operating revenue was favorable to the budget by \$946,000 and operating expenses was unfavorable by \$402,000 with an overall basis of \$176,000.

He reported that total subsidy revenue was unfavorable by \$741,000 and other non-operating revenue/expense was favorable by \$85,000 and total non-operating revenue was unfavorable by \$656,000.

He reported that the balance of the contingency reserve as of June 30, 2010, was \$21 million. For FY 2011, MTS had an excess of expenses over revenues of \$190,000. After adjusting for interest, other adjustments, and the income or loss from Taxicab Administration and SD&AE, the change for the year is negative \$199,000. He reported that this represents a 9.3% of MTS's FY 12 operating budget and MTS has historically set a goal to have the reserve at 10% level of its annual operation budget.

Action Taken:

Ms. Emerald moved to approve the use of \$190,000 in contingency reserves to balance the FY 2011 operating budget. Mr. Minto seconded the motion and the vote was 15 to 0 in favor.

32. Cart, Stroller, and Cargo Requirements (Claire Spielberg)

Paul Jablonski, Chief Executive Officer introduced the item and pointed out that MTS is not trying to implement a new Board policy and stated that this is an operating policy to guide operations in efficiencies, effectiveness, and compliance with regulations and laws. This is an issue that is nationwide and there was a recent webinar sponsored by APTA where over 100 systems were onboard on this issue. MTS staff has done a lot of research and outreach to other systems in collaboration in trying to come up with an operating policy. This is a product of MTS own success and change, a few years ago when MTS had hi-floor buses and rail cars it was much more difficult for people to access the vehicles. Most of the buses now are low-floor,

the rail cars on the Green line are low-floor and soon MTS will have low-floors cars everywhere so it has made it much easier for people to board with wheelchairs, carts and strollers. MTS has taken action to modify the vehicle interiors to accommodate the riders. MTS anticipate putting this in effect and have ongoing dialogue with the operators and field supervisors to make sure that MTS is sensitive to customers, especially people with disabilities so that they are able to access the vehicles.

Claire Spielberg, Chief Operating Officer, provided an overview on how the project came about. She stated that the new rules for riding include not taking carts off of the system; this is to modify the size of the cart. She introduced Jeff Codling, Contract Services Administrator, who presented a Power Point on the cart, stroller, and cargo rules and procedures. He provided the findings on carts vs. wheelchair on Routes 3 and 929. He reported that the number of carts, strollers, and cargo is substantially higher versus wheelchairs. MTS surveyed 100 drivers and reported the same issue. During this time MTS started to receive complaints about wheelchair customer pass-ups due to capacity, carts and strollers causing trip hazards, and cargo disputes. He provided several slides showing riders with different types of cargo, strollers, carts, etc. He noted that not only are the carts large but they are overloaded and create safety and trip hazards.

Mr. Codling stated that on the June 23, 2011, the MTS Accessible Services Committee (ASAC) had a discussion and provided feedback on the proposed rules. He explained Title 13, Sec 1216c of the California Code of Regulations and noted that the important requirement is "*In no event shall aisles, doors, steps, or emergency exits be blocked.*". He explained the next steps in developing the new rules. He explained the proposed MTS Cart, Stroller, and Cargo Rules. He emphasized how important safety and security is to everyone. He showed a life size sample of the cart that won't be allowed. He provided a slideshow of passengers with large bags of recycle cans and with multiple cargos taking up seating.

Mr. Codling reported that MTS Bus started a demo project that TriMet, another transit agency, had great success with. MTS removed one set of forward facing seats on the bus, and designated it as a cart stroller area to allow the larger carts and strollers on the bus, away from the aisles and wheelchair area. MTS Bus tried it on the busier routes and it has been successful and there have not been any complaints. Drivers, riders, and supervisors reported that it has been doing well and would like to expand to more routes. This creates more space for the wheelchairs and other senior disabled riders in the front and keeps people out of the emergency exits. He also reported that MTS is working with the seat manufacturer to get flip seats that will provide optional cart or stroller space.

He reported that there is no change to the existing Bike Policy and exceptions for riders with disabilities will be accommodated as required by the American with Disabilities Act (ADA) and Route 992 (Airport Shuttle). He provided several more slides from other transit agencies having the same issues. He stated that the rules that MTS developed will help with capacity and that MTS is ahead of the other agencies and they are reaching out to MTS on how to develop their own policies.

Ms. Spielberg added that having too many packages and carts means MTS is not in compliance with federal and state regulations.

The Board engaged in discussion regarding drivers handling the new rules and providing workshops; stroller limitations; providing public outreach to riders, homeless advocates and the Alpha Project; safety and compliance; check-in pilot program; painting lines in the bus to distinguished cargo, strollers, and carts; folding strollers and securing babies and not sitting on the lap; bikes on trolleys blocking exits; accommodating riders with cans that are in non-leaking bag ,crushing the cans, and in the right container; behavior modification; timeframe of the roll out of the proposed rules; provide public outreach to all board members; follow up with the Board and the public.

Public Speaker:

Kim Alcantar – Ms. Alcantar explained her background and stated that bus drivers should pull down the ramp when riders have carts and cargo. She stated that riders does not need restriction, they need compartments to place their items. She stated that she liked the cart, stroller area.

Action Taken:

Mr. McClellan moved to approve new cart, stroller, and cargo requirements for transit riders under existing MTS "Rules for Riding" language. Mr. Ovrom seconded the motion and the vote was 13 to 0 in favor, with Mr. Cunningham and Mr. Young absent.

REPORT ITEMS:

45. Operations Budget Status Report for October 2011 (Mike Thompson)

Mike Thompson, Budget Manager, presented to the Board an Operations Budget Status Report for FY 12 through October 31, 2011. He explained that the year-to-date FY 12 MTS consolidated operations revenue was favorable by \$665,000 or 2.1%. He reported that passenger revenue is favorable by \$820,000 and ridership is at budget by 0.3%. He reported that passenger fare revenue is favorable by \$717,000 or 2.3% and total consolidated operations expenses were unfavorable by \$79,000.

He reported that in total consolidated operations had net operating variances that were favorable by \$587,000 or 1.4%. MTS Administration and other activities were favorable by \$720,000, resulting in an overall favorable variance of \$1,307,000 or 3.1%.

He reviewed the on-going concerns dashboard, presented FY 12 numbers and updated projections for energy prices and passenger levels. He stated that the State Transit Assistance (STA) has awarded MTS \$3.9 million and how to utilize the funds will be discussed at the next Budget Development Committee meeting.

Action Taken:

Mr. McClellan moved to receive an operations budget status report for October 2011. Mr. Castaneda seconded the motion and the vote was 14 to 0 in favor, with Mr. Cunningham absent.

60. Chairman's Report

Chairman Mathis mentioned that there are changes to the San Diego Vintage Trolley schedule. Wayne Terry, Chief Operating Officer reported that the service is expanded starting the week

before Christmas on Saturday and Sundays to 11 a.m. to 4 p.m., Tuesdays and Thursdays from 10 a.m. to 2 p.m. to see if it brings any additional interest.

Ms. Lightner asked how the special events are doing. Chairman Mathis stated that there has not been any, since it has not been marketed. Ms. Lightner stated that she would like feedback on the first event.

61. Audit Oversight Committee Chairman's Report

Mr. Ewin, Chairman of the Audit Oversight Committee made no report.

62. Chief Executive Officer's Report

Paul Jablonski made no report.

63. Board Member Communications

There were no Board Member communications.

64. Additional Public Comments on Items Not on the Agenda

Doris Cole - Ms. Cole stated that the trolley is not helpful to the partially sighted and she is not able to distinguished between the Blue, Orange, and Green line because they are all red. She requested that MTS placed a glowing light to indicate each color and the name of the color of the line on the side of the trolley.

Chairman Mathis thanked Ms. Cole for bringing this issue to the attention of MTS. Mr. Young stated there should be a sign on the side of the trolley. Wayne Terry, Chief Operating Officer stated that there is a sign on the side of the trolley and there is a sign on the front and on both sides of the car body. He stated that there is visually impaired mat on the first door after the wheelchair lift sign. If you stand at on that mat, the driver will announce which trolley line is pulling up.

Mr. Young provided feedback on how to address the issue. Chairman Mathis responded that staff will look into how to address this issue more effectively. Mr. Minto echoed Mr. Young's comments. Mr. Castaneda stated that he would like staff to report back on this issue.

65. Next Meeting Date

The next regularly scheduled Board meeting is Thursday, January 19, 2012.

66. Adjournment

Chairman Mathis adjourned the meeting at 11:14 a.m.

Filed by:

Approved as to form:

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

Office of the General Counsel
San Diego Metropolitan Transit System

Attachment: Roll Call Sheet

\\Sdmtsna\Mts_Users\Valerie.Vizkelet\Minutes - Executive Committee, Board, And Committees\MINUTES - Board 12-8-11 DRAFT.Docx

METROPOLITAN TRANSIT SYSTEM
BOARD OF DIRECTORS
ROLL CALL

MEETING OF (DATE): December 8, 2011

CALL TO ORDER (TIME): 9:03 a.m.

RECESS: _____

RECONVENE: _____

CLOSED SESSION: _____

RECONVENE: _____

PUBLIC HEARING: _____

RECONVENE: _____

ORDINANCES ADOPTED: _____

ADJOURN: 11:14 a.m.

| BOARD MEMBER | (Alternate) | PRESENT (TIME ARRIVED) | ABSENT (TIME LEFT) |
|--------------|---|---------------------------|-----------------------|
| CASTANEDA | <input checked="" type="checkbox"/> (Rindone) <input type="checkbox"/> | 9:28 a.m. | |
| CUNNINGHAM | <input checked="" type="checkbox"/> (Mullin) <input type="checkbox"/> | | 10:54 a.m. |
| EWIN | <input checked="" type="checkbox"/> (Sterling) <input type="checkbox"/> | | |
| EMERALD | <input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/> | 9:09 a.m. | |
| ENGLAND | <input checked="" type="checkbox"/> (Gastil) <input type="checkbox"/> | | |
| GLORIA | <input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/> | 9:08 a.m. | |
| JANNEY | <input type="checkbox"/> (Bragg) <input checked="" type="checkbox"/> | | |
| LIGHTNER | <input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/> | 9:05 a.m. | |
| 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"/> | | |
| RIOS | <input checked="" type="checkbox"/> (Zarate) <input type="checkbox"/> | | |
| ROBERTS | <input checked="" type="checkbox"/> (Cox) <input type="checkbox"/> | 9:20 a.m. | |
| YOUNG | <input checked="" type="checkbox"/> (Faulconer) <input type="checkbox"/> | | |

SIGNED BY THE OFFICE OF THE CLERK OF THE BOARD:

Catherine R.

CONFIRMED BY OFFICE OF THE GENERAL COUNSEL:

Mark G.



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Agenda Item No. 4

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

ELECT VICE CHAIR, CHAIR PRO TEM, AND COMMITTEE APPOINTMENTS
(SHARON COONEY)

RECOMMENDATION:

That the Board of Directors:

1. elect a Vice Chair and a Chair Pro Tem for 2012; and
2. consider the nominating slate (Attachment A) proposed by the Ad Hoc Nominating Committee for the appointment of representatives to MTS committees for 2012 and vote to appoint representatives to those committees.

Budget Impact

None.

DISCUSSION:

Public Utilities Code Section 120100 requires the Board of Directors, annually at its first meeting in January, to elect a Vice Chair who shall preside in the absence of the Chair. Policies and Procedures No. 22, "Rules of Procedure," also provides for the election of a Chair Pro Tem to serve in the absence of the Chair and Vice Chair. In 2011, Ron Roberts served as Vice Chair, and Tony Young served as Chair Pro Tem.

The Vice Chair and Chair Pro Tem nomination and election procedures pursuant to Robert's Rules of Order are as follows:

1. The Chairman of the Board opens the agenda item.
2. The Chairman requests nominations from the floor. Nominations do not require a second.



3. The Chairman closes the nominations.
4. The Chairman invites the candidate(s) to address the Board for 3 minutes.
5. The Chairman asks for any Board discussion.
6. The Chairman calls for the vote on each motion for each candidate.
7. The vote is taken on the motion(s) for each candidate based upon the order in which they were nominated. The vote continues until a candidate is elected.

In addition, each year the Board makes appointments to the various committees, including the Executive Committee, the Audit Oversight Committee, the Budget Committee, the Ad Hoc Public Security Committee, the Joint Committee on Regional Transit (JCRT), the Taxicab Committee, the Los Angeles-San Diego Rail Corridor Agency (LOSSAN), the Accessible Services Advisory Committee (ASAC), the Airport Authority Advisory Committee, the SANDAG Board, and the SANDAG Regional Planning Committee.

The nomination and election procedures pursuant to Robert's Rules of Order are as follows:

1. The Chairman of the Board opens the agenda item.
2. The Ad Hoc Nominating Committee makes a report and calls for a motion on the nominating slate.
3. The Chairman requests additional nominations from the floor. Nominations do not require a second.
4. The Chairman closes the nominations.
5. The Chairman invites the candidate(s) to address the Board for 3 minutes.
6. The Chairman asks for any Board discussion.
7. The Chairman calls for the vote on each motion for each candidate. The vote is taken on the motion(s) for each candidate based upon the order in which they were nominated. The vote continues until a candidate is elected.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, Sharon.Cooney@sdmts.com

JAN19-12.4.ELECTIONS&COMMITTEEAPPT.SCOONEY.doc

Attachment: A. Proposed 2012 Nominating Slate of MTS Committees and
Outside Agency Appointments

Vice Chair: Ron Roberts
Chair Pro Tem: Tony Young

*Appointments are governed by MTS Policy No. 22. The Board may appoint additional members from the Board or from outside of the agency to serve on this committee.

| | | |
|--|---|---|
| Executive Committee | <p>Harry Mathis – Chair</p> <p>Ron Roberts – County Representative (Alternate: Greg Cox)</p> <p>Tony Young– City of San Diego Representative (Alternate: Todd Gloria)</p> | *Appointments are governed by MTS Policy No. 22. |
| Appointment governed by rotation schedule established in MTS Board Policy No. 22 | <p>Al Ovrom– South Bay Representative (Alternate: TBD)</p> <p>John Minto – East County Representative (Alternate: Jim Cunningham)</p> | |
| Joint Committee on Regional Transit (JCRT) | <p>Jim Cunningham – Committee Representative</p> <p>Harry Mathis – Committee Representative</p> <p>Ernie Ewin – Committee Representative</p> | <p>May be voted upon by all Representatives except Jim Cunningham</p> <p>May be voted upon by all Representatives except Harry Mathis</p> <p>May be voted upon by all Representatives except Ernie Ewin</p> |
| Los Angeles - San Diego Rail Corridor Agency (LOSSAN) | <p>Jerry Rindone – Committee Representative</p> <p>Harry Mathis – Alternate</p> | <p>May be voted upon by all Representatives except Jerry Rindone</p> <p>May be voted upon by all Representatives except Harry Mathis</p> |
| SANDAG Board | <p>Harry Mathis - Advisory Representative</p> <p>Al Ovrom–Alternate</p> | <p>May be voted upon by all Representatives except Harry Mathis</p> <p>May be voted upon by all Representatives except Al Ovrom</p> |
| SANDAG Regional Planning Committee | <p>Al Ovrom - Committee Representative</p> <p>Mary England – Alternate</p> | <p>May be voted upon by all Representatives except Al Ovrom</p> <p>May be voted upon by all Representatives except Mary England</p> |
| SANDAG Transportation Committee* | <p>Harry Mathis – Committee Representative</p> <p>Al Ovrom - Alternate</p> | *Elected by the Executive Committee at the January 12, 2012, meeting |
| Taxicab Committee | <p>Marti Emerald – Chair</p> <p>Bob McClellan - Alternate</p> | <p>May be voted upon by all Representatives except Marti Emerald</p> <p>May be voted upon by all Representatives except Bob McClellan</p> |



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Agenda Item No. 6

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

INVESTMENT REPORT – NOVEMBER 2011

RECOMMENDATION:

That the Board of Directors receive a report for information.

Budget Impact

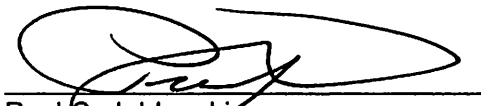
None.

DISCUSSION:

Attachment A comprises a report of MTS investments as of November 2011. The combined total of all investments has decreased from \$200.8 million to \$180.6 million during November. This \$20 million decrease is due to expenditures for capital asset acquisitions and a scheduled principal payment on the Pension Obligation Bonds.

The first column provides details about investments restricted for capital improvement projects and debt service—the majority of which are related to the 1995 lease and leaseback transactions. The funds restricted for debt service are structured investments with fixed returns that will not vary with market fluctuations if held to maturity. These investments are held in trust and will not be liquidated in advance of the scheduled maturities. The second column (unrestricted investments) reports the working capital for MTS operations allowing for employee payroll and vendors' goods and services.

During November, there were no transfers to or from MTS temporary investment accounts.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Tom Lynch, 619.557.4538, tom.lynch@sdmts.com

JAN19-12.6.INVESTMT RPT NOVEMBER.LMUSENGO.doc

Attachment: A. Investment Report for November 2011

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.



**San Diego Metropolitan Transit System
Investment Report
November 30, 2011**

| | <u>Restricted</u> | <u>Unrestricted</u> | <u>Total</u> | Average rate of return |
|---|-----------------------|-------------------------------------|-------------------------------------|---------------------------------------|
| Cash and Cash Equivalents | | | | |
| Bank of America - concentration sweep account | \$ 10,836,129 | \$ 1,034,073 | \$ 11,870,202 | 0.00% |
| Total Cash and Cash Equivalents | <u>10,836,129</u> | <u>1,034,073</u> | <u>11,870,202</u> | |
| Cash - Restricted for Capital Support | | | | |
| US Bank - retention trust account | 3,429,736 | - | 3,429,736 | N/A * |
| Local Agency Investment Fund (LAIF) Proposition 1B TSGP grant funds | <u>5,503,136</u> | <u>-</u> | <u>5,503,136</u> | 0.40% |
| Total Cash - Restricted for Capital Support | <u>8,932,873</u> | <u>-</u> | <u>8,932,873</u> | |
| Investments - Working Capital | | | | |
| Local Agency Investment Fund (LAIF) San Diego County Investment Pool | <u>-</u> | <u>38,450,082</u> <u>690,602</u> | <u>38,450,082</u> <u>690,602</u> | 0.40% |
| Total Investments - Working Capital | <u>-</u> | <u>39,140,684</u> | <u>39,140,684</u> | |
| Investments - Restricted for Debt Service | | | | |
| US Bank - Treasury Strips - market value (Par value \$39,474,000) | 38,627,074 | - | 38,627,074 | |
| Rabobank - Payment Undertaking Agreement | <u>82,053,636</u> | <u>-</u> | <u>82,053,636</u> | 7.69% |
| Total Investments Restricted for Debt Service | <u>120,680,709</u> | <u>-</u> | <u>120,680,709</u> | |
| Total cash and investments | <u>\$ 140,449,711</u> | <u>\$ 40,174,757</u> | <u>\$ 180,624,468</u> | |

N/A* - Per trust agreements, interest earned on retention account is allocated to trust beneficiary (contractor)



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Agenda Item No. 7

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

**Draft for
Executive Committee
Review Date: 1/12/12**

SUBJECT:

AUDIT REPORT - THE TRANSIT STORE

RECOMMENDATION:

That the Board of Directors receive an internal audit report on The Transit Store.

Budget Impact

None.

DISCUSSION:

During August 2011, the MTS Internal Auditor performed a review of The Transit Store's procedures and internal controls. As a result of this review, eight findings and recommendations were made for Management's consideration. Management has reviewed the recommendations and is taking action to address the issues identified.

Based on the sensitive nature of some of the findings, certain information has been redacted from the audit report for public disclosure.

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

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Daniel Madzelan; 619.595.4920; Daniel.Madzelan@sdmts.com

JAN19-12.7.THE TRANSIT STORE AUDIT RPT.DMAZELAN.doc

Attachment: A. Audit Report (Redacted Version Only for Public Disclosure)

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



Memorandum

DATE: 9/28/2011
TO: Olivette Coleman
Erin Dunn
FROM: Daniel Madzellan
SUBJECT: Audit Report – Transit Store

Contents of the audit report have been

**REDACTED FOR
PUBLIC DISCLOSURE**

EXECUTIVE SUMMARY:

Audit Objectives and Scope:

Audit objectives were to evaluate compliance with current operating procedures, determine the overall effectiveness of existing controls, and explore opportunities for improving controls. The initial scope focused on five (5) areas: 1) Operating Policies and Procedures (Control Environment); 2) Cash/Fare Media Handling; 3) Inventory (Fare Media) Management; 4) Monthly Reporting/Reconciliations; and 5) Store Security, which included limited reviews of Lost and Found Operations.

Testing concentrated primarily on operations occurring in June 2011, however, there was testing performed on previous month's activities. Observations of store activities occurred during August.

During fieldwork, Sr. Management requested Audit review operating procedures at the transit store regarding processing applications for reduced fares (Senior, Disabled, and Medical/Medicare). Testing of these control activities focused primarily on events from July and August. NOTE: Audit initially excluded this process from its scope of work, as Audit intended to review the entire process of issuing reduced fares at a later date.

Audit Results:

In general, the store's operating procedures were well designed and operating as intended. There were no reportable findings in two of our testing area; Inventory (Fare Media) Management and Monthly Reporting/Reconciliations. The audit did identify internal control procedures that store management needs to address, as well as opportunities to strengthen existing procedures. Audit findings summarized as follows:

High Priority Findings:

- No findings considered high priority.

Medium Priority Findings:

- Control Environment – Standard Operating Procedures (SOPs): Evidence does not indicate frequent reviews, or updates, of SOPs.
- Reduced Fares – Consistency and Completeness of Processing Applications: Tested population, predominantly short form applications, revealed applications forms were not completed as designed.



Low Priority Findings:

- **Control Environment** – Management Reviews: Evidence presented did not sufficiently support required random audits of store clerk's register floats [REDACTED] occurring in accordance with policy. Additionally, there were minor differences between the store's SOPs and those documented within the Financial Procedural Manual.
- **Cash/Fare Media Handling** – Segregation of Duties Concern: One clerk who has responsibilities for processing sales and preparing daily sales reports has also been preparing the daily bank deposit. This is primarily due to staffing constraints.
- **Cash/Fare Media Handling** – Differences in Processing and Reporting Transactional Events: Evidence reviewed identified differences amongst clerks in processing check voucher overage transactions, as well as differences in preparing system generated closing reports. NOTE: Management implemented procedural changes to address this finding during the audit.
- **Cash/Fare Media Handling** – Reconciling Transactional Reports: Evidence reviewed identified variances between daily transaction shift reports (system generated) and Clerk Daily Summary Reports with respect to compass card fees. The format of the Clerk Daily Summary Report did not facilitate active monitoring of these transactional events. NOTE: Management implemented procedural changes to address this finding during the audit.
- **Cash/Fare Media Handling** – Over/Under Reporting: While well monitored, evidence reviewed did not sufficiently demonstrate evidence of investigation by store clerks into the causes of reported over/unders. Additionally, evidence reviewed clearly indicated management's efforts to reduce the frequency and dollar amounts of over/under events. However, current thresholds addressing over/unders, as documented in the SOPs, are not consistent with management's efforts.
- **Cash/Fare Media Handling** – Petty Cash and other Operating Funds: The store supervisor controls the petty cash and other operating funds managed by the store. There is currently not a well-documented review process of these funds by the store supervisor's direct manager to ensure compliance with current operating procedures.

Subsequent pages of this report contain details of audit findings and management action plans, additional audit observations, as well as definitions of Audit Priority Findings.

Background Information:

The store is located at 102 Broadway in downtown San Diego. Staff consists of one supervisor and four full-time clerks. The store does plan to hire one additional employee (assistant supervisor) in the upcoming months. Store hours are Monday through Friday from 9 a.m. to 5 p.m. The San Diego Association of Governments (SANDAG) consigns fare media to the store. Customers pay for media and merchandise by cash, check, federal vouchers, credit and debit cards, or purchase orders. [REDACTED]

[REDACTED]. The store is also responsible for the managing lost articles for San Diego Transit and Trolley. Historically, there are approximately 8,000 lost articles processed in a year.

Beginning in July 2011, the store reports into the Finance/Accounting department of MTS. The store previously reported to the Passenger Services Department of San Diego Transit Corporation (SDTC).

Report Distribution:

Paul Jablonski, Cliff Telfer, Sharon Cooney, and Karen Landers – MTS

AUDIT FINDINGS AND MANAGEMENT ACTION PLANS:

Finding/Observation:

Control Environment – Standard Operating Procedures (SOPs):

Evidence does not indicate frequent reviews, or updates, of SOPs. As such, current control activities are not fully reflected within SOPs. This can create the situation of internal control systems losing their effectiveness over time, thereby increasing the likelihood of risk events occurring.

Finding Priority Rating:

Medium Priority Finding

Audit Recommendation:

1) Update the current version of the transit store SOPs. The updated SOPs should reflect all new procedures implemented by management prior to the audit, such as handling voucher overages, as well as all procedural changes management implements as a result of this audit.

Management should consider specifically addressing document retention policies as part of the SOP updates. While MTS has a document retention policy, it is advisable to develop specific retention policies for transit store operations where appropriate.

2) Going forward, consistent with current Accounting/Finance procedures, SOPs should be reviewed annually. Correspondingly, there should be sufficient documentary evidence to support the reviews occurring.

Audit is willing to assist store management in a consultative role to review the design of any new or modified control procedures.

Management Response/Action Plan:

Management will update the current version of the SOPs, including the addition of a document retention policy. It will then be updated on an annual basis by the Assistant Supervisor, a new position filled in October.

Management Estimated Action Plan Completion Date:

In accordance with the Finance Procedures Manual, the annual update will be completed by April 30.

Finding/Observation:**Reduced Fares – Consistency and Completeness of Processing Applications:**

Audit made a haphazard sample of twenty (20) short form reduced fare applications reviewing for completeness. The completeness review consisted of validating the application for: 1) The reason for reduced fare; 2) Whether the application was for a New or a Replacement Card; 3) Store clerks completed the Office Use section of the application; and 4) Whether the customer signed and dated their application. Audit did not identify any applications completed consistent with the design and intent of the current application format.

The majority (70%) of the applications did not include the signature and date of the customer. Audit also observed instances where the reason for the reduced fares was not identified, the type of card (new or replacement) was not identified, proof substantiating reduced fare eligibility not documented on the application, and staff initials missing on the Office Use Section indicating who processed the application.

Audit also reviewed long form applications by testing forty-five (45) individual forms for completeness and accuracy, as well as through analytical reviews of the reduced fare database. Based on that testing, Audit identified seven (7) discrepancies. Provided the sample was representative of the entire population of completed applications (667), Audit projected an additional fifteen (15) forms might also be processed inconsistent with operating procedures.

Finding Priority Rating:

Medium Priority Finding

Audit Recommendation:

- 1) Clarify and re-communicate Company procedures for processing short and long form applications for reduced fares. This should focus on ensuring customer's sign and date the form, as well as completing the Office Use Section in its entirety.
- 2) Implement a monitoring control, whereby samples of applications are reviewed by store management to ensure compliance with processing reduced fare applications.
- 3) Any revisions to operating procedures, such as implementing additional monitoring controls, should be reflected in revised SOPs.

Management Response/Action Plan:

Management issued a memorandum to the store clerks on 10/6/11 emphasizing the importance of completeness and consistency regarding these forms. Management will document random sampling to monitor compliance with objectives and requirements stated in the memorandum.

Management Estimated Action Plan Completion Date:

Completed October 6, 2011

Finding/Observation:

Control Environment – Performing Management Reviews:

There was evidence to support random audits of inventory (fare media) being performed in accordance with the SOP (twice a month at random). There was only sufficient evidence to support the counting of the opening cash register balances of [REDACTED] occurring once in the month of June. Audit also observed the Financial Procedural Manual indicated this particular process is to occur approximately once a month. Thus, there is inconsistency between the SOP and the Financial Procedural Manual, which should be reconciled.

While the new control procedure of requiring clerks to enter in their opening balances into the shift report serves as a mitigating control in verifying clerks are properly opening their register with [REDACTED], Audit believes management's independent review procedures should continue.

Finding Priority Rating:

Low Priority Finding

Audit Recommendation:

Audit recommends re-writing the procedure to allow either the Store Supervisor or the Assistant Supervisor to perform this procedure.

The current method of reporting and documenting this procedure is reasonable; however, management may elect to establish a separate electronic form solely for tracking compliance with this procedure.

Management Response/Action Plan:

The Supervisor currently performs random counts several times a month during the reconciliation process. Management will comply with audits request and institute one random count a month in addition to the other counts. The SOPs have been updated to read once a month and management will design an electronic form to document compliance with required inventory audits.

Management Estimated Action Plan Completion Date:

The estimated completion date is 12/31/2011.

Finding/Observation:**Cash/Fare Media Handling – Segregation of Duties:**

During the store observation, as well as evidenced by store closing reports, there are instances when the senior sales clerk prepares the daily bank deposit. This individual is also responsible for processing sales during the normal course of store operations. Anytime an individual is both responsible for operations, in this case processing sales/preparing sales reporting, and recording keeping for the same activity, in this case preparing the bank deposit, there is an increased risk of misappropriation of assets.

NOTE: Audit found no evidence of any misappropriation of assets based on our testing population. Audit also recognizes current process is primarily the result of staffing limitations.

Finding Priority Rating:

Low Priority Finding: While Audit believes this finding does meet the definition of a medium priority finding, we reported as Low based on circumstances, as outlined above, regarding the observation.

Audit Recommendation:

Audit recommends when the new assistant supervisor is hired, he or she, or the store supervisor perform the preparation of the daily deposit slip. This would mitigate the segregation of duty concern. Until that time, Audit recommends limiting the occurrences of the senior sales clerk preparing the bank deposit.

Management Response/Action Plan:

Once the assistant supervisor has been trained, only the supervisor and assistant supervisor will prepare bank deposits. When the assistant supervisor has daily sales activity, the supervisor will complete the deposit to increase control of assets.

Management Estimated Action Plan Completion Date:

The new position has been filled with a start date of November 14. By January 2012, the supervisor or assistant supervisor will be responsible for preparing the bank deposit.

Finding/Observation:**Cash/Fare Media Handling – Differences in Processing and Reporting Transactional Events:**

Audit observed differences between clerks in processing check voucher overage transactions, as well as in preparing system generated register closing shift reports. A check voucher overage transaction, a result of system limitations, occurs when a payment voucher presented by a customer is greater than the fare media they actually purchase. Audit observed certain clerks reporting these events as cash transactions and others reporting these events as check transactions.

Audit also observed some clerks fully populating all data fields in the register closing shift reports, while other clerks did not populate all data fields. For example, certain clerks would include their opening register balance of [REDACTED] in this report, while others excluded this data. This resulted in shift reports indicating significant short balances, which were not actually occurring.

Neither finding had any financial impact; events simply impact the presentation and classification of transactions within daily reporting.

Store management has already taken corrective actions on these observations to ensure consistent processing of transactions, as well as requiring all data fields be populated in the register closing shift report. Audit reviewed the new procedures, and based on the limited sample concluded the new procedures implemented are well designed and working as intended.

Finding Priority Rating:

Low Priority Finding

Audit Recommendation:

Since management has already taken corrective actions, Audit recommends continuing to monitor these new procedures to ensure they continue to work as intended and that clerks continue to comply with new procedures. Additionally, new procedures should be reflected in updated SOPs.

Management Response/Action Plan:

Due to the system limitations, as of May 26, 2011, store management implemented a work around for inputting overages from voucher checks. The procedure was re-communicated in August, and again in October. Effective August 8, 2011, Transit Store clerks were instructed to enter [REDACTED] at opening login for their starting cash balance. Management will continue monitoring both procedures to ensure all clerks are in compliance, as well as update the SOPs.

Management Estimated Action Plan Completion Date:

Completed

Finding/Observation:

Cash/Fare Media Handling – Reconciling Transactional Reports:

While attempting to reconcile reported activity on the Daily Transaction Shift Reports (system generated) and the Clerk's Daily Summary Report (manually prepared), Audit observed that compass card initiation and card fees were not always reconciling to compass cards reported as sold on the Clerk's Daily Summary Report. Audit is unsure as to the cause, as there was no consistent pattern in the differences within our sample population (nine days of activity). The evidence reviewed indicated more cards/fees were processed (collected) than actual cards sold. The dollar difference considered inconsequential (\$14) when factoring out an apparent anomaly.

Store management has taken corrective actions by re-designing the Clerk's Daily Summary Report to specifically analyze these transactions and fees. Audit believes the new format of the clerk's summary report is well designed and should assist management in tracking these events.

Finding Priority Rating:

Low Priority Finding

Audit Recommendation:

Since management has already taken corrective action, Audit recommends continuing to monitor these transactions and attempt to establish the root cause of these differences, provided they continue.

Management Response/Action Plan:

The re-designed Clerk's Daily Summary Report was implemented August 11, 2011. Although we have seen a decrease in differences, variances still exist. Management will continue to monitor, as well as reach out to SANDAG and Cubic for possible causes.

Management Estimated Action Plan Completion Date:

Completed

Finding/Observation:**Cash/Fare Media Handling – Over/Under Reporting:**

Accounting management implemented a new over/under tracking report in May 2010. The new report is well designed and working as intended, as reported over/unders in total dollars has significantly decreased.

While the amounts of over/unders have significantly decreased, occurrences of over/unders are still frequent events. Based on closing paperwork reviewed, as well as management's tracking report, there is not well documented evidence transit store employees attempt to identify the potential causes of reported over/unders.

During a store observation, Audit was able to witness investigations taking place. Audit also observed Accounting personnel attempting to identify and reconcile over/unders as part of their reviews of sales reporting. Additionally, Audit was independently able to identify some of the causes of reported over/unders using daily paperwork files submitted.

Finding Priority Rating:

Low Priority Finding

Audit Recommendation:

Management should consider inserting a section in the Clerk's Daily Summary Report to allow for explanations of over/unders. Store management could then establish a dollar threshold where explanations are required to be documented if they exceed management's threshold. Implementing such a process would provide more tangible evidence that store personnel are investigation or attempting to resolve over/unders reported.

Audit would also recommend management revisit the thresholds with Union Management regarding what constitutes a reported incident. Incident threshold are currently set at \$75 per single day and \$350 in a month for an individual. It is highly unlikely an individual will exceed these thresholds.

In Audit' opinion, the thresholds are far too high. Management's has taken considerable effort to improve the control environment by reducing the total dollars and total occurrences of over/under reported. These thresholds are inconsistent with management's efforts.

Management Response/Action Plan:

Management will insert a section on the Clerk's Daily Summary to further document daily variances

Management strongly agrees the current thresholds limit management's ability to establish an appropriate control environment.

Management Estimated Action Plan Completion Date:

The revised daily reports will be implemented by November 30, 2011. In early 2012, management will revisit the current thresholds listed in the SOPS's with Union Management.

Finding/Observation:

Cash/Fare Media Handling – Petty Cash and other Operating Funds:

The store currently has petty cash fund of [REDACTED]. The store also has two reimbursement funds, one for trolley and one for transit. The store supervisor routinely audited the petty cash fund ensuring the required balance was maintained. Likewise, the store supervisor routinely audited the reimbursement funds. The funds are stored in secure lockboxes and store supervisor controls the keys to the lockboxes. Audit found the controls to be well designed and operating as intended.

Finding Priority Rating:

Low Priority Finding

Audit Recommendation:

[REDACTED]
there should be a control to ensure someone other than the store supervisor audits these funds. As such, Audit recommends an additional procedure of having the funds audited at least quarterly, preferably monthly, by the Store Supervisor's direct manager. This will provide additional assurance the funds are properly managed and operating as intended. If implemented, this process should be included in the SOPs, and there should be documentary evidence to verify reviews occurred.

Management Response/Action Plan:

Per Audit's request, the Senior Accountant will audit petty cash quarterly. Upon completion, Sr. Accountant will sign off on current log to serve as evidence of review.

Management Estimated Action Plan Completion Date:

Completed October 10, 2011

OTHER AUDIT OBSERVATIONS:

Security Observation – [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

Security Observation – [REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

General Observation – System Limitations and Workarounds:

As previously discussed, there are system limitations with the Cubic TOT software. As a result of these system limitations, some of which were subject to audit, store management is required to develop workaround procedures in order to process certain transactions. These system limitations also require the transit store to utilize a second operating system called Keystroke, the old legacy system for the store. Keystroke is primarily used for processing credit card sales over the phone, since the TOT does not allow credit card numbers to be manually entered, and certain customers need the ability to pay over the phone. Keystroke is also utilized in processing sales via purchase orders.

Anytime there are workarounds as a result of system limitations there is an increase in likelihood of a risk event occurring. Running two separate sales systems inherently creates operational inefficiencies, which also can increase the likelihood of a risk events occurring. The cost to modify the TOT system is extremely high, and therefore is not a viable alternative at this point in time.

- Based on discussions with management and testing performed during the course of the review, Audit did conclude procedures designed to address system limitations are well designed and working as intended.

AUDIT FINDINGS RATINGS DEFINITIONS:

| | |
|-------------------------|---|
| High Priority Finding | Immediate management attention is required. This is a serious internal control that if not mitigated could lead to: <ul style="list-style-type: none">• Significant financial losses;• Serious violation of corporate strategies, policies, or values,• Reputational damage• Significant adverse regulatory impact (loss of operating licenses, material fines). |
| Medium Priority Finding | Timely management attention is required. This is an internal control that if not mitigated could lead to: <ul style="list-style-type: none">• Financial losses,• Loss of control, non-compliance with departmental policies or procedures,• Adverse regulatory impact. |
| Low Priority Finding | Routine management attention is warranted. This is an internal control or risk issue which may lead to improvement in the quality or efficiencies of the organization or process. |



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Agenda Item No. 8

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

TRACTION POWER SUBSTATIONS FOR THE SAN DIEGO TROLLEY, INC. SYSTEM
- CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer to execute MTS Doc. No. L1032.0-12 with Siemens Industry, Inc. to procure 17 traction power substations with an option to purchase up to 17 additional traction power substations for the San Diego Trolley Inc. (SDTI) system (in substantially the same form as Attachment A).

Budget Impact

Funding would come from the San Diego Association of Governments (SANDAG) Capital Improvement Project (CIP) 1210040 in the amount of 12,902,805. Substations purchased pursuant to the options would be funded at the time the option is exercised.

DISCUSSION:

MTS Policy No. 52 governing procurement of goods and services requires a formal competitive bid process for procurements exceeding \$100,000. On September 30, 2011, MTS issued an Invitation for Bids (IFB) to interested parties, which was advertised in multiple newspaper publications for maximum exposure and competition. Three responsive bids were received in response to the solicitation on December 21, 2011 (see Bid Summary – Attachment B). Siemens Industry, Inc. was the lowest responsive, responsible bidder for the procurement of traction power substations. Staff reviewed all bids and compared the costs to the engineers estimate. Staff found a significant cost savings of over 30 percent and determined that Siemens Industry, Inc.'s pricing is fair and reasonable.

This contract would be for a five-year period effective February 1, 2012, through January 31, 2017. Today's action would authorize purchase of the first 17 (1.5 megawatts) substations for a total price of \$12,902,805 (\$670,923/unit). The contract also includes an option to purchase up to 17 additional units within the term of the contract at a cost of \$648,467 per unit. These options would be exercised if, and when, necessary to meet MTS's additional power substation needs.



Therefore, staff is requesting Board approval of MTS Doc. No. L1032.0-12 for an amount not to exceed \$12,902,805.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contacts: Thang Q. Nguyen, 619.557.4560, Thang.Nguyen@sdmts.com
Marco Yniguez, 619.557.4576, Marco.Yniguez@sdmts.com

Attachments: A. Draft Agreement for Siemens Industry, Inc.
B. Bid Summary

STANDARD PROCUREMENT AGREEMENT

L1032.0-12
 CONTRACT NUMBER
 OPS 970.4
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2012, in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Siemens Industry, Inc. Address: 300 Oswego Pointe Drive, Suite 106

Form of Business: Corporation Lake Oswego, OR 97034

(Corporation, partnership, sole proprietor, etc.)

Telephone: 503.675.3600

Authorized person to sign contracts: Steffen Goeller Vice President
 Name Title

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

Provide San Diego Trolley Inc. with 17 traction power substations with an option to purchase up to 17 additional traction power substations, as set forth in the Scope of Work (attached as Exhibit A), the bid forms (attached as Exhibit B), Terms and Conditions (attached as Exhibit C), and Federal Requirements (attached Exhibit D) (hereinafter "Contract Documents").

The base quantities for this contract shall be for five-year period effective February 1, 2012, through January 31, 2017, with the option of up to a quantity of 17 (1.5 MW) additional traction power substations are exercisable at MTS's sole discretion,

The total amount of this contract shall not exceed \$. 12,902,805.47.

| SAN DIEGO METROPOLITAN TRANSIT SYSTEM | | CONTRACTOR AUTHORIZATION |
|--|-------------|--------------------------|
| By: _____ Chief Executive Officer | | Firm: _____ |
| Approved as to form: | | By: _____ Signature |
| By: _____ Office of General Counsel | | Title: _____ |
| AMOUNT ENCUMBERED | BUDGET ITEM | FISCAL YEAR |
| \$12,902,805.47 | 12817-0800 | 2012 |
| By: _____ Chief Financial Officer | | Date |



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BID SUMMARY

MTS IFB NO. L1032.0-12
TRACTION POWER SUBSTATION

| COMPANY NAME | BID AMOUNT | |
|---------------------------------|------------|-----------------|
| SIEMENS INDUSTRY, INC. * | BASE | \$12,902,805.47 |
| | OPTION | \$11,993,728.27 |
| | TOTAL | \$24,896,533.74 |
| POWELL ELECTRICAL SYSTEMS, INC. | BASE | \$19,950,638.85 |
| | OPTION | \$17,711,698.20 |
| | TOTAL | \$37,662,337.05 |
| MYERS CONTROLLED POWER, LLC | BASE | \$21,786,302.04 |
| | OPTION | \$19,857,867.37 |
| | TOTAL | \$41,644,169.41 |

* Lowest responsive, responsible bidder



Metropolitan Transit System (MTS) is comprised of the Metropolitan Transit Development Board (MTDB) a California public agency, San Diego Transit Corp., and San Diego Trolley, Inc., in cooperation with Chula Vista Transit and National City Transit. MTS is Taxicab Administrator for eight cities. MTDB is owner of the San Diego and Arizona Eastern Railway Company. MTDB Member Agencies include: City of Chula Vista, City of Coronado, City of El Cajon, City of Imperial Beach, City of La Mesa, City of Lemon Grove, City of National City, City of Poway, City of San Diego, City of San Marcos, and the County of San Diego.



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Agenda Item No. 9

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

BEST BEST & KRIEGER LEGAL SERVICES – CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1422.0-12 (in substantially the same form as Attachment A) with Best Best & Krieger, LLP for legal services.

Budget Impact

Not to exceed \$135,000 for Best Best & Krieger, LLP. The budget for this action is anticipated to be covered in fiscal year 2012/2013.

DISCUSSION:

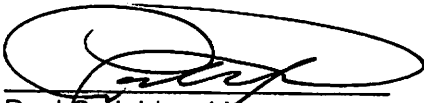
On December 8, 2011, the Board approved a list of qualified attorneys for legal services in excess of 20 different areas of law for use by MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) (hereinafter referred to as the Agencies). Thereafter, MTS intended to selectively contract with approved firms for various amounts depending upon current and anticipated needs.

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000. The firm of Best Best & Krieger, LLP has multiple legal matters that are ongoing. Some cases potentially may proceed to trial, and the total cost of their legal services will exceed the CEO's authority.



Best Best & Krieger, LLP and firm attorneys have successfully represented and defended the Agencies in a number of environmental, eminent domain, and condemnation matters. During calendar year 2011, Best Best & Krieger, LLP represented MTS in multiple legal matters. Invoices for current and future assigned matters are calculated to reach the estimated proposed contracted amount within the following 12-month period.

The CEO has approved contracts up to the \$100,000 authority level. Staff is requesting Board approval of MTS Doc. No. G1422.0-12 with Best Best & Krieger, LLP for legal services.



Paul C. Jablonski
Chief Executive Officer

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

JAN19-12.LEGAL SVCS.BEST BEST & KRIEGER.JDOW

Attachment: A. MTS Doc. No. G1422.0-12

STANDARD SERVICES AGREEMENT

G1422.0-12
 CONTRACT NUMBER
 LEG 491 (PC 50633)
 FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2012, in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Best Best & Krieger, LLP Address: 655 West Broadway, 15th Floor

Form of Business: Partnership San Diego, CA 92101-8493
 (Corporation, partnership, sole proprietor, etc.)

Email: bruce.beach@bbklaw.com Phone: 619.525.1300 Fax: 619.233.6188

Authorized person to sign contracts: Bruce W. Beach Equity Partner
 Name Title

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

Provide general legal advice and services for all areas of MTS operation in accordance with the Standard Services Agreement, Standard Conditions Services, Request for Proposals for Legal Services, Attorney Service Guidelines, and MTS Travel Policy No. 44. Billing rates shall be in accordance with the MTS-approved Contractor Cost Proposal.

This contract shall remain in effect through December 31, 2017. The total cost of this agreement shall not exceed \$135,000, without the express written consent of MTS.

| SAN DIEGO METROPOLITAN TRANSIT SYSTEM | CONTRACTOR AUTHORIZATION |
|--|--------------------------|
| By: _____ Chief Executive Officer | Firm: _____ |
| Approved as to form: | By: _____ |
| By: _____ Office of General Counsel | Signature |
| | Title: _____ |

| AMOUNT ENCUMBERED | BUDGET ITEM | FISCAL YEAR |
|-------------------|-------------|-------------|
| \$135,000 | | 2012 |

By: _____ Chief Financial Officer Date _____

(____ total pages, each bearing contract number)

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Agenda Item No. 10

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

LAW OFFICES OF MARK H. BARBER LEGAL SERVICES – CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1426.0-12 (in substantially the same form as Attachment A) with Law Offices of Mark H. Barber for legal services.

Budget Impact

Not to exceed \$140,000 for Law Offices of Mark H. Barber. The budget for this action is anticipated to be covered in fiscal year 2012/2013.

DISCUSSION:


On December 8, 2011, the Board approved a list of qualified attorneys for legal services in excess of 20 different areas of law for use by MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) (hereinafter referred to as the Agencies). Thereafter, MTS intended to selectively contract with approved firms for various amounts depending upon current and anticipated needs.

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000. The firm of Law Offices of Mark H. Barber has multiple legal matters that are ongoing. Some cases potentially may proceed to trial, and the total cost of their legal services will exceed the CEO's authority.



Law Offices of Mark H. Barber and firm attorney Mark Barber have successfully represented and defended the Agencies in a number of workers' compensation matters. During calendar year 2011, Mark H. Barber (Law Offices of) represented MTS in over 26 different legal matters. Invoices for current and future assigned matters are calculated to reach the estimated proposed contracted amount within the following 12-month period.

The CEO has approved contracts up to the \$100,000 authority level. Staff is requesting Board approval of MTS Doc. No. G1426.0-12 with Law Offices of Mark H. Barber for legal services.


Paul C. Jablonski
Chief Executive Officer

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

JAN19-12.10.MARK BARBER LEGAL SVCS.JDOW.doc

Attachment: A. MTS Doc. No. G1426.0-12

DRAFT

Att. A, AI 10, 1/19/12

STANDARD SERVICES AGREEMENT

G1426.0-12
CONTRACT NUMBER
LEG 491 (PC 50633)
FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2012, in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Mark H. Barber (Law Offices of) Address: 2727 Camino del Rio South, Suite 220

Form of Business: Corporation San Diego, CA 92108
(Corporation, partnership, sole proprietor, etc.)

Email: mbarber@mbarberlaw.com Phone: 619.688.0750 Fax: 619.688.0752

Authorized person to sign contracts: Mark H. Barber Managing Attorney/Owner
Name Title

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

Provide legal services as directed by the General Counsel regarding workers' compensation and in accordance with the Standard Services Agreement, Standard Conditions Services, Request for Proposals for Legal Services, Attorney Service Guidelines, and MTS Travel Policy No. 44. Billing rates shall be in accordance with the MTS approved Contractor Cost Proposal.

This contract shall remain in effect through December 31, 2017. The total cost of this Agreement shall not exceed \$140,000 without the express written consent of MTS.

| SAN DIEGO METROPOLITAN TRANSIT SYSTEM | CONTRACTOR AUTHORIZATION |
|--|--------------------------|
| By: _____ Chief Executive Officer | Firm: _____ |
| Approved as to form: | By: _____ |
| By: _____ Office of General Counsel | Signature |
| | Title: _____ |

| AMOUNT ENCUMBERED | BUDGET ITEM | FISCAL YEAR |
|-------------------|-------------|-------------|
| \$140,000 | | 2012 |

By: _____
Chief Financial Officer Date

(____ total pages, each bearing contract number)

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Agenda Item No. 11

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

LAW OFFICES OF MICHAEL E. RIPLEY LEGAL SERVICES – CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1428.0-12 (in substantially the same form as Attachment A) with Law Offices of Michael E. Ripley for legal services.

Budget Impact

Not to exceed \$110,000 for Law Offices of Michael E. Ripley. The budget for this action is anticipated to be covered in fiscal year 2012 and 2013.

DISCUSSION:

On December 8, 2011, the Board approved a list of qualified attorneys for legal services in excess of 20 different areas of law for use by MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) (hereinafter referred to as the Agencies). Thereafter, MTS intended to selectively contract with approved firms for various amounts depending upon current and anticipated needs.

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000. The firm of Law Offices of Michael E. Ripley has multiple legal matters that are ongoing. Some cases potentially may proceed to trial, and the total cost of their legal services will exceed the CEO's authority.



Law Offices of Michael E. Ripley and firm attorney Michael Ripley have successfully represented and defended the Agencies in a number of tort liability matters. During calendar year 2011, Law Offices of Michael E. Ripley represented MTS in over 20 different legal matters. Invoices for current and future assigned matters are calculated to reach the estimated proposed contracted amount within the following 12-month period.

The CEO has approved contracts up to the \$100,000 authority level. Staff is requesting Board approval of MTS Doc. No. G1428.0-12 with Law Offices of Michael E. Ripley for legal services.



Paul G. Jablonski
Chief Executive Officer

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

JAN19-12.11.MICHAEL E RIPLEY LEGAL SVCS.JDOW.doc

Attachment: A. MTS Doc. No. G1428.0-12

DRAFT

Att. A, AI 11, 1/19/12

STANDARD SERVICES AGREEMENT

G1428.0-12
CONTRACT NUMBER
LEG 491 (PC 50633)
FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____, 2012, in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Michael E. Ripley Address: 12520 High Bluff Drive, Suite 110

Form of Business: Sole Proprietor San Diego, CA 92130
(Corporation, partnership, sole proprietor, etc.)

Email: mrpleyesq@aol.com Phone: 858.792.1300 Fax: 858.793.1235

Authorized person to sign contracts: Michael E. Ripley Attorney/Proprietor
Name Title

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

Provide legal services as directed by the General Counsel regarding general legal liability and in accordance with the Standard Services Agreement, Standard Conditions Services, Request for Proposals for Legal Services, Attorney Service Guidelines, and MTS Travel Policy No. 44. Billing rates shall be in accordance with the MTS approved Contractor Cost Proposal.

This contract shall remain in effect through December 31, 2017. The total cost of this Agreement shall not exceed \$110,000 without the express written consent of MTS.

| SAN DIEGO METROPOLITAN TRANSIT SYSTEM | CONTRACTOR AUTHORIZATION |
|--|--------------------------|
| By: _____ Chief Executive Officer | Firm: _____ |
| Approved as to form: | By: _____ |
| By: _____ Office of General Counsel | Signature |
| | Title: _____ |

| AMOUNT ENCUMBERED | BUDGET ITEM | FISCAL YEAR |
|-------------------|-------------|-------------|
| \$110,000 | | 2012 |

By: _____ Date
Chief Financial Officer

(___ total pages, each bearing contract number)

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Agenda Item No. 12

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

PAUL, PLEVIN, SULLIVAN & CONNAUGHTON, LLP LEGAL SERVICES – CONTRACT
AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1430.0-12 (in substantially the same form as Attachment A) with Paul, Plevin, Sullivan & Connaughton, LLP for legal services.

Budget Impact

Not to exceed \$200,000 for Paul, Plevin, Sullivan & Connaughton, LLP. The budget for this action is anticipated to be covered in fiscal year 2012 and 2013.

DISCUSSION:


On December 8, 2011, the Board approved a list of qualified attorneys for legal services in excess of 20 different areas of law for use by MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) (hereinafter referred to as the Agencies). Thereafter, MTS intended to selectively contract with approved firms for various amounts depending upon current and anticipated needs.

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000. The firm of Paul, Plevin, Sullivan & Connaughton, LLP has multiple legal matters that are ongoing. Some cases potentially may proceed to trial, and the total cost of their legal services will exceed the CEO's authority.



Paul, Plevin, Sullivan & Connaughton, LLP and firm attorney J. Rod Betts have successfully represented and defended the Agencies in a number of employment liability matters. During calendar year 2011, Paul, Plevin, Sullivan & Connaughton, LLP represented MTS in multiple different legal matters. Invoices for current and future assigned matters are calculated to reach the estimated proposed contracted amount within the following 12-month period.

The CEO has approved contracts up to the \$100,000 authority level. Staff is requesting Board approval of MTS Doc. No. G1430.0-12 with Paul, Plevin, Sullivan & Connaughton, LLP for legal services.


Paul C. Jablonski
Chief Executive Officer

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

JAN19-12.LEGAL SVCS.PAUL PLEVIN SULLIVAN & CONNAUGHTON.JDOW

Attachment: A. MTS Doc. No. G1430.0-12

DRAFT

Att. A, AI 12, 1/19/12

STANDARD SERVICES AGREEMENT

G1430.0-12
CONTRACT NUMBER
LEG 491 (PC 50633)
FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____ 2012, in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Paul, Plevin, Sullivan & Connaughton, LLP Address: 401 B Street, Tenth Floor

Form of Business: Partnership San Diego, CA 92101
(Corporation, partnership, sole proprietor, etc.)

Email: rbetts@paulplevin.com Phone: 619.243.1560 Fax: 619.615.0700

Authorized person to sign contracts: J. Rod Betts Partner
Name Title

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

Provide general legal advice and services for labor and employment, ADA, civil rights and public entity law in accordance with Standard Services Agreement, Standard Conditions Services, Request for Proposals for Legal Services, Attorney Service Guidelines, and MTS Travel Policy No. 44. Billing rates shall be in accordance with the MTS-approved Contractor Cost Proposal.

This contract shall remain in effect through December 31, 2017. The total cost of this agreement shall not exceed \$200,000, without the express written consent of MTS.

| SAN DIEGO METROPOLITAN TRANSIT SYSTEM | CONTRACTOR AUTHORIZATION |
|--|--------------------------|
| By: _____ Chief Executive Officer | Firm: _____ |
| Approved as to form: | By: _____ |
| By: _____ Office of General Counsel | Signature |
| | Title: _____ |

| AMOUNT ENCUMBERED | BUDGET ITEM | FISCAL YEAR |
|-------------------|-------------|-------------|
| \$200,000 | | 2012 |

By: _____
Chief Financial Officer Date

(___ total pages, each bearing contract number)

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Agenda Item No. 13

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

RYAN, MERCALDO & WORTHINGTON, LLP LEGAL SERVICES – CONTRACT
AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1432.0-12 (in substantially the same form as Attachment A) with Ryan, Mercado & Worthington, LLP for legal services.

Budget Impact

Not to exceed \$180,000 for Ryan, Mercado & Worthington, LLP. The budget for this action is anticipated to be covered in fiscal year 2012/2013.

DISCUSSION:

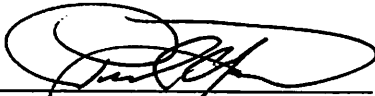
On December 8, 2011, the Board approved a list of qualified attorneys for legal services in excess of 20 different areas of law for use by MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) (hereinafter referred to as the Agencies). Thereafter, MTS intended to selectively contract with approved firms for various amounts depending upon current and anticipated needs.

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000. The firm of Ryan, Mercado & Worthington has multiple legal matters that are ongoing. Some cases potentially may proceed to trial, and the total cost of their legal services will exceed the CEO's authority.



Ryan, Mercaldo & Worthington, LLP and firm attorneys Norm Ryan and Tim White have successfully represented and defended the Agencies in a number of tort liability matters. During calendar year 2011, Ryan, Mercaldo & Worthington represented MTS in over 12 different legal matters. Invoices for current and future assigned matters are calculated to reach the estimated proposed contracted amount within the following 12-month period.

The CEO has approved contracts up to the \$100,000 authority level. Staff is requesting Board approval of MTS Doc. No. G1432.0-12 with Ryan, Mercaldo & Worthington, LLP for legal services.



Paul C. Jablonski
Chief Executive Officer

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

JAN19-12.13.RYAN MERCALDO WORTHINGTON LEGAL SVCS.JDOW.doc

Attachment: A. MTS Doc. No. G1432.0-12

DRAFT

Att. A, AI 13, 1/19/12

STANDARD SERVICES AGREEMENT

G1432.0-12
CONTRACT NUMBER
LEG 491 (PC 50633)
FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____, 2012, in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Ryan Mercaldo & Worthington, LLP

Address: 3636 Nobel Drive, Suite 200

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

San Diego, CA 92122-1063

Email: nryan@rmwfirm.com

Phone: 858.455.8700

Fax: 858.455.8701

Authorized person to sign contracts: Norman A. Ryan
Name

Managing Partner
Title

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

Provide general legal advice and services for general legal liability, labor and employment, construction and insurance law in accordance with Standard Services Agreement, Standard Conditions Services, Request for Proposals for Legal Services, Attorney Service Guidelines, and MTS Travel Policy No. 44. Billing rates shall be in accordance with the MTS-approved Contractor Cost Proposal.

This contract shall remain in effect through December 31, 2017. The total cost of this agreement shall not exceed \$180,000, without the express written consent of MTS.

| SAN DIEGO METROPOLITAN TRANSIT SYSTEM | CONTRACTOR AUTHORIZATION |
|--|--------------------------|
| By: _____ Chief Executive Officer | Firm: _____ |
| Approved as to form: | By: _____ |
| By: _____ Office of General Counsel | Signature |
| | Title: _____ |

| AMOUNT ENCUMBERED | BUDGET ITEM | FISCAL YEAR |
|-------------------|-------------|-------------|
| \$180,000 | | 2012/13 |

By: _____
Chief Financial Officer

_____ Date

(___ total pages, each bearing contract number)

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Agenda Item No. 14

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

WHEATLEY BINGHAM & BAKER LLP LEGAL SERVICES – CONTRACT AWARD

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1434.0-12 (in substantially the same form as Attachment A) with Wheatley Bingham & Baker, LLP for legal services.

Budget Impact

Not to exceed \$315,000 for Wheatley Bingham & Baker, LLP. The budget for this action is anticipated to be covered in fiscal year 2012/2013.

DISCUSSION:

On December 8, 2011, the Board approved a list of qualified attorneys for legal services in excess of 20 different areas of law for use by MTS, San Diego Trolley, Inc. (SDTI), and San Diego Transit Corporation (SDTC) (hereinafter referred to as the Agencies). Thereafter, MTS intended to selectively contract with approved firms for various amounts depending upon current and anticipated needs.

Pursuant to Board Policy No. 52 (Procurement of Goods and Services), the CEO may enter into contracts with service providers for up to \$100,000. The Board must approve all agreements in excess of \$100,000. The firm of Wheatley Bingham & Baker has multiple legal matters that are ongoing. Some cases potentially may proceed to trial, and the total cost of their legal services will exceed the CEO's authority.



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

Wheatley Bingham & Baker, LLP and firm attorney Roger Bingham have successfully represented and defended the Agencies in a number of tort liability matters. During calendar year 2011, Wheatley Bingham & Baker represented MTS in over 13 different legal matters. Invoices for current and future assigned matters are calculated to reach the estimated proposed contracted amount within the following 12-month period.

The CEO has approved contracts up to the \$100,000 authority level. Staff is requesting Board approval of MTS Doc. No. G1434.0-12 with Wheatley Bingham & Baker, LLP for legal services.



Paul C. Jablonski
Chief Executive Officer

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

JAN19-12.14.WHEATLEY BINGHAM BAKER LEGAL SVCS.JDOW.doc

Attachment: A. MTS Doc. No. G1434.0-12

DRAFT

Att. A, AI 14, 1/19/12

STANDARD SERVICES AGREEMENT

G1434.0-12
CONTRACT NUMBER
LEG 491 (PC 50633)
FILE NUMBER(S)

THIS AGREEMENT is entered into this _____ day of _____, 2012, in the State of California by and between San Diego Metropolitan Transit System ("MTS"), a California public agency, and the following contractor, hereinafter referred to as "Contractor":

Name: Wheatley Bingham & Baker, LLP

Address: 1201 Camino Del Mar, Suite 201

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

Del Mar, CA 92014-2569

Email: rpb@rbinghamlaw.com

Phone: 858.350.0504

Fax: 858.350.0506

Authorized person to sign contracts: Roger P. Bingham
Name

Partner
Title

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

Provide general legal advice and services for general legal liability, ADA, and civil rights law in accordance with the Standard Services Agreement, Standard Conditions Services, Request for Proposals for Legal Services, Attorney Service Guidelines, and MTS Travel Policy No. 44. Billing rates shall be in accordance with the MTS-approved Contractor Cost Proposal.

This contract shall remain in effect through December 31, 2017. The total cost of this agreement shall not exceed \$315,000, without the express written consent of MTS.

| SAN DIEGO METROPOLITAN TRANSIT SYSTEM | | CONTRACTOR AUTHORIZATION |
|--|-------------|--------------------------|
| By: _____ Chief Executive Officer | | Firm: _____ |
| Approved as to form: | | By: _____ |
| By: _____ Office of General Counsel | | Signature |
| | | Title: _____ |
| AMOUNT ENCUMBERED | BUDGET ITEM | FISCAL YEAR |
| \$315,000 | | 2012/13 |
| By: _____ Chief Financial Officer | | Date |

(____ total pages, each bearing contract number)

SA-SERVICES REVISED (REV 12-11)



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San Diego, CA 92101-7490
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Agenda Item No. 15

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

JANITORIAL SERVICES FOR MTS BUSES AND LIGHT RAIL VEHICLE FLEET –
CONTRACT AMENDMENT

RECOMMENDATION:

That the Board of Directors authorize the Chief Executive Officer (CEO) to execute MTS Doc. No. G1387.1-11 (in substantially the same format as Attachment A) with NMS Management, Inc. (NMS) to add a daily terminal cleaner at the San Ysidro Transit Center and add two 1-year options to the contract.

Budget Impact

The cost of adding (1) a daily terminal cleaner five days per week, and (2) two 1-year options is detailed below. The total contract amount—including all options and amendments—would be \$6,019,091.08.

| BASE YEARS 1 – 3 | Daily Cost | Extended Cost |
|---|------------|---------------------|
| Jan. 30, 2012 – Sept. 30, 2012 = 175 Service Days | \$98.00 | \$17,150.00 |
| Oct. 1, 2012 – Sept. 30, 2013 = 260 Service Days | \$98.98 | \$25,734.80 |
| Oct. 1, 2013 – Sept. 30, 2014 = 260 Service Days | \$98.98 | <u>\$25,734.80</u> |
| Total Base Period Change: | | \$68,619.60 |
| OPTION YEARS 1 & 2 | | |
| Oct. 1, 2014 – Sept. 30, 2015 = 260 Service Days | \$99.96 | \$25,989.60 |
| Oct. 1, 2015 – Sept. 30, 2016 = 260 Service Days | \$99.96 | <u>\$25,989.60</u> |
| Total Option Years Change: | | \$51,979.20 |
| Grand Total Change: | | <u>\$120,598.80</u> |

DISCUSSION:

This contract amendment is requested in order to restore the daily terminal cleaner assigned to the San Ysidro Transit Center, which was previously removed due to budgetary constraints and mistakenly not reinstated during the new contract procurement process. Daily terminal cleaners are currently staffed at the Old Town and 12th & Imperial Transit Stations.

The purpose of the daily terminal cleaner is to board LRVs during their extended stops between runs at a transit station and quickly remove loose trash (e.g. newspapers, cups, bottles, etc.) and wipe up excessive spills. The daily terminal cleaner would be stationed at the San Ysidro Transit Center 5 days per week approximately between the hours of 8:30 a.m. and 5:00 p.m. beginning on January 30, 2012.

This contract amendment would provide for further coverage in order to maintain clean trolleys for the benefit of the MTS ridership.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Lee Summerlott, 619.595.4904, Lee.Summerlott@sdmts.com

JAN19-12.15.NMS JANITORIAL SVCS G1387.1-11.SREED.doc

Attachment: A. Draft MTS Doc. No. G1387.1-11

DRAFT

January 19, 2012

MTS Doc. No. G1387.1-11

Mr. David Guaderrama
 President/CEO
 NMS Management, Inc.
 155 West 35th Street, Suite D
 National City, CA 91950

Dear Mr. Guaderrama:

Subject: AMENDMENT NO. 1 TO MTS DOC. NO. G1387.0-11- JANITORIAL SERVICES FOR
 MTS BUILDINGS AND LIGHT RAIL VEHICLE FLEET

This document shall serve as Amendment No. 1 to MTS Doc. No. G1387.0-11 for Janitorial Services for MTS Buildings and Light Rail Vehicle Fleet. The following language shall be added to Exhibit A, Section B.2.7, "Cleaning LRVs at Terminal Stations" as follows:

The Contractor shall furnish one (1) person at San Ysidro Transit Center to clean LRVs as they layover from 8:30 a.m. to 5:00 p.m. five (5) days per week.

Effective Dates:

The effective dates of these services are listed below.

| <u>Base Years 1 – 3</u> | <u>Daily Cost</u> | <u>Extended Cost</u> |
|---|-------------------|----------------------|
| Jan. 30, 2012 – Sept. 30, 2012 = 175 Service Days | \$98.00 | \$17,150.00 |
| Oct. 1, 2012 – Sept. 30, 2013 = 260 Service Days | \$98.98 | \$25,734.80 |
| Oct. 1, 2013 – Sept. 30, 2014 = 260 Service Days | \$98.98 | \$25,734.80 |
| Total Base Period Change | | \$68,619.60 |
| <u>Option Years 1 & 2</u> | | |
| Oct. 1, 2014 – Sept. 30, 2015 = 260 Service Days | \$99.96 | \$25,989.60 |
| Oct. 1, 2015 – Sept. 30, 2016 = 260 Service Days | \$99.96 | \$25,989.60 |
| Total Option Years Change | | \$51,979.20 |

As a result of this Amendment, the total contract price has increased by \$68,619.60 from \$3,520,497.92 to \$3,589,117.52 for the three-year base period and increased by \$51,979.20 from \$2,377,994.36 to \$2,429,973.56 for the two 1-year options if exercised by MTS via written contract amendment.

Mr. Guaderrama
January 19, 2012
Page 2

All other terms and conditions remain unchanged. If you agree with the above, please sign and return the copy marked "Original" to the Contracts Specialist at MTS. The remaining copy is for your records.

Sincerely,

Agreed:

Paul C. Jablonski
Chief Executive Officer

David Guaderrama, President
NMS Management, Inc.

Date: _____



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

Agenda Item No. 30

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

COMPENSATION STUDY RESULTS AND REVISED SALARY RANGES
(JEFF STUMBO)

RECOMMENDATION:

That the Board of Directors:

1. receive a report from The Epler Company; and
2. approve the proposed MTS Salary Ranges (Attachment B).

Executive Committee Recommendation

At its meeting on January 12, 2012, the Executive Committee unanimously recommended that Board of Directors approve the proposed MTS Salary Ranges (Attachment B).

Budget Impact

The adjusted salary ranges are projected to increase FY 12 costs and employee-leave liabilities by \$94,892 (0.35%), which is within the FY 12 budget:

\$48,491 - salary
\$26,643 - pension costs and payroll taxes
\$19,758 - leave liability
\$94,892



DISCUSSION:

Salary ranges for nonrepresented employees have not been analyzed in depth since January 2005 when the Board unified the previously separate salary ranges for MTS, San Diego Transit Corporation (SDTC), and San Diego Trolley, Inc. (SDTI) as part of Senate Bill 1703 and the consolidation with the San Diego Association of Governments (SANDAG). At that time, the Board recognized that this structure would be refined over the years. Since then, many changes have occurred at MTS—positions and responsibilities have been restructured, titles and reporting relationships have been modified, and over 20% of management positions have been frozen or eliminated.

MTS's enabling legislation requires the Board to adopt an annual budget and "fix the compensation of its officers and employees." (Pub. Util. Code § 120105(c).) This is done through the annual budget approval process with the personnel budget line item and periodic Board approval of the salary ranges. The legislation also requires the Board to adopt an Administrative Code that prescribes the powers and duties of board officers, the method of appointment of board employees, the organization of employees into specific business units, and other issues related to day-to-day administration of MTS. (Pub. Util. Code § 120105(d).) The Board adopted an Administrative Code meeting this requirement in 1977. The Administrative Code was last amended in 2005 as part of the consolidation/transition process. The Administrative Code grants authority to the Chief Executive Officer (CEO) to "set the employment terms, conditions, and benefits" for all MTS, SDTC, and SDTI employees. This includes the authority to classify each position and designate the appropriate salary range. The CEO is authorized to revise the classification plan, and the designated salary range for an individual position on an as-needed basis "subject to the limitations in the approved budget." In practice, this authority has been exercised by reclassifying positions upward or downward as appropriate as long as the cost impact of the move did not have a negative budget impact on the personnel line item. The designated minimum and maximum compensation amounts for each salary range (Ranges 1 to 15) have been reserved for Board approval.

MTS Compensation Policy – Pay-for-Performance

MTS is a pay-for-performance agency. Pay increases for nonrepresented employees are determined by their performance, as appraised by their immediate supervisor in their annual performance evaluation. Every year, each nonrepresented employee receives a comprehensive performance appraisal that evaluates between 15 and 19 characteristics, such as leadership, job knowledge, motivation, etc. Supervisors also outline their employees' achievements, areas of strength, areas for improvement, and set a development plan and future goals for the employee during the evaluation process. When the budget allows, eligible employees receive a merit increase based on their performance.

On an annual basis, the MTS Board approves a personnel line item that may or may not include funding for merit increases. At the conclusion of an employee's performance appraisal, the supervisor may recommend a merit increase, which must be approved by their supervisor as a check and balance. The FY 12 merit pool is 2.5%. For FY 11, the merit pool was 2%. FY 10, there was no merit pool. For FY 12, some employees will receive more than 2.5% and some will receive less depending upon their performance.

MTS's enabling legislation specifies that the Board determines the annual budget and the salary ranges of its employees and officers. When employees' salaries reach the top of their range, they receive their merit increase or adjustment as a lump-sum payment. For example, if an employee is \$500 below the top of their range and they receive a merit increase of \$1,000, they would receive a \$500 base pay increase and a \$500 lump sum payment. In future years, they would not be eligible for increases in their base pay.

The performance-based merit increase is the primary mechanism by which to increase the compensation of nonrepresented employees, unless they are promoted or their responsibilities change significantly. Nonrepresented employees do not receive step increases, cost-of-living adjustments (COLAs) were eliminated in 2005, and the Performance Incentive Bonus Program has been frozen since 2008. Nonrepresented employees also receive no automatic increases to salary based on longevity or time in any grade. Accordingly, it is important that MTS have appropriate salary ranges in order to remain competitive in the local and national labor markets and to avoid salary compression with the employees they supervise.

Salary Survey

In January 2011, staff outlined their concerns to the Executive Committee that the current salary ranges were outdated and sought direction on how best to address the issue. The consensus was that a comprehensive external study was needed in order to examine and potentially modify MTS's salary ranges. In June 2011, through a competitive bidding process, staff retained The Epler Company (a local company and one of California's foremost firms specializing in public-sector and nonprofit compensation) to perform the following scope of work:

1. Conduct an industry-specific survey of 36 unique transportation positions.
2. Analyze job descriptions to evaluate compensation for all other administrative positions (approximately 110).
3. Create appropriate salary ranges based on the results of 1 and 2.
4. Insert all nonrepresented positions (approximately 143) within the revised salary ranges based on generally accepted compensation principles.

Based on the survey's results, the Executive Committee is proposing that the Board approve new salary ranges outlined in Attachment B (Proposed Salary Ranges).

If the proposed salary ranges are approved, 18 nonrepresented employees (mostly front-line supervisors) would receive a pay increase to bring their salary to the minimum of their position's new salary range. Considering that the employees these front-line supervisors supervise are eligible for overtime and the supervisors are not, these front-line supervisors currently earn less pay than many of their subordinates while working longer hours with greater responsibility. This pay disparity makes it particularly difficult to recruit bus operators and other represented employees into supervisory positions.

The following table outlines the proposed salary increases.

| Positions Below Proposed Range Minimum | | | | |
|--|--------------|----------------|------------------------|-----------------|
| Title | Range Number | Current Salary | Proposed Range Minimum | Salary Increase |
| Communications Designer III | 7 | 43,930 | 47,531 | 3,602 |
| Benefits & Compensation Analyst | 7 | 45,011 | 47,531 | 2,520 |
| Telephone Information Supervisor | 7 | 47,024 | 47,531 | 507 |
| Service Operations Supervisor | 8 | 48,057 | 53,356 | 5,299 |
| Service Operations Supervisor | 8 | 48,797 | 53,356 | 4,559 |
| Communications / Operations Supervisor | 8 | 49,050 | 53,356 | 4,306 |
| Service Operations Supervisor | 8 | 49,899 | 53,356 | 3,457 |
| Service Operations Supervisor | 8 | 49,920 | 53,356 | 3,436 |
| Service Operations Supervisor | 8 | 49,920 | 53,356 | 3,436 |
| Communications / Operations Supervisor | 8 | 50,003 | 53,356 | 3,353 |
| Service Operations Supervisor | 8 | 50,378 | 53,356 | 2,978 |
| Communications / Operations Supervisor | 8 | 50,960 | 53,356 | 2,396 |
| Communications / Operations Supervisor | 8 | 51,064 | 53,356 | 2,292 |
| Communications / Operations Supervisor | 8 | 51,168 | 53,356 | 2,188 |
| Communications / Operations Supervisor | 8 | 52,354 | 53,356 | 1,002 |
| Communications / Operations Supervisor | 8 | 53,019 | 53,356 | 337 |
| Track Supervisor | 9 | 59,779 | 61,093 | 1,313 |
| Contract Services Administrator | 11 | 79,768 | 80,093 | 325 |
| Total Salary Cost | | | | 47,309 |

Note: Budget impact with 2.5% merit pool is \$48,491

Outdated Salary Structure - Costly Turnover

MTS's salary structure is outdated in terms of accurately reflecting the value of positions in the external market and/or internal equity, which has ultimately precipitated costly turnover. In fact, the foremost issue driving the compensation study and ultimate recommendation that the salary ranges be modified is that other employers continue to aggressively recruit and, in many cases, hire away key staff members. MTS has lost many employees with unique and specialized skills who are difficult to replace, and we are extremely vulnerable to losing more. For example, in the last several years, MTS Rail alone has lost 10 supervisor-level employees, 10 electromechanics, and 4 train operators to some transit systems, including Charlotte, Los Angeles, Seattle, and North San Diego County. These specialized employees are difficult and costly to replace, and many were being groomed to be future leaders in their departments.

MTS has also lost key staff in other parts of its operations, such as programmers, a network operations manager, a server systems specialist, a superintendent of LRV Maintenance, a project accountant, and several others. Exit interviews reveal that compensation was a key factor in the majority of these employees' decision to leave.

The cost to recruit replacements, which for some positions can exceed \$20,000 in advertising and placement fees alone, largely offsets the cost of the proposed salary ranges. For example, for two particularly difficult positions to fill in 2011, MTS paid over \$65,000 in advertising and placement fees. Moreover, the additional time and effort necessary to train new employees so they can be as productive as their predecessors is also costly.

Summary

Board approval of the proposed range changes would:

1. Ensure salary ranges reflect the duties and responsibilities of staff;
2. More closely align MTS salary ranges with those of comparable employers and the employers who aggressively recruit our staff;
3. Help management attract and retain quality employees.

Recommendation

That the Board of Directors:

1. receive a report from The Epler Company; and
2. approve the proposed MTS Salary Ranges (Attachment B);

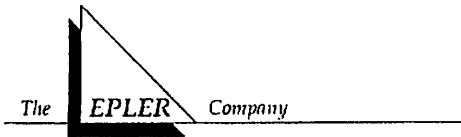


Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Jeff Stumbo, 619.557.4509, Jeff.Stumbo@sdmts.com

JAN19-12.30.SALARY RANGE ADJUSTMT.JSTUMBO.doc

Attachments: A. The Epler Company Bio and Consultant Qualifications
B. Proposed MTS Salary Ranges



OUR FIRM'S QUALIFICATIONS AND INDIVIDUAL CONSULTANTS' EXPERIENCE

Headquartered in San Diego, The Epler Company, founded in 1971, is a woman-owned, privately held California Corporation. The Company has grown to become one of the larger independent consulting and actuarial firms in Southern California and currently employs 16 individuals. From our office in San Diego County, we provide services to clients throughout the United States. Our services include assisting with defined benefit and defined contribution plans, retiree medical studies, comprehensive compensation planning, survey analysis, executive compensation planning, regulatory compliance and employee communications. The Company is located at 450 B Street, Suite 750, San Diego, CA 92101, telephone number (619) 239-0831. Our web site is www.eplercompany.com. Jane Barry, President/CEO is sole owner. Lin Ball is Vice President and Secretary of the Corporation.

Proposed Project Team

Lin Ball, BS, MBA, CCP, CBP, GRP, RHU – Senior Technical Advisor

30+ years' compensation and benefits experience.

Instructor at UCSD, Brandman University, SDSU and WorldatWork.

Certified Compensation Professional (CCP), Certified Benefits Professional (CBP), and Global Remuneration Professional (GRP) from World at Work.

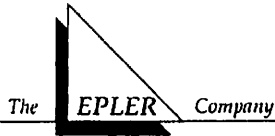
Registered Health Underwriter (RHU)

Barbara Craven, CCP, CBP – Project Manager

12+ years' compensation and benefits experience.

HR certificate from UCSD.

Certified Compensation Professional (CCP) and Certified Benefits Professional (CBP) from WorldatWork.



Biographies of Project Team

Lin J. Ball - Vice President, Senior Technical Advisor

Ms. Ball has over thirty years of experience as a compensation and benefits specialist, including eight years as a human resource generalist. Prior to joining The Epler Company in 1988, Ms. Ball was Director of Compensation and Benefits for a major electronics manufacturing company in San Diego for ten years. Her responsibilities included the management and development of all compensation and benefit programs for over 5,000 employees.

Ms. Ball has experience in the development of total rewards strategies, compensation and benefits surveys, job analysis, job descriptions, job evaluation, merit increase systems, incentive programs, flexible benefits and the evaluation and development of managed care plans.

Ms. Ball is a graduate of Cal State University at Northridge with a BS in Business Administration and a MBA from National University with an emphasis in Industrial Relations. She is a Registered Health Underwriter, a Certified Compensation Professional, Certified Benefits Professional and Global Remuneration Professional. Ms. Ball serves on the faculty at WorldatWork, UCSD, SDSU and Brandman University where she teaches compensation and benefit courses.

Barbara Craven, Senior Consultant, Project Manager

Ms. Craven has over twelve years of compensation and benefits background in addition to over fifteen years of customer service and sales experience in a variety of industries.

Ms. Craven has experience in all phases of total rewards including the development of compensation and benefits surveys, job analysis and job descriptions, job evaluation, merit increase systems, incentive programs, performance evaluation and flexible benefits. In addition, Ms. Craven manages the annual salary and benefits surveys conducted by our Firm for various industries.

Ms. Craven has a Human Resources Certificate from University of California, San Diego and serves on the Boards of the Compensation and Benefits Association of San Diego and the North County Personnel Association. She has received her Certified Compensation Professional (CCP) and Certified Benefits Professional (CBP) certifications from WorldatWork.

**Attachment B
Metropolitan Transit System
Proposed Salary Ranges**

| Proposed Salary Ranges | | | | | | | Current Salary Ranges | | | |
|------------------------|---------|----------|---------|----------------------|--------------------|--|-----------------------|-----------------|----------------|----------------|
| Prop. Grade | Minimum | Midpoint | Maximum | Midpoint to Midpoint | Minimum to Maximum | Job Title | Current Minimum | Current Maximum | Minimum Change | Maximum Change |
| 1 | 20,567 | 25,709 | 30,851 | n/a | 50% | Vacant | | | | |
| 2 | 23,652 | 29,565 | 35,478 | 15% | 50% | Maintenance Clerk | 27,539 | 43,577 | (3,887) | (8,099) |
| 2 | 23,652 | 29,565 | 35,478 | 15% | 50% | Receptionist | 23,670 | 37,646 | (18) | (2,168) |
| 3 | 27,200 | 34,000 | 40,800 | 15% | 50% | Administrative Assistant, Copy Center | 31,704 | 50,477 | (4,504) | (9,677) |
| 3 | 27,200 | 34,000 | 40,800 | 15% | 50% | Human Resources Assistant | 27,539 | 43,577 | (339) | (2,777) |
| 3 | 27,200 | 34,000 | 40,800 | 15% | 50% | Office Clerk II | 27,539 | 43,577 | (339) | (2,777) |
| 3 | 27,200 | 34,000 | 40,800 | 15% | 50% | Revenue Analyst | 31,000 | 48,059 | (3,800) | (7,259) |
| 4 | 31,280 | 39,100 | 46,920 | 15% | 50% | Accounting Assistant | 31,000 | 48,059 | 280 | (1,139) |
| 4 | 31,280 | 39,100 | 46,920 | 15% | 50% | Transit Operations Technician | 27,539 | 43,577 | 3,741 | 3,343 |
| 5 | 35,972 | 44,965 | 53,958 | 15% | 50% | Administrative Assistant II | 34,944 | 56,227 | 1,028 | (2,269) |
| 5 | 35,972 | 44,965 | 53,958 | 15% | 50% | Computer Support Specialist | 34,944 | 56,227 | 1,028 | (2,269) |
| 5 | 35,972 | 44,965 | 53,958 | 15% | 50% | Marketing Coordinator | 40,452 | 64,967 | (4,480) | (11,009) |
| 5 | 35,972 | 44,965 | 53,958 | 15% | 50% | Payroll Coordinator | 31,000 | 48,059 | 4,972 | 5,899 |
| 5 | 35,972 | 44,965 | 53,958 | 15% | 50% | Procurement Assistant | 34,944 | 56,227 | 1,028 | (2,269) |
| 5 | 35,972 | 44,965 | 53,958 | 15% | 50% | Regulatory Inspector | 36,696 | 59,494 | (724) | (5,536) |
| 5 | 35,972 | 44,965 | 53,958 | 15% | 50% | Risk Specialist | 40,452 | 64,967 | (4,480) | (11,009) |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Assistant Transportation Operations Specialist | 40,452 | 64,967 | 1,060 | (2,699) |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Assistant Transit Store Supervisor | 38,532 | 61,743 | 2,980 | 525 |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Associate Scheduler | 40,452 | 64,967 | 1,060 | (2,699) |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Associate Transportation Planner | 40,452 | 64,967 | 1,060 | (2,699) |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Capital Accountant | 40,452 | 64,967 | 1,060 | (2,699) |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Code Compliance Supervisor | 38,532 | 61,743 | 2,980 | 525 |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Contract Specialist | 44,604 | 71,024 | (3,092) | (8,756) |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Customer Service Supervisor | 36,696 | 59,494 | 4,816 | 2,774 |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Exec Asst to General Counsel/Asst Clerk of Board | 38,532 | 61,743 | 2,980 | 525 |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Executive Assistant | 38,532 | 61,743 | 2,980 | 525 |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Facility Supervisor | 38,532 | 61,743 | 2,980 | 525 |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Maintenance Analyst | 44,604 | 71,024 | (3,092) | (8,756) |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Regulatory Analyst | 36,696 | 59,494 | 4,816 | 2,774 |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Regulatory Supervisor | 38,532 | 61,743 | 2,980 | 525 |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Staff Accountant | 40,452 | 64,967 | 1,060 | (2,699) |
| 6 | 41,512 | 51,890 | 62,268 | 15% | 50% | Workers' Compensation Analyst | 40,452 | 64,967 | 1,060 | (2,699) |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Advertising Specialist | 40,452 | 64,967 | 7,079 | 6,330 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Assignments Supervisor | 44,604 | 71,024 | 2,927 | 273 |

Att. B, AI 30, 1/19/12

**Attachment B
Metropolitan Transit System
Proposed Salary Ranges**

| Proposed Salary Ranges | | | | | | | Current Salary Ranges | | | |
|------------------------|---------|----------|---------|----------------------|--------------------|---|-----------------------|-----------------|----------------|----------------|
| Prop. Grade | Minimum | Midpoint | Maximum | Midpoint to Midpoint | Minimum to Maximum | Job Title | Current Minimum | Current Maximum | Minimum Change | Maximum Change |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Assistant Right-of-Way Agent | 46,836 | 72,671 | 695 | (1,374) |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Assistant Stores Manager | 44,604 | 71,024 | 2,927 | 273 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Benefits and Compensation Analyst | 40,452 | 64,967 | 7,079 | 6,330 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Buyer | 44,604 | 71,024 | 2,927 | 273 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Communications Designer III | 40,452 | 64,967 | 7,079 | 6,330 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Human Resources Representative II | 40,452 | 64,967 | 7,079 | 6,330 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Human Resources Analyst | 40,452 | 64,967 | 7,079 | 6,330 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Liability Claims Supervisor | 36,696 | 59,494 | 10,835 | 11,803 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Maintenance Instructor | 44,604 | 71,024 | 2,927 | 273 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Quality Assurance Inspector | 44,604 | 71,024 | 2,927 | 273 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Radio Systems Engineer | 44,604 | 71,024 | 2,927 | 273 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Revenue Supervisor | 38,532 | 61,743 | 8,999 | 9,554 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Senior Bus Operations Instructor | 44,604 | 71,024 | 2,927 | 273 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Storeroom Supervisor | 44,604 | 71,024 | 2,927 | 273 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Supervisor of Building Maintenance | 38,532 | 61,743 | 8,999 | 9,554 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Telephone Information Supervisor | 36,696 | 59,494 | 10,835 | 11,803 |
| 7 | 47,531 | 59,414 | 71,297 | 15% | 50% | Transit Store Supervisor | 40,452 | 64,967 | 7,079 | 6,330 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Assistant Payroll Manager | 44,604 | 71,024 | 8,752 | 11,678 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Benefits & Compensation Supervisor | 46,836 | 72,671 | 6,520 | 10,031 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Communications Operations Supervisor | 46,836 | 72,671 | 6,520 | 10,031 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Executive Assistant CEO/Clerk of Board | 40,452 | 64,967 | 12,904 | 17,735 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Foreman | 44,604 | 71,024 | 8,752 | 11,678 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Grants Administrator | 59,772 | 95,055 | (6,416) | (12,353) |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Human Resources Supervisor | 46,836 | 72,671 | 6,520 | 10,031 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Management Development Specialist | 51,636 | 82,749 | 1,720 | (47) |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Procurement Specialist | 46,836 | 72,671 | 6,520 | 10,031 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Security/Crime Analyst | 51,636 | 82,749 | 1,720 | (47) |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Senior Systems Engineer | 51,636 | 82,749 | 1,720 | (47) |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Senior Telephone Information Supervisor | 40,452 | 64,967 | 12,904 | 17,735 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Senior Transportation Operations Specialist | 59,772 | 95,055 | (6,416) | (12,353) |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Service Operations Supervisor | 44,604 | 71,024 | 8,752 | 11,678 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Systems Administrator | 44,604 | 71,024 | 8,752 | 11,678 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Systems Supervisor | 44,604 | 71,024 | 8,752 | 11,678 |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Training Supervisor - LRV | 51,636 | 82,749 | 1,720 | (47) |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Training Supervisor - MOW | 51,636 | 82,749 | 1,720 | (47) |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Training Supervisor - Transportation | 51,636 | 82,749 | 1,720 | (47) |
| 8 | 53,356 | 68,029 | 82,702 | 15% | 55% | Transportation Controller | 51,636 | 82,749 | 1,720 | (47) |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Assistant Budget Manager | 56,928 | 89,581 | 4,165 | 5,112 |

**Attachment B
Metropolitan Transit System
Proposed Salary Ranges**

| Proposed Salary Ranges | | | | | | | Current Salary Ranges | | | |
|------------------------|---------|----------|---------|----------------------|--------------------|---|-----------------------|-----------------|----------------|----------------|
| Prop. Grade | Minimum | Midpoint | Maximum | Midpoint to Midpoint | Minimum to Maximum | Job Title | Current Minimum | Current Maximum | Minimum Change | Maximum Change |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Central Control Supervisor | 56,928 | 89,581 | 4,165 | 5,112 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Communications Design Manager | 59,772 | 95,055 | 1,321 | (362) |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | LRV Project Coordinator/Analyst | 51,636 | 82,749 | 9,457 | 11,944 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Manager of TSS Field Operations | 51,636 | 82,749 | 9,457 | 11,944 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Network Operations Manager | 56,928 | 89,581 | 4,165 | 5,112 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Payroll Manager | 56,928 | 89,581 | 4,165 | 5,112 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Principal Contract Administrator | 59,772 | 95,055 | 1,321 | (362) |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Quality Assurance Supervisor | 51,636 | 82,749 | 9,457 | 11,944 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Revenue Maintenance Supervisor | 51,636 | 82,749 | 9,457 | 11,944 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Safety Manager | 56,928 | 89,581 | 4,165 | 5,112 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Schedules/Operations Analyst | 56,928 | 89,581 | 4,165 | 5,112 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Senior Staff Accountant | 56,928 | 89,581 | 4,165 | 5,112 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Senior Transportation Planner | 59,772 | 95,055 | 1,321 | (362) |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Senor Programmer Analyst | 56,928 | 89,581 | 4,165 | 5,112 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Special Events Coordinator | 56,928 | 89,581 | 4,165 | 5,112 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Supervisor of LRV Maintenance | 51,636 | 82,749 | 9,457 | 11,944 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | System Safety Manager | 56,928 | 89,581 | 4,165 | 5,112 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Track Supervisor | 51,636 | 82,749 | 9,457 | 11,944 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Training Manager | 56,928 | 89,581 | 4,165 | 5,112 |
| 9 | 61,093 | 77,893 | 94,693 | 15% | 55% | Wayside Maintenance Supervisor | 51,636 | 82,749 | 9,457 | 11,944 |
| | | | | | | | | | | |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Assistant Director, Transit System Security | 56,928 | 89,581 | 13,023 | 18,842 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Assistant Manager, Maintenance | 56,928 | 89,581 | 13,023 | 18,842 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Assistant Superintendent, LRV Maintenance | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Assistant Superintendent, Transportation | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Assistant Superintendent, Wayside Maintenance | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Budget Manager | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Business Systems Analyst | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Facilities Manager - MOW | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Internal Auditor | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Manager of Claims and Liability | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Manager of Facilities | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Manager of Marketing | 65,904 | 105,027 | 4,047 | 3,396 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Manager of Passenger Services | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Manager of Risk & Loss Prevention | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Manager of Scheduling | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Manager of Service Operations | 56,928 | 89,581 | 13,023 | 18,842 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Materials Manager | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Revenue Manager, Rail | 56,928 | 89,581 | 13,023 | 18,842 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Revenue Manager, Transit Services | 56,928 | 89,581 | 13,023 | 18,842 |

Attachment B
Metropolitan Transit System
Proposed Salary Ranges

| Proposed Salary Ranges | | | | | | | Current Salary Ranges | | | |
|------------------------|---------|----------|---------|----------------------|--------------------|---|-----------------------|-----------------|----------------|----------------|
| Prop. Grade | Minimum | Midpoint | Maximum | Midpoint to Midpoint | Minimum to Maximum | Job Title | Current Minimum | Current Maximum | Minimum Change | Maximum Change |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Right-of-Way Engineer | 56,928 | 89,581 | 13,023 | 18,842 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Software Development Manager | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Taxicab Administration Manager | 59,772 | 95,055 | 10,179 | 13,368 |
| 10 | 69,951 | 89,187 | 108,423 | 15% | 55% | Transportation Division Manager | 56,928 | 89,581 | 13,023 | 18,842 |
| | | | | | | | | | | |
| 11 | 80,093 | 102,119 | 124,145 | 15% | 55% | Assistant Technology Officer | 69,192 | 112,651 | 10,901 | 11,494 |
| 11 | 80,093 | 102,119 | 124,145 | 15% | 55% | Contract Services Administrator | 69,192 | 112,651 | 10,901 | 11,494 |
| 11 | 80,093 | 102,119 | 124,145 | 15% | 55% | Finance Manager | 62,760 | 99,935 | 17,333 | 24,210 |
| 11 | 80,093 | 102,119 | 124,145 | 15% | 55% | Manager of Human Resources | 62,760 | 99,935 | 17,333 | 24,210 |
| 11 | 80,093 | 102,119 | 124,145 | 15% | 55% | Manager of Maintenance | 65,904 | 105,027 | 14,189 | 19,118 |
| 11 | 80,093 | 102,119 | 124,145 | 15% | 55% | Manager of Transportation | 62,760 | 99,935 | 17,333 | 24,210 |
| 11 | 80,093 | 102,119 | 124,145 | 15% | 55% | Project Engineer | 62,760 | 99,935 | 17,333 | 24,210 |
| 11 | 80,093 | 102,119 | 124,145 | 15% | 55% | Systems Engineer - Rail | 69,192 | 112,651 | 10,901 | 11,494 |
| | | | | | | | | | | |
| 12 | 91,707 | 116,927 | 142,147 | 15% | 55% | Controller | 72,648 | 115,636 | 19,059 | 26,511 |
| 12 | 91,707 | 116,927 | 142,147 | 15% | 55% | Director of Financial Planning & Analysis | 88,320 | 135,300 | 3,387 | 6,847 |
| 12 | 91,707 | 116,927 | 142,147 | 15% | 55% | Director of Transit System Security | 80,000 | 125,184 | 11,707 | 16,963 |
| 12 | 91,707 | 116,927 | 142,147 | 15% | 55% | Manager of Capital Projects | 72,648 | 115,636 | 19,059 | 26,511 |
| 12 | 91,707 | 116,927 | 142,147 | 15% | 55% | Manager of Real Estate Assets | 80,000 | 125,184 | 11,707 | 16,963 |
| 12 | 91,707 | 116,927 | 142,147 | 15% | 55% | Procurement Manager | 72,648 | 115,636 | 19,059 | 26,511 |
| 12 | 91,707 | 116,927 | 142,147 | 15% | 55% | Superintendent of Transportation | 80,000 | 125,184 | 11,707 | 16,963 |
| 12 | 91,707 | 116,927 | 142,147 | 15% | 55% | Superintendent, LRV Maintenance | 80,000 | 125,184 | 11,707 | 16,963 |
| 12 | 91,707 | 116,927 | 142,147 | 15% | 55% | Superintendent, Wayside Maintenance | 80,000 | 125,184 | 11,707 | 16,963 |
| 12 | 91,707 | 116,927 | 142,147 | 15% | 55% | Transit Services Administrator | 80,000 | 125,184 | 11,707 | 16,963 |
| | | | | | | | | | | |
| 13 | 102,985 | 133,881 | 164,777 | 15% | 60% | Director of Maintenance | 102,240 | 162,527 | 745 | 2,250 |
| 13 | 102,985 | 133,881 | 164,777 | 15% | 60% | Director of Transportation | 102,240 | 162,527 | 745 | 2,250 |
| 13 | 102,985 | 133,881 | 164,777 | 15% | 60% | Director, Marketing & Communications | 102,240 | 162,527 | 745 | 2,250 |
| | | | | | | | | | | |
| 14 | 113,284 | 147,269 | 181,254 | 10.00% | 60% | Chief of Staff | 102,240 | 162,527 | 11,044 | 18,727 |
| 14 | 113,284 | 147,269 | 181,254 | 10.00% | 60% | Chief Technology Officer | 72,648 | 115,636 | 40,636 | 65,618 |
| 14 | 113,284 | 147,269 | 181,254 | 10.00% | 60% | Director, Human Resources & Labor Relations | 102,240 | 162,527 | 11,044 | 18,727 |
| | | | | | | | | | | |
| 15 | 124,612 | 161,996 | 199,380 | 10.00% | 60% | Chief Financial Officer | 112,716 | 185,705 | 11,896 | 13,675 |
| 15 | 124,612 | 161,996 | 199,380 | 10.00% | 60% | Chief Operating Officer - Rail | 112,716 | 185,705 | 11,896 | 13,675 |
| 15 | 124,612 | 161,996 | 199,380 | 10.00% | 60% | Chief Operating Officer - Transit Services | 112,716 | 185,705 | 11,896 | 13,675 |
| 15 | 124,612 | 161,996 | 199,380 | 10.00% | 60% | General Counsel | 112,716 | 185,705 | 11,896 | 13,675 |



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Agenda Item No. 31

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

2012 STATE AND FEDERAL LEGISLATIVE PROGRAMS (SHARON COONEY)

RECOMMENDATION:

That the Board of Directors approve staff recommendations for state and federal legislative programs.

Budget Impact

None.

DISCUSSION:

Staff will provide a report on 2011 legislative and intergovernmental activities. The draft state and federal legislative programs (Attachments A and B) are attached for review. The federal legislative program includes recommended capital project appropriation requests. Upon approval by the MTS Board, these programs will be used to define MTS legislative advocacy efforts in calendar year 2012.

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

Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Sharon Cooney, 619.557.4513, sharon.cooney@sdmts.com

JAN19-12.31.LEG PROGRAMS.COONEY.doc

Attachments: A. Draft Federal Legislative Program
B. Draft State Legislative Program

San Diego Metropolitan Transit System (MTS) 2012 Federal Legislative Program

I. Transit Funding

- Oppose legislation that would reduce direct funding to transit agencies or transportation funding in general.
- Reauthorization of the Surface Transportation Act:
 - a. Support appropriation of MTS earmarks and New Starts designation for Mid-Coast Trolley Extension.
 - b. Seek favorable revision of the Rail Modernization Program.
 - c. Seek more flexibility in use of funding for capital projects and operations.
 - d. Support the continuation of guaranteed funding levels for the transit and highway programs.
 - e. Support retention of a central formula program supplemented by discretionary programs.
 - f. Support reforms to the Federal Transit Administration's (FTA's) evaluation/rating process for New Starts projects as follows: (a) utilizing a multi-measure approach that weighs all project benefits comparably to determine whether a project should be recommended for funding; (b) ensuring that the process considers in a meaningful way situations where local communities have stepped forward with significant local resources to fund their projects; (c) incorporating the consideration of job creation and other economic benefits into process; and (d) streamlining the process to shorten the length of time it takes for meritorious New Starts projects to progress from preliminary engineering to a Full Funding Grant Agreement (FFGA).
 - g. Seek a requirement that FTA review the recently issued charter and school bus regulations to remove onerous provisions which prevent transit systems from fairly serving their communities.
 - h. Seek a definition of "state of good repair" review that takes into account state and local efforts to achieve a state of good repair, to assure past efforts are not penalized and instead are rewarded.
- Seek a permanent compressed natural gas credit program for transit operators.
- Support legislation that would help offset the impact on transit budgets caused by increases in fuel costs.
- Support legislation that would generate new revenue for transit projects and operating costs.
- Support legislation to bring funding to railroad corridors.
- Seek funding for railroad bridge and infrastructure rehabilitation.
- Seek funding to offset the costs associated with implementation of hybrid and alternative technologies in the transit fleet.
- In partnership with interested cities, seek funding dedicated to grade-separation projects.
- Seek programs in the defense appropriation process that would help offset the cost to provide transit services for military facilities.
- Oppose attempts to discontinue federal funding for school paratransit services or for nonemergency medical transport.
- Oppose actions by the General Services Administration that might adversely impact transit functions at the San Ysidro Border and seek funding to mitigate any changes to transit facilities currently used or owned by MTS.

II. Public Safety

1. Oppose attempts to create duplicative state rail safety regulatory agencies.
2. Seek Tier 1 status under the Transit Security Grant Program.
3. Seek stiffer criminal penalties for vandalism or theft of transit property.

4. Support legislation that increases funding for transit security projects and personnel.
5. Support legislation that provides reimbursement to transit operators for lost employee work hours due to emergency preparedness and antiterrorism training.
6. Oppose legislation or regulations that would have an adverse impact on transit agencies' ability to provide safe transportation to their customers.
7. Support legislation that assists transit operators to carry out their responsibilities as first responders to emergency situations.
8. Support efforts to enhance the transit agency's ability to coordinate with other local emergency personnel for disaster response and evacuation preparedness.

III. Regulatory Matters

1. Support legislation that would facilitate the delivery of capital projects.
2. Oppose unfunded mandates that impact transit operators.
3. Support efforts to increase competition in the fuel market.
4. Support legislation that would require manufacturers of wheelchairs and scooters to notify customers prior to purchase of any vehicles that are larger than what the Americans with Disabilities Act requires transit agencies to accommodate for boarding.
5. Oppose proposals that limit the use of eminent domain for public transportation projects.
6. Monitor and respond to legislation in the areas of finance, employment, and safety that could affect agency governance or operations, including issues related to contractors.
7. Support efforts to ensure that climate change legislation recognizes that transit investment can help achieve emission reduction goals, and seek inclusion of transit funding in any climate change legislation.
8. Oppose efforts to enlarge the universe of paratransit service eligibility to classifications of individuals that could effectively be served through fixed-route services.
9. Monitor and respond to attempts to alter access guidelines in a way that would financially burden transit operators without providing funding.
10. Oppose regulatory interpretations of Title VI that are not in keeping with the policy's intent or which cause actions by transit agencies that constitute unfunded mandates.

IV. Support for Legislative Programs of Other Agencies or Organizations

1. Support the legislative programs of other agencies, such as SANDAG, NCTD or other jurisdictions, where consistent with the MTS legislative program.
2. Support provisions in the legislative programs of organizations, such as the California Transit Association and American Public Transportation Association, where consistent with the MTS legislative program.

V. Capital Projects

1. Seek funding for the following capital projects in the Fiscal Year 2011 Transportation, Housing and Urban Development Appropriations Bill, any economic stimulus or jobs programs, and in the reauthorization of the Surface Transportation Act:
 - Mid Coast Trolley Extension
 - MTS Bus Replacement Vehicles
 - East County Bus Maintenance
 - Blue Line Station Improvements
 - South Bay Bus Maintenance Facility
 - Regional Transportation Management System

San Diego Metropolitan Transit System (MTS) 2012 State Legislative Program

I. Transit Funding

1. Seek expeditious reimbursement of funds that the Court has ruled are owed to transit agencies by the State.
2. Seek legislation to expedite the allocation of state infrastructure bond funding designated for transit operators/projects.
3. Oppose legislation that would reduce direct funding to transit agencies, or transportation funding in general; support legislation that would generate new revenue for transit projects and operating costs.
4. Oppose legislation that would expand the use of Transportation Development Act (TDA) funds to non-transit purposes not currently covered by statute.
5. Support legislation that would help offset the impact on transit budgets caused by increases in fuel costs.
6. In partnership with interested cities, seek funding dedicated to grade-separation projects.
7. Seek legislation to exempt transit agencies from state sales tax.

II. Transit-Oriented Development

1. Seek legislation to expedite the allocation of state infrastructure bond funding for transit-oriented development and support legislation that provides funding incentives for mixed-use projects and transit-oriented development.
2. Support legislation that aids transit operators' efforts to create transit-oriented development.

III. Public Safety

1. Seek actions that would expedite the allocation of the \$1 billion in Proposition 1B bond funding designated for transit security projects.
2. Oppose legislation or regulations that would have an adverse impact on transit agencies' ability to provide safe transportation to their customers.
3. Support efforts to enhance penalties for crimes against transit staff or related to transit property.
4. Seek legislation that would protect the records of transit code compliance officers to the same degree as sworn officers.
5. Seek legislation that would allow agencies to pass an ordinance to allow national criminal background checks for taxicab operators.

IV. Climate Change

1. Advocate for favorable implementation of AB 32.
2. Oppose efforts to require actions by the transit operators in support of state climate change initiatives that constitute unfunded mandates.

V. Regulatory Matters

1. Support legislation that would facilitate the delivery of transit capital projects—especially through the availability of alternative procurement practices, such as design build.
2. Oppose unfunded mandates that impact transit operators.
3. Support legislation that would require manufacturers of wheelchairs and scooters to notify customers prior to purchase of any vehicles that are larger than what the Americans with Disabilities Act requires transit agencies to accommodate for boarding.
4. Oppose legislation that adversely limits the use of eminent domain for public transportation projects.
5. Support legislation that would remedy Bonanno v. Central Contra Costa Transit Authority, which is a case that substantially broadened the liability exposure of transit agencies.
6. Seek relief from regulations which prevent MTS from providing service in the most cost efficient way possible.
7. Support legislation that would clarify Public Utilities Commission rail oversight authority.
8. Monitor and respond to efforts to regulate MTS operations.
9. Seek clarification of regulations governing the disposition of real property purchased with TDA funds to prevent using the property for nontransit purposes.
10. Oppose efforts to eliminate or restrict transit exemption provisions in the California Environmental Quality Act (CEQA); seek legislative clarification that service and fare adjustments are always exempt from CEQA.

VI. Labor Relations

1. Monitor and respond to legislation relating to personnel matters.
2. Support legislation that protects the integrity of collective bargaining agreements, and oppose efforts to mandate benefits or working conditions.

VII. Support Legislative Programs of Other Agencies or Organizations

1. Support the legislative programs of other agencies, such as SANDAG and NCTD, where consistent with the MTS legislative program.
2. Support provisions in the legislative programs of organizations, such as the California Transit Association and American Public Transportation Association, where consistent with the MTS legislative program.



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Agenda Item No. 32

MEETING OF THE METROPOLITAN TRANSIT SYSTEM BOARD OF DIRECTORS

January 19, 2012

SUBJECT:

AMENDMENTS TO ORDINANCE NO. 4, AN ORDINANCE ESTABLISHING A METROPOLITAN TRANSIT SYSTEM FARE-PRICING SCHEDULE, ORDINANCE NO. 2, AN ORDINANCE REQUIRING PROOF OF FARE PAYMENT BY PASSENGERS USING THE SAN DIEGO TROLLEY, AND ORDINANCE NO. 13, AN ORDINANCE REGARDING PROHIBITED CONDUCT ONBOARD TRANSIT VEHICLES AND PROHIBITED ACTIONS ON OR ABOUT A TRANSIT FACILITY, TROLLEY STATION, OR BUS STOP (SHARON COONEY AND MARK THOMSEN)

RECOMMENDATION:

That the Board of Directors

1. read the title of Ordinance No. 4 (Attachment A), An Ordinance Establishing a Metropolitan Transit System Fare-Pricing Schedule, Ordinance No. 2 (Attachment B), an Ordinance Requiring Proof of Fare Payment By Passengers Using the San Diego Trolley, and Ordinance No. 13 (Attachment C), an Ordinance Regarding Prohibited Conduct Onboard Transit Vehicles and Prohibited Actions on or About a Transit Facility, Trolley Station, or Bus Stop;
2. waive further readings of the ordinances;
3. adopt the amended ordinances (Attachments A-C); and
4. direct publication of an ordinance summary.

Budget Impact

None.

DISCUSSION:

The San Diego Association of Governments (SANDAG) has been responsible for governing the fare structure for public transportation services in San Diego County since



2003. SANDAG administers this function through the Regional Comprehensive Fare Ordinance. MTS still maintains its own fare ordinance, Ordinance No. 4, to provide a mechanism for fare enforcement and issuing citations.

SANDAG approved amendments to the Regional Comprehensive Fare Ordinance on December 16, 2011, that will become effective on January 20, 2012. Proposed fare changes were adopted by the SANDAG Board following a civil rights analysis, public outreach, and a properly noticed public hearing. MTS proposes adoption of the amendments to Ordinance No. 4 (contained in Attachment A) in order to maintain consistency with the Regional Comprehensive Fare Ordinance and ensure enforceability.

The following is a summary of the pass and fare changes instituted by SANDAG:

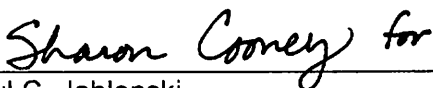
Substantive Ordinance Changes

- Region Plus Day Pass price reduced from \$14 to \$12
- COASTER discount per boarding reduced from \$2.00 or \$1.00 to \$0.50 on the following passes:
 - Regional Monthly or 30-Day Pass
 - Premium Monthly or 30-Day Pass
 - Senior/Disabled/Medicare Monthly or 30-Day Pass
 - Premium Senior/Disabled/Medicare Monthly or 30-Day Pass
 - Youth Monthly or 30-Day Pass
 - Youth Monthly or 30-Day Premium Pass
 - One-day, two-day, three-day, four-day, and 14-day Regional Day Passes
 - Premium 14-Day Pass
 - Post-Secondary Monthly and Quarter/Semester Passes
 - Juror Regional Day Pass

In addition, MTS staff is recommending increasing the cost and value of a token from \$2.25 to \$2.50 in order to assist in transitioning away from paper fare media for social service agencies that provide transit fare to their clients.

Changes to Ordinance 4 are also being proposed to adjust group sales pass discount ranges, remove obsolete references, standardize terminology, and correct errata.

Modifications are also proposed for MTS Ordinance Nos. 2 and 13. The proposed modifications to Ordinance No. 2 would eliminate references to discontinued fare media and allow MTS to raise the penalty for infractions that violate the ordinance from \$50 to \$75. The proposed amendment to Ordinance No. 13 would remove reference to the discounted Center City San Diego cash fare, which was previously discontinued by Board action.



Paul C. Jablonski
Chief Executive Officer

Key Staff Contact: Mark Thomsen, 619.595.4909, mark.thomsen@sdmts.com

Attachments: A. Proposed Amended Codified Ordinance No. 4
B. Proposed Amended Codified Ordinance No. 2
C. Proposed Amended Codified Ordinance No. 13

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CODIFIED ORDINANCE NO. 4
(as amended through 5/28/09 1/19/12)An Ordinance Establishing a Metropolitan Transit System
Fare-Pricing ScheduleSection 4.1: Findings

This Ordinance is adopted to implement a Metropolitan Transit System (MTS) Fare-Pricing Schedule approved by the Metropolitan Transit System Board of Directors and to authorize future modifications or amendments to the schedule to be made by the MTS Board of Directors.

Section 4.2: Definitions

A. Senior - Any person 60 years of age or older. Acceptable proof of senior fare eligibility shall be a Medicare Card, a valid driver's license, a State of California Senior identification card, or an MTS identification card in the MTS area, or a North County Transit District (NCTD) identification card in the NCTD area. This definition applies to persons who seek to purchase and/or use a Senior/Disabled/Medicare Monthly Pass or Senior/Disabled/Medicare cash fare on fixed-route transit or general public demand-responsive services.

B. Disabled/Medicare - Any person with a permanent or temporary mental or physical disability. Acceptable proof of disabled fare eligibility shall be an MTS identification card, Medicare Card, NCTD disabled identification card, State of California Department of Motor Vehicles (DMV) disabled identification card, or DMV placard identification card. This definition applies to persons who seek to purchase and/or use a Senior/Disabled/Medicare Monthly Pass or Senior/Disabled/Medicare cash fare for fixed-route transit or general public demand-responsive services.

C. Youth - Any person 6-18 years of age (inclusive). Acceptable proof of youth fare eligibility in the MTS area shall be an MTS Youth identification card, a valid driver's license, or current school photo identification card (through high school only). ~~NCTD shall control youth pass eligibility at the point of purchase.~~

D. College Student - Any person enrolled as a student with a current enrollment for seven units or more in a participating accredited San Diego area post-secondary school.

E. Child - Any person five years of age or under.

F. Compass Card - The Compass Card is an electronic fare medium based on contactless smart card technology. The Compass Card can hold either transit products or cash for use on regional transit services. Transit products include, but are not limited to, multiday passes, college semester passes, and special event period passes. The Compass Card utilizes wireless technology to interface with Compass validator devices on regional buses, rail platforms, and regional ticket vending machines. Patrons using their Compass Card must touch or tap their card to a validator device before each ride as a condition precedent to using MTS services.

G. Bus - Rubber-tired transit vehicles operated by MTS San Diego Transit Corporation, Chula Vista Transit, MTS Contract Services, and NCTD.

- H. Trolley - Light rail transit vehicles operated by San Diego Trolley, Incorporated.
- I. Local Service - Bus service on local roads serving neighborhood destinations and feeding transit centers in the immediate area.
- J. Urban Service - Moderate-speed bus service primarily on arterial streets with frequent stops.
- K. Express Service - Bus service with stops only at major transit centers, residential centers and activity centers; has more than six stops outside Centre City or at collector end of route; generally traveling less than 50 percent of the one-way trip miles on freeways and averaging at least 15 miles per hour, with an average passenger trip length of approximately 10.0 miles or under, and uses standard transit buses.
- L. Premium Express - Bus service with stops only at major transit centers, residential centers and activity centers; generally traveling 50 percent or more of the one-way trip miles on freeways; averaging at least 20 miles per hour, with an average passenger trip length of over 10.0 miles, and using commuter coaches.
- M. Rural Service - Bus service providing limited daily or weekly service linking Rural Northeastern and Southeastern San Diego County to a multimodal transit center or major shopping center generally provided on a two-lane highway or roadway with one-way vehicle trip lengths ranging from 15 to 80 miles.
- N. Station - That fixed site at which the San Diego Trolley stops to load and unload passengers.
- O. Supplement - A charge paid on a one-time basis to permit the use of a fare product for a transit ride that requires a more expensive fare.
- P. Zone(s) - For ADA complementary paratransit service, a zone is the geographical area defined by fixed boundaries within which particular fares are established. The boundaries for the zones are determined by each of the contracting agencies for the local operator of the paratransit service. The zones are as follows:
- | | |
|---------------|---|
| <u>Zone 1</u> | Central San Diego |
| <u>Zone 2</u> | Mid-County: Poway, Rancho Bernardo, Rancho Peñasquitos, Carmel Mountain Ranch, and Sabre Springs |
| <u>Zone 3</u> | East County: La Mesa, El Cajon, Santee, Lakeside, Lemon Grove, Spring Valley, and parts of Alpine |
| <u>Zone 4</u> | South Bay: Chula Vista, Coronado, National City, Imperial Beach, Palm City, Nestor, Otay Mesa, and San Ysidro |
- Q. Transfer - The action by passengers in which they leave one bus or rail vehicle and board a subsequent bus or rail vehicle to complete their trips.
- R. Upgrade - An additional fare required to enhance the value of a transit pass to travel on a higher-fare service. Upon payment of an upgrade, the original pass is converted to the new, more expensive product.
- S. ADA Complementary Paratransit Service - Specialized curb-to-curb transportation

services provided to persons who qualify as eligible for such services under the guidelines of the ADA. Except for commuter bus, commuter rail, or intercity rail systems, each public entity operating a fixed-route system shall provide complementary paratransit or other special service to individuals with disabilities (who cannot access or use fixed-route transit due to a qualifying disability) that is comparable to the level of service provided to individuals without disabilities who use the fixed-route system.

T. Personal Care Attendant - In relation to the ADA complementary paratransit service, a personal care attendant is a person who is designated by the ADA eligible passenger to aid in their mobility. The person may be a friend, family member, or paid employee. A personal care attendant is not charged a fare on the ADA complementary paratransit service vehicle on which she/he accompanies the ADA-eligible passenger. The need for and use of a personal care attendant must be indicated at the time of eligibility certification.

U. Dedicated Transportation Service - In relation to social services agencies or other organizations, a dedicated transportation service is defined as paratransit vehicle usage that is set apart for and guaranteed to an agency for the transportation of its eligible clients. The vehicle, for a particular time frame, is for the definite use of these persons and a ride is unavailable to other eligible persons within the community.

Section 4.3: Regional Fare-Pricing Schedule

Section 4.3.1: Regional Passes and Tickets

Section 4.3.1a: Regional Monthly or 30-Day Passes

1) Except as provided in Section 4.3.1b, 4.3.1c, and 4.3.1d of this Ordinance, the price of a Regional Monthly or 30-Day Pass shall be based on service type.

Regional Passes. The price of a Regional Monthly or 30-Day Pass for Local, Urban, and Express bus and Trolley passes ~~service~~ shall be ~~\$68.00 (effective 1/1/09)~~ and ~~\$72.00 (effective 7/1/09)~~. The Regional Monthly or 30-Day Pass shall entitle the person to whom the pass is issued to unlimited rides during the period for which the pass is designated on any equal or lower priced regularly scheduled bus and rail service provided by MTS and NCTD, except for COASTER, for which the pass entitles the holder a ~~\$2.00 discount~~ \$0.50 discount per boarding. The Regional Monthly Pass is accepted on Premium Express with the payment of a \$2.00 Supplement. Refer to Section 4.7.3 for use on Rural services. ~~Half-price passes are available beginning the 15th of each month at The Transit Store, Pass by Mail, and certain outlets.~~

Premium Passes. The price of a Premium Monthly or 30-Day Pass shall be ~~\$90.00 (effective 1/1/08)~~ and ~~\$100.00 (effective 7/1/09)~~ and entitle the person to whom the pass is issued unlimited rides on the services covered by the Regional Monthly or 30-Day Pass and Premium Express except for COASTER, for which the pass entitles the holder to a ~~\$2.00 discount~~ \$0.50 discount per boarding. ~~Effective 7/1/09, the Premium Monthly or 30-Day Pass is accepted on 1-Zone Rural service without payment of a Supplement and is accepted on 2-Zone Rural service with the payment of a \$2.00~~ \$4.00 Supplement.

2) Employer-Based Group Sales Pass Program

Employers may purchase in bulk, discounted monthly or 30-day passes for their employees subject to the following conditions:

The discount is available for the advance purchase of 25 or more passes a month for up to

three months for a "trial program." Price would be set according to what the price would be for an annual program using the same number of passes per month. Only one "trial program" is allowed per employer. The trial program agreement must be for a specific fiscal year. Advance payment for the total number of Trial Program passes is required. The discount is available for an employer purchasing 300 or more passes for an annual (12 months) program. The program can be pro-rated to accommodate the time left in the fiscal year. The annual program agreement and payment must be for a specific fiscal year. Advance payment for the total number of annual monthly passes is required.

The price of the Employer-Based Group Sales Pass Program will be tiered according to the number of annual regular adult passes purchased. The discount offered shall be as follows:

| <u>Proposed Employer-Based Group Sales Pass Program</u> | | |
|---|---|-----------------|
| <u>Tiered-Discount Table</u> | | |
| <u>Employees Using Transit Per Month</u> | <u>Passes Per Year</u> | <u>Discount</u> |
| 25 to 50 <u>100</u> | 300 to 600 <u>1,200</u> | 10% |
| 51 to 100 | 601 to 1,200 | 15% |
| 101 to 250 <u>400</u> | 1,201 to 3,000 <u>1,212 to 4,800</u> | 20% |
| 251 to 401 or more | 3,001 to 4,812 or more | 25% |

(Section 4.3.1a adopted and amended 11/8/07 1/19/12)

Section 4.3.1b: Senior/Disabled/Medicare Monthly or 30-Day Passes

Regional Pass. The price of a regional ~~Regional~~ Senior/Disabled/Medicare Monthly or 30-Day Pass is ~~\$ \$17.00 (effective 1/1/09) and \$18.00 (effective 7/1/09)~~ and shall entitle the Senior, Disabled, or Medicare passenger to unlimited trips during the month or 30-day period for which the pass is designated on any all regularly scheduled MTS and NCTD services ~~provided by those operators identified in Section 4.3.1a of this Ordinance, except (i) Premium, unless a \$1.00 Supplement is paid; (ii) COASTER, for which the pass entitles the holder to a \$1.00 discount \$0.50 discount per trip; and (iii) Rural service (as defined by Section 4.2L), unless a \$2.00 Supplement per zone is paid.~~ The Senior/Disabled/Medicare Monthly or 30-Day Pass is accepted on Premium Express with the payment of a \$1.00 Supplement. Half price passes are available beginning the 15th of each month at The Transit Store, Pass by Mail, and certain outlets.

Premium Passes. The price of a Premium Senior/Disabled/Medicare Monthly or 30-Day Premium Pass is ~~\$22.50 (effective 1/1/08) and \$25.00 (effective 7/1/09)~~ and entitles the person to whom the pass is issued unlimited rides on the services covered by the Premium ~~Express Monthly or 30-Day Pass and to a \$0.50 discount per boarding on except for COASTER, for which the pass entitles holder to a \$1.00 discount per boarding.~~ Effective 7/1/09 ~~The Premium Senior/Disabled/Medicare Monthly or 30-Day Pass is accepted on 1-Zone Rural service without the payment of a Supplement and is accepted on 2-Zone Rural service with the payment of a \$2.00 Supplement.~~

(Section 4.3.1.b adopted and amended 5/28/09 1/19/12)

Section 4.3.1c: Youth Monthly or 30-Day Passes

Regional Passes. The price of a Regional Youth ~~monthly~~ Monthly or 30-day ~~pass~~ Pass is \$34.00

~~(effective 1/1/09) and \$36.00 (effective 7/1/09) and shall entitle the youth passenger to unlimited trips during the month or 30-day period for which the pass is designated on any all regularly scheduled MTS and NCTD services provided by those operators identified in Section 4.3.1a of this Ordinance, except (i) Premium, unless a \$2.00 Supplement is paid; (ii) COASTER, for which the pass entitles the holder to a \$2.00 discount \$0.50 discount; and (iii) Rural service (as defined by Section 4.2L), unless a \$4.00 Supplement per zone is paid. Half-priced passes are available beginning the 15th of each month at The Transit Store, Pass by Mail, and certain outlets.~~

Premium Passes. The price of a Premium Youth Monthly or 30-Day Premium Pass shall be \$50.00 ~~(effective 7/1/09)~~ and entitles the person to whom the pass is issued unlimited rides on the services covered by the Premium Express Monthly or 30-Day Pass, except for COASTER, for which the pass entitles the holder to a \$2.00 discount \$0.50 discount per boarding. ~~Effective 7/1/09, the Youth Monthly or 30-Day Premium Pass is accepted on 1-Zone Rural service without the payment of a Supplement and is accepted on 2-Zone Rural service with the payment of a \$4.00 Supplement.~~

(Section 4.3.1c adopted and amended 5/28/09 1/19/12)

Section 4.3.1d: Regional Day Passes - General Public

The price of a one-day Regional Day Pass is \$5.00 and shall entitle the person to whom the pass is issued unlimited rides during the day for which the pass is valid on any all regularly scheduled MTS and NCTD services provided by those operators identified in Section 4.3.1a of this Ordinance ~~(except (i) Premium Express, unless a \$2.00 Supplement is paid; (ii) COASTER, for which the pass entitles the holder to \$0.50 discount per trip services, (iii) ADA eComplementary pParatransit services; and (iv) Rural service), unless a \$4.00 Supplement per zone is paid. Services provided by those operators identified in Section 4.3.1a of this Ordinance (except Premium Express services, ADA Complementary paratransit services, and Rural service).~~

The price of a two-day Regional Day Pass is \$9.00 and shall entitle the person to whom the pass is issued unlimited rides during the days for which the pass is valid on any all regularly scheduled MTS and NCTD services except (i) Premium Express, unless a \$2.00 Supplement is paid; (ii) COASTER, for which the pass entitles the holder to \$0.50 discount per trip, (iii) ADA Complementary Paratransit service, and (iv) Rural, unless a \$4.00 Supplement per zone is paid. ~~services provided by those operators identified in Section 4.3.1a of this Ordinance (except Premium Express services, ADA complementary paratransit services, and Rural service).~~

The price of a three-day Regional Day Pass is \$12.00 and shall entitle the person to whom the pass is issued unlimited rides during the days for which the pass is valid on any all regularly scheduled MTS and NCTD services except (i) Premium Express, unless a \$2.00 Supplement is paid; (ii) COASTER, for which the pass entitles the holder to \$0.50 discount per trip, (iii) ADA Complementary Paratransit service, and (iv) Rural, unless a \$4.00 Supplement per zone is paid. ~~services provided by those operators identified in Section 4.3.1a of this Ordinance (except Premium Express services, ADA complementary paratransit services, and Rural service).~~

The price of a four-day Regional Day Pass is \$15.00 and shall entitle the person to whom the pass is issued unlimited rides during the days for which the pass is valid on any all regularly scheduled MTS and NCTD services except (i) Premium Express, unless a \$2.00 Supplement is paid; (ii) COASTER, for which the pass entitles the holder to \$0.50 discount per trip, (iii) ADA Complementary Paratransit service, and (iv) Rural, unless a \$4.00 Supplement per zone is paid. ~~services provided by those operators identified in Section 4.3.1a of this Ordinance (except Premium Express services, ADA complementary paratransit services, and Rural service).~~

The price of a 14-day Regional Pass is \$41.00 (effective 1/1/09) and \$43.00 (effective 7/1/09) and shall entitle the person to whom the pass is issued unlimited rides during the days for which the pass is valid on any all regularly scheduled MTS and NCTD services except (i) Premium Express, unless a \$2.00 Supplement is paid; (ii) COASTER, for which the pass entitles the holder to \$0.50 discount per trip; (iii) ADA Complementary Paratransit service; and (iv) Rural, unless a \$4.00 Supplement per zone is paid; services provided by those operators identified in Section 4.3.1a of this Ordinance (except Premium Express services, ADA complementary paratransit services, and Rural service).

(Section 4.3.1d adopted and amended 11/13/08/1/19/12)

Section 4.3.1.e: Premium Region Plus Day Passes

The price of a Premium Express Day Pass is ~~\$11.00 (effective 1/1/08)~~ and entitles the person to whom the pass is issued unlimited rides during the day for which the pass is valid on any regularly scheduled services provided by those operators identified in Section 4.3.1a of this Ordinance and Premium Express (except ADA complementary paratransit services and Rural service). Effective 7/1/09, the Premium Express Day Pass is discontinued and replaced by tThe Region Plus Day Pass; which is priced at ~~\$14~~ \$12.00 and entitles the person to whom the pass is issued unlimited rides during the day for which the pass is valid on all services covered by the Premium Express-Monthly or 30-Day Pass, COASTER, and for travel on 1-Zone Rural service. The Region Plus Day Pass is accepted for 2-Zone Rural service with the payment of a \$4.00 Supplement.

The price of a Premium 14-Day Pass is \$60.00 (effective 7/1/09) and entitles the person to whom the pass is issued unlimited rides on the services covered by the Premium Express-Monthly or 30-Day Pass.

Section 4.3.1f: Group Advance Pass Sales

Group event day passes, valid for one to seven days, may be issued to groups (minimum quantity = 100) only on a 21-day or longer advance sales basis. The price of discounted rates for group event advance sales passes shall be as follows:

| | | |
|----------------|---|---------|
| One-Day Pass | = | \$4.50 |
| Two-Day Pass | = | \$8.00 |
| Three-Day Pass | = | \$11.00 |
| Four-Day Pass | = | \$14.00 |
| Five-Day Pass | = | \$16.00 |
| Six-Day Pass | = | \$18.00 |
| Seven-Day Pass | = | \$20.00 |

The group event day pass shall entitle the person to whom the pass is issued unlimited rides during the corresponding number of consecutive days for which the pass is valid on any all regularly scheduled MTS and NCTD services provided by those operators identified in Section 4.3.1a of this Ordinance, except (i) Premium Express, unless a \$2.00 Supplement is paid; (ii) COASTER, for which the pass entitles the holder to a \$0.50 discount per trip; (iii) Rural service (as defined by Section 4.2L), unless a \$4.00 Supplement per zone is paid; and (iv) ADA Complementary Paratransit service.

Group event day passes for special events may be purchased in bulk in advance at discounted rates as follows or as otherwise agreed to by the Board:

~~100-999 passes~~ ——— = ——— Full price per pass

| | | |
|----------------------------|---|------------------------------|
| 1,000-1,999 passes | = | 5 percent discount per pass |
| 2,000-2,999 or more passes | = | 10 percent discount per pass |
| 3,000-3,999 passes | = | 15 percent discount per pass |
| 4,000+ passes | = | 20 percent discount per pass |

Section 4.3.1g: Classroom Day Pass

Classroom Day Passes, valid for one day during nonpeak hours, may be issued to school and youth groups (up to 18 years of age) on an advance sales basis only. ~~Each group shall consist of no more than 17 people (15 youths and two adult chaperones).~~ Group size is limited at the discretion of the operator by operator capacity. The price of Classroom Day Passes is shall be \$1.50 per person.

Section 4.3.1h: College-Post-Secondary Semester/Monthly & Quarter/Semester Passes

MTS shall offer a pass for a college or university school term of 63 or more days that is priced ~~at \$1.43 a day (effective 1/1/09) and \$1.51 a day (effective 7/1/09), payable in advance, sold only during the term's registration and/or a monthly pass good for a calendar month, priced at \$54.40 (effective 1/1/09) and \$57.60 a month (effective 7/1/09), payable in advance.~~ College-Post-Secondary Monthly and Quarter/Semester and monthly passes Passes are valid for travel on all regularly scheduled bus and rail services provided by MTS and NCTD, except for (i) Premium Express, unless a \$2.00 Supplement is paid; (ii) COASTER, for which the passes entitle the passenger to a \$2.00 discount \$0.50 discount per trip; (iii) ADA eComplementary pParatransit services, and (iv) Rural services (as defined by Section 4.2M) unless a \$4.00 Supplement per zone is paid. ~~The Post-Secondary Monthly and Quarter/Semester and monthly college student Ppasses~~ are to be sold only at schools, colleges, and universities that meet the following requirements: accredited by recognized accrediting institution; provide an on-site sales location; track sales to individual qualified students; limit sales to one pass per student currently enrolled with a minimum of seven credit hours; only issue to students with a current school year photo identification card; provide a benefit to each student purchasing the term and/or monthly pass to encourage public transit use; and promote the pass through school information materials.

Section 4.3.1i: Hotel-Scratch One-Day Pass

The ~~Hotel-Scratch One-Day Pass~~ is a one-day day pass that is priced at the standard one-day price but with scratch-off instead of punched month, day, and year boxes. The ~~Hotel-Scratch One-Day Pass~~ has a unique serial number code, and customers may not return or exchange ~~Hotel-Scratch One-Day Passes~~. ~~Only hHotels with a pass sales agreement can sell this type of day pass.~~

Section 4.3.1j: San Diego County Juror Day Pass

Upon entering an agreement with MTS that meets MTS requirements, courts located in San Diego County may purchase the following special fare media to be distributed to jurors summoned to jury duty in courts in San Diego County:

The Juror Regional Day Pass is valid for travel on all regular MTS and NCTD services except (i) Premium, unless a \$2.00 Supplement is paid; (ii) COASTER, for which the pass entitles the holder to a \$0.50 discount per trip; and (iv) Rural services, unless a \$4.00 Supplement per zone is paid.

The Juror Regional Premium Day Pass is valid for travel on all MTS and NCTD regular and premium services except two-zone Rural bus services and on 1-Zone Rural service. Travel on 2-Zone Rural service requires the payment of a \$4.00 Supplement.

Juror Passes are not valid for travel on any special services or ADA eComplementary paratransit-Paratransit services.

Section 4.3.2: Regional Monthly or 30-Day Pass Supplements

Passengers holding a valid monthly or 30-day pass as described in Section 4.3.1a must pay a \$4.00 Supplement per zone to ride Rural services. Holders of Regional Monthly or 30-Day Passes and Premium Regional Monthly or 30-Day Passes shall receive a \$1 discount per zone. The Supplement for Senior/Disabled/Medicare Pass holders shall receive a \$0.50 discount is \$2.00 per zone.

Effective 7/1/09, Premium Regional Monthly or 30-Day Passes shall be valid for 1-zone Zone Rural travel without the payment of a Supplement. Travel on 2-Zone Rural service requires the payment of a \$4.00 Supplement (\$2.00 for Senior/Disabled/Medicare Premium Pass holders).

Section 4.3.3: Regional Fares for Children

Up to two children, as defined in Section 4.2.E, shall ride for free when accompanied by a fare-paying passenger. This shall be applicable to all fixed-route bus service, Trolley service, and Rural service.

(Section 4.3 adopted and amended 12/8/05 1/19/12)

Section 4.4: Trolley Fare-Pricing Schedule

Section 4.4.1a: One-Way Cash Fares

The cash fare for a single, one-way trip involving any number of stations shall be \$2.50 for an adult and free transfers shall be permitted between Trolley lines. ~~The cash fare for a Trolley ride originating and terminating in Centre City San Diego shall be \$1.25 (effective 9/1/08) and \$2.50 (effective 7/1/09). The ticket shall be valid for two hours and must be valid during the entire Trolley trip.~~

————A one-way ticket shall entitle the person to a one-way trip in a direction away from the station of issue. The one-way ticket is valid for two hours and must be valid during the entire Trolley trip.

(Section 4.4.1a adopted and amended 11/13/08 1/19/12)

Section 4.4.1b: Round-Trip Cash Fares

In lieu of an adult round-trip cash fare, the Day Pass is offered and free transfers between Trolley lines shall be permitted.

Section 4.4.2: Senior/Disabled/Medicare Cash Fares

The Senior/Disabled/Medicare cash fare shall be \$1.25 per one-way trip on the Trolley.

(Section 4.4.2 adopted and amended 11/13/08 1/19/12)

Section 4.4.3: Tokens

Effective March 1, 2012, Universal tokens shall be available for \$2.25 \$2.50 each, and may be available in multiples of 20 (\$45.00 \$50.00) or 40 (\$90.00 \$100.00), and shall entitle the person holding the universal token to up to a \$2.25 \$2.50 cash fare value trip on any MTS bus or Trolley service except ADA paratransit services. Some services may require payment of a Supplement in conjunction with the

universal token.

(Section 4.4 adopted and amended 7/17/081/19/12)

Section 4.4.4: Compass Card

Use of a Compass Card with a "stored value" is defined as use of any Compass Card for a debit transaction for transit service when transit cash has been placed on the card.

Compass Card users who have a transit product stored on their card must validate their card on each transit service that they ride each time they use the service as a condition precedent to using MTS services. Compass Card users must validate their cards via onboard validators on Buses, or station platform validators for Trolleys, and in accordance with Ordinance No. 13.

Patrons who fail to validate their Compass Card in the manner described above and as set forth in Ordinance No. 13 will be deemed to not be in possession of a valid fare and subject to applicable fines and penalties.

Users of the Compass Card must produce the Compass Card for inspection by authorized MTS, employees, security, contractors, or law enforcement staff upon demand.

The Compass Card is intended as a fare payment device on MTS services and NCTD services, and any unauthorized use of the card is strictly forbidden. Persons found to be using the Compass Card in a fraudulent manner may have their Compass Card confiscated and their account suspended.

Refunds of transit products on Compass Cards will not be provided.

Refunds of cash value remaining on voluntarily surrendered cards and confiscated cards will be considered on an individual basis for holders of registered Compass Cards only and may be obtained by request to SANDAG. Registered Compass Card holders seeking a refund must complete an application form (available from The Transit Store or NCTD Customer Service) and follow the submission instructions on the application. SANDAG reserves the right to refuse any request for refund or to make a partial refund. SANDAG also reserves the right to deduct a processing fee of not more than 10 percent on any refund.

Refunds will be issued as credit on the same card as the original purchase if made by credit card. Original payments made by cash, check, or debit card will be refunded by check.

(Section 4.4.4 added 11/13/08)

Section 4.5: MTS Bus Fare-Pricing Schedule

Section 4.5.1: Cash Fares

Section 4.5.1a: Local Services

The price of a trip on MTS Local service, as described in Section 4.2I of this Ordinance, shall be \$2.25.

Section 4.5.1b: Urban Services

The price of a trip on MTS Urban service, as described in Section 4.2J of this Ordinance, shall be \$2.25.

Section 4.5.1c: Express and Premium Express Services

The price of a trip on Express and Premium Express service, as described in Sections 4.2K and 4.2L of this Ordinance, shall be:

| | |
|-----------------|----------|
| Express | = \$2.50 |
| Premium Express | = \$5.00 |

Section 4.5.1d: Senior/Disabled/Medicare Cash Fares

The Senior/Disabled/Medicare Bus cash fare shall be \$1.10 except as otherwise provided in Section 4.7 concerning Rural service.

The Senior/Disabled/Medicare Bus cash fare shall be \$1.25 on Express service and \$2.50 on Premium Express service.

Section 4.5.2: Special Fares

Section 4.5.2a: Shuttle Fare

The price of a trip on shuttle services shall be ~~\$1.00 and \$2.25 (effective 7/1/09)~~. The Senior/Disabled/Medicare shuttle service fare shall be ~~\$0.50 (effective 7/1/08) and \$1.10 (effective 7/1/09)~~.

Section 4.5.2b: Stadium/Ballpark Bus Fares

The price of a trip on special buses with the primary purpose of traveling to and from events at Qualcomm Stadium or PETCO Park ~~may shall be \$5.00 one-way and \$8.00 round-trip. Effective 7/1/09, the price shall be equal to twice the one-way fare of Premium Express service and entitle the holder to one-way or round-trip travel.~~

(Section 4.5 adopted and amended 7/17/081/19/12)

Section 4.6.5: Demand-Responsive Fares

MTS does not offer demand-responsive service at this time.

(Section 4.6.5 amended 11/13/08)

Section 4.6.5a: ADA Complementary Paratransit Services Cash Fares

The ADA eComplementary paratransit services, provided in accordance with the ADA, are only available to persons with qualifying disabilities that prevent them from using fixed-route transit services. These services shall have a cash fare of no more than double the predominant adult cash fare in the area of service. Section 4.2.O establishes the ADA paratransit zones. The urban zone (Zone 1) shall use the Urban Service fare defined in Section 4.2.I to calculate the MTS Access cash fare. The three suburban zones (Zones 2, 3, and 4) shall use the Local Service fare defined in Section 4.2.H to calculate the ADA Suburban paratransit cash fare. Passes are not accepted on ADA paratransit services. Paying ADA paratransit passengers will be issued (upon request) a Premium Regional Day Pass for use on connecting fixed-route and Trolley services. Passengers transferring from ADA paratransit service in Zones 2, 3, or 4 to ADA paratransit service in Zone 1 may be required to pay a Supplement on the Zone 1 vehicle if the price of the MTS Urban Service Fare is greater than the price of the MTS Local Service Fare. Full-price (no discount) tickets for ADA paratransit services

may be sold to passengers in advance. No passes, tokens, or discounts and no other tickets are accepted on ADA paratransit services. Personal Care Attendants (PCA) required by disabled passengers are not required to pay a fare.

(Section 4.6 amended 7/17/08)

Section 4.7: Rural Service

Rural service, as defined in Section 4.2L, shall have applied to it a ~~2~~two-zone based fare structure. Zone boundaries shall generally be located on a north-south axis and have zone boundaries at Ramona (Ramona Station), Alpine (Tavern Road and Alpine Boulevard), and the Tecate border crossing (Tecate Road and Thing Road). Passenger trips remaining within ~~4~~one zone shall have applied to them the ~~1-zone~~Zone based fare.

Section 4.7.1: 1-Zone and 2-Zone One-Way Cash Fares

The price of a 1-Zone cash fare shall be \$5.00 for each one-way trip. The price of a 2-Zone cash fare shall be \$10.00 for each one-way trip.

Section 4.7.2: One-Way Senior/Disabled/Medicare Cash Fare

The price of Senior/Disabled/Medicare cash fares shall be equal to 50 percent of the regular cash fare: the price of a 1-Zone Senior/Disabled/Medicare cash fare shall be \$2.50 for each one-way trip; and ~~The~~the price of a 2-Zone cash fare shall be \$5.00 for each one-way trip.

Section 4.7.3: Prepaid Monthly or Daily Pass Supplement or Upgrade Required

Passengers exhibiting a valid MTS Monthly or 30-Day Adult or Youth Pass, ~~College Post-Secondary Monthly or Quarter/Semester Pass~~, or Day Pass shall be provided a \$1 discount per Zone for Rural service: the 1-Zone Supplement shall be \$4.00 for each one-way trip. The 2-Zone cash Supplement shall be \$8.00 for each one-way trip. Senior/Disabled/Medicare passengers exhibiting a valid Senior/Disabled/Medicare Monthly Pass shall be given a \$0.50 cent discount per zone: the 1-Zone cash Supplement shall be \$2.00 for each one-way trip. The 2-Zone cash Supplement shall be \$4.00 for each one-way trip.

Section 4.7.4: Other Fare Media

- Effective March 1, 2012, ~~T~~tokens shall be accepted at the face-value of \$2.25~~\$2.50~~; change will not be provided in instances where token value exceeds required fare.

- A San Diego County Juror Premium pass is valid for travel for ~~1-zone~~Zone Rural bus service. Use of this pass for a ~~2-zone~~Zone Rural trip requires payment of a ~~\$5.00~~\$4.00 Supplement~~upgrade~~ (~~\$4.00 for Senior/Disabled/Medicare~~) in each direction.

- Transfers from ADA complementary service shall not require the payment of a Supplement or an upgrade.

(Section 4 adopted and amended 11/13/08 1/19/12)

Section 4.8: Sorrento Valley Coaster Connection

The one-way cash fare on Sorrento Valley Coaster Connection (SVCC) services shall be \$1.00 for adults and \$0.50 for Senior/Disabled/Medicare.

The price for a Monthly or 30-Day Pass for the SVCC shall be \$40.00 for adults, \$20.00 for Youth, and \$10.00 for Senior/Disabled/Medicare.

All Regional and Premium Day Passes and Regional and Premium Monthly or 30-Day Passes and 14-Day Passes will be accepted on SVCC services.

MTS may enter into an agreement with third parties to cover the cost of fares for patrons on the SVCC in lieu of charging passengers.

(Section 4.8 adopted and amended 11/13/08 1/19/12)

Section 4.9: Special Fares

MTS shall be allowed to adjust fares for special events with the approval of the Chief Executive Officer.

(Section 4.9 amended 7/17/08)

Section 4.10: Other Metropolitan Transit System Operators and Special Cash Fares

Section 4.10.1: Cash Fares

Any special fares of any operator in the region not listed within this Ordinance shall be included in the Uniform Fare Structure Agreement.

(Section 4.10 amended 7/17/08)

Section 4.11: Public Notice

Before the expiration of fifteen (15) days after its passage, a summary of this Ordinance shall be published once with the names and members voting for and against the same in a newspaper of general circulation published in the County of San Diego.

(Section 4.11 amended 7/17/08)

Section 4.12: Effective Date of Ordinance

This Ordinance shall become effective ~~30 days from and after the date of its final passage on~~ January 20, 2012.

(Section 4.12 adopted and amended 7/17/08 1/19/12)

~~MAY28-09.9.AttA.ORD 4.FARE PRICING.MTHOMSEN.doc~~ JAN19-12.32.AttB.ORD 4.FARE PRICING.MTHOMSEN.doc

Amended & Adopted 1/19/12

Amended: 12/8/05
Amended: 1/15/04
Amended: 11/13/03
Amended: 05/22/03
Amended: 04/10/03
Amended: 10/17/02
Amended: 06/14/01
Amended: 05/10/01
Amended: 08/10/00

Amended: 07/13/00
Amended: 05/13/99
Amended: 02/26/98
Repealed & Readopted: 07/17/97
(operative - 11/23/97)
Amended: 04/28/94
Amended: 01/13/94
Amended: 07/08/93
Amended: 02/11/93
Repealed & Readopted: 05/28/92

Amended: 01/09/92
Repealed & Readopted: 03/14/91
Amended: 09/27/90
Amended: 05/10/90
Repealed & Readopted: 02/23/89
Amended: 11/10/88
Repealed & Readopted: 02/25/88
Amended: 12/10/87
Amended: 10/09/86
Amended: 04/24/86
Amended: 03/01/86
Repealed & Readopted: 12/05/85
Amended: 07/11/85
Amended: 05/23/85
Amended: 10/04/84
Amended: 07/19/84
Repealed & Readopted: 02/27/84
Amended: 07/25/83
Amended: 07/11/83
Repealed & Readopted: 05/24/82
Amended: 10/05/81
Amended: 07/08/81
Amended: 06/30/81
Adopted: 06/08/81
Amended: 11/8/07
Amended: 7/17/08
Amended: 11/13/08
Amended: 5/28/09

SAN DIEGO METROPOLITAN TRANSIT DEVELOPMENT BOARD

ORDINANCE NO. 2

(as adopted 6/8/81, and as amended through 7/13/001/19/12)

An Ordinance Requiring Proof of Fare Payment
By Passengers Using the San Diego Trolley

The Board of Directors of the San Diego Metropolitan Transit Development Board (MTDB) do ordain as follows:

SECTION 1

Section 2.1: Findings

In 1979 by Resolution No. 79-2, MTDB adopted a self-service, barrier-free fare collection system for use with respect to the Light Rail Transit System, after finding that such a fare collection system would maximize overall productivity. Those findings are hereby reaffirmed for the San Diego Trolley System. In order to make the self-service, barrier-free fare collection system as productive and efficient as possible, it is necessary to adopt this Ordinance pursuant to Sections 120105 and 120450 of the Public Utilities Code requiring proof of fare payment by passengers using the San Diego Trolley system.

Section 2.2: Definitions

The following terms as used in this Ordinance shall have the following meaning:

A. Inspector - An officer(s) or employee(s) of MTDB or of San Diego Trolley, Inc., authorized by Ordinance by MTDB or a peace officer(s) designated by MTDB, to check passengers for valid proof of fare payment with the authority to arrest and issue a Citation of Fare Evasion to passengers not possessing or exhibiting valid proof of fare payment and to otherwise enforce the provisions of this Ordinance.

B. Proof of Fare Payment - Proof of fare payment means any of the following:

1. A ~~m~~Monthly or 30-Day ~~p~~Pass (Adult, Youth, or Senior/Disabled/Medicare), Day Pass or other time-delimited pass valid for use on the Trolley, purchased by or for the passenger, and valid for the time of use.

2. A single-ride ticket purchased by or for the passenger from a Trolley fare vending/validating machine. This single-ride ticket is valid provided the passenger in possession is qualified for the fare category printed on the ticket, the passenger is on a trolley traveling in a direction away from the boarding station printed on the ticket, the passenger is on a trolley within the distance from the boarding station for which the fare specified on the ticket is valid, and the passenger is using the ticket within two hours of the date and time printed on the ticket. The single-ride ticket must be valid for the entire length of time that the passenger in possession is onboard the Trolley.

3. A multi-ride ticket valid for use on the Trolley that has been validated using a Trolley fare vending/validating machine. This ticket is valid provided the passenger possessing the ticket is on a trolley traveling in a direction away from the boarding station most recently printed on the ticket, the passenger possessing the ticket is on a trolley within the distance from the station of

validation of which the cash fare specified on the ticket is valid, and the passenger possessing the ticket is using the ticket within two hours of the date and time most recently printed on the ticket. The multi-ride ticket must be valid for the entire length of time that the passenger in possession is onboard the Trolley.

~~4. A valid transfer from a public bus system in San Diego County with any required upgrade to trolley transfer ticket issued from a Trolley fare vending/validating machine. All such transfers shall be considered valid proof of fare payment until the expiration time printed~~

C. Citation for Nonpayment of a Fare - Means the written notice to appear issued by an Inspector to a passenger arrested for violating this Ordinance whereby the passenger is released on his promise to appear in court at the date, time, and place specified in the written notice.

D. Passenger - any person occupying, riding or using any trolley vehicle, boarding or deboarding such a vehicle or waiting within a designated paid zone waiting area at a Trolley station.
~~(Section 2.2 amended July 13, 2000)~~
~~(Section 2.2 amended September 26, 1996)~~
(Section 2.2 adopted & amended January 14, 1993/19/12)

Section 2.3: Proof of Payment

No unauthorized person shall board, occupy, ride in, use or deboard any any trolley vehicle or stand within a designated paid zone waiting area at a Trolley station without possessing and exhibiting, upon demand of an Inspector, valid proof of fare payment.
(Section 2.3 amended January 14, 1993)

Section 2.4: Agreement

The use of any trolley vehicle shall constitute an agreement by the user to pay the applicable fare in accordance with the effective fare Ordinance established by MTDB and to have in his/her immediate possession proof of fare payment.

Section 2.5: Proof of Fare Payment Procedures

A. Upon demand of an Inspector, every passenger occupying, riding or using any trolley vehicle, boarding or deboarding such a vehicle or waiting within a designated paid zone waiting area at a Trolley station shall exhibit proof of fare payment to the Inspector as required by this Ordinance.

B. If a passenger does not possess or exhibit valid proof of fare payment, the Inspector shall arrest such passenger and, if the passenger does not demand to be taken before a magistrate, the Inspector shall deliver to that passenger a Citation for Nonpayment of a Fare. The Citation for Nonpayment of a Fare shall contain the name and address of the passenger, the date the citation was issued, a description of the violation, the date, time, and place when and where such passenger shall appear in court, the name of the Inspector, and the signature of the passenger to whom this citation is delivered, which signature shall indicate the passenger's promise to appear in court at the date, time, and place specified in the citation. The Citation for Nonpayment of a Fare shall also state a warning that the passenger's willful failure to appear in court as promised is a separate violation for which the passenger may be arrested and punished pursuant to the California Penal Code.

C. The failure or refusal of any passenger to exhibit proof of fare payment, provide positive identification as to his/her full name and residence, or sign the citation for Nonpayment of a Fare shall subject the passenger to all other provisions and remedies provided by law.

D. Failure of or refusal by the passenger to sign the Citation for Nonpayment of a Fare shall not affect the enforceability of this Ordinance.

(Section 2.5 amended January 14, 1993)

Section 2.6: Penalties

Any violation of Section 2.3 of this Ordinance shall be an infraction punishable by a fine not exceeding ~~fifty-seventy-five~~ dollars (\$5075), except that such a violation by a person, after the second conviction under the Ordinance, shall be a misdemeanor punishable by a fine not exceeding five hundred dollars (\$500) or by imprisonment not exceeding six months, or by both such fine and imprisonment. For purposes of this section, a bail forfeiture shall be deemed to be a conviction of the offense charged.

(Section 2.6 adopted & amended 1/19/12)

SECTION 2: Public Notice

Before the expiration of fifteen (15) days after its passage, this Ordinance shall be published once with the names of the members voting for and against the same in a newspaper of general circulation published in the County of San Diego.

SECTION 3: Operative Date

This Ordinance shall be operative on October 1, 2000.

DDarro
CD-ORD02.JLIMBE
7/21/00

Adopted & Amended: 1/19/12

Amended: 7/13/00

Amended: 9/26/96

Amended: 1/14/93

Repealed & Readopted: 2/27/84

Adopted: 6/8/81

SAN DIEGO METROPOLITAN TRANSIT SYSTEM

CODIFIED ORDINANCE NO. 13

(as Adopted 8/9/01 and amended on ~~5/28/09~~ through 1/19/12)

An Ordinance Regarding Prohibited Conduct Onboard Transit Vehicles
and Prohibited Actions on or About a Transit Facility, Trolley Station, or Bus Stop

The Board of Directors of the San Diego Metropolitan Transit System (MTS) do ordain as follows:

Section 13.1: General

The use of the San Diego Metropolitan Transit System (MTS) facilities shall be conditioned upon the observance of this ordinance or any rules and regulations hereafter promulgated by MTS or pursuant to its authority; all rights, privileges, licenses and permits, express or implied, for the use of MTS facilities are revocable; and each such right, privilege, license or permit shall at the option of MTS or its duly authorized representative be revoked and canceled by and upon the breach of this ordinance or of the violation while in or upon MTS facilities or any applicable laws or ordinances.

Nothing herein contained or omitted from this ordinance shall be construed to relieve any person whatsoever from exercising all reasonable care to avoid or prevent injury or damage to persons or property.

Any requirement or provision of these rules relating to any prohibited act shall respectively extend to and include the causing, procuring, aiding or abetting, directly or indirectly, of such act; or the permitting or the allowing of any minor in the custody of any person, doing any act prohibited by a provision hereof.

Any act otherwise prohibited by these rules shall be lawful if performed under, by virtue of, and strictly in compliance with the provisions of an agreement, permit, or license issued or approved by MTS and/or San Diego Trolley, Inc. (SDTI), and/or San Diego Transit Corporation (SDTC), and to the extent authorized thereby.

These rules are in addition to and supplement all applicable laws or ordinances.

Section 13.2: Definitions

The following terms, as used in this ordinance shall, unless otherwise expressly stated or unless the context clearly requires a different interpretation, have the following meaning.

A. Bicycle - A "bicycle" is a device upon which any person may ride, propelled exclusively by human power through a belt, chain, or gears, and having two wheels.

B. Bus - A "bus" is any motor vehicle, other than a motortruck or truck tractor, designed for carrying more than 10 persons including the driver, and used or maintained for the transportation of passengers, except that any motor vehicle, other than a motortruck or truck tractor, designed for carrying not more than 12 persons, including the driver, which is maintained and used in the nonprofit transportation of adults to and from a work location as part of a carpool program or when transporting only members of the household of the owner thereof, shall not be considered to be a bus for the purposes of this section.

C. Bus Stop – A “bus stop” is a designated area marked by a sign depicting a specific route number or numbers for the loading and unloading of passengers from or onto a bus, which may or may not include a bench or shelter.

D. Facility or Transit Facility – A “facility” or “transit facility” includes, but is not limited to, transit centers, rail stations, bus shelters, and bus stops on public or private property.

E. Pedestrian – A “pedestrian” is any person who is afoot or who is using a means of conveyance propelled by human power other than a bicycle.

F. Tailgate – Any person standing, sitting, or remaining in the area of a vehicle, chair, table, ice-chest, barbeque, or similar device for the purpose of consuming any food or beverage, or for the purpose of socializing before during or at the conclusion of an event.

G. Trolley – A “trolley” is a vehicle which is propelled by electric power obtained from overhead trolley wires and is operated upon rails.

H. Trolley Station – A “trolley station” is a designated area marked by a sign depicting a specific line; i.e., Orange, Blue, Red, Green, etc., for the loading and unloading of passengers from or onto a trolley, which may or may not include a bench or shelter.

I. Transit Vehicle – A “transit vehicle” shall mean buses and trolleys or any other form of public conveyance utilized, owned, or controlled by MTS, SDTI, or SDTC.

J. Validator – A “Validator” is a machine used to deduct the proper fare from a Compass Card prior to a passenger boarding a bus or trolley and prior to and after a passenger boards and alights a Centre City San Diego Trolley if the passenger wishes to receive the Centre City San Diego fare (as defined in MTS Ordinance No. 4).

Section 13.3: Fares

Passengers shall be permitted on a transit vehicle or in a transit station owned, controlled, or used by MTS or its subsidiaries or contractors only upon payment of such fares and under such circumstances as may from time to time be ordained by MTS. It is unlawful for any person to refuse to pay, or to evade or attempt to evade the payment of such fares.

It is unlawful for any person to resell, or attempt to resell, any ticket, pass, token, or other form of fare media that has already been used by another passenger, or to collect, or attempt to collect any ticket, pass, token, or other form of fare media from a passenger, trash can, or other location with the intent to resell the ticket, pass, token, or other form of fare media. MTS reserves the right to confiscate any previously used or resold ticket, pass, token, or other form of fare media.

It is unlawful to purchase any used or unused ticket from any person or entity or purchase any fare media from any person or entity other than an authorized MTS ticket, pass, token, or other fare media sales agent or ticket vending machine.

If passengers are utilizing a Compass Card (as defined in MTS Ordinance No. 4), they must present their card to a fare Validator when entering a bus, prior to waiting in any fare paid zone, and prior to boarding a trolley, ~~and prior to boarding and after exiting a trolley originating and terminating in Centre City San Diego (as defined in MTS Ordinance No. 4) in order to receive the Centre City San Diego cash fare.~~ This procedure is known as “Tap or Tapping.” Tapping is a condition precedent to utilizing MTS bus and trolley service and the Compass Card. It shall be unlawful for passengers to refuse to Tap, or to evade Tapping, or to attempt to evade Tapping when utilizing a Compass Card. MTS reserves the right to confiscate the Compass Card for noncompliance with this provision or the provisions of MTS Ordinance No. 4.

(Section 13.3 adopted and amended 5/28/09 1/19/12)

Section 13.4: Prohibited Conduct Onboard Transit Vehicles

It shall be unlawful for passengers or occupants while aboard a bus or trolley while the vehicle is transporting passengers in regular route service, contract, special, or community-type service within the MTS jurisdictional area to:

- A. Consume any food or beverage, except that passengers may consume beverages while onboard a trolley if the beverages are contained in a spill-proof or screw-top container or bottle. Examples of such spill-proof or screw-top containers or bottles include, but are not limited to, water bottles and soda bottles with screw tops, personal beverage containers with snap-on or screw-on lids, and coffee cups or mugs with snap-on or screw-on lids.
- B. Smoke or carry a lighted or smoldering pipe, cigar, cigarette, or tobacco in any form.
- C. Operate any radio, phonograph, tape player, or other such instrument that is audible to any other person on a transit vehicle.
- D. Expectorate.
- E. Discard litter.
- F. Extend his/her head, hand, arm, foot, leg, or other portion of the body through any window.
- G. Interfere in any manner whatsoever with the operator or operation of any bus or trolley.
- H. Possess an open alcoholic beverage container, irrespective of whether the container is spill-proof or screw-top.
- I. Ride any bike, skateboard, or scooter.
- J. No person shall put his foot on any seat provided for any passengers on a bus or trolley, or place any article on such seat which would leave grease, oil, paint, dirt, or any other substance on such seat.
- K. No person shall activate without justification, mutilate, deface or misuse in any manner, any safety device or intercom located onboard a bus or trolley.
- L. No person shall ride upon the outside or roof of any bus or trolley.

(Section 13.4 amended 01/18/07)

Section 13.5: Prohibited Actions on or About a Transit Facility

- A. No person (except MTS/SDTI/SDTC employees, agents, or authorized visitors) shall enter upon the roadbed, tracks, structures, right-of-way, or other parts of a transit facility, which are not open to passengers or to the public.
- B. No person shall drink any alcoholic beverage or possess an open alcoholic beverage container on or in a transit facility except on premises licensed therefor.

- C. No person shall sit, lie, or stand with any portion of his/her body extending within 8 feet 6 inches of the centerline of the outside rail on straight track or within 9 feet 6 inches of the centerline of the outside rail on curved track except while entering or alighting from a trolley stopped at that station.
- D. No person shall injure, deface, destroy, loosen, remove, or tamper with the transit facility.
- E. No person shall injure, mutilate, deface, alter, change, displace, remove, or destroy any sign, notice, signal, or advertisement on the transit facility.
- F. No person shall interfere with any lamp, electric light, electric fixture, or density on the transit facility.
- G. No person shall write, paint, or draw any inscription or figure on or deface any transit facility.
- H. No person shall disobey or disregard the notices, prohibitions, instructions, or directions on any sign posted on the transit facility.
- I. No person shall interfere with, encumber, obstruct, or render dangerous any transit facility.
- J. No person shall throw or project a stone or other missile at any trolley, bus or at any person or thing on or in the transit facility.
- K. No person shall throw or project a stone or other missile from any transit facility or transit vehicle.
- L. No person shall fail or refuse to comply with any lawful order or direction of any MTS inspector, security officer, whether an employee or designated agent of MTS, or any peace officer.
- M. No person shall do, aid, abet, or assist in doing any act which may be dangerous, harmful, or injurious to any person or property within the transit facility, said act being not specifically prohibited herein.
- N. No person shall put his foot on any seat provided for any passengers of the transit facility or place any article on such seat which would leave grease, oil, paint, dirt, or any other substance on such seat.
- O. No person shall urinate or defecate in or upon unauthorized locations on the transit facility.
- P. No person shall post, distribute, or display commercial signs, advertisements, circulars, handbills, or written material of a commercial nature on or within the transit facility, nor shall any person engage in any verbal solicitations of a commercial nature on or within said transit facility.
- Q. No person shall climb upon or jump the trolley couplers.
- R. No person shall discard litter in any transit facility or transit vehicle.
- S. No person shall loiter in the immediate vicinity of any posted property.
- T. No person shall tailgate.

(Section 13.5 amended 06/28/07)

Section 13.6: Animals

No person shall bring, carry unto, or convey upon the transit facility, a dog, or other animal, unless it is completely enclosed in a carrying case, which can be accommodated in the lap of a passenger with no danger or annoyance to other passengers. This rule shall not apply to a "service" or "assistance" animal. A "service" or "assistance" animal is trained to assist persons with disabilities. Such animals shall be properly harnessed when possible. Service or assistance animals must be under the control of the person at all times. MTS reserves the right to inquire about the status of such animals.

(Section 13.6 amended 6/28/07)

Section 13.7: Meetings

No person shall hold any meeting, perform any ceremony, make any speech, address or oration, exhibit, or distribute any sign, placard, notice, declaration, or appeal of any kind or description within any transit facility or upon any transit vehicle or platform without written permit from an MTS official.

Section 13.8: Selling, Peddling, Leasing, Etc.

No person shall exhibit, sell, or offer for sale, hire, lease, or let out in or about the transit facility or a transit vehicle any object or merchandise, whether corporeal or incorporeal, except concessions under contract to MTS.

No person shall solicit previously purchased or used tickets, passes, tokens, or other fare media from another passenger or collect any previously purchased or used tickets, passes, tokens, or other fare media from a trash receptacle, platform, transit facility, or passenger.

(Section 13.8 amended 05/28/09)

Section 13.9: Bicycles

Bicycles are permitted on transit vehicles under the following conditions:

- A. Bicyclists must be at least 16 years of age and have a valid proof of payment of fare.
- B. Only one bicycle is allowed onboard a trolley during the hours of 6:00 a.m. to 9:00 a.m. and 3:00 p.m. to 6:00 p.m. weekdays. At any other time, no more than two bicycles per trolley will be allowed. No bicycles will be permitted in the aiseways at any time.
- C. Bicycles will be permitted to board trolleys at the rear doors only and must be placed against the rear driver's cab.
- D. Bicyclists must remain with their bicycles at all times.
- E. When part of a group charter, more than two bicycles per car may be permitted at the sole discretion of MTS.

(Section 13.9 amended 01/18/07)

Section 13.10: No Smoking at any Transit Facility or Bus Stop

No person shall smoke any materials, whether tobacco or any other product using any device, cigarette, cigar, pipe, or any other apparatus, or utilize any smoking device, cigarette, cigar, pipe, or other apparatus at the following locations owned, operated, or controlled by MTS, SDTI and/or SDTC:

- A. Within 25 feet from any bus stop;
- B. Within 25 feet of any trolley station; and
- C. Within 25 feet of any transit facility.

MAY28-09.9.AttB.ORD 13.PROHIBITED CONDUCT.TLOREN.doc

Adopted & Amended:1/19/12

Amended: 5/28/09
Amended: 11/13/08
Amended: 06/28/07
Amended: 01/18/07
Amended: 06/09/05
Amended: 05/26/05
Amended: 10/28/04
Adopted: 8/9/01



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Agenda

Item No. 62

Chief Executive Officer's Report

ADM 121.7

January 19, 2012

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 November 22, 2011, through January 11, 2012.

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EXPENSE CONTRACTS

| <i>Doc #</i> | <i>Organization</i> | <i>Subject</i> | <i>Amount</i> | <i>Day</i> |
|--------------|--------------------------------|--|---------------|------------|
| G1078.10-07 | RYAN MERCALDO & WORTHINGTON | LEGAL SERVICES - GENERAL & TORT LIABILIT | \$70,000.00 | 11/29/2011 |
| G1416.0-12 | JACOBS CENTER FOR NEIGHBORHOOD | HOLIDAY MUSIC/ENTERTAIN SERIES | \$2,500.00 | 12/12/2011 |
| G1035.2-07 | BB&T JOHN BURNHAM INS SVCS | INSURANCE BROKERAGE AND CONSULTATION | \$48,690.00 | 12/21/2011 |
| G1204.1-09 | SMITH WATTS & COMPANY | STATE LOBBYNG SERVICES | \$69,600.00 | 12/22/2011 |
| G1418.0-12 | ASPARIAN, LLC | SQL ASSESSMENT AND DATABASE ADMIN | \$52,900.00 | 12/23/2011 |
| L1059.0-12 | J.L. PATTERSON & ASSOCIATES | BRIDGE INSPECTION SERVICES | \$79,768.00 | 12/31/2011 |
| B0521.2-09 | APOLLO VIDEO TECHNOLOGY | AMENDMENT FOR DVR ENCLOSURES | \$11,073.00 | 1/4/2012 |
| L1062.0-12 | SIMPLEX GRINELL | FIRE ALARM MONITORING | \$99,990.00 | 1/5/2012 |

REVENUE CONTRACTS

| <i>Doc #</i> | <i>Organization</i> | <i>Subject</i> | <i>Amount</i> | <i>Day</i> |
|--------------|--------------------------------|--|---------------|------------|
| L6665.0-11 | CITY OF SAN DIEGO | JROE PERMIT - NCTD SLOPE EROSION REPAIRS | (\$500.00) | 11/29/2011 |
| M6677.2-10 | SANDAG | LEASE AMENDMENT FOR PORTABLE TRAILER | \$0.00 | 11/29/2011 |
| S200-12-510 | JCMS LANDSCAPING | ROE PERMIT - STORM WATER CONT MORTENSON | \$0.00 | 11/29/2011 |
| S200-12-513 | AMERICAN INTEGRATED SERVICES | ROE PERMIT - POTHOLE EXCAVATION SANDAG | \$0.00 | 11/29/2011 |
| G1417.0-12 | AMTRAK | MTS BOOTH AT SANTA FE DEPOT | \$0.00 | 12/7/2011 |
| L1055.0-12 | COLUMBIA TECHNOLOGIES, LLC | ROE PERMIT - H ST EXXON SOIL ANALYSIS | \$0.00 | 12/7/2011 |
| G1420.0-12 | CB RICHARD ELLIS, INC. | STUFF A BUS INDEMNITY AGREEMENT | \$0.00 | 12/8/2011 |
| G1354.1-11 | THE DÉCOR PLAN COMPANY | 1 YR TIME EXTENSION | \$0.00 | 12/12/2011 |
| S200-12-506 | UNIFIED PORT OF SAN DIEGO | CONSTRUCTION AND MAINT AGREE - H STREET | \$0.00 | 12/12/2011 |
| S200-12-507 | UNIFIED PORT OF SAN DIEGO | EASEMENT FOR H STREET XING | (\$1,000.00) | 12/12/2011 |
| G1419.0-12 | CITY OF LA MESA/LA MESA PARKS | TROLLEY WRAP FOR LA MESA CENTENNIAL | \$0.00 | 12/13/2011 |
| L1056.0-12 | JACOBS CENTER FOR NEIGHBORHOOD | ROE PERMIT FOR HOLIDAY PERFORMANCES | \$0.00 | 12/13/2011 |
| S200-12-515 | SPECTRUM GEOPHYSICS | ROE PERMIT UTILITY SERVICE LOCATOR | \$0.00 | 12/21/2011 |
| G0419.2-98 | CITY OF SAN DIEGO | AMENDMENT TO LINEAR PARK AGREEMENT | \$0.00 | 12/22/2011 |
| L1057.0-12 | MILES AHEAD MINISTRIES | ROE PERMIT TO CROSS MTS TRACKS SD 1/2 | (\$500.00) | 12/22/2011 |
| L1058.0-12 | ABC CONSTRUCTION | ROE PERMIT CIVIL CONST JOC CONT. 5001431 | \$0.00 | 1/9/2012 |
| L5729.0-12 | SWINERTON BUILDERS, INC. | JROE PERMIT ARIEL SUITES BEECH/KETTNER | (\$6,500.00) | 1/9/2012 |
| S200-12-516 | CITY OF LEMON GROVE | CONSTRUCTION AND MAINT AGREE - MAIN ST | \$0.00 | 1/9/2012 |

PURCHASE ORDERS (IFAS)

| DATE | PO NUMBER | Organization | Subject | AMOUNT |
|-------------|------------------|--------------------------------|-------------------------------|---------------|
| 11/22/2011 | 3096 | NTH GENERATION COMPUTING, INC. | HP BLADES | \$63,119.32 |
| 11/30/2011 | 3097 | CARLOS GUZMAN, INC. | DECAL INSTALLATION FOR SD8 | \$19,950.00 |
| 11/30/2011 | 3098 | CDW GOVERNMENT, INC. | MODEM | \$894.96 |
| 12/2/2011 | 3099 | THE FRENCH GOURMET INC. | CATERING FOOD | \$2,699.14 |
| 12/5/2011 | 3100 | FIRESTONE TIRE AND SERVICE | WIPER BLADES-TIRES | \$623.70 |
| 12/9/2011 | 3101 | SOFTCHOICE CORPORATION | IRONPORT RENEWAL LICENSE C160 | \$7,392.80 |
| 12/12/2011 | 3102 | CDW GOVERNMENT, INC. | VISIONTEK RADEON | \$994.38 |
| 12/12/2011 | 3103 | KINGSBURY UNIFORMS | UNIFORM PATCHES | \$2,297.75 |
| 12/15/2011 | 3104 | NETWRIX | CHANGE REPORTER SUITE | \$6,277.50 |
| 12/19/2011 | 3105 | MADDEN CONSTRUCTION, INC. | TRANSIT STORE REPAIRS | \$999.31 |
| 12/21/2011 | 3106 | AAA PRINTING COMPANY | COMPASS CARD TAKE ONE | \$4,565.37 |
| 12/27/2011 | 3107 | TECHNOLOGY INTEGRATION GROUP | ARCSERVE | \$803.83 |
| 12/27/2011 | 3108 | INTERIOR SOLUTIONS | OFFICE FURNITURE | \$10,650.95 |
| 12/27/2011 | 3109 | CDW GOVERNMENT INC. | SPEAKERS, COMPUTER, SCREEN | \$697.09 |
| 12/27/2011 | 3110 | SAFEWAY SIGN CO. | BUS STOP BLADES | \$10,365.55 |
| 1/4/2012 | 3111 | PHONE SUPPLEMENTS | HEADSET, EAR PADS | \$445.22 |
| 1/6/2012 | 3113 | CITY HEIGHTS DEV. CENTER | BUSINESS DIRECTORY | \$2,500.00 |